Thank you and good morning…

I’m David Hauxwell, VP of Procurement and Sustainability…I was born in Muskegon, Michigan in the US.

In 2010, I joined the company, starting off in the global Procurement Organisation in Belgium and have since worked on both the Modelo and SAB combination.

For the last two years I have been in the Africa Zone where I focus on delivering synergies in both and costs and cash flow Today, however, I will be talking to you about sustainability and building communities which leads me to a quote that I love:

“if you change your thoughts, you can change the world” and I hope we can show you that today

And I’m Doreen Kosi, VP of Legal & Corporate Affairs. I was born in the Eastern Cape Province. I have been with the company for a year.

Prior to that, I was in the Pharmaceutical Industry for 4 years and before then in government for 17 years.

I am most proud of bringing strong government, civil society and other key stakeholder networks which continue to unlock value for the Company.

I am particularly excited to be sharing the next few minutes with you on a topic that is one of my passions building sustainable communities.

2- DOREEN- 100+
At AB InBev…we are deeply committed to making a real difference in society for the next 100+ years. Just to remind you about what Ricardo mentioned earlier

… in Africa we are focused on 3 key community priorities which also happen to be among government’s primary focus.
3- DOREEN- Key Priorities
These are the Promotion of Moderation and Harm reduction, Investment in Agricultural Development, as well as the Promotion of Entrepreneurship.

Today we will demonstrate that from harm reduction to supporting local sourcing, we intend to continue building strong communities and become an ideal company that not only delivers results but also acts in a socially responsible manner.

We strive to foster a culture of smart drinking through changing social norms and empowering consumers to make smart drinking choices.

4- DOREEN- Umlazi Road Safety
The Africa Zone has implemented a range of meaningful Public-Private Partnerships …, to address the harmful use of alcohol and promote smart drinking.

The Umlazi Township Road safety campaign is one of these key partnerships. Statistically, Umlazi is among the highest contributing areas in car accidents.

It is for this reason that we collaborated with the provincial government of Kwa Zulu Natal through the Departments of Economic Development, Tourism and Environmental Affairs to increase road safety measures in the area. Our goal is to contribute towards the reduction of car crashes by 10% which we have already achieved.

Due to our intervention, there has also been a reduction of fatalities by 10% and injuries by 22%.

5- DOREEN- Smart Drinking Squad
In 2017, we established a dedicated training team called the Smart Drinking Squad. The squad is made up of 100 previously unemployed individuals.

They are tasked with educating, enabling and empowering local communities to consume alcohol responsibly.

6- DOREEN- Smart Trading
The SAB Smart Trader Program focuses on educating retailers on the key principles of smart trading to promote compliance.

Some of these principles include taverns not serving alcohol to intoxicated consumers, pregnant women or anyone underage. Almost $3 million was invested in initiatives for tavern upgrades in the Western Cape, KwaZulu-Natal and Gauteng provinces to enhance infrastructure and pedestrian road safety.
7- DOREEN - 18+
We take a multi-stakeholder approach, working with leaders and experts in the industry on the reduction of harmful use of alcohol…

Our 18+ Be the Mentor campaign is a call to action for adults to become role models in the fight against underage drinking.

We are creating a Movement through mentorship.

8- DOREEN- Low/No Alcohol
We encourage our consumers to make smart drinking choices by ensuring that they have access to both No and Lower-alcohol alternatives.

Castle Free is a product that represents a new era in our own brewing standards while at the same time offering consumers an opportunity to make smart drinking choices.

We are the new headline sponsor of the Springbok Sevens, the Springbok Women’s Sevens and the SA Rugby Sevens Academy teams. This is a huge milestone as it is the first time a non-alcoholic beer brand sponsors a national sports team on the African continent.

We have also launched Flying Fish Chill to meet the growing demand for products that are low in alcohol content and sugar. This product differs from the original offering in that it has an ABV of 3.5%, contains 30% fewer kilojoules and has 35% less sugar and carbs.

In keeping with our commitment to expand our low alcohol portfolio, we are launching Hansa Golden Crisp, as mentioned by Andrea in her presentation.

This is yet another way we are contributing towards smart drinking choices and making the beer category more inclusive.

9- DOREEN- Jumpstart
And as part of our responsibility to communities, we are very excited to announce that we are creating a new non-alcoholic category.

Jumpstart is produced using saved grain from our brewing process. The greatest thing about Jumpstart is that we can provide an affordable drink which happens to be much more nutritious than any other product available in the market.

It’s nutritious!
It’s tasty!
And it’s fun!!!

It’s designed to be enjoyed by the whole family.
Imagine…the impact that this product can have in addressing the important issue of nutrition here in Africa. Jumpstart will initially be available in 3 flavors - Banana, Mango and Pineapple. It is a good source of energy, protein and fiber, with very low levels of sugar.

We can’t wait to launch it in the Limpopo Province during the fourth quarter of this year. We will be sharing a sample of Jumpstart with you during lunch today. There will be a booth outside, manned by Jason Stamm, who is leading this great innovation for the Africa Zone. Feel free to have a chat with him.

Before I leave you in David’s capable hands, I would like to emphasize that we are one of the country’s leading corporate citizens. This places us in a unique position to make a real difference in society. We take our responsibilities very seriously.

I will now turn it over to David to show us more of the good work our company is doing.

10 - DAVID- Ubuntu
Building upon the concept of Ubuntu which Andrea mentioned this morning, we need to do all we can to instil and encourage the spirit of togetherness in Africa.

Being a company of our size, scale and passion we have the ability to use our resources to make a positive difference in our communities.

Now before I go on let's feel the Ubuntu in this room... and our spirit of togetherness...

On the count of 3 I want you all to give me your best Ubuntu!

11 - DAVID- Local Sourcing
This brings us to what is near and dear to my heart the ability to source locally. By making this, a priority, it allows us to be more relevant and support local economies and local reinvestment.

We are happy to say that the majority of our total spend across the Africa Zone is locally sourced, where Southern and West Africa are above 60% and East Africa is above 75%...

In South Africa, an incredible 95% of our spend is local. What sets it apart from the other BU’s is the level of locally sourced agriculture products.

12- DAVID- Proudly South African
In South Africa, our commitment to local sourcing means that we are the only brewer to qualify, and become a member of Proudly South African...

This organization, seeks to strongly influence companies to increase local production, influence consumers to buy local, and stimulate job creation.

13- DAVID- BBBEE
In South Africa, Broad Based Black Economic Empowerment is key to unlocking the country’s full economic potential. BBBEE is a government policy which aims to ensure that the South African economy is structured for transformation enabling meaningful participation of the majority of its citizens.

All companies are measured on a number of BBBEE scorecard elements which culminate to a final score. Enterprise and supplier development is the single largest scorecard component. Preferential procurement makes up a substantial portion of this and over the last year, our score has increased by 25%. We have done this through making our supply chain more inclusive and open to small and medium sized enterprises.

14- DAVID- BBBEE Score Card
What is equally impressive, is that we increased all aspects of our Company scorecard

This has allowed SAB to move from Level 6 to Level 4 in 2018 an incredible 2 years ahead of plan.

15- DAVID- Sustainability Platform
In the Africa Zone we have added Entrepreneurship as an additional pillar to the Global Sustainability program in order to facilitate our local dream of creating 10,000 jobs

16- DAVID- Unemployment
This is because unemployment, particularly youth unemployment, is one of the greatest challenges facing the continent. Looking specifically at South Africa, unemployment has reached 27.2%...in 2018

17- DAVID- Idea Slide
The Africa Zone has decided to act!!!

We launched a National Ad Campaign to attract awareness and stimulate interest in our entrepreneurship program

18- DAVID- Entrepreneurship Programs
We have deployed a robust entrepreneurship agenda that supports a wide range of entrepreneurs across several key programs.

The programs include…

- SAB Foundation, which supports Disabled and Rural Entrepreneurs...
- SAB Kickstart, which supports youth entrepreneurs between the ages of 18 & 35...
- SAB Lerumo, which focuses on Black Women and providing them with coaching and mentoring to support them in starting a new business…
• SAB Thrive, is a Black Owned Equity Fund to transform traditional White owned businesses to Black owned businesses in our existing supply chain…

• Finally, the SAB Accelerator supports skills development for existing and new suppliers by providing business coaching…

To date we are proud to say that we have transformed 14 businesses through our Thrive Fund, coached and mentored 1215 entrepreneurs, and created 1800 jobs.

**19-DAVID- Agriculture**

Moving to agriculture, our key priorities include increasing farmer revenues, expanding farmer margins and enabling farmers to manage and mitigate risks.

To achieve this we have put in place a 3 pronged approach for our research and development to include Variety Development, Crop Management and Farmer Demonstration.

**20- DAVID- Crop Development**

Our R&D approach traditionally focused on the development of improved malting barley because we are acutely aware that without barley, there is no beer.

However in 2017, we launched an expanded program which includes African hops, sorghum, rice, cassava and maize these are also critical brewing ingredients in the African beer markets and our affordable strategy.

This R&D activity is the single biggest localization opportunity we have in Western, Eastern & Southern Africa.

**21- DAVID- Water**

Now moving to water…The supply of readily available fresh water is finite…

Inadequate or poorly maintained civil water infrastructure along with prolonged droughts pose a great challenge across our markets.

**22- DAVID- Water Map**

We know specifically which breweries are in high risk areas and we’re putting in place programs to ensure we are reducing our water usage inside our brewing operations.
23- DAVID- Water Partnership
We are finding more and more that the biggest opportunity is outside our breweries by addressing inadequate infrastructure.

For example, in the City of Tshwane… which some of you may know as Pretoria… we have rehabilitated a natural spring adding water back to the municipal water source.

And in George…in the Western Cape where our commercial hop farms exist, we have collaborated with the World Wildlife Fund to clear alien vegetation to allow natural rainfall to flow into the catchment area.

Both projects have added 6 billion liters of water back into the municipal systems annually.

24- DAVID- Renewable Energy
Renewable Energy provides us an enormous opportunity to help stimulate a young renewable energy sector.

I am pleased to share we have finalized a Power Purchase Agreement for on-site solar at 5 of our South African breweries this equates up to 10% of our South African electricity requirement.

However…because on-site renewable capacity is limited by physical space, we are working on a number ambitious off-site projects to make a more meaningful impact to our renewable commitment…

25- DAVID- Carbon Reduction
As a compliment to Renewable Energy, we are also focusing on other opportunities to reduce our carbon footprint in our breweries and supply chain…

As an example, we have just recently announced our intention to pilot 50 liquefied natural gas trucks in South Africa which will be a first for South Africa.

This will lead to a meaningful reduction in CO2 as we scale this up…

26- DAVID- Packaging
In the Africa Zone, approximately 90% of our beer is sold in returnable glass bottles and crates.

For the remaining packaging content we have implemented several programs to professionalize waste collection. We are developing community engagement content in order to educate the importance of re-use and recycling.
27- DAVID- Sustainability Challenge
I have touched on our 5 sustainability pillars and what we are doing internally to make a difference but in order to think bigger in May we launched the Sustainability Challenge in order to support green entrepreneurs in their quest to create a better world.

We have already short-listed the top 22 ideas from 8 different countries in a few weeks the participants will be joining us in our Johannesburg offices to participate in a 3 day sustainability boot camp.

28- DAVID- Closing
In closing, Doreen and I would like to leave you with a thought which truly resonates in an African context’
It does not help if we are taking a step forward while our communities are taking a step back.

Sustainability, Harm Reduction and Moderation, is not only a part of our business, it is our business…

Thank you very much and we look forward to any questions you may have later.