





 DNA Economics

IMPACT ASSESSMENT
2022



MTHEMBUS

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ABOUT THIS REPORT

The South African Breweries is pleased to present its 2022 SAB Sharp annual impact assessment report and provides an overview of our commitment to champion responsibility in South African communities.

PURPOSE AND SCOPE OF THIS EVALUATION

An annual impact assessment of SAB Sharp programmes is conducted throughout the life of the initiative to assess performance against the specified objectives, as well as programme successes, challenges, key risks, and areas for improvement.

DNA Economics was commissioned by SAB to undertake an evaluation of SAB Sharp and to develop a monitoring and evaluation framework to guide future reporting.

OUR SUITE OF ANNUAL REPORTS



2021 SAB Sharp Impact Assessment



2022 Oxford Economics Report: The Economic impact of the beer sector in South Africa



2021 SAB ESG Report



2022 SAB ESG Report

SAB SHARP BOARD

In 2022, SAB Sharp officially registered as a Public Benefit Organisation (PBO) at the time of this report. The SAB Sharp Board has been appointed to govern and oversee the programme's strategy and management.

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Our SAB Sharp Board is proud of the platform's achievements. As the business continues to grow and evolve, we are reimagining what a beer company can be.

Through SAB Sharp efforts, we strive to champion responsibility within our communities. This report demonstrates, our actions and our success remain grounded in our strong values and purpose: to create a future with more cheers.”

ZOLEKA LISA



ZOLEKA LISA
Vice President, Corporate Affairs
SAB



VAUGHAN CROESER
SAB Vice President Marketing
SAB



NKANYISO MNCWABE
SAB Regional Director Commercial
SAB

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EXECUTIVE SUMMARY

OUR PRIORITY

We focus on addressing some of South Africa's highest-priority challenges by working to curb the harmful consumption of alcohol within the communities we operate in.

Our interventions are based on comprehensive research as well as global best practices and are reviewed on a regular basis in collaboration with internal and external stakeholders.

Responsibility is integrated into our business strategy and systemwide operations, informing our ambition to grow our category responsibly.



EXECUTIVE SUMMARY

This report is the second in the series and is focused on the second year of SAB Sharp implementation that occurred between January and December 2022. It also reports on the broader entrepreneurial support programmes implemented by the SAB Foundation

The aim of the impact assessment of the 2022 SAB Sharp initiative was to evaluate the performance of the programmes against specified objectives, as well as the key successes, challenges, risks, and areas for improvement. This report is the second in the series and aligns with the second year of implementation of SAB Sharp.

A mixed methods approach was applied for the assessment, which involved a review of all available programme and project documentation, as well as primary research with internal project leads, implementation partners, and project beneficiaries.

SAB Sharp was registered as a Public Benefit Organisation in 2022 and the SAB Sharp Board has been appointed to govern and oversee the programme's strategy and management.

A total of R273 million was invested in 2022.

LIVE Sharp

The largest investment of R237 million was made within the LIVE Sharp pillar, focused on building responsible communities. Under this pillar, retailers were supported through two programmes across all 9 provinces.

In addition, 4 Gender-Based Violence support structures were refurbished and handed over to partners in three provinces, and men were educated about GBV through the #NoExcuse 6-pack programme.

DRIVE Sharp

A total of R13million was invested within the DRIVE Sharp pillar, aimed at promoting responsible driving. Over the course of 2022, 10 operational mobile Alcohol Evidence Centres (AECs) were rolled out across two provinces. Further, 508 traffic law enforcement officers were trained on road safety.

In addition, 6,877 riders claimed Uber vouchers through a campaign encouraging drivers to use alternative transport rather than drive after drinking.

TALK Sharp

An investment of R7million was made within the TALK Sharp pillar, which promotes responsible marketing. Within this pillar, two of SAB's brands championed responsible consumption campaigns and 1.8 million people were reached via social media channels.

SELL Sharp

Finally, R16 million was invested within the SELL Sharp pillar to promote responsible trading.

Within SELL Sharp, over 32 000 retailers were reached and assessed on responsible trading principles while 87 illicit traders were supported in attaining trading licences.

In addition, a digital licensing system was developed and is in the process of being handed over to the provincial government in two provinces.



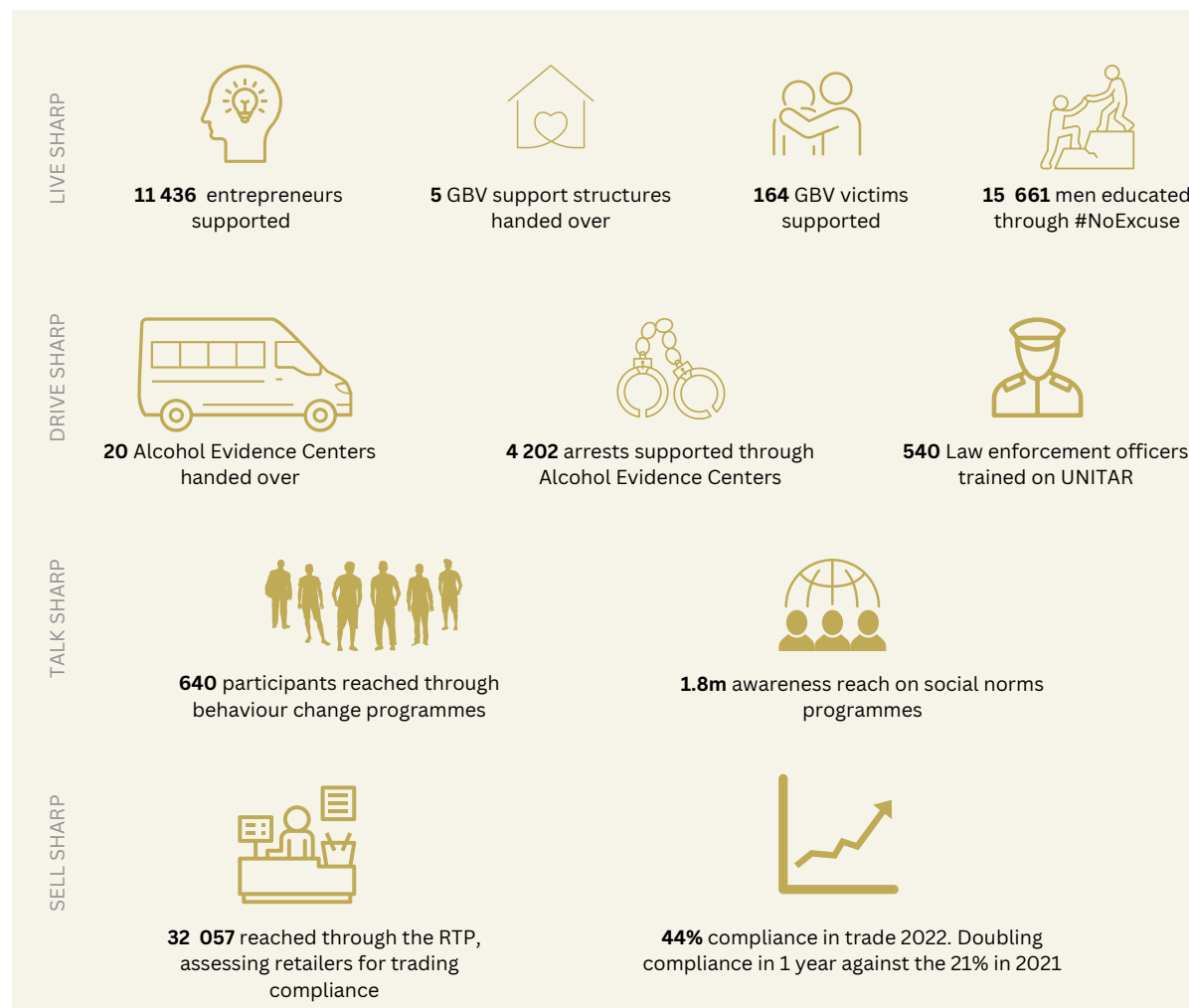
RELEVANCE AND COHERENCE

The SAB Sharp initiative is well-designed to address the key drivers of excessive alcohol consumption. The programmes have been designed based on research and literature regarding the root causes of alcohol abuse and alcohol-related harm (including environmental factors such as unemployment, drink driving, social norms, and illicit trade).

SAB also partners with key stakeholders in government and civil society to bolster existing prevention efforts and aligns with broader country objectives to address alcohol abuse and its effects, such as Gender-based Violence. A survey conducted among a sample of key government stakeholders revealed a high level of awareness and favourability towards SAB Sharp. This evaluation, therefore, finds the SAB Sharp initiative to be both relevant and coherent.

EFFICIENCY

While a conclusive finding on efficiency cannot be made based on the available data for SAB Sharp, the initiative does leverage upon existing efforts, relationships, and projects within the organisation to meet its strategic objectives.



EXECUTIVE SUMMARY

2022 ANNUAL INVESTMENT

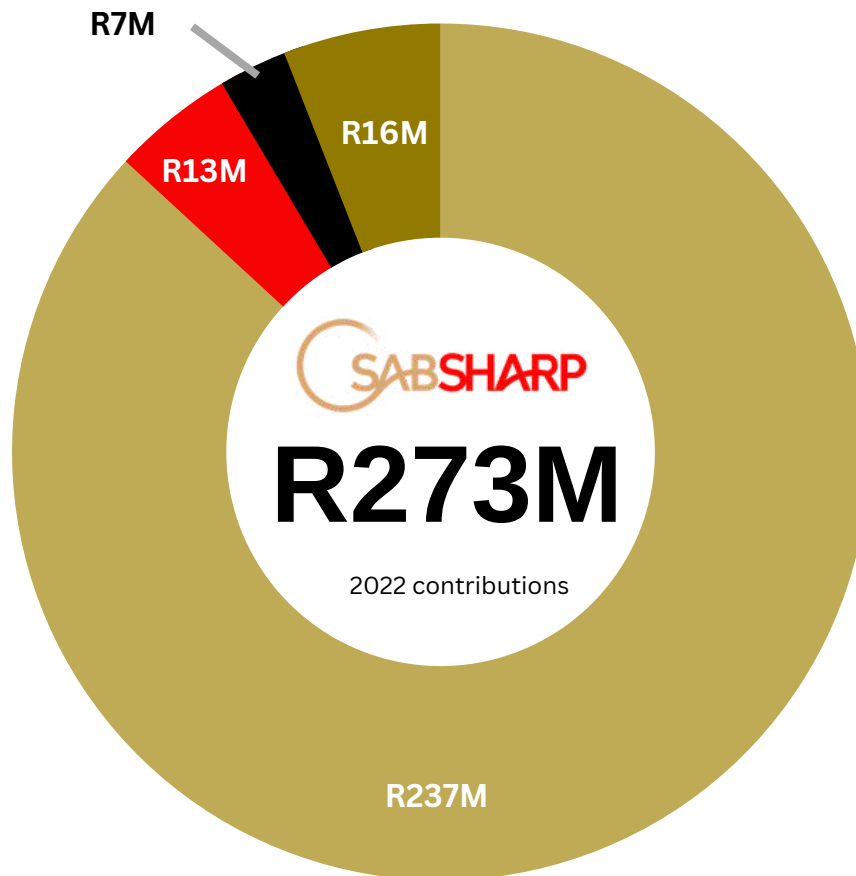
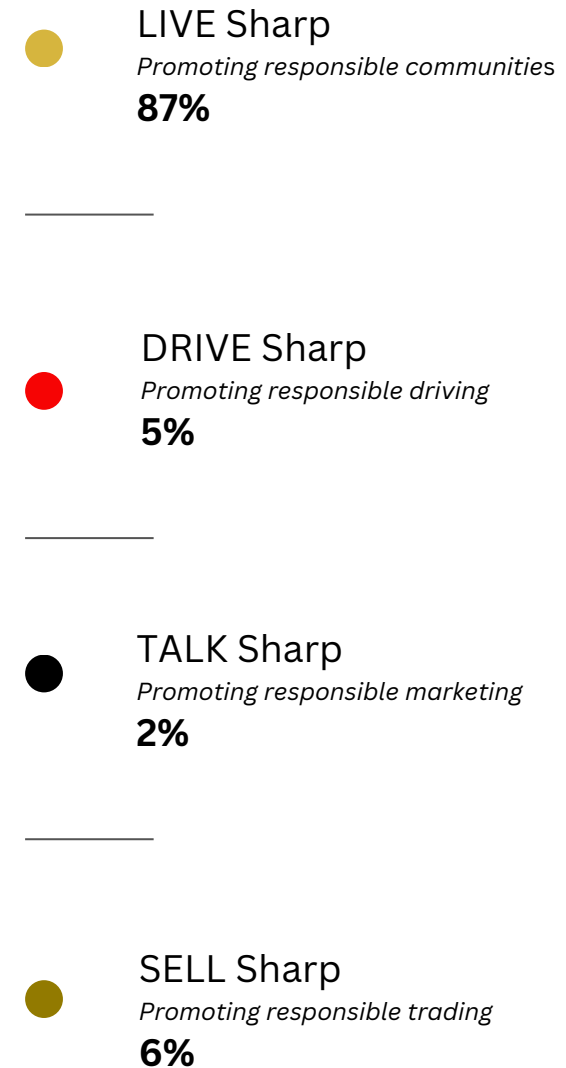


Figure 1. Breakdown of 2022 SAB Sharp investment



BACKGROUND

South Africa's history with alcohol consumption is both extensive and undeniably complicated. Although we have seen various alcohol control measures implemented throughout the years, the irresponsible consumption of alcohol remains high

Through years of research, we have come to learn that alcohol harm goes beyond human weakness and lack of self-determination, but that the environmental circumstances in which people live and work in, play a significant role in society's culture, attitude, and behaviour towards alcohol consumption.

Research highlights unemployment, drink driving, and the vulnerability and abuse of women as factors to consider when discussing harm reduction.

Though only an estimated 31% of South Africans consume alcohol, 59% of consumers engage in binge drinking. South Africa ranks higher in the prevalence of binge drinking, as compared to 49% of peer countries.

Binge drinking is a pattern of drinking alcohol that brings blood alcohol concentration (BAC) to 0.08 percent or higher. For a typical adult, this pattern corresponds to consuming five or more drinks (male), or four or more drinks (female), in about two hours. Further, men have higher levels of binge drinking than women.

In South Africa, binge drinking is exacerbated by the high rate of unemployment. Binge drinking in South Africa is widely accepted in society as a social norm, and mainly happens during the weekend, at home and in bars/taverns, with binge drinkers typically being young, unemployed, unmarried men. Marketing has been identified as a key channel to influence consumer behaviour.

Similarly, irresponsible and excessive drinking has been found to be a possible contributing factor across Gender-based violence and Femicide (GBVF) incidents in South Africa.

Exposure to abuse can be a contributing factor to excessive drinking, giving context to dysfunctional family structures where dependents eventually adopt irresponsible drinking behaviours. Victims of GBVF tend to stay with their abusive partner due to their financial dependency.

In South Africa, the impact of irresponsible consumption on all road-users has been reported as far-reaching and profound for families and communities.

Alcohol is often identified as a contributing factor in both fatal and non-fatal road accidents. With an average of 13 074 fatal road accidents per year, 30% of road accidents in South Africa are linked to drink driving, placing South Africa at the same rank as peer countries. Road accidents are most prevalent in Gauteng, Kwa-Zulu Natal and the Eastern Cape, with most fatal crashes occurring at night (between 19:00-21:00) and over the weekend (Friday-Sunday). Amongst some of the key deterrents for drinking and driving is law enforcement, dire consequences and the fear of getting caught.

Lastly, recent incident reports bring to light the irresponsible behaviour that happens within trade. Irresponsible drinking is amplified by illicit trade, which has a strong correlation and history with alcohol harm. There is great opportunity to use these outlets as channels of influence and change agents of irresponsible behaviour.

Furthermore, research shows that there is a direct correlation between informality and the irresponsible consumption of alcohol.

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INTRODUCTION

SAB Sharp was designed in consultation with government stakeholders, academics, civil society, and subject matter experts, and is based on SAB's business practices in order to make a tangible contribution to the reduction of harmful alcohol use globally. The four pillars are designed to enable SAB to accelerate responsible consumption by leveraging on its scale, reach, partnerships, and expertise. The SAB Sharp strategy is being implemented over a five-year period, from 2021 to 2025.



IMPACT ASSESSMENT

LIVE Sharp	DRIVE Sharp	TALK Sharp	SELL Sharp
<p>Promotes responsible communities <i>Aims to secure and protect jobs and reduce the prevalence of gender-based violence in hotspot areas.</i></p>	<p>Promotes responsible driving <i>Aims to reduce alcohol-related road incidents in hotspot areas.</i></p>	<p>Promotes responsible marketing <i>Aims to reduce binge drinking in hotspot areas.</i></p>	<p>Promotes responsible trading <i>Aims to ensure that SAB's customers are responsible traders.</i></p>
<p>Entrepreneurship Programmes Supports entrepreneurs, farmers, and retailers to build profitable and sustainable businesses.</p> <p>Gender-based Violence Programmes <i>Women-focused programmes</i> Supports vulnerable and/or at-risk women by providing accommodation, clothing, meals, counselling, and access to legal advice as well as the South African Police Services.</p> <p><i>Men-focused programmes</i> The #NoExcuse campaign focuses on developing positive masculinity among South African men through mentorship, counselling, and equipping them to process emotions in a non-violent manner.</p>	<p>Alcohol Evidence Centres (AECs) Supports the roll-out of AECs in hotspot areas to facilitate the testing and prosecution of drink driving offenders.</p> <p>UNITAR Training Programme Supports law enforcement through the training of road safety officers and decision-makers on the UNITAR Management Practices for Safer Roads Toolkit.</p> <p>Uber ride-sharing campaign Encourages a zero-drink driving culture amongst consumers by providing Uber vouchers in hotspot areas to prevent drink driving incidents.</p>	<p>Social Norms Marketing Programme Leverages on SAB's key brands to promote responsible alcohol consumption in an effort to change societal norms around binge drinking.</p> <p>Self-Regulation Programme Ensures that best-practice and responsible messaging is demonstrated in all SAB marketing materials and communications through the Responsible Marketing and Communications Code (RMCC) platform called The Collective</p>	<p>Responsible Trading Programme Outlets are trained and audited in accordance with legal requirements and global responsible trading principles.</p> <p>Formalisation Programme Supports illicit outlets that have shown intent to legalise but have failed to obtain trade licenses.</p> <p>Digital Licensing Programme Digitalises the liquor licensing system for provincial government.</p>

Table 1. An overview of the SAB Sharp initiative

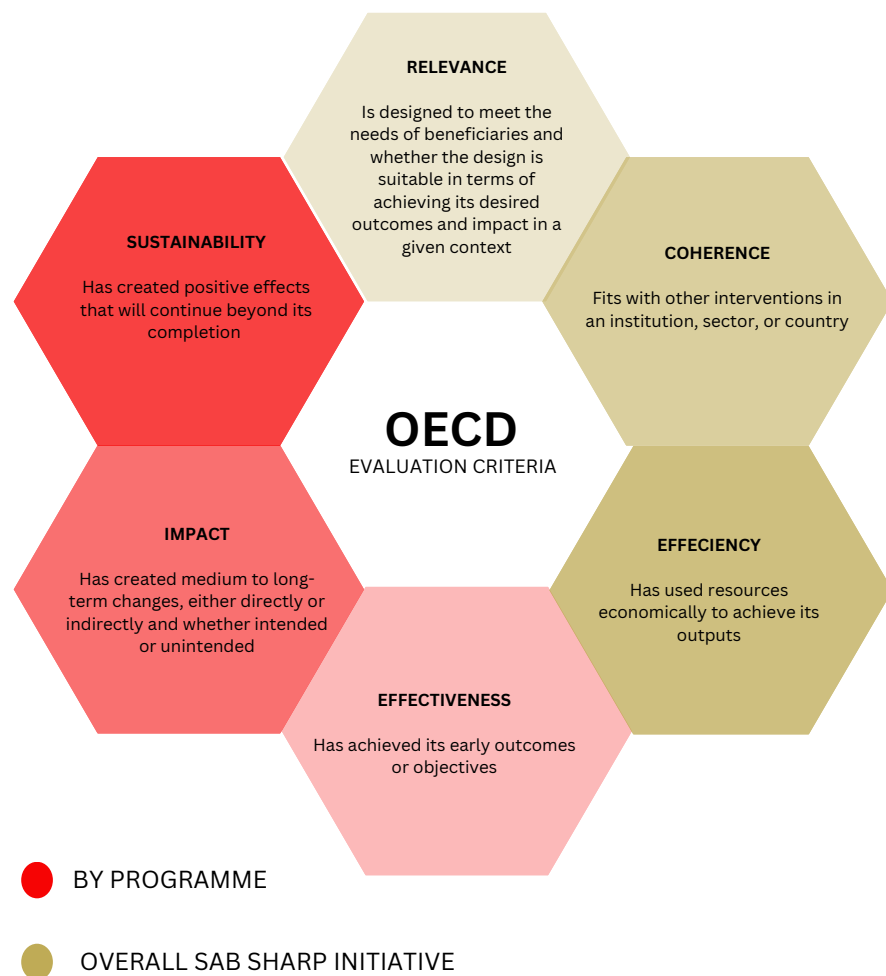


Figure 2. Evaluation criteria

EVALUATION APPROACH AND METHODOLOGY

A mixed methods approach was applied for the evaluation, involving a review of all available programme documentation and data, as well as primary research, which involved interviewing eight internal project leads within SAB, an external implementing partner, as well as 21 programme beneficiaries (10 beneficiaries from the AGMO programme and 11 from the RTP programme).

The evaluation questions were aligned to the six evaluation criteria specified by the OECD's Development Assistance Committee (Table 2). Some of the criteria were used to assess SAB Sharp at an overall programme level (relevance, coherence, and efficiency) while others were used to evaluate specific projects (effectiveness, impact, and sustainability).

Pillar	Programme	Effectiveness & impact	Sustainability
LIVE Sharp	Entrepreneurship programmes	The programme has successfully supported entrepreneurs and farmers to develop their business skills and has provided support for growth.	While the benefits to business owners are likely to continue, their sustainability in the long term will likely be affected by future access to financial and technical support.
	Gender-based Violence Programmes <i>Women-focused programmes</i>	The programme has successfully handed over GBV support structures, although it is too early to assess the longer-term outcomes among victims at this point in time.	The programme model is likely to ensure sustainability so long as partners that take over the operation of the GBV support structures have sufficient funding to operate.
	Gender-based Violence Programmes <i>Men-focused programmes</i>	The Carling Black Label #NoExcuse reached a large audience of men with awareness and educational campaigns. While positive feedback has been received from some of the men that have participated in the campaigns, it is too early to assess the longer-term outcomes around behaviour change at this point in time.	Given the complexity of behaviour change programmes, it is unclear whether the #NoExcuse campaign will create sustainable effects among the targeted audience.
DRIVE Sharp	Alcohol Evidence Centres (AECs)	The programme has successfully handed over the targeted number of AECs to law enforcement partners and early evidence demonstrates effectiveness in making the arrest process more efficient, although its effect on prosecution rates is not yet known.	The programme model is likely to ensure sustainability given that the AECs are handed over to law enforcement partners to operate.

Table 5. Summary of evaluation finding by programme

DRIVE Sharp	UNITAR Training programme	The programme has successfully trained traffic law enforcement officers across the country who found the information useful.	The advancement of knowledge among traffic law enforcement officers is likely to be sustained over time.
	Uber ride-sharing campaign	Two campaigns were successfully run (during the Easter period and at a festival) when drink driving is likely to be high. No information was available on the third campaign at this time of this report. It is unclear whether vouchers were redeemed by intoxicated persons, and thus unclear if drink driving was curbed.	The benefits of the campaign are unlikely to be sustained over time without additional campaigns to incentivize drivers to use alternative transport when drinking.
TALK Sharp	Social Norms Marketing programme	Two campaigns were successfully run by SAB's key brands. While an improvement in reported behaviour was seen for the Carling Black Label 'Champion Within' campaign, no such measures were undertaken for the Flying Fish 'Eat before you drink' campaign.	It is unclear whether the benefits will be sustained given the complexity of behaviour change and the need for reinforced messaging and incentivisation.
	Self-Regulation programme	The RMCC was further embedded within SAB's marketing operations and enforced with an auditing mechanism. However, not all brands are currently compliant.	The Collective is likely to be sustainable given its continuous implementation within SAB's marketing practices.]
SELL Sharp	Responsible Trading programme	The programme has exceeded its target for the number of outlets audited and an improvement in the compliance rate of outlets has been seen from 2021 to 2022.	The benefits of the programme are likely to last beyond the life of the SAB Sharp initiative given that responsible trading is being driven by the commercial team.
	Formalisation programme	The programme successfully assisted illicit outlets to attain a liquor licence, although the annual target was not met.	The programme has been discontinued given the high cost and modest overall success rate.
	Digital Licensing programme	The programme has successfully developed and handed over a digital licensing system in one province (a total of two provinces to date).	The programme model is likely to ensure sustainability so long as local governments continue to use and maintain the systems.

LIVE SHARP

SAB aims to support the creation of responsible and empowered communities by addressing the environmental factors that drive alcohol abuse and endanger women and children, such as unemployment and dysfunctional family and social structures. Several evidence-informed interventions are offered with the aim of creating sustainable jobs, protecting women from Gender-based violence (GBV), and driving economic inclusion and upliftment of women, youth, and businesses in townships and rural areas.



ENTREPRENEURSHIP PROGRAMMES

The Entrepreneurship programme aims to create sustainable jobs and uplift communities in which SAB does business by driving economic inclusion and growth among farmers, retailers, other entrepreneurs, social innovators, and micro enterprises with a focus on small township, rural, women- and youth-owned businesses.

The programme provides growth support to small businesses through the provision of access to training, funding, markets, and infrastructure. Opportunities offered within the Entrepreneurship programme are advertised via social media, traditional media (magazines, newspapers, radio, and TV) and via SAB's website.

The overall goal of the entrepreneurship programme is to support 35,000 small businesses and entrepreneurs by 2025. A range of support was provided to farmers, retailers, and entrepreneurs in 2022, described below.





FARMER SUPPORT

SAB offers support to emerging and commercial farmers within two programmes, with the aim that they become profitable and sustainable (funded outside of the SAB Sharp budget). First, the FarmSol Emerging Farmer Development programme focuses on growing black small-scale farmers into sustainable farming entities by providing access to funding, skills development, training, and mentorship. The implementation of the FarmSol programme dates back to the SAB's Public Interest Commitment (PIC) that stemmed from the merger with AB InBev. Second, the Agricultural Development programme supports commercial farmers with skills and knowledge sharing, and technological and financial development. Both emerging and commercial farmers are assessed against the SAB criteria of being skilled, connected, and financially empowered. However, the support offered under each criterion varies slightly across the two farmer groups.

Effectiveness and impact

In 2022, 94 emerging farmers were supported under the FarmSol Emerging Farmer Development programme, of which 59 were maize farmers and 35 were barley farmers. The emerging farmers received funding, crop seeds, mentorship, and agronomist consultations during the programme. A total of 429 commercial farmers were supported under the Agricultural Development programme in 2022, of which 422 were producing barley and 7 were producing hops. The distribution of farmers supported through the farmer programmes cuts across all the nine provinces.

All of the emerging and commercial farmers supported in 2022 met the criteria to be considered as being skilled, connected, and financially empowered. Farmers have adopted good agricultural practices and are consistently repaying their loans. Emerging farmers have also remained connected via SMS, and commercial farmers are joining the SmartBarley App. The good relationship between SAB and the farmers has continued beyond the PIC, and this has contributed to the programme's successes.

Some farmers have seen significant increases in revenue and turnovers. Some emerging farmers have moved from subsistence farming and have started generating profits. Considering the past successes of the FarmSol programme within the PIC, SAB hopes to see an improvement in crop yields and farmers' ability to diversify crop processes. However, the ongoing problems that emerging farmers face, including access to land and mechanisation equipment, may hinder their success.

Sustainability

The outcomes of the programmes will be sustainable as long as farmers have access to and support regarding funding and technical advice from agronomists. However, the challenge lies with farmers' being able to access these services independently of the support from SAB. Banks and financial institutions may not be willing to offer farmers interest-free loans or even finance small-scale farmers. These factors may limit the sustainability of the programme outcomes.



RETAILER SUPPORT

SAB supports retailers and outlets in building sustainable, diversified, and resilient businesses through two programmes. The first programme focuses on supporting taverns within SAB's customer base with infrastructural upgrades and renovations (AGMO programme). The second programme, the Reboot programme, assists with the reinstatement of flagship outlets and provides business rescue support. Within the Reboot programme retailers are provided with business skills training, access to credit, and business booster packs to ensure that they are equipped to operate.

Effectiveness and impact

In 2022, SAB supported a total of 3 513 retailers across the AGMO and Reboot programmes (116 retailers). Within the AGMO programme, SAB provided retailers with infrastructure upgrades to the value of between R45,000 and R90,000 each. The total investment made for the upgrades amounted to R121 million.

Within the Reboot programme, 116 outlets were reinstated to the SAB customer base across four provinces and received business skills training, access to credit, and business booster packs.

Of the ten beneficiaries interviewed from the AGMO programme, six reported that their outlets had been painted and provided with signage from the programme. Several respondents also reported receiving furniture while one beneficiary had been given a fridge and Wi-Fi for their business. These beneficiaries gave positive feedback about the programme. Most owners observed that the improved appearance of their outlets attracted more customers. One of the beneficiaries found that the assistance from SAB was helpful because they were able to renovate the other areas of their outlets using their own funds.

However, some beneficiaries stated that SAB did not engage with them about the changes they wanted or fully explain what the upgrades would involve. Hence, they requested that SAB consult with owners before carrying out upgrades. Further, four of the ten beneficiaries contacted reported that they had not received any infrastructural upgrades to their outlets from the programme.

Sustainability

The outcomes of the Retailer Support programme are likely to be sustainable as businesses were not only assisted with financial support for their outlets, but owners were also equipped with the knowledge and skills to operate the businesses, which will benefit them in the long run. However, in the case of reinstated businesses, it is too early to tell whether they will be profitable and sustainable over the long term.

Learnings

1.The support to be provided as part of the infrastructure upgrade should be communicated to retailers upfront (including the value of the support and what it will entail, for example, equipment, furniture etc.)



SAB FOUNDATION

The SAB Foundation provides funding and mentorship to entrepreneurs and social innovators, with the aim of creating and growing sustainable businesses that contribute to job creation, address social issues, and build communities. The projects focus primarily on vulnerable women, youth, and people living with disabilities in rural and township areas, and include the Tholoana Enterprise programme, the SocioNext programme, the Social Innovation and Disability Empowerment Awards, and the Mendusa Organisation for Disabled Entrepreneurs (MODE) programme. The SAB Foundation collaborates with SAB Sharp to deliver the SAB Sharp Awards (previously known as the Reduction of Alcohol Misuse Awards).

A. THOLOANA ENTERPRISE PROGRAMME

The Tholoana Enterprise programme is a 2-year programme that helps develop small businesses at their early stages of growth. SAB partners with Fetola, a social enterprise development consultancy, to provide businesses with mentorship, skills training, access to markets, and seed funding. The programme enables businesses in rural areas and those operating outside mainstream supply chains to access corporate systems and provide goods and services in isolated geographic regions.

To date the programme has supported 602 entrepreneurs across 9 cohorts, of which 50% are women, 3% are persons with disabilities, 57% are youth, and 60% are from rural communities. Longitudinal tracking of 405 of the entrepreneurs supported has revealed an 87% increase in business turnover, 45% growth in jobs, and a 40% decrease in

lived poverty among beneficiaries, which is measured across several indicators (including shelter, clean water, nutrition, electricity, cash income, medical treatment, fuel to cook, and money to send children to school). The entrepreneurs also reported a 45% increase in business knowledge and skills on average.

In 2019, a dedicated fund was established for the alumni of the Tholoana programme to provide further financial support in the form of grants and interest-free loans. The Tholoana Enterprise Programme Alumni Fund was introduced to address the significant challenges entrepreneurs face in accessing further funding, and provides deal financing, growth financing, and equipment financing for growth to alumni that meet specific criteria. Through the Fund, a 194% growth in jobs and 230% increase in business turnover has been achieved.

B. SOCIONEXT PROGRAMME

The SocioNext programme offers a week-long accelerated workshop aimed at equipping unemployed individuals living in disadvantaged areas in South Africa with the skills and confidence to establish a business within their communities. During the workshops participants are taught how to build a business, starting with brainstorming ideas to developing the business plan and creating a viable business venture. Participants are also taught how to sell to consumers and to pitch their ideas to potential investors. The programme aims to cultivate a thriving network of individuals that will serve as a pipeline for the Tholoana Enterprise Programme.

To date the programme has supported 2,179 entrepreneurs (68% women, 75% youth), of which 51%

are operating their business initiated during the programme. A total of 280 new jobs have also been created through the programme.



C. SOCIAL INNOVATION AND DISABILITY EMPOWERMENT AWARDS

The Social Innovation and Disability Empowerment Awards is another programme run by SAB Foundation that looks to support innovative ideas and start-ups that address challenges faced by vulnerable groups in society, particularly low-income women, youth, and people living with disabilities. The winning projects are awarded funding ranging from R200,000 to R1.3 million, as well as business development support and tailored mentoring to assist with venture growth. The Social Innovation programme also provides further funding to previous winners of the awards through the Social Innovation Fund.

To date the programme has supported 174 social innovators (40% women, 50% youth, 30% rural) who have addressed social issues in a variety of sectors including housing, healthcare, education, disability services, energy provision, recycling, conservation, water and sanitation, community safety, and agricultural sustainability. A job growth rate of 173% and 65% turnover increase have been achieved through the programme to date.

The SAB Foundation also established the Social Innovation Fund in 2017 to provide previous winners with additional financial resources as well as access to a business acceleration programme. To date the Fund has supported 48 programme alumni.

D. MEDUNSA ORGANISATION FOR DISABLED ENTREPRENEURS (MODE)

The Medunsa Organisation for Disabled Entrepreneurs (MODE), established in 1993, offers a business support programme that empowers and equips people living with disabilities to create self-employment and generate an income to support themselves. Participants go through an initial screening process for literacy, numeracy, and entrepreneurial traits, and are then enrolled into a holistic business training course. Upon successful completion of the course, participants are offered a start-up grant to start income-generating micro-ventures.

E. SAB SHARP AWARDS

The SAB Sharp Awards programme provides funding and mentorship to entrepreneurs that develop innovative solutions to address social problems, particularly those that tackle irresponsible alcohol consumption and GBV&F, and that demonstrate sustainable business models. The programme was piloted in 2021 during which time the SAB Foundation put out a call for applications and shortlisted businesses that met the criteria. A hackathon was then hosted to help the selected start-up businesses to refine their ideas.

The businesses then pitched for funding and five winners were selected in November 2021 to receive a combined total of R2.5 million in grant funding, 700,000 in business support, as well as coaching, mentorship, and technical support.

The SAB Foundation continued to support the five winners with funding, mentorship, and technical support in 2022. Three of the winning start-ups are using technology (artificial intelligence and virtual reality) to address alcohol misuse, one is working with an NGO to develop a course to help drink-driving offenders, and the other is working on a geo-mapping tool for retailers in townships to map areas that have high consumption in which to facilitate targeted interventions.

Work on the projects is still underway, and it is therefore too early to assess outcomes and sustainability.



GENDER-BASED VIOLENCE PROGRAMMES

WOMEN-FOCUSED PROGRAMMES

The Women Safety programme aims to uplift and improve the safety of vulnerable women in South African communities. It is designed to combat the high prevalence of GBV&F through the refurbishment of GBV support structures in high-risk areas to provide victims with the necessary care, to help them to rebuild their lives and improve their circumstances, and to restore their dignity.

Under this project, SAB supports the refurbishment, resourcing, and roll-out of operational GBV support structures in South Africa. The support structures are established in areas with a high prevalence of GBV, as identified through the South African Police Services (SAPS) and Department of Social Development (DSD). Victims are accommodated at the support structure for up to three weeks and provided with meals, clothing, and toiletries. The support structures also provide trauma counselling, medical assessments, and legal support to victims in line with the vision set out by the DSD, as well as awareness campaigns to direct victims to the services. Women that access services and that are later ready to pursue businesses will be offered entrepreneurship training and support.

SAB has partnered with the DSD, local government, SAPS, and NGOs in delivering this project, and aims to hand over 16 operational GBV support structures and support 2,000 women victims by 2025. A benchmarking and mapping exercise of GBV support structures was completed in 2021 to identify and assess existing support structures in the country. In 2022, SAB planned to refurbish and hand over 4 GBV support structures to the DSD.

Effectiveness and impact

Several successes were recorded for the project in 2022. SAB handed over 4 GBV support structures to the regional DSD departments in three provinces during the course of the year. After the support structures were identified through the initial benchmarking exercise, due diligence was done on the properties. Once approved, the support structures were refurbished and funds were provided to purchase necessary items such as furniture, bedding, and clothing. Two support structures were refurbished in Mpumalanga, one of which was a mobile GBV unit donated to SAPS, while the other two were in the Eastern Cape and Western Cape.

By the end of 2022, a total of 164 women GBV victims had received services from the 4 GBV support structures handed over by SAB, the majority of whom were based in Mpumalanga (129), followed by the Eastern Cape (37) and Western Cape (35).

Further, partnerships with provincial and regional stakeholders were established and fruitful. The cooperation and support from stakeholders such as the South African Local Government Association (SALGA) were instrumental in the handover of the support structures. The roles of the stakeholders were clearly established and understood; SAB's role was to refurbish and equip the GBV support structures, while support services like counselling and legal advice are provided by partner stakeholders. SAB intends to strengthen these partnerships and hopes to have a national agreement with the DSD in future.

Several challenges were also experienced during the project in 2022. The refurbishment of the GBV support structures was delayed by the due diligence process. Numerous checks were required during the due diligence process and some of the stakeholders were not cooperative in providing the required information. Given that this was SAB's first year undertaking the refurbishment of support structures, there was no standard approach in place.

Further, delays were also experienced as a result of changes in leadership in some local governments, as SAB had to engage and onboard the new representatives, which lead to changes in the implementation plan during the second half of the year. As a result, the support structures were only handed over and begun operating towards the end of 2022, and the outcomes of the project are thus yet to fully materialise.

Sustainability

As mentioned above, the outcomes of the project are yet to emerge because the support structures were handed over towards the end of the year. However, the design of the project, with SAB refurbishing the support structures and handing them over to partners that will operate and manage them, is likely to be sustainable so long as they have funding to maintain the support structures and provide the required services.

Learnings

- 1.A clear outline and strategy for due diligence must be in place when selecting GBV support structures that are to be refurbished, which can be developed in line with the learnings from 2022.
- 2.SAB should leverage existing partnerships with stakeholders to improve implementation.

GENDER-BASED VIOLENCE PROGRAMMES

MEN-FOCUSED PROGRAMMES

In addition to the direct support provided to GBV victims, SAB is working to address high rates of GBV&F in the country by educating men through the #NoExcuse campaign run under the Carling Black Label brand. The #NoExcuse campaign was launched in 2017 and consists of a year-round and countrywide campaign, specific campaigns run during the 16 days of Activism in December, and a WhatsApp support line. The campaign aims to develop positive masculinity among South African men through mentorship, counselling, guidance, and by giving them the tools to deal with their emotions in a non-violent manner. It also provides support to female victims of GBV. In 2021, a #NoExcuse centre was established in Alexandra township as part of the 16 days of Activism campaign.

The year-round Champions for Change project, which is run throughout the country in partnership with non-profit organisation Father a Nation (FAN), places mentors in GBV hotspot areas to support men and raise awareness through university and college talks, sponsored soccer tournaments, and other events. In addition to the Champions for Change project, FAN started the Champion Soldier programme which engages men in communities on GBV and positive masculinity and invites them to sign a 'renew all' vow. The NPO also runs the Bands of Men project, which organises men in small groups on WhatsApp to have supportive conversations. In 2022, SAB aimed to educate 4,000 men through the #NoExcuse 6-pack.

Further, FAN facilitates engagements with abused persons, perpetrators and at-risk perpetrators through a WhatsApp Line called 'Bravest Things'.

Abused persons or persons seeking assistance for abused persons are referred to Lifeline for counselling. Perpetrators and at-risk perpetrators are referred to FAN mentors for support.

Effectiveness and impact

A total of 86,050 men were directly reached across 401 events held by the #NoExcuse campaign in 2022. FAN conducted a range of community engagements and partnered with other organisations to present the #NoExcuse message at events. They also undertook outreach campaigns in public places, conducted door-to-door visits, and addressed gatherings of men in different communities.

The #NoExcuse 6-pack is a course offered by FAN that teaches men six virtues that will help them develop positive, healthy masculinity and build healthy relationships with themselves and the people around them. Men are trained to be a force for good - by taking collective responsibility for the safety of the women, children and other men in their community, have 'gangs' of men doing good deeds to build society instead of committing crime; and developing norms around masculinity to love, serve, and protect.

Further, 3,023 men were trained through the #NoExcuse 6-pack course in 2022, which was conducted both in-person and virtually in several local languages. Since opening its doors in December 2021, the #NoExcuse centre in Alexandra has received 1,489 walk-ins and has reached 10,450 people through FAN programmes and events. FAN has also established partnerships with a broad range of organisations, including universities and

TVET Colleges, the South African National Aids Council (SANAC), and the GBVF Fund. FAN partnered with Takawane Riime and SANAC for the Champ Camp in 2022, which involved men from each one of the 52 districts of South Africa.

In addition, four events were held for the 16 days of Activism, namely 6-pack training and soccer tournaments in Soweto with 320 men, a tavern-based 6-pack training event in Cape Town for 120 men, a training event in Polokwane for 100 men, and a college training event in KwaZulu Natal for 150 students. FAN has also engaged in talks and events across a wide range of media channels.

FAN recorded 5,322 engagements on the Bravest Things WhatsApp Line in 2022. The total engagements included 2,761 calls made to Lifeline and 1,509 calls for FAN mentors. 32% of the Lifeline callers were worried about their own or someone else's life, while 67% of the Lifeline callers wanted to speak to a counsellor.

The #NoExcuse campaign faces some challenges despite the notable results it has achieved. #NoExcuse campaign events are affected by the ongoing loadshedding in the country. Similarly, the impact of the COVID-19 pandemic continues to affect the progress of the campaign.

Further, it has been difficult and costly to transport men to the event locations. However, the FAN has been able to overcome this by training mentors and facilitators from the same communities with high incidences of GBV&F, as well as reaching out to their partners to provide them with vehicles they can use for the campaign. The #NoExcuse campaign has received positive feedback from the men who have participated in

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the programmes, and some of the men's wives and family members have provided testimonies about the transformation the men have undergone since taking part in the programme. In addition, some of the men have started mentoring other men in their communities. However, it is unclear whether the programme has led to consistent behavioural change among the men as this is difficult to measure.

Sustainability

The #NoExcuse campaign has reached thousands of men since its launch in 2017. The campaign is implemented under the Carling Black Label brand and it is unclear how long it will run for. However, the roll out of the campaign may continue beyond the life of the SAB Sharp programme through the partnerships FAN has established with government and non-profit organisations. It is, however, difficult to assess whether the benefits of the programme are sustainable since the behavioural change and the extent of impact are not easily measured.



SCREENING AND BRIEFING INTERVENTION REFERRAL AND TREATMENT (SBIRT)

The Screening and Briefing Intervention Referral and Treatment (SBIRT) uses a global toolkit developed by the AB InBev Foundation (ABIF) to raise awareness of alcohol use and advise alcohol users to adopt better lifestyles. The Screening and Briefing Intervention (SBI) toolkit screens people for alcohol use using a three-question interview guide. Based on the responses, a score is calculated that assesses the respondent's risk of heavy drinking or abuse, and high-risk individuals are referred for help to treat substance abuse.

While this programme was not implemented in 2022, a roundtable session was held to reflect on the learnings and the results collected and reported on in the 2021 report. The session included various stakeholders from academic institutions, public, and non-profit organisations. A thought piece on the roundtable session summarising the key learnings was published in 2022.

One of the key lessons that emerged from the conversation is the importance of working with both public and private sector entities to implement the SBIRT programme. ABIF partnered with the University of Witwatersrand and established a steering committee that included members from the Gauteng Liquor Board, the Department of Health, and the metro police. Several challenges were identified around scaling the intervention up in new communities, including limited infrastructure, inadequate human resources, and technological limitations, particularly for data collection and processing for effective decision-making. It was noted that the SBIRT programme could be combined with other community health programmes to increase access.

DRIVE SHARP

SAB Sharp aims to improve road safety by cultivating a zero-tolerance approach to drinking among drivers and ultimately reduce the incidence of drink driving. The interventions in the pillar were designed based on research conducted by SAB, which found two key deterrents against driving while under the influence of alcohol, namely effective law enforcement and the fear of being caught and prosecuted. As a result, the interventions are designed to capacitate law enforcement officials and governmental custodians of road safety with the required infrastructure, equipment, technology, and knowledge to operate effectively and to ensure compliance among road users. The interventions are offered in partnership with several key stakeholders, including provincial and municipal traffic law enforcement departments, and the United Nations Institute for Training and Research (UNITAR).



ALCOHOL EVIDENCE CENTRES

Alcohol Evidence Centres or AECs are facilities equipped with state-of-the-art testing equipment that is used to enforce breath-alcohol limits among drivers and accelerate the prosecution of offenders. Drivers suspected of being under the influence of alcohol are taken to the AEC for testing of their breath alcohol content. The AECs are equipped with Evidentiary Breath Alcohol Testing machines (EBAT machines), which offer an alternative testing method to blood tests, and enable the provision of immediate results which are admissible in court (accepted by the National Prosecuting Authority and in line with RTMC guidelines). An individual test takes approximately 12 minutes. The machine prints out five copies of the results: one for the driver, one for the docket, and three for the police and traffic records, after which the results are deleted. This reduces the probability of corruption and tampering. Further, the machine enables the rapid processing and prosecution of drunk drivers, which can occur within as little as 14 days.

Under this programme, SAB invests in the construction, refurbishment, or purchase of brick-and-mortar and mobile AECs in hotspot areas with high drink-driving and fatality rates, and where municipalities are willing to work with SAB as active partners. Fixed AECs are equipped with EBAT machines, data-capturing resources, and holding cells in line with RTMC compliance requirements. The programme also provides office equipment and technology for the Centres, as well as training on the

use and methodologies of AECs and EBAT machines to law enforcement officers and other key stakeholders, including investigators, prosecutors, and judges. There is an international standard reporting procedure that enforces EBAT machine use by local authorities and the EBAT machines are calibrated annually by the National Metrology Institute of South Africa (NIMSA). As a result of Covid-19, the use of EBAT machines only commenced in 2021 after the pandemic.

The ultimate goal of the AEC programme is to roll out 50 fully operational AECs by 2025 (10 AECs per year). At the end of 2021, 10 physical AECs were established across four provinces, namely, the Eastern Cape, Gauteng, KwaZulu Natal, and Limpopo.

Effectiveness and impact

In 2022, a total of 10 mobile AECs were rolled-out, thereby meeting the annual target. The mobile AECs were deployed to support the physical AECs (buildings) in the Eastern Cape and Gauteng (see Figure 6 below). In 2022, SAB revised its approach from establishing and refurbishing brick-and-mortar centres to rolling out mobile AECs to support existing Centres in the hotspot areas. Mobile AECs function the same way as fixed physical structures. However, they are more efficient as they allow law enforcement officers to carry out their functions without being confined to a specific area and can be deployed at roadblocks. In addition, more mobile AECs can be placed in areas with high drink driving

incidents to increase the presence of law enforcement officers on the road and the chances of perpetrators being caught. In total, seven mobile AECs were handed over to the JMPD in Gauteng, and three mobile AECs were handed over to traffic services in the Eastern Cape – two in Gqerberha (Nelson Mandela Metro Police) and one in Buffalo City (Buffalo City Traffic Services).

The Road Safety AEC app (RSAEC), which was developed to support law enforcement stakeholders to track and monitor road fatalities

linked to drink driving, is being tested and implemented by the JMPD and will be implemented across other provinces over the next three years.

The AEC programme achieved some notable successes in 2022, namely the successful roll-out of 10 mobile AECs, which brings the total number of AECs rolled out to date to 20. The programme is on track to reach its target by 2025. In addition, 2,160 arrests were recorded in 2022. This is a 6% increase in the number of arrests as compared to the previous year (2,042 in 2021).

A post from SAB's Facebook page to raise awareness about the AECs

The programme also faced several challenges. First, there was a backlog in the calibration of EBAT machines, which needs to be done annually for compliance purposes. When machines are in for or pending calibration, they cannot be used.

There was also a shortage of blood testing kits available at roadblocks in 2022, which reduced the number of drink-driving arrests. By law, drink-driving suspects can refuse to be tested with an EBAT machine but cannot refuse a blood test, which affects the utilisation of AECs and EBAT machines.

Further, there were inefficiencies with the capturing of docket at AECs. The law requires that physical dockets are made available when drink-driving suspects are arrested, which the law enforcement officer then captures into the system. This creates a duplication of work and physical dockets can get lost before they are captured. In addition, not all AECs were loaded to the RSAEC app by the end of 2022, which affected reporting. To date, there is only one region that is using the system fully. Finally, data on the number of prosecutions is not yet available.

Sustainability

The results achieved by the programmes are likely to be sustainable. During implementation, SAB hands over the fully functional AEC structures to law enforcement and provides training to all relevant stakeholders involved. The programme was designed to ensure that relevant stakeholders are well-equipped to operate the AECs even after the programme has ended.



UNITAR TRAINING PROGRAMME

SAB has partnered with the United Nations Institute for Training and Research (UNITAR) for the Management Practices for Safer Roads Toolkit. The toolkit provides stakeholders with an open-source methodology for improving road safety and outlines best practices for data collection, identifying key risk factors linked to road traffic accidents, corrective measures, and impact measurement. Under this programme, SAB supports the training of key road safety officers and decision-makers via an interactive masterclass using the toolkit, to ensure they are equipped to make appropriate decisions. The programme aims to train a total of 2,000 road safety officers by 2025.

Effectiveness and impact

The UNITAR Training Programme was implemented in November 2022, during which time 508 traffic law enforcement officers were trained across three provinces (Figure 6). This represents a steep increase in the number of officers trained from the previous year (32 officers trained in 2021). Positive feedback was received from the trainees, who noted that the training was well organised and useful. No challenges were reported with the programme in 2022.

Sustainability

The UNITAR training is provided to road safety law enforcement officials and decision-makers, particularly those who are involved with the AEC programme. The outcomes produced from the training will likely be sustainable, as officials apply their learnings. However, it is unclear whether there are sufficient structures in place to ensure that the knowledge and skills can be passed on to other stakeholders after the programme has ended.



UBER RIDE SHARING CAMPAIGN

SAB has partnered with Uber to encourage a zero-drink driving culture amongst consumers by providing Uber vouchers to patrons in hotspot areas to prevent drink driving incidents.

Effectiveness and impact

Three campaigns were run within the programme in 2022. The first campaign was for consumers attending the Corona Festival in Cape Town, where 1,957 riders claimed vouchers which were redeemed for a total of 2,456 trips (1,244 drop-offs and 1,212 pick-ups amounting to a spend of R507,142). The second campaign was run over the Easter period, where 4,920 riders claimed vouchers (amounting to a spend of R215 376). No information was provided on the third campaign.

Sustainability

The campaign was run during events and times when drink driving is likely to be high. However, it is unclear whether the vouchers were redeemed by intoxicated persons. In this case, it is difficult to assess the impact the campaign had on curbing drink driving incidents as there is no data available. It is also not clear whether SAB will run the ride-sharing campaign again in future.

TALK SHARP

Under the Talk Sharp pillar, SAB aims to leverage its brands to change social norms and promote responsible alcohol consumption. Social marketing and communication campaigns are key channels for influencing consumer behaviour.

**RESPONSIBLE
DRINKING
COURSEBOOK**

SOCIAL NORMS MARKETING PROGRAMME

The Social Norms Marketing programme involves key brands within SAB driving campaigns that promote responsible consumption and behaviour among consumers, in order to change social norms around alcohol. The programme aims to change consumer perceptions of alcohol, change social norms about drunkenness being seen as an acceptable or positive behaviour, and to change the way consumers engage with alcohol. In this way, SAB brands aim to use marketing as a key channel to change social norms around irresponsible and excessive alcohol consumption and thereby reduce alcohol-related harm.

Contrary to the previous year, where programmes focused on raising awareness and educating people on responsible drinking, SAB decided to incorporate brand strategies and roll out programmes with interventions that drive behaviour change in 2022. To choose the social norms campaign that SAB would pursue under Sell Sharp, a ‘dragon’s den’ exercise was implemented among SAB brands in 2022 where different brand marketing teams pitched their ideas. The pitches were first done internally, and later externally with marketing agency partners working with brands to develop the programme.

The Carling Black Label ‘Champion Within’ campaign was selected for the social norms campaign in 2022 since it met the objectives of SAB Sharp, namely tackling binge drinking by influencing behavioural change. The programme aimed to change excessive alcohol consumption among unemployed young men.

CARLING BLACK LABEL CHAMPION WITHIN CAMPAIGN

The Carling Black Label Champion Within campaign was launched in Ga-Rankuwa in Gauteng in 2022 and targeted unemployed men aged 20-34 years. The campaign involved taking the participants through a binge drinking intervention, which provided psychoeducation on binge drinking and its triggers, and linked them to information (namely the National Youth Development Agency) in an effort to help them to improve their circumstances since many young men drink excessively due to feelings of hopelessness about the future.

A baseline and endline study was conducted with a sample of young men in the area in which the campaign was implemented to determine the consumption patterns of the target audience prior to and after the campaign was run.

FLYING FISH “EAT BEFORE YOU DRINK”

The Flying Fish “Eat before you drink” campaign, which encourages consumers to eat before drinking to better manage levels of intoxication, was also implemented in 2022 although at a much smaller scale compared to what was done in 2021. In addition, advertising campaigns were run on social media, radio, and TV encouraging responsible alcohol consumption, including messaging around moderate alcohol consumption, not driving after drinking (none for the road), and non-alcoholic beverages. Further details on the implementation of the two programmes are provided below.

Effectiveness and impact

A total of 657 people registered and took part in the campaign, and a further 1.8 million people were reached through social media messaging. Through an online survey conducted among 911 people from the target population, the campaign saw a 9% reduction in self-reported binge drinking frequency (from pre- to post-campaign implementation), which is above the 5% behavioural change target set for the Social Norms programme.

Several delays were experienced in preparing to roll the campaign out, which resulted in it being run later in the year than initially planned, however, it met all the targets for participation, awareness, and behavioural change. In addition, a partnership was established with the NYDA, who were key contributors to the implementation of the campaign. Positive feedback was also received from the campaign participants. Having a good understanding of the brand helped tailor the campaign to suit the needs of the target market, which was evident from the number of registrations received.

Sustainability

While campaign participants derived benefits from the campaign, namely learning to moderate their alcohol intake, behaviour change is complex and typically requires ongoing reinforcement to ensure that benefits are sustained over the long term. Strategic partnerships established with the NYDA will be useful in assisting target beneficiaries to access opportunities, which in turn may reduce their likelihood of binge drinking. The campaign will also be



implemented again in 2023 in the same area but at a larger scale.

Learnings

1. Begin preparation work for the campaigns as early in the year as possible to prevent delays in the roll-out. This includes engaging NYDA early on in the planning phase.
2. Refine the approach used to recruit beneficiaries, by assessing and addressing their needs, rather than applying a blanket recruitment approach.
3. Establish a clear monitoring and evaluation strategy at the start of the campaign to measure participants from registration to completion.
4. Implementation partners should be carefully selected to ensure they implement campaigns in line with SAB standards.

Flying Fish “Eat Before You Drink” campaign

The Flying Fish campaign aims to promote the habit of eating while drinking, in order to prevent intoxication and illness resulting from excessive alcohol consumption. The campaign was developed as a brand initiative and piloted in 2021.

In 2022, the Flying Fish campaign was mainly run through events (instead of the individual activations done in 2021) and targeted men and women aged 18-29 years. Flying Fish partnered with other SAB brands during events and served food instead of beverages under the ‘Flying Dish’ initiative. The campaign also funded the placement of 35 vending

machines in retail stores. Consumers purchasing Flying Fish products were incentivised with vouchers for a vending machine meal. In addition, 25 delivery scooters were rebranded to drive awareness around responsible consumption and eating before drinking, that all internal stakeholders are aligned with the code and that the business is educated on the importance of responsible marketing.

Effectiveness

In total, 3,383 meals were served over 12 weeks between May and July 2022 in the 35 stores. Flying Fish was also able to grow the brand’s association with food through the events they participated in. Compared to 2021, this campaign was implemented at more locations around the country and outside of Gauteng. The campaign was also run on various platforms, including television, which helped to expand the reach of the brand. However, the overall reach of the campaign was not monitored as closely in 2022 and there were no specific targets in place. It is therefore difficult to assess the overall effectiveness of the campaign.

Sustainability

While the report from the 2021 pilot programme showed evidence of a positive behavioural change among consumers, particularly the increase in the number of people who eat before and while drinking, there is uncertainty around how long these effects will last, particularly in the absence of incentives.



SELF-REGULATION PROGRAMME

The Self-Regulation programme involves the development and implementation of a company-wide self-regulatory framework that includes a self-regulation code and governance process to ensure that SAB's marketing materials and communications promote responsible behaviour. This programme is a continuation of SAB's self-regulatory development, which has been in place since the 1990s.

In 2021, work was undertaken to develop the Responsible Marketing and Communications Code (RMCC) to ensure that SAB's marketing materials and communications promote responsible behaviour. The RMCC was developed based on local legislative and regulatory obligations, industry guidelines from the Advertising Regulatory Board, and best practice from AB InBev global. It contains sections on preventing the appeal of alcohol to underage individuals, responsible messaging, legal and health claims, and traditional and digital marketing guidelines. The RMCC will guide all of SAB's marketing, sales, promotion, and communication efforts in both traditional and digital media, as well as trade marketing and promotions.

Effectiveness

In 2022, the governance arm for the Self-Regulation programme was rebranded from the 'Smart Drinking Compliance Committee' to 'The Collective'. The Collective was established as a collaborative partnership to ensure that all marketing and commercial communications align with the SAB RMCC. In addition, the membership of the Collective

was expanded to include a representative of the internal communications team and from SAB's commercial team to ensure that the RMCC is integrated into all communications functions within the business. The Collective convenes bi-weekly to review marketing and commercial communications to ensure that it aligns with the RMCC. Training on the SAB RMCC takes place quarterly to ensure that all internal stakeholders are aligned with the code and that the business is educated on the importance of responsible marketing.

Of the complaints received by the Collective in 2022, none were valid. According to SAB's commercial communications, valid complaints are defined as "actual transgressions of either SAB RMCC or any provisions from the Advertising Regulatory Board and their guides on alcohol advertising." This shows that brands have been compliant with the RMCC and industry codes, which has likely been driven by the improved review process that required brands to submit their marketing material to the Collective for review.

The Collective has also made improvements to their reporting mechanism, which involves sending half-year reports to the vice presidents (VPs) of the Marketing, Corporate Affairs, and Legal departments. This is in addition to the quarterly reports submitted to the Marketing Leadership team, which are used to track impact, identify opportunities for improvement, and ensure accountability.

Sustainability

As indicated earlier, self-regulation is a continuous process at SAB. The Collective and RMCC were brought under the SAB Sharp initiative to promote responsible marketing. As a regulated company in the alcohol industry, SAB will continue to practice self-regulation under SAB for the foreseeable future.

Learnings

1. Reporting from the Collective needs to be more timeous.
2. Explore options to improve the compliance of brands to the review process.



SELL SHARP

Through the Sell Sharp pillar, SAB aims to encourage liquor outlets to be champions of responsible alcohol consumption by upholding the legal hours of trade, reducing excessive on-site consumption, enforcing the legal drinking age, and prohibiting underage drinking. SAB leverages its influence on its customers, namely liquor outlets, to promote responsible trading by incentivising good practices and penalising bad practices.

In 2022, the delivery of three programmes under the Sell Sharp pillar. First, outlets were audited and trained in accordance with the responsible trading principles in the Responsible Trading programme. Second, illicit outlets were supported with their applications for trading licenses under the Formalisation programme.

Lastly, digital licensing systems were developed for liquor boards in different provinces as part of the Digital Licensing programme .

RESPONSIBLE TRADING PROGRAMME

The Responsible Trading Programme (RTP) was designed to promote responsible behaviour amongst taverns.

The programme includes assessing taverns against responsible trading principles and certifying retailers that are compliant with the regulations, who serve responsibly, and provide a safe environment for their consumers and surrounding communities, using a global toolkit developed by the AB InBev Foundation. The programme was designed based on SAB's experience and best practices stemming from the 'Responsible Retailer Development Programme' that was offered for several years, as well as global best practice stemming from the Responsible Beverage Services programme. It focuses on taverns given their risk profile for alcohol-related harm.

The toolkit is used to classify retailers into different status levels according to their performance, which are associated with various benefits and consequences.

The outlets selected for the RTP assessment include mainstream, premium, and informal taverns. Awareness of the programme is driven by SAB's sales force, who conduct internal audits, and training is provided to retailers throughout the year on what is required to reach each status level. In addition, the training focuses on business acumen for outlet owners (covering key principles in business management, customer service, accounting, products, regulatory compliance, mentorship, revenue, and profit). The external audit

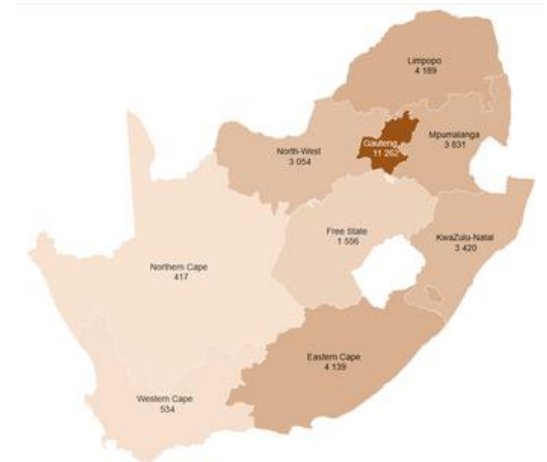
was conducted by third-party service providers and by youth deployed as 'mystery shoppers' to test whether retailers sell to underage consumers. The programme aimed to audit 30,000 outlets in 2022.

Effectiveness and impact

The programme again exceeded its target in 2022, with RTP audits conducted for 32 057 retailers across the country (see Figure 9). Overall, 44% of the audited outlets were compliant with the responsible trading principles, with 32.7% of outlets achieving Silver status, 11.2% achieving Gold status, and 0.02% achieving Platinum status. This indicates a vast improvement from 2021 when only 24% of the outlets audited were compliant.

SAB's full retailer base was audited in 2022, aided by the absence of lockdown restrictions, which resulted in the continuous suspension of audits in 2021. In addition, a continuous internal audit mechanism was developed to allow for audits to be conducted throughout the year. This is a notable improvement from 2021 when the audit was done once in the year. SAB was also able to implement rewards for customers who were compliant in the previous year.

One challenge was identified in the implementation of the RTP in 2022. The team found a discrepancy between the results of the internal audit and those of the third-party external audits. This discrepancy was due to the misalignment in methods used by both parties. However, the matter was quickly resolved



towards the end of the year. Overall, this experience provided good insight for the SAB audit team. The scorecard has been revised in line with the changes and will be implemented during the 2023 audits.

Beneficiaries of the RTP provided mixed reviews. During the verification exercise, only two of the 11 beneficiaries interviewed stated that they took part in the RTP; nine stated that they had not received any training or certification from the SAB team.

The two beneficiaries that reported being part of the RTP said they had received training on ethical trading practices, such as not selling to pregnant women and minors, and encouraging responsible consumption habits among their customers. One of the beneficiaries had attained Platinum status for their outlet, but the other was uncertain of their status at the time of the interview.

Sustainability

The benefits of the RTP will be sustainable beyond the Sharp initiative since it has been adopted completely by the SAB sales team. Responsible trade is part of the KPIs of the sales department and they will be responsible for driving this going forward.

Learnings

1. More funds are required to expand the audits to the full universe of outlets.
2. The audit scorecard should clearly define how each element or principle is tested to ensure that audits are done consistently and that results are comparable. While changes have been made to the scorecard, further areas of improvement may emerge from the next iteration of audits.
3. A certification of trade should be implemented for non-compliant outlets and should be updated once outlets become compliant.

FORMALISATION PROGRAMME

The Formalisation programme was designed to support illicit outlets to become legal and assist them with the formalisation process (gazetting, advertising, and lodgement), after which responsible trading principles can be promoted. This programme was informed by a study conducted by SAB, which found a strong link between the informal status of outlets and harmful alcohol consumption among consumers at these outlets. The programme targets

illicit outlets that have been in operation for at least three years, including those that have been passed down through families, and that have shown intent to legalise but failed, are eligible for licensing, and are South African-owned, particularly woman-owned. Beneficiaries selected for the programme are required to sign a contract to demonstrate their commitment to the process.

In 2021, the programme also consisted of a reinstatement component, which focused on providing funding for the reinstatement of large outlets that were closed as a result of the impact of the Covid-19 pandemic. Small businesses employing at least two people and that showed good financial performance before Covid-19 were targeted for the reinstatement programme. The programme was continued in 2022 as support was provided to retailers in the Entrepreneurship programme under Live Sharp. SAB set a mixed target of 100 businesses that would be supported through the formalisation programme under Sell Sharp or the reinstatement programme under Live Sharp (described above).

Effectiveness and impact

In total, 250 retailers received assistance to lodge applications to the respective liquor boards across four provinces. This consisted of 150 retailers from North West, 50 retailers from Gauteng, and 50 retailers in Limpopo. In total, 87 retailers had received their trading licenses by the end of 2022. This is a 67% increase from the number of illicit outlets formalised in 2021. In addition, a steering committee consisting of the Gauteng Liquor Board, Gauteng Economic Development, and Gauteng

Liquor forums was established as a means to accelerate the programme in the province by facilitating programme endorsements and alignment with stakeholders.

To date, SAB has successfully supported 139 illicit outlets to become formal establishments. Despite its success, the programme has achieved only modest gains. The cost of formalising an individual outlet is high and costs approximately R45,000 per beneficiary. In addition, the programme has a relatively low success rate, with only 35% of all applicants obtaining trading licenses in 2022. Further, a survey conducted by SAB among informal traders revealed that the root cause of illicit trading was the difficulty associated with acquiring a liquor licence. As a result, SAB has decided to discontinue the Formalisation programme and instead focus efforts on rolling out a digital licensing system to address the key cause underlying informal trade.

Sustainability

Through the Formalisation programme, informal outlets can now trade legally. This offers many advantages and opportunities for these outlets, which can contribute to their growth and sustainability in the long run. However, businesses will need support around business management and development. Business sustainability is also threatened by external factors such as Covid-19 and the poor economic climate, which could result in the loss of trading licenses if outlets fail to renew them. The Formalisation programme will be discontinued going forward.

DIGITAL LICENSING SYSTEM PROGRAMME

SAB Sharp designed the Digital Licensing System programme to support the government in improving the liquor licensing process to ensure that outlets can remain legal and to enable an easier formalisation process. The current licensing systems are inefficient and often inaccessible to retailers in the informal market. The programme aims to create a more user-centric licensing system through digitisation, which will enhance the efficiency of processing liquor licenses and is being implemented in partnership with provincial liquor boards.

Effectiveness and impact

In 2022, a digital licensing system was developed for KwaZulu Natal. The implementation of a digital system was completed in the Northern Cape in 2021. However, in 2022, the programme covered the maintenance costs of the system. In addition, a Memorandum of Understanding with the Northern Cape Liquor Board as well as the Kwa-Zulu Natal Liquor Board are still in the process of being finalised.

Overall, the digital licensing system has been developed for two of the nine provinces to date under the programme. As mentioned above, SAB will focus on implementing the digitisation system for the remainder of the Sharp initiative, given the discontinuation of the Formalisation programme going forward. There are plans to develop and distribute the system to the other provinces in the coming years.

Sustainability

The benefits of a digital licensing system are likely to persist beyond the life of the programme. The systems are handed over to respective liquor boards for implementation and use. If this is done correctly, the new system will make the formalisation process easier and more efficient, which in turn can help to reduce the illicit trade of alcohol in the country.



CONCLUSION

Since its inception in 2021, numerous interventions have been delivered under the SAB Sharp initiative. The programme has recorded various successes, including support provided to over 11,000 businesses, the handover of 20 AECs, more than 60,000 responsible trading audits conducted, the formalisation of 139 illicit outlets, as well as the reinstatement of over 200 outlets.

To date, the most successful pillars are Drive Sharp and Sell Sharp, which have met annual targets and are on track to meet the programme objectives. However, the Sharp programme has experienced challenges, such as severe delays with the implementation of the GBV programme and Social Norms campaigns in 2022. W

hile programmes like the Formalisation programme have seen success, SAB has decided to discontinue this particular programme and instead focus efforts on digitalising the liquor licensing system, which will address some of the root causes of illicit trade.

RECOMMENDATIONS

1. Establish a clear monitoring and evaluation strategy and feasible systems to measure the outputs and reach of the various campaigns run within different pillars of SAB Sharp.
2. Establish a clear strategy for due diligence when selecting GBV support structures for refurbishment.

AB InBev	Anheuser-Busch InBev SA/NV
ABIF	AB InBev Foundation
AEC	Alcohol Evidence Centre
BAC	Blood Alcohol Concentration
DSD	Department of Social Development
EBAT machine	Evidentiary Breath Alcohol Testing machine
FAN	Father A Nation
GBV	Gender-based Violence
GBV&F	Gender-based Violence and Femicide
JMPD	Johannesburg Metropolitan Police Department
MODE	Medunsa Organisation for Disabled Entrepreneurs
NIMSA	National Metrology Institute of South Africa
NYDA	National Youth Development Agency
RAM	Reduction of Alcohol Misuse

RMCC	Responsible Marketing and Communications Code
SAB	South African Breweries
SAB Sharp	South Africa Be Sharp
SALGA	South African Local Government Association
SANAC	South African National Aids Council
SAPS	South Africa Police Service
SBI	Screening and Briefing Intervention
SBIRT	Screening and Briefing Intervention
UNITAR	United Nations Institute for Training and Research
VP	Vice President



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