

OUR VALUE CHAIN

We have a global and integrated value chain that is subject to the same challenges faced by brewers and brand owners worldwide. These include remnants of COVID-19 restrictions that resulted in harbour congestions and container shortages, the commodity price impacts as a result of Russia's invasion of Ukraine which also resulted in major concerns around gas and energy supply in Europe.

We are committed to developing local and regional suppliers where possible to increase local capacity. A range of local service providers work across the value chain elements and support NBL in business services, transport logistics, clearing and forwarding. We contract technical support for our brewery equipment and packaging lines from European service providers.

Our breakthrough culture drives us to be innovative across all the elements of our value chain. We are further inspired by the contribution we can make toward the SDGs to solve common challenges and preserve our resources.

- About this report
- 2022 at a glance
- Chairperson's statement
- Our profile
- Our beverage brands
- Our geographic footprint
- Our value chain
- Our stakeholders
- Seven reasons to invest in NBL
- Our operating context
- Beverage and consumer trends
- A purpose-led strategy for the future
- Managing director's report
- Contributing to the sustainable development goals
- Governance report
- Annual financial statements
- Notice of annual general meeting

Inputs

- Raw material imported from Europe: malted barley and hops
- Imported packaging material from South Africa, Angola and Europe: glass, cans and crown corks
- Local packaging material: plastic shrink wrapping, plastic and paper labels, corrugated packaging, trays and crates
- Local natural resources: water from the City of Windhoek and on-site boreholes
- Electricity: NamPower, stand-by generators
- Renewable energy: biomass boiler and solar panels
- Heavy fuel oil and diesel fuel for generators



Beer brewing is water and energy-intensive. By using natural ingredients and state-of-the-art technology, we make sure we brew as sustainably as possible



We find ways to minimise the water we use to make sure that there is more available for communities and animals



We use renewable energy generated by the biomass boiler and solar panels to improve our energy mix



We buy raw materials and packaging from a range of suppliers who provide jobs and livelihoods in their communities



Our packaging material includes a significant portion of returnable bottles and cans which are recycled to reduce waste

Beverages and brewing

- Our brewery in Windhoek has a total technical brewing capacity of three million hectolitres
- We supplement our brewing capacity through our production agreement with Heineken SA, which owns the Sedibeng Brewery in Johannesburg
- The Swakopmund Brewing Company is a microbrewery in Swakopmund that also serves as a pilot plant for crafting and testing new beer recipes
- We brew nearly all of our beers according to the German Reinheitsgebot of 1516
- We produce soft drinks and low and non-alcoholic beverages at our Windhoek plant. **AquaSplash** is sourced and bottled in Okahandja and Outjo
- Cider, juice and **Heineken** beer are imported from South Africa



We produce alcoholic and non-alcoholic beverages to ensure consumers have alternative choices available, thereby preventing harm caused by alcohol



We provide employment and career opportunities at our production plants, where we drive efficiency through technology and innovation



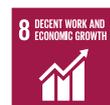
We capture and reuse the CO₂ generated during the brewing process and sell surplus CO₂ to customers

Packaging

We have five packaging lines at our Windhoek site for different sizes of glass bottles, cans and kegs. Under normal conditions, we run four shifts per day, 24/7. We are planning significant expansion and upgrades to our packaging facilities in the next financial year.

We have ISO 9001:2015 (quality system), SANS 10330:2007 (food safety management) and HACCP (food safety management) certifications and South African Bureau of Standards support/audits in place. This ensures that we operate according to world-class standards.

We continue to replace old and inefficient equipment to increase the capacity of our packaging lines while reducing electricity use.



We provide employment and career opportunities in our packaging and warehouse facilities



We optimise our processes to reduce the use of natural resources and minimise waste

Warehousing and distribution

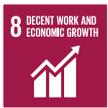
NBL delivers products to six depots and five agencies in Namibia.

We export to 19 countries, including South Africa, predominantly by road transport. Imperial Managed Solutions (Proprietary) Limited is our primary transport outsourced partner.

The secondary distribution between depots and customers is managed by NBL's fleet of trucks and employees.



Our transport provider uses specialised trucks for improved and faster handling and to decrease losses.



We protect labour rights and promote safe and secure working environments

Retail and consumption

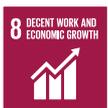
Our customers include formal and informal wholesale and retail trade outlets, for example, cash and carry outlets, distributors, supermarkets, liquor stores, shebeens, pubs and other hospitality outlets. We have a digital sales and operational planning system that facilitates order-taking and inventory management between NBL and customers.

Softs and water brands are bought and consumed by all age groups. The end consumer of our beers and ciders are adults with a broad demographic profile spanning all income groups. NBL is committed to driving safe and responsible drinking behaviour and invests in a range of initiatives to equip consumers with the necessary information to make informed decisions. NBL is a founding member of SAIF, and our Managing Director acts as Chairperson.

NBL has been committed to supporting local road safety campaigns and promoting responsible behaviour among road users since 2006.



We adhere to the SAIF Code of Commercial Communication and Conduct to promote the responsible use of alcohol



We support our customers through trade promotions and marketing to grow their businesses



We offer brands in returnable bottles to reduce waste

Recycling

NBL plays an active role in finding industry solutions to create a circular economy. This means redesigning processes and products to be less resource intensive and to capture waste as a resource for new materials and products.

We optimise water use through a water reclamation plant and a water treatment plant. We also use equipment to extract more beer from spent yeast, leading to further water savings.

Through packaging redesign, we use less paper and continuously explore ways to reduce the use of cartons and plastic. 83.7% of production volumes are packaged in returnable containers, including returnable kegs. Our returnable containers have a return ratio of 95%. We minimise production waste, including plastic, trays, bottles and cans, by sorting, reusing and working with contractors to remove and recycle waste.

In our communities, we encourage reuse through recycling and cleaning projects. NBL is a founding member of the Recycle Namibia Forum.



With breakthrough thinking, we find innovative ways to repurpose and recycle waste.



We find ways to reuse water within our operations



We act and encourage consumers and communities to reduce waste and recycle



We support local enterprises

Read more about our contribution to the SDGs in the section from page 34.