

# Raising the Bar Together

Anheuser-Busch InBev / 2013 Global Citizenship Report



BEST BEER COMPANY BRINGING PEOPLE TOGETHER FOR A BETTER WORLD







AB InBev CEO Carlos Brito (center) joins colleagues (from left) Business Unit President Eric Lauwers, Chief Strategy Officer Jo Van Biesbroeck, Governor of Flemish-Brabant Lode de Witte, and Mayor of Leuven Louis Tobback to launch our canned water donation program in Europe.

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# WELCOME TO OUR 2013 GLOBAL CITIZENSHIP REPORT

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*For the more than 150,000 colleagues of Anheuser-Busch InBev, dreaming bigger and achieving more is a way of life.*

But we also know that we cannot achieve our dream on our own. Reflecting the positive role beer plays in bringing people together and reflecting the growing recognition of the need for collective action to address the world's challenges, we have now evolved our dream. We aim to be the Best Beer Company Bringing People Together for a Better World.

From the neighborhood pubs of Belgium to the superstores of the United States, from the river basins of Brazil to the rural schools of China – and in many other countries around the globe – we are working side by side with a wide variety of stakeholders to achieve our Better World goals – promoting responsible drinking, protecting the environment, and improving our communities.

The way we integrate our work and set targets that are shared across departments ensures collective achievement of our company goals and makes us unique. The increasing importance we place on collaboration beyond our brewery walls is also embedded in our targets. Ultimately, all of this drives our performance and delivers results.

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Our responsible drinking work has long focused on helping educate those who sell, serve and enjoy our products, as well as providing advice from experts to help parents talk with their children and prevent underage drinking. In 2011, we set six Global Responsible Drinking Goals to reach by the end of 2014. We have already accomplished two of the six goals ahead of schedule, and we are working hard to achieve the remaining goals. These goals guide our efforts to prevent the harmful use of alcohol, including drunk driving and underage drinking.

We have always had a strong focus with our responsible drinking work on partnering with families, educators, law enforcement, retail partners, and community groups. In 2014, we are introducing a road safety initiative that will bring a new level of collaboration and collective action to our responsible drinking initiatives.

After achieving all of our 2012 environmental milestones, we established a new set of seven targets in 2013, four of which are externally focused. Our aim is to reach these by the end of 2017, and we are already making significant progress.

While fresh water is essential for all of our products, water quality and availability may be strained in some areas where we operate. To help ensure we are responsible stewards of water, we have established a water use target that is 9.6 percent lower than our 2012 baseline, which is already leading-edge for the industry. We have also committed to helping our independent barley growers improve their water productivity and are working with governments, communities and NGOs on watershed protection measures in key areas around the world. To help us achieve these important water goals, we have also formed an external technical advisory committee of experts on watersheds, water systems and sustainable agriculture.

Recognizing that global climate change poses both business and social risks, we are committed to reducing our energy use and greenhouse gas emissions and helping many of our retail customers do the same by providing eco-friendly coolers for their stores. We are also working with our suppliers to reduce packaging materials and reduce the impact of our transportation through enhanced logistics.

In 2013, we supported the economic health of communities throughout the world by creating jobs and expending nearly 21 billion USD in combined wages, taxes and capital investments. But our commitment and impact goes well beyond financial metrics.

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More than 46,000 of our colleagues volunteered nearly 170,000 hours of community service, and we supported key partnerships on education and economic development where we live and work. In times of natural disasters, we also mobilize our resources to support victims and relief workers. In 2013, we produced and donated nearly half a million cans of drinking water to emergency relief organizations. This best practice began more than 25 years ago in the United States and was rolled out to other regions in 2013 to help flood victims in Canada and Germany and cyclone victims in Italy.

Of course, none of the initiatives and results that you will read about in this report would be possible without the commitment, dedication and diligence of our more than 150,000 colleagues across the globe. We constantly work to provide opportunities for professional growth and development as we strive to be the employer of choice wherever we operate. In addition, all of us at AB InBev are guided by a strong Code of Business Conduct that spells out how we are to honor our commitment to the highest ethical standards. Adherence to the Code starts at the top. Our Board of Directors receives in-person anti-corruption and compliance training annually. All of our applicable employees must complete an annual Code of Business Conduct online training and certification program.

Pursuing our dream is a journey with specific milestones. But as we get closer to the finish line, we set new targets and challenges and raise the bar higher. Working collectively, we know we can achieve even more. Thank you for letting us share our work to be the Best Beer Company Bringing People Together for a Better World.

A handwritten signature in black ink, appearing to read 'C. Brito', with a stylized flourish at the end.

Carlos Brito, Chief Executive Officer





# ***Dream, People, Culture***

Reflecting the positive role beer plays in bringing people together, we have evolved our dream. We aim to be the *Best Beer Company Bringing People Together for a Better World*. And the keys to bringing that dream to life are our people and our culture.

As part of our commitment to be the best, we constantly challenge ourselves to build a company that will generate sustainable long-term growth and results. Read more about our *Dream, People, Culture and 10 guiding principles*.

*This year, AB InBev has divided our global citizenship reporting between this self-contained PDF document and our corporate website. The PDF document primarily summarizes activities, initiatives and achievements that occurred in 2013, while the website offers information on our Better World strategy, ongoing activities and in-depth exploration of key topics.*

***Taken together, the PDF and website content constitute our citizenship reporting for 2013.***



# BREWING A BETTER WORLD



## ***Raising the Bar... Together***

We know our dream is ambitious. But any dream worth pursuing should be. As we work to be the Best Beer Company Bringing People Together for a Better World, we are constantly raising the bar for ourselves and our stakeholders, working together to reach and exceed our goals. Our Better World focus promotes responsible drinking, protects and preserves the environment and makes a difference in our communities. We do all this while ensuring that we follow reasonable corporate governance and social policies that address the needs of our people. They are the engine that pushes us forward, raising the bar even higher.

[Read more about our Better World Pillars.](#) 





# Making Beer the Right Way

Learn more about our value chain by clicking on boxes of interest.



## CROP CULTIVATION

## POWERHOUSE

## BREWING

## PACKAGING

## DISTRIBUTION

## RETAIL & CONSUMER

### ⚡ Renewable Energy

In addition to using less energy overall, we also use renewable energy sources in parts of our operations where they are available and financially viable. Nearly 10 percent of our 2013 global energy use was from renewable sources, helping us reduce our emissions and our energy costs.

### 💧 Water Use

In 2013, after reaching ambitious water reduction goals in 2012, we committed to a new 2017 milestone that will cut the amount of water it takes to produce a bottle of beer by another 9 percent. We also committed to engage in watershed protection measures in 100 percent of our facilities located in key areas in Argentina, Bolivia, Brazil, China, Mexico, Peru and the United States, in partnership with local stakeholders.

### 💧 Water Treatment and Return

About 73 percent of water drawn for production was returned, maintaining quality standards, to local watersheds for other users or to the atmosphere through evaporation.

### 🍷 Packaging Innovation

We continue to work with a number of partners – including suppliers, wholesalers, procurement companies and packaging experts – to identify new ways to minimize the environmental impact and cost of our packaging, while meeting quality standards and consumer expectations.

### 🚚 Distribution Efficiencies

We continue to evaluate ways to distribute our products in the most efficient manner. In Brazil, our fleet-sharing program with other companies like Sara Lee, Unilever and BRF Brasil Foods has saved more than 2 million liters of diesel fuel and avoided nearly 6,500 metric tons of carbon emissions since its inception.

### ♻️ Reuse & Recycling

On a global basis, about 40 percent of our glass packaging is returnable. For packaging that isn't returnable, we support consumer recycling initiatives around the globe including The Recycling Solidarity project in Brazil and America Recycles Day and Keep America Beautiful in the United States.



### 🌾 Growers Program

Through our barley growers' program, we're conducting barley seed research to create higher-quality varieties that produce better yields, while using less water and tolerating extreme weather conditions. We set a new goal in 2013 to reduce water risks and improve water management in 100 percent of our key barley-growing regions, in partnership with local stakeholders. We provide support to more than 15,000 barley growers in Argentina, Brazil, China, Russia, the United States and Uruguay.

### ⚡ Energy Use

Our Voyager Plant Optimization provides strong management practices that lead our resource conservation efforts around the world. Our global energy use per hectoliter of production dropped 3.4 percent in 2013.

### 👤 Brewmaster

Our Brewmaster Program uses virtual classroom software, in combination with hands-on training, that allows us to share our highest quality, most efficient brewing practices from zone to zone and consistently train the best brewmasters in the world.

### 🐄 Spent Grains

At the end of the brewing cycle, spent grain is reused once again, providing feed for cattle. Worldwide, we recycled 97.5 percent of our solid waste in 2013, with 121 of our 144 plants worldwide achieving zero-waste-to-landfill status.

### 🍷 Packaging

Our product packaging includes recyclable materials such as glass, cardboard and aluminum, and we're working to minimize packaging materials overall. We reduced our materials packaging by 48,000 tons in 2013.

### 👥 Community

In addition to providing economic benefits such as jobs and paying taxes, we support our communities where we live and work through charitable donations and volunteering. In 2013, our colleagues volunteered nearly 170,000 hours of community service in their communities.

### 🚫 Responsible Drinking

We're the global leader in encouraging consumers to enjoy our products responsibly. Through responsible drinking advertising and programs like our annual Global Be(er) Responsible Day, Family Talk About Drinking, and promoting designated drivers, we reach distributors, retailers and consumers around the world.

# Goals & Progress



## RESPONSIBLE DRINKING

2011-2012 PROGRESS / GOALS TO BE MET BY END OF 2014

Reach at least 100 million adults with programs developed by subject matter experts that help parents talk with their children about underage drinking

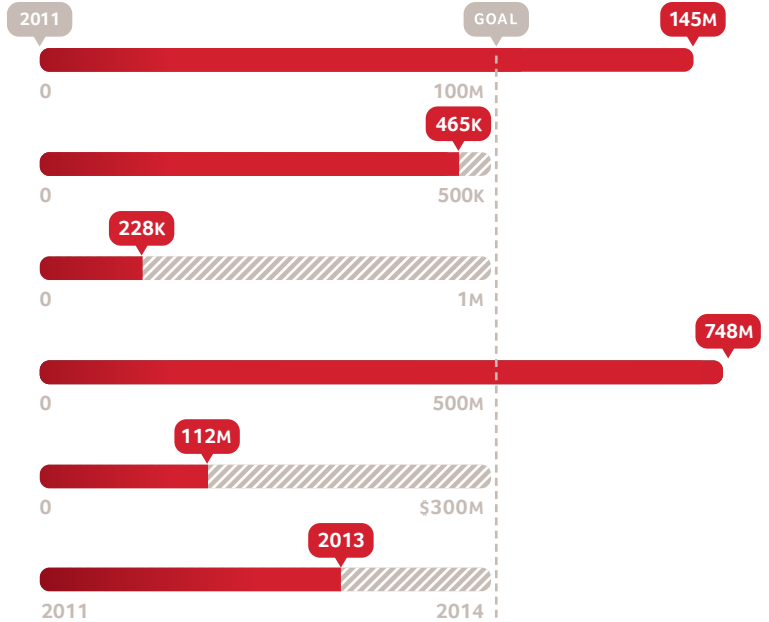
Provide ID-checking materials and educational information to at least 500,000 bars, clubs, restaurants and grocery stores to help them prevent sales to minors

Provide training on responsible alcohol beverage sales to at least 1 million bartenders, waiters, grocery store clerks and others who serve and sell alcohol

Reach at least 500 million legal-age consumers to increase awareness of the importance of using a designated driver or safe-ride home

Invest at least 300 million USD in advertising and programs to educate consumers and maintain awareness of the importance of responsible drinking

Annually celebrate Global Be(er) Responsible Day



## ENVIRONMENT\*

2013 PROGRESS / GOALS TO BE MET BY END OF 2017

Reduce water risks and improve water management in 100 percent of our key barley-growing regions, in partnership with local stakeholders

Engage in watershed protection measures at 100 percent of our facilities located in key areas in Argentina, Bolivia, Brazil, China, Mexico, Peru and the United States, in partnership with local stakeholders

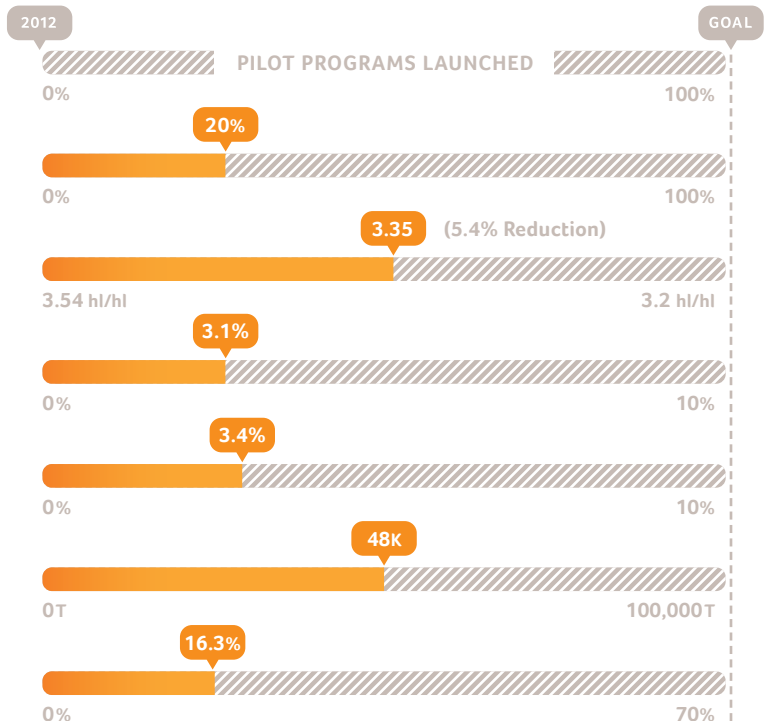
Reduce global water usage to a leading-edge 3.2 hectoliters of water per hectoliter of production

Reduce global greenhouse gas emissions per hectoliter of production by 10 percent, including a 15 percent reduction per hectoliter in China

Reduce global energy usage per hectoliter of production by 10 percent

Reduce packaging materials by 100,000 tons

Reach a 70 percent global average of eco-friendly cooler purchases annually



## OUR PEOPLE IN THE COMMUNITY

46.7K

Number of employees globally who volunteered their time and talents to our communities

1.9M

Hours of employee training

65%

Reduction in lost-time injuries since 2009, without Mexico Zone

\* We have updated our 2012 baseline to include breweries acquired as part of our 2013 combination with Grupo Modelo and our 2012 purchase of CND in the Dominican Republic. Data from these entities will be included in our global achievement through the goal period. hl = hectoliters



# Responsible Drinking

In 2011, we established six company-wide *Global Responsible Drinking Goals* to reach by the end of 2014. Our performance will be independently audited. We continued to make progress in 2013, and believe we have built the momentum we need to meet or exceed all of our goals.



## GOALS AND PROGRESS

2011-2012 PROGRESS / GOALS TO BE MET BY END OF 2014

Reach at least 100 million adults with programs developed by subject matter experts that help parents talk with their children about underage drinking

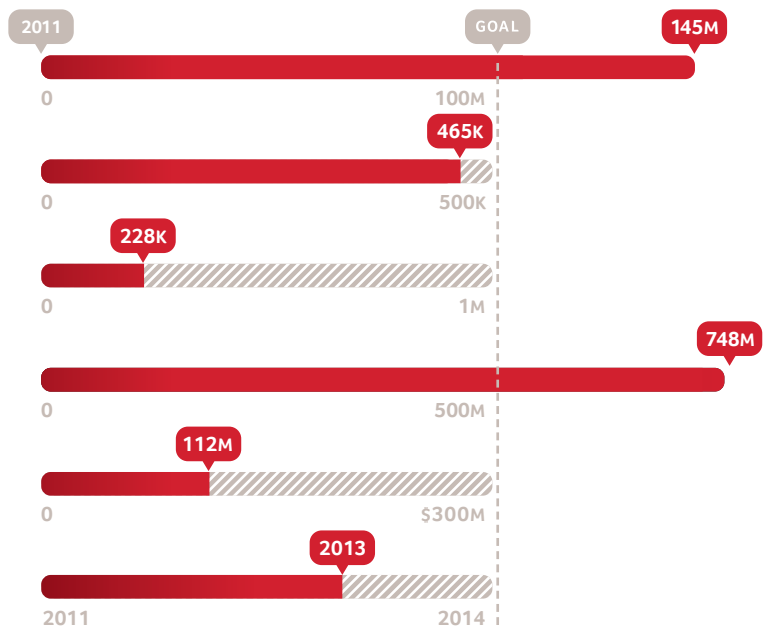
Provide ID-checking materials and educational information to at least 500,000 bars, clubs, restaurants and grocery stores to help them prevent sales to minors

Provide training on responsible alcohol beverage sales to at least 1 million bartenders, waiters, grocery store clerks and others who serve and sell alcohol

Reach at least 500 million legal-age consumers to increase awareness of the importance of using a designated driver or safe-ride home

Invest at least 300 million USD in advertising and programs to educate consumers and maintain awareness of the importance of responsible drinking

Annually celebrate Global Be(er) Responsible Day





## OUR COMMITMENT

*As the world's leading brewer, AB InBev is committed to promoting the responsible enjoyment of our products. To support that commitment, we develop and implement alcohol education and awareness programs and adamantly oppose the harmful use of alcohol, including underage drinking, excessive drinking and drunk driving.*

AB InBev's commitment to responsible drinking is part of our support of the International Center for Alcohol Policies' (ICAP) mission to promote understanding of the role of alcohol in society. In 2013, AB InBev expanded our company-wide initiatives by joining with other leading producers of beer, wine and spirits to help implement the World Health Organization's (WHO) Global Strategy to Reduce the Harmful Use of Alcohol. During the next five years, participating companies are working together on the Global Actions Commitments to pursue the following goals:

- Reduce underage drinking
- Strengthen and expand marketing codes of practice
- Provide consumer information and responsible product innovation
- Reduce drinking and driving
- Enlist the support of retailers to reduce harmful drinking

**A report on the first year of progress of the commitments will be issued in 2014.**



## Responsible Marketing and Communications

At AB InBev, we brew our beers to be enjoyed responsibly by individuals of legal drinking age. For those countries with no minimum legal drinking age, it is our policy not to direct our marketing activities to individuals below the age of 18.

Consistent with our goal to be the Best Beer Company Bringing People Together for a Better World, it is important that we market and promote our beers in a responsible way. Our [Responsible Marketing and Communications Code](#), updated in January 2014, is designed to help ensure that all of our colleagues, as well as our business partners, provide best-practice leadership in this area, while being sensitive to local and cultural differences among our markets. Compliance with the Code is mandatory for all marketing, sales, promotion and communications efforts through both traditional and digital media channels. More than 3,000 employees participated in Responsible Marketing and Communications Training in 2013.

The Code specifies that all of AB InBev commercial communications shall be ethical, honest and truthful, and must reflect generally accepted contemporary standards of good taste and decency. Under our Code, responsible marketing:

- is directed at individuals of legal drinking age and above;
- portrays responsible behavior;
- does not associate drinking with hazardous activities;
- does not promote health or functional attributes of our products; and
- does not imply that drinking contributes to performance or success.

Practicing our Responsible Marketing and Communications Code every day is part of a strong company tradition of corporate responsibility that dates back nearly a century. Where national laws, regulations or self-regulatory codes already exist, we respect and observe these in addition to the criteria set out in the AB InBev Code. We strongly believe in a robust compliance program and internal review process and audit our media placements on a semi-annual basis at a minimum.

## Consumer Information

In 2013, we expanded AB InBev's website [www.tapintoyourbeer.com](http://www.tapintoyourbeer.com) to include additional brands, now covering more than 500, and making information on our global, international and local brands available in eight languages. The website provides information on alcohol content, calories, ingredients and nutritional values, along with responsible drinking tips and beer and food pairing ideas.

## “Bending the Curve”

In less than a generation, road traffic accidents threaten to become the world’s fifth-largest cause of death, eclipsing such diseases as HIV/AIDS, diabetes and hypertension, according to the World Health Organization (WHO). Currently, 1.24 million people are killed and 20 to 50 million are injured on the world’s roads each year – equal to 3,400 road deaths each day. *The WHO* expects the number of annual traffic fatalities to reach 2 million by 2030. The United Nations (UN) General Assembly, in 2010, called for the *UN Decade of Action for Road Safety 2011-2020* to stabilize and reduce global traffic fatalities by the year 2020.

AB InBev has focused for many years on raising public awareness and educating consumers and influencers about the risks of drunk driving. Over the past three decades, we have used global media campaigns and special events to help promote the importance of “designated drivers” and having a “safe-ride home.” In the past two years alone, these efforts have reached more than 748 million legal-age consumers, exceeding the company’s target of reaching at least 500 million consumers by the end of 2014.

We are now embarking on a broader and even more comprehensive commitment to work with others to enhance road safety at a global level. As a leading global company, with highly recognized brands, we believe that we can play a larger role in the worldwide effort to “bend the curve” on road safety. That includes engagement in a new private sector coalition, as well as an expert panel headed by former U.S. acting Surgeon General Kenneth Moritsugu, M.D. We have just begun this effort and look forward to reporting exciting progress in the coming years.



# TAKING RESPONSIBLE DRINKING TO NEW LEVELS

*In 2013, our colleagues across the globe were going above and beyond to reach and exceed our responsible drinking goals.*

**2014 GOAL** → **Reach at least 100 million adults with programs developed by subject matter experts that help parents talk with their children about underage drinking**

## FAMILY TALK

We introduced our Family Talk About Drinking program in 1990 in the United States. Developed by experts, the program is designed to help parents talk with their children to prevent underage drinking. In 2011 and 2012 alone, our U.S. team reached more than 100 million adults<sup>®</sup> via our Family Talk Facebook page, as well as paid media.

The program has also expanded to all of our key markets, and during 2013, our Brazil team launched the “*Papo em Familia*” Family Talk program. To develop the program’s content (primer, magazines, web series and comics) we worked with a team of experts from three different areas – education, medicine and sociology – and drew on several studies from international institutions that specialize in this topic. We gave the task of developing the graphic look and feel of the project to the famous Brazilian cartoonist Mauricio de Sousa and his team, whose comic books have been part of Brazilian life for 50 years.

**2014 GOAL** → **Provide ID-checking materials and other educational information to at least half-a-million bars, clubs, restaurants and grocery stores to help them prevent sales to minors**

## GLOBAL BE(ER) RESPONSIBLE DAY – MEXICO

In 2013, our Mexican colleagues participated for the first time in Global Be(er) Responsible Day (GBRD), following the combination of AB InBev and Grupo Modelo in June 2013. Some 10,000 employees in the region invested more than 61,000 hours participating in activities that reached more than 1.4 million people. Nearly 250 organizations, including government agencies, schools, universities, soccer teams and NGOs joined in GBRD activities, and Facebook, Twitter, and the #YoSoyResponsable hashtag amassed more than 13 million impressions.

Our core message, promoting responsible drinking, was delivered through lectures in schools and universities. In addition, we trained our salespeople to deliver our ID-checking message to establishments that sell or serve alcohol beverages. We distributed more than 1 million flyers at more than 59,000 public venues and gained the support of Mexico City’s Secretary of Public Security, as well as secretaries in other Mexican states, to promote our Conductor Modelo designated driver program.





As part of the day's celebration, we supported eight breathalyzer check points in Mexico City with employees handing out printed information about the dangers of driving drunk.

Our most important 2013 activities included launching our new website, [www.consumoresponsable.com.mx](http://www.consumoresponsable.com.mx). A major highlight of Mexico's first GBRD event was an online poster contest focused on preventing excessive drinking.

**2014 GOAL** Provide training on responsible alcohol beverage sales to at least 1 million bartenders, waiters, grocery store clerks and others who serve and sell alcohol

#### TRAINING INITIATIVES – BELGIUM, FRANCE, GERMANY AND UK

The AB InBev team created a new online server training program to help train bartenders and wait staff across Western Europe, reaching more than 600 servers in 2013. Launched as part of Global Be(er) Responsible Day actions, colleagues organized a "Feet on the Street" server training push in Leuven and Brussels. In addition, Marianne Thyssen, member of the European Parliament, and Minister Céline Fremault attended a stakeholder event in Brussels. Throughout the year, we continued to support responsible drinking programs such as "BOB," the EU-wide designated driver effort, Geklärt wer fährt, our designated driver initiative in Germany, and a special holiday designated driver promotion in the UK that featured a "Knitbot," which created holiday jumpers with a responsible drinking message based on the number of Tweets about the program.

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*"The fact that a brewer sensitized young drivers for the effects of alcohol on the road and motivated [them] to 0.0 BAC, is not a contradiction, but a clear signal in terms of responsibility for me. The approach of having young people address people of the same age I find particularly good, so I want to express my appreciation to the young ambassadors. Due to them the project "Geklärt, wer fährt!" is thriving."*

– Johannes Singammer, Vice-President of the German Bundestag

**2014 GOAL** Reach at least half-a-billion legal-age consumers to increase awareness of the importance of using a designated driver or safe-ride home

**RIO DE JANEIRO’S CARNIVAL – BRAZIL**

Brazil’s annual Carnival attracts millions of people – nearly 5 million in Rio de Janeiro alone. The world-famous street festival is known for its parades, costumes, dancing and music. To help make the four-day celebration a safe one, our Brazil team used our Antarctica brand to launch an innovative program to reduce drunk driving by encouraging revelers to use public transportation. Special turnstiles in subway stations accepted Antarctica beer cans instead of subway fares, contributing to a 43 percent drop in drunk-driving incidents during the 2013 Carnival. This promotion garnered a Bronze Lion at the 2013 Cannes Advertising Festival.

[View Carnival Turnstile Video](#) 

**TRUE LOVE NEEDS A DESIGNATED DRIVER – CHINA**

In 2013, AB InBev accomplished several major responsible drinking initiatives in China. In March, 500 wholesalers received responsible drinking training at the AB InBev National Convention in Suzhou, Jiangsu Province, in preparation for officially kicking off the 2013 AB InBev Responsible Drinking Campaign in Shanghai on August 25.

We also launched the mini movie “True Love Needs a Designated Driver – If You Are the One,” by partnering with the Shanghai Traffic Police Bureau, the China Alcohol Drinks Association and Shanghai Traffic Engineering Institute. Starring Chinese superstar and former U.S. National Basketball Association star Yao Ming and his wife Ye Li, the film is a smart urban comedy that promotes the importance of using a designated driver. The mini-movie appeared in a range of media, including Weibo, video-sharing websites, in-taxi media and retail accounts. Total viewership of the mini-movie exceeded 132 million in three months, and it was named one of the top 10 non-commercial mini-movies during the first China International Mini Movie Exhibition, organized by the Shanghai Municipal Government and CCTV. As part of the initiative, when mini-movie viewership crossed the 100 million mark, we teamed up with the China Youth Development Foundation and Yao Ming Foundation to donate a Hope School in Nanning City, Guangxi Province, to help provide education to students who might not otherwise have an opportunity to attend school.



**2014 GOAL** Invest at least 300 million USD in advertising and programs to help remind and educate consumers about the importance of responsible drinking

#### GLOBAL BE(ER) RESPONSIBLE DAY – UNITED STATES

Global Be(er) Responsible Day 2013 united more than 3,000 U.S. colleagues – and 14,000 wholesaler employees – to spread Budweiser’s “Designate a Driver” message. With the help of the Budweiser Clydesdales, the world’s best-known horses, and Kevin Harvick’s #29 Budweiser Designate a Driver NASCAR racer, teams visited busy intersections, popular lunch locations and 129,000 retail accounts to thank consumers for being or using a designated driver. The GEICO 400 NASCAR race at Chicagoland Speedway included Kevin Harvick’s #29 Chevrolet sporting a special Designate a Driver paint scheme that captured more than 2.7 million viewers.

In New York, AB InBev CEO Carlos Brito, State Senator Jeff Klein, New York President of the National Supermarket Association David Corona, Executive Director of the National Supermarket Association Zulema Wiscovitch, and Yankees General Manager Brian Cashman joined a Budweiser Clydesdale in a photo opportunity at Yankee Stadium to raise awareness of this important message.

We also generated nearly 700,000 impressions through online and traditional media. In addition, our Designate a Driver blimp toured for 17 weeks during 2013, bringing our responsibility message to nearly 17 million adults across the country.







## GLOBAL BE(ER) RESPONSIBLE DAY – ARGENTINA

In 2013, in Argentina, we conducted a national survey of 1,055 young people (18-34) about their awareness of the designated driver concept. The research showed that although 88 percent of the people surveyed were aware of the designated driver, only 29 percent put it into practice.

To help increase the use of designated drivers, we launched a media campaign on Global Be(er) Responsible Day to promote the role of a designated driver. More than 2,000 colleagues volunteered to participate, carrying out awareness activities in bars and clubs in partnership with the government, NGOs and celebrities. To engage consumers, we distributed 150,000 brochures and enlisted the support of 12 rugby clubs. Two well-known football clubs carried a flag with the campaign's message with them on the field. And #conductordesignado was a trending topic in Argentina, reaching almost 7 million people through 3,884 tweets.

The National Road Safety Agency, NGO Conciencia, Provincial Institute to Prevent Alcoholism, Traffic Journalist Association and the governments of Buenos Aires, Rosario and Mendoza, joined in our campaign. These partnerships added influential endorsement for our efforts that resulted in strong media coverage and positive feedback from consumers.



**2014 GOAL** Celebrate Global Be(er) Responsible Day annually to promote the importance of responsible drinking among our employees, retail customers and consumers

#### INTERNATIONAL SURVEY

As part of the fourth annual Global Be(er) Responsible Day, AB InBev announced the results of an international omnibus survey of parents in 11 countries to highlight the important role parents play in their children's decisions about alcohol.

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*“Research has long shown that parents are the most important influence on a young person's attitudes toward drinking; the findings announced today indicate that parents feel they need support in having these important conversations about responsible drinking. Programs like our Family Talk can help parents start these conversations with their children at the right time, in the right way, and continue the dialogue with them through adolescence.”*

– Carlos Brito, CEO of Anheuser-Busch InBev

The survey, conducted by research firm Ipsos, showed that in 10 of the 11 countries surveyed, more than 90 percent of parents with children ages 5-17 agreed that it is important to talk with children about drinking alcohol. But in nine of these 10 countries, there was about a 10 percent difference between the number of parents who agreed that this is important and those who have actually initiated the conversation. The primary reason was that parents felt their children were too young for a discussion about drinking alcohol. Through our responsible drinking goals and programs like Family Talk, we're committed to helping parents have those conversations because research has shown it is never too early to start this important discussion.

#### Well-Being & Responsibility Online Forum

In conjunction with the 2013 Global Be(er) Responsible Day, we hosted the first ever industry online Well-Being & Responsibility Forum. Nearly 250 people from 15 countries participated in the real-time online dialog about well-being and responsibility, road safety and prevention of drinking and driving, underage drinking, and excessive drinking. AB InBev CEO Carlos Brito, along with Zone presidents and two business unit presidents, participated in the sessions. A total of 24 global subject matter experts also contributed to these exchanges. More than 1,300 online comments were offered during the forum – averaging one comment every 16 seconds.

## Thank You, Designated Drivers – Canada

In 2013, Labatt marked its 30th anniversary of Canadian leadership in promoting responsible drinking with Thank You, Designated Drivers. The innovative, online digital campaign, backed by landmark research conducted by Ipsos, showed how being a designated driver has become a social norm. The *digital ad* went viral, and approximately 6,000 consumers pledged to thank their designated drivers online. On *Global Be(er) Responsible Day*, we teamed with regulators and other community leaders to build on the campaign's success. We issued a call to action to more than 1,000 stakeholders, engaged 16 important partner groups, and participated in 150 customer visits coast to coast to build further support.

Nearly 500 colleagues logged more than 1,500 hours of volunteer service as they fanned out across the country to ask consumers to thank their designated drivers. Teams of employees wore distinctive, themed T-shirts with #THANKABUD to demonstrate their commitment. Employee teams had iPads with the #THANKABUD app and encouraged customers/consumers to *pledge to "Thank a Bud"* for being a designated driver.

We supported these efforts by distributing 6,250 packs of coasters highlighting both the importance of designated drivers and our 30th anniversary of leadership on this issue. We also distributed 7,200 "tips" checklists to help hosts ensure that their guests arrive home safely. Media coverage of the campaign included 10 news segments for a total of 332,644 impressions.





# Environment

## Raising the Bar on Collective Action

For years, many of the world's largest companies, including AB InBev, have led the way in taking actions to reduce their environmental impacts.



## GOALS AND PROGRESS\*

2012 PROGRESS / GOALS TO BE MET BY END OF 2017

Reduce water risks and improve water management in 100 percent of our key barley-growing regions, in partnership with local stakeholders

Engage in watershed protection measures at 100 percent of our facilities located in key areas in Argentina, Bolivia, Brazil, China, Mexico, Peru and the United States, in partnership with local stakeholders

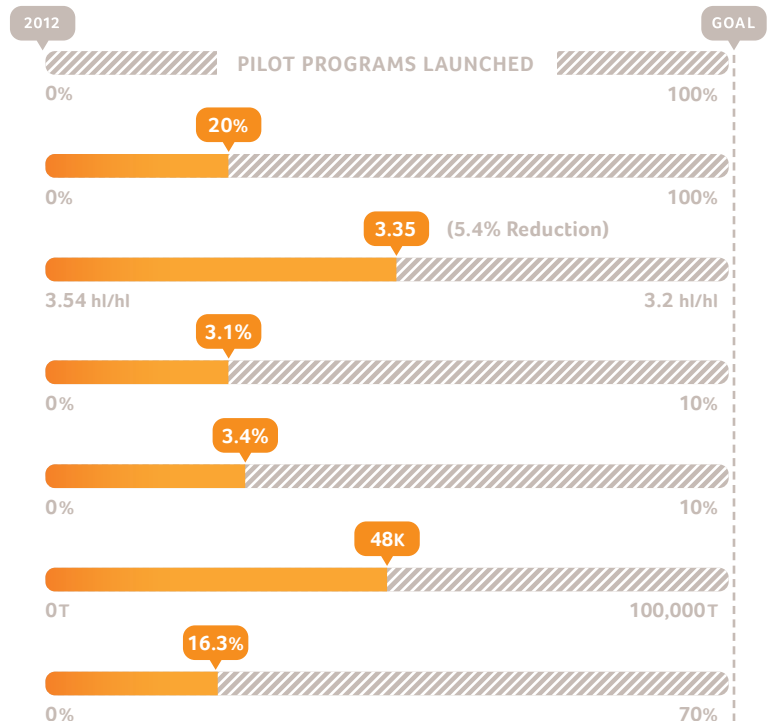
Reduce global water usage to a leading-edge 3.2 hectoliters of water per hectoliter of production

Reduce global greenhouse gas emissions per hectoliter of production by 10 percent, including a 15 percent reduction per hectoliter in China

Reduce global energy usage per hectoliter of production by 10 percent

Reduce packaging materials by 100,000 tons

Reach a 70 percent global average of eco-friendly cooler purchases annually



\* We have updated our 2012 baseline to include breweries acquired as part of our 2013 combination with Grupo Modelo and our 2012 purchase of CND in the Dominican Republic. Data from these entities will be included in our global achievement through the goal period. hl = hectoliters



Today there is a growing recognition that our focus must be broader, that even companies with enormous global reach must look well beyond themselves to address such global challenges as water scarcity and climate change. As the world's leading brewer, collective action is a principle that we take to heart. In 2013, AB InBev continued its participation with the [\*Sustainable Agriculture Initiative \(SAI\) Platform\*](#), a global food industry initiative. We are working with SAI Platform members and our stakeholders to identify and address water risks and opportunities to strengthen sustainable practices within our agricultural supply chain.

While we have worked long and hard to increase efficiency throughout our operations and across our supply chains, in 2013, we took the unprecedented step of quantifying environmental goals that extend to our supply chain and beyond – for example, into areas where we operate that face water challenges. After achieving all of our 2012 milestones, we established a new set of seven environmental targets to be reached by 2017, four of which are externally focused. And we are already making progress against them.

We developed these milestones with input from key internal and external stakeholders, and the goals represent the issues most material to our company and our stakeholders. To achieve them, we will look to our internal systems and functional groups, as well as the partners that we have engaged, as part of our increased focus on collective action.

Making sure we reach our goals is a collective responsibility, and we drive performance through our shared target system that goes from senior management all the way to brewery employees. In fact, compensation for many of our colleagues is tied to the achievement of our environmental goals. Our approach, however, is not completely decentralized. It is unified by our global management systems, including Voyager Plant Optimization (VPO), which enables us to share goals, data, progress and best practices across the company.

For more, see [\*Environmental Management System\*](#) on our website. 

Environmental management is very complex, and there is always potential for some level of error. In 2013, our company paid 52,000 USD in fines related to environmental issues – an amount that is quite low for a company of our size and scope. Any operational deficiencies identified by regulators are promptly corrected, and, if necessary, we make changes to our management system to avoid similar problems in the future.

### **Bringing the Outside In**

As part of our commitment to integrating outside perspectives into our environmental strategy, AB InBev participates in such collaborative initiatives as the [\*UN Global Compact\*](#), the [\*UN Environmental Programme\*](#) and the [\*Beverage Industry Environmental Roundtable\*](#). We also sit on the steering committee of the [\*UN CEO Water Mandate\*](#).

In 2013, we embarked upon two measures to further this commitment – the establishment of an external environmental technical advisory committee and the implementation of a crowdsourcing challenge.

### Environmental Technical Advisory Committee

In support of two of our seven 2017 environmental goals – barley water management and facility watershed protection – we reached out to a number of individuals and organizations with expertise on watersheds, water systems and sustainable agriculture, and assembled a panel of three outside experts. This committee will assist us by supporting strategy development and execution, potentially auditing key results, providing feedback on the economic, environmental and social impacts of our initiatives, and making introductions to water groups, local authorities and policymakers.

#### THE THREE ADVISORY COMMITTEE MEMBERS ARE:

**Stuart Orr**, *Head of Water Stewardship, World Wildlife Fund for Nature (WWF International)*

**Hal Hamilton**, *Founder and Co-Director, Sustainable Food Lab*

**Howard Neibling**, *Associate Professor, Department of Biological and Agricultural Engineering, University of Idaho*

For more information on these individuals and organizations, please see the [Environmental Technical Advisory Committee](#) section of our website. 

### Crowdsourcing Challenge

We are always looking for ways to continuously improve our performance, and we know, as one company, we don't have all the answers. In 2013, we tested a concept for identifying potential breakthrough technologies or management practices that could improve irrigation efficiencies for our barley growers in Mexico, one of our key watershed protection areas. With the help of a third-party online crowdsourcing firm, dozens of innovative proposals were evaluated against a set of pre-set criteria. While none of the proposals was found to be the ideal solution for our growers in Mexico, the value of the concept was established, and we plan to use it again for other citizenship initiatives.







# World Environment Day

## Taking a 360-degree View

The UN Environmental Programme's World Environment Day (WED) is an annual event aimed at being the biggest and most widely celebrated global day for positive environmental action. AB InBev has taken part in the celebration for the past five years. In 2013, more than 67,000 of our colleagues participated in 1,043 projects around the world.

WED fosters healthy competition among our facilities to develop new best practices. In 2013, two facilities were honored as our global WED winners for rising to the company's challenge of taking a 360-degree perspective in addressing important environmental challenges.

*"I'm pleased that we could come away with a network to share ideas and concerns that will contribute to our sustainability. I give full credit to Labatt's Columbia Brewery ... for spearheading this forum."*

- Creston Mayor Ron Toyota





### Cebrasa Beverage Facility - Brazil

Colleagues at this facility, which produces multiple AB InBev products, truly embraced the 360-degree concept. Efforts involved employees, the community, NGOs, state and municipal governments, other private sector companies and educational institutions. The 360-degree approach to water included a tree planting to help restore degraded areas of the watershed, a week-long exhibition and educational event, water-themed uniforms for the area's football league, home water conservation ideas and plant-level water conservation. There was also a cycling event to raise awareness about the need for community recycling and plant-level recycling initiatives.

### Leuven Brewery - Belgium

For colleagues at our Leuven brewery, home of Stella Artois, WED was all about connecting environmental achievements with community outreach. The brewery's focus on water conservation was taken up a notch with the tagline "With the water we save, we help people who need it most." As part of our WED celebration, the brewery launched our best practice program to can fresh drinking water so it may be used in times of natural disaster. In the week following WED, unfortunately, Germany suffered devastating floods. We were able to immediately provide a 100,000-can donation of clean drinking water to victims there. Later in the year, we provided another 100,000-can water donation to cyclone victims in Sardinia, Italy. Other WED efforts included our annual "Bike to Work" day, creating a visitor path at a local nature reserve and engaging employees in water and energy reduction projects.



## WATER USE

### *Helping to Ensure Fresh Water for All*

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When it comes to the amount of water needed to brew a glass of beer, there is more than meets the eye. Most of the water – more than 90 percent – goes into growing the barley and other agricultural inputs used in the brewing process. Production also requires additional water to convert raw materials into high quality beers. Add to that the fact that some of our beverage plants are located in water-stressed regions, and it is clear what a vested interest we have in ensuring an abundant supply of fresh, clean water – for our company and for the communities where we operate.

However, at no time in history has the demand for water been greater or the need to conserve and protect it more urgent. Urbanization, industrialization, increased food production, agricultural runoff, infrastructure issues, drought and other climate conditions all put unprecedented strain on the world's fresh water supply.

As the world's leading brewer, AB InBev is in a unique position to help improve how fresh water is managed and set an example for reducing water risks. It starts with squeezing every last drop we can from our global beverage production and extends to helping our barley suppliers grow more with less, as well as working with global and local stakeholders to improve conditions at the watershed level.

As a signatory to the UN CEO Water Mandate and a member of its steering committee, AB InBev has integrated the Mandate's six core elements in our approach to water management: direct operations, supply chain and watershed management, collective action, public policy, community engagement and transparency.



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*“AB InBev is thoughtful and rigorous in assessing and addressing water risks that affect its brewing operations and supply chains. The company embeds water stewardship into daily activities, from tying employee compensation to outcomes to working with barley growers to optimize water use and improve local watershed health.”*

**- Betsy Otto, Water Initiative Director, *World Resources Institute***

**2017 GOAL** → **Reduce global water usage to a leading-edge 3.2 hectoliters of water per hectoliter of production**

In 2013, after reaching ambitious water reduction goals the prior year, we committed to a new 2017 milestone that will cut the amount of water it takes to produce a bottle of beer by another 9.6 percent. The 5.4-percent water reduction in 2013 saved the equivalent of the amount of water it takes to make more than 6 billion cans of our products. It also saved AB InBev 2.5 million USD.

Because water is so critical to our business and to our communities, we perform annual water-risk assessments at our breweries and other manufacturing facilities throughout the world. And when we identify a facility as high-risk, we take corrective action. In 2013, about 10 percent of our breweries were assessed as high-risk. For more information, see the [Water-Risk Assessments](#) portion of our website.

**AB INBEV WATER USE YEAR-OVER-YEAR**

	2009	2010	2011	2012	2013 <sup>Ⓐ</sup>
Water Use Ratio (hl/hl)	4.30	4.04	3.71	3.54	3.35
Total Water Use (billion hl)	1.626	1.578	1.450	1.566*	1.461

Total and per-hectoliter water use data encompass beverage facilities only.

\* The increase in reported total water use is due to our 2013 combination with Grupo Modelo, which added seven breweries to our business and increased our production capacity. 2012 will represent the baseline year in subsequent reports.

<sup>Ⓐ</sup> Assured metric

**2017 GOAL** → **Reduce water risks and improve water management in 100 percent of our key barley growing regions in partnership with local stakeholders**

AB InBev relies on independent farmers around the world to grow the barley we use to make our vast family of beers. We have a long-standing approach of working collaboratively with growers to improve crop management practices. Helping growers achieve the highest quality barley with the best yields and lowest costs mitigates our supply chain risk, reduces our growers’ environmental footprint and improves the economics of producing barley.

We pursue an integrated and holistic approach to supporting our growers – investing in the development of improved varieties, providing access to high quality seeds and other quality inputs, and deploying skilled agronomists and field specialists who work with growers to strengthen crop management practices.



Our team works directly with more than 15,000 barley growers worldwide, representing more than 1 million hectares of cultivated malt barley area across Argentina, Brazil, Canada, China, Mexico, Russia, the United States and Uruguay. In recent years, we have expanded our advanced breeding programs, taking our decades of experience in the United States and South America to a global scale in order to help increase yield, reduce disease risk and improve quality across our global barley regions.

In 2013, we raised the bar on our work with barley growers, taking the unprecedented step of focusing one of our core environmental targets on managing water risks and improving water management in our barley supply chain. We are pursuing two primary approaches to reach this target – improving water management through disseminating best cropping practices, and reducing water risk through developing high yielding drought-tolerant varieties. Our strategy focuses on our grower communities where water risk is a present and increasing concern, leveraging our experience and expertise to work collaboratively with local and global stakeholders to improve water productivity in the production of high-quality malting barley.

In support of this goal, we completed a robust water assessment in our key barley regions – identifying local water availability and water quality concerns, mapping relevant stakeholders for potential partnerships and developing locally tailored pilot initiatives that improve water management. Two key criteria of our pilots remain: the need for collaborative action with growers and other stakeholders, and the scalability of the initiatives. In this aim we developed and launched four high-impact water management pilot projects, summarized below.

## SUMMARY OF BARLEY GROWER PILOT PROGRAMS

[Read more about our Barley Growers Water Pilot Programs.](#) 

### BARLEY WATER MANAGEMENT PILOT PROJECT – UNITED STATES

In Idaho, we are working in partnership with local stakeholders on the development and promotion of an irrigation scheduler program, called AgriMet, linking local climate station data to a web and mobile application that delivers accurate evapotranspiration and other climate parameters, allowing growers to better optimize their irrigation water management.

### BARLEY WATER MANAGEMENT PILOT PROJECT – CHINA

In China, we are executing large scale trials in partnership with the state supported Gansu Academy of Agriculture Sciences (甘省科院), to identify optimal irrigation practices for select varieties in the province.

## BARLEY WATER MANAGEMENT PILOT PROJECTS – MEXICO

We are working with a wide range of stakeholders on two major barley projects in Mexico. In collaboration with the federal program MasAgro and industry association Centros Impulsors, among others, we are advancing the use of nitrogen sensors in the Bajío region to improve fertilizer use efficiency. In the rainfed Altiplano and irrigated Bajío regions, we are collaborating with the development bank FIRA, Centros Impulsors and others on the promotion of best conservation agriculture practices for barley and other crop production.

## GLOBAL BARLEY BENCHMARKING

In 2013, we also developed and piloted a farm level benchmarking tool that enables our growers to compare their barley production – through advanced productivity and environmental key performance indicators – to the production of other barley growers within their region as well as globally.

In 2014, we are scaling the program to incorporate more than 1,900 barley growers across Argentina, Brazil, Canada, China, Mexico, Russia, the United States and Uruguay. We are calling this program SmartBarley<sup>SM</sup>, leveraging AB InBev's global insights to drive local results, delivering a smarter approach to producing high-quality malting barley.



For more information on our overall approach to sourcing, see the [\*Responsible Supply Chain Sourcing\*](#) section of our website. 





## “The Gift” of Water

### Giving “The Gift” of Water

In December 2013, our Stella Artois brand created an online and mobile holiday promotion called “*The Gift*.” It benefitted [Water.org](http://Water.org), a nonprofit organization that transforms lives by providing access to safe water and sanitation in developing nations. The program engaged Facebook users, ages 21 and older, who received a holiday “gift” on the site from Stella Artois. They were then encouraged to forward the gift to friends as a way to trigger a donation from Stella Artois to Water.org. AB InBev committed a 100,000 USD donation to support this important campaign.

[Stella Artois “The Gift”](#) 





**2017 GOAL** Engage in watershed protection measures at 100 percent of our facilities located in key areas, in partnership with local stakeholders

Ensuring access to fresh water for our facilities and the communities and regions surrounding them is a high priority for us, especially since some of our facilities are located in water-stressed areas. For the past several years, we have been working with NGOs, governments and local communities to promote water conservation and protect watersheds. In 2013, we formalized our commitment to engage in watershed protection activities by the end of 2017 at all of our facilities located in regions that have been identified as water-stressed. We're already making considerable progress toward that goal.

### **BRAZIL – THE CYAN MOVEMENT**

Named for the cyan-blue color of water, CYAN is a broad-based initiative we launched in 2010 to create awareness and promote social mobilization for water conservation in water-stressed regions of Brazil. An important component of CYAN is the Basins Project, which focuses specifically on the recovery and conservation of important Brazilian water basins. On World Water Day in March 2013, we partnered with *The Nature Conservancy* (TNC) to launch a new Basins Project in Brazil's Jaguariúna region. The aim is to conserve the water basin that supplies a portion of the water to the greater São Paulo region and our beverage facility in Jaguariúna.

The first phase of the project created the alliances needed to get the work done and to help on the information gathering process for the creation of a business plan for implementation. We have signed an agreement with the municipality of Jaguariúna and other stakeholders, including local NGOs and Embrapa, The Brazilian Agricultural Research Corporation, a critical step in the long-term success of the initiative and in obtaining the support of the area's Watershed Committee to direct a portion of their resources to restoration activities. We also helped establish a local steering committee that will be responsible for managing the project.

Read more about CYAN. 

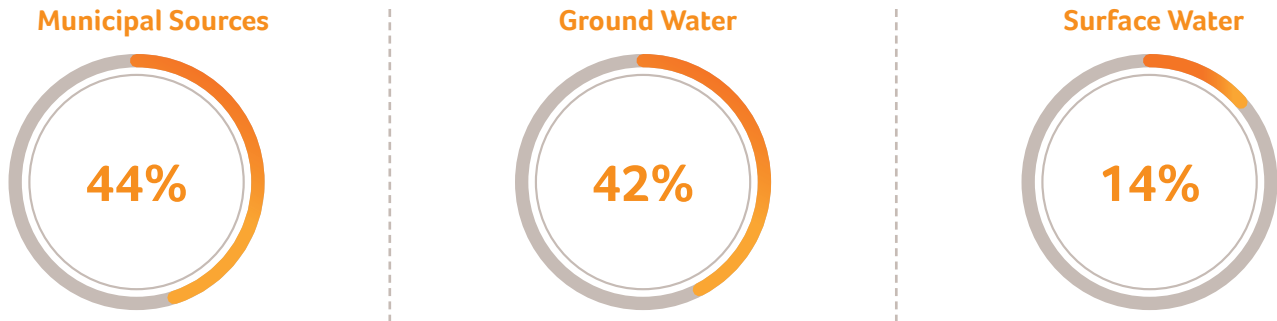
### **BOLIVIA – BEING PART OF THE SOLUTION**

In 2013, conflicts broke out in the Cochabamba region of Bolivia, near our Taquiña brewery, between two communities competing for water access and administrative rights over the Taquiña River. In an effort to help mitigate the situation, we engaged with representatives from the two communities and the local and regional government to find a solution that would work for all parties.

To improve the local water supply, we are working both within and outside of our walls. At our Taquiña facility, we plan on reusing some of the water that is treated through our biological treatment systems in other auxiliary parts of operations, reducing the amount we need from local sources. And through an agreement with the local agricultural union, we are donating much of this clean, processed water for agricultural purposes.

We have also proposed to increase water availability to the surrounding communities by upgrading channel connections, repairing lagoons and enabling one of the communities to access water from our plant's inlet. As a further show of commitment to sustainable development for the region, we have also committed to improving local infrastructures, including roads, schools and irrigation capabilities, as well as funding a local Health Center.

### 2013 AB INBEV WATER SOURCES



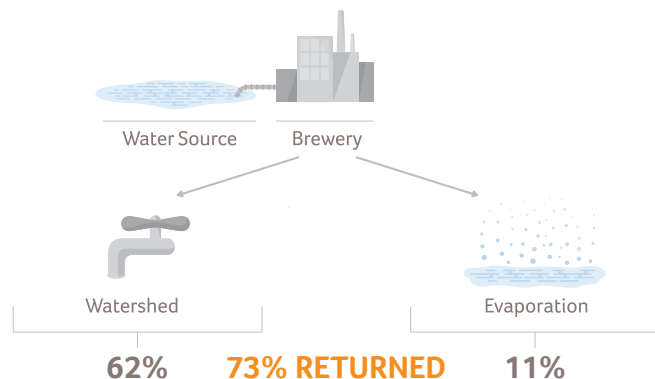
### Effluent Treatment and Beneficial Reuse Applications

Water recovered from our production processes, known as effluent, is refined through our bio-treatment systems to meet regulatory quality standards before being returned directly back to the watershed, or to a municipal treatment system and then back to the watershed.

Ensuring that we return as much water as possible back to the environment, as clean or cleaner than what we take in, is an important component of our water strategy. To help ensure this, we have added or upgraded 143 bio-treatment systems throughout our worldwide operations since 2009, 13 of them in 2013 alone. More than one-third of these systems also recover bio-gas fuel from effluent processing, which we use to help power our operations and offset the need for fossil-based fuels. For example, at our Rio de Janeiro brewery, we send bio-gas to our adjacent glass plant for use in glass bottle manufacturing. The brewery is now providing about 46 percent of fuel needs for glass production.

### Water Use and Re-use

In 2013, about 73 percent of the water we took in was returned to watersheds - 62 percent was treated following strict quality standards and returned to local watersheds, and 11 percent returned to the atmosphere through evaporation.



## ENERGY USE AND GREENHOUSE GAS EMISSIONS

*Beverage manufacturing and distribution is an energy-intensive business. For that reason, energy conservation and emission reduction is a strategic focus for us. Our comprehensive approach to managing this critical resource curtails greenhouse gases (GHGs), mitigates our business risks, and ultimately, enhances our cost effectiveness. Since 2009, our reduced energy intensity has saved the company approximately 110 million USD, nearly 31 million USD in 2013 alone.*

We are working across our entire value chain to address this important issue, from continuously improving the efficiency of our operations and switching to cleaner fuels to helping both our suppliers and customers reduce their energy consumption. In 2013, AB InBev was recognized by the Association of Energy Engineers during its World Energy Engineering Congress for having the “2013 Best Corporate Energy Management Program.”

After reaching our three-year energy-efficiency goals in 2012, we set new milestones in 2013 that include both internal and external targets. Following are some examples of how we are working to achieve our objectives.

### **2017 GOAL** → Reduce global energy usage per hectoliter of production by 10 percent

Many of our initiatives throughout the world include both energy efficiency measures and the adoption of cleaner fuels, including renewables. Here are two examples of our efforts to reduce energy consumption.

#### **SICHUAN BREWERY – SICHUAN PROVINCE, CHINA**

Well before our Sichuan brewery opened its doors in May 2011, our design and construction teams scoured our plant management system, known as Voyager Plant Optimization (VPO), for innovations that would drive exceptional performance. VPO features more than 500 best practices collected and shared by employees across all of our countries. This continued after the brewery began production and, in 2013, a dedicated team was formed to identify energy-saving initiatives.

Within 10 months, the team developed a successful program that continuously reduced the amount of energy needed for producing heat throughout the brewery. The program established fuel gas waste heat recovery and auxiliary heating and increased insulation for bottle washers and pasteurizers, among other innovations. As a result, energy use has been reduced by 37 percent per hectoliter of production since 2011 – the equivalent of heating 1,539 homes in China for an entire year.



## CARTERSVILLE, GEORGIA, BREWERY – UNITED STATES

In 2013, our brewery in Cartersville, Georgia, took steps to reduce the plant’s overall energy demand from the local power grid. One significant aspect of this project was to upgrade all remaining metal halide (MH) lighting fixtures to LED lighting.

Not only is LED lighting far more energy-efficient, its expected lamp life is more than double that of MH lighting, reducing both energy and maintenance costs. Also, unlike MH lamps, LEDs do not need warm-up time to reach full illumination. That allowed us to install occupancy sensors so that lights turn on only when needed, affording even more savings. The brewery also installed a .5-megawatt solar array to offset energy demand from the local utility and provide a clean, renewable source of power. Both the lighting retrofit and the solar installation leveraged U.S. federal tax incentives to offset the capital costs. Taken together, these measures are expected to save more than 150,000 USD per year.



### 2013 GHG EMISSIONS AND ENERGY USE

	2009	2010	2011	2012	2013 <sup>Ⓐ</sup>
Total Direct and Indirect GHG Emissions* (million metric tons of CO <sub>2</sub> e)	4.69	4.50	4.33	4.88**	5.28***
GHG Emissions per Hectoliter of Product* (kilograms of CO <sub>2</sub> e per hectoliter [kg/hl])	10.57	9.98	9.36	9.56	9.26
Total Energy Consumption (million gigajoules of energy)	50.5	50.3	47.6	58.6**	54.3
Energy Consumption per Hectoliter of Product (megajoules per hectoliter [mj/hl])	133.6	128.7	122.0	129.0	124.6

We calculate our GHG emissions using the Scope 1 (direct) and Scope 2 (indirect) emissions that result from our production facilities, based on the widely accepted World Business Council for Sustainable Development (WBCSD)/World Resources Institute (WRI) GHG protocol. Scope 1 accounts for almost 65.4 percent of our emissions and includes CO<sub>2</sub> equivalent (CO<sub>2</sub>e) from fuel used in our manufacturing processes and in cogeneration plants that generate on-site electricity. Scope 2 accounts for about 34.6 percent and represents emissions from purchased electricity. We have also begun to document some Scope 3 emissions from our suppliers’ transportation and logistics activities.

Total GHG emissions data encompass beverage facilities and most vertical operations, including malt plants and packaging facilities. Total energy consumption, per-hectoliter GHG emissions and per-hectoliter energy consumption data encompass beverage facilities only. Energy consumption includes fuel used in our boilers and our co-generation plants to generate on-site electricity and purchased electricity.

\* Emissions arising from the combustion of biomass, biogas and landfill gas are not included in our GHG emissions, per the WBCSD/WRI protocol. Biomass and biogas are considered carbon neutral because the fuel sources served as an atmospheric carbon sink before being burned. Burning landfill gas, or methane, is considered beneficial because its combustion dramatically reduces GHGs emitted when compared to simply allowing it to enter the atmosphere unburned.

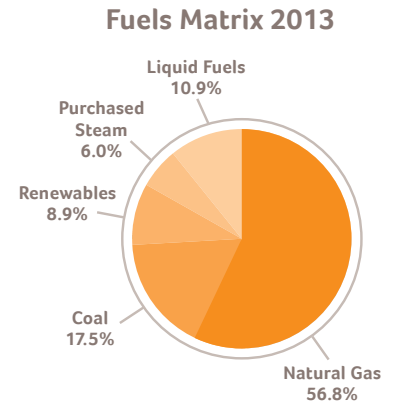
\*\* The increase in reported total GHG emissions and energy use is due to our 2013 combination with Grupo Modelo, which increased our production capacity. In association with this combination, we also adjusted our 2012 GHG emissions, emission factors, and energy use.

\*\*\* 2013 reflects the first year of inclusion of Grupo Modelo vertical operations.

Ⓐ Assured metric

**2017 GOAL** → Reduce global greenhouse gas emissions per hectoliter of production by 10 percent, including a 15 percent reduction per hectoliter in China

In 2013, we reduced our global greenhouse gas emissions by 3.1 percent. In China, we achieved an 8.8-percent reduction in 2013. Switching to cleaner power resources, including renewable energy, is an important component of our strategy for reducing the greenhouse gas emissions associated with our operations. We rely upon a variety of renewable energy sources, including solar, wind, biomass and bio-energy recovery systems that generate bio-gas fuel from the industrial byproducts of our operations. In 2013, renewables made up nearly 9\* percent of our global fuel mix.



**FAIRFIELD, CALIFORNIA, BREWERY – UNITED STATES**

Our Fairfield, California, brewery is a leader in applying renewable energy technology, setting an example for our other facilities around the world. The combination of an on-site solar array and wind turbine provides an average of 15 percent of the brewery’s electricity needs.

In 2013, we established plans to double our wind energy capacity by installing another wind turbine set for completion in mid-2014. That will bring combined solar- and wind-powered capacity to more than 4 megawatts and increase our overall renewable capacity to about 22 percent of electricity needs. In addition, the on-site biogas recovery system supplies about 13 percent of the brewery’s natural gas fuel requirements, further reducing reliance on fossil-based fuels.

For these and other reasons, the Fairfield brewery was named “*2013 Green Plant of the Year*” by Food Processing magazine, based on voting by its readers.



\* Previously reported renewable fuel mix was understated due to a calculation error.

### **YANJI BREWERY – JILIN PROVINCE, CHINA**

In 2013, our brewery in Yanji installed a solar array on the main roof of the facility to provide a clean renewable source of energy for plant operations. The .4 megawatt installation went into operation in fall 2013 and is providing about 5.9 percent of the brewery's electricity needs. It will also help ensure an economical, steady supply of power.

### **JINZHOU BREWERY – LIAONING PROVINCE, CHINA**

Our brewing facilities burn fuel on site to heat the boilers we use in the brewing process. In 2013, our Jinzhou brewery in China tested a biomass fuel made from saw dust, in part because the regional government would not allow the use of coal. The brewery will begin using the fuel in 2014. Biomass is viewed as an environmentally preferable alternative because it is both renewable and considered "carbon neutral" – meaning that the plant materials from which it is made have absorbed as much carbon while growing as they emit when burned for energy.

### **ANDERLECHT DISTRIBUTION CENTER – ANDERLECHT, BELGIUM**

In another innovative renewable energy project, our distribution center in Anderlecht worked with a third-party provider to rent the facility's rooftop to accommodate installation of a solar energy array. The third party was responsible for the investment and installation of the array and is responsible for its operation.

This is truly a win-win situation. AB InBev receives rental income, while also saving money by purchasing the clean, renewable power generated by the array, instead of buying it from the local grid. We will also keep about 200 tons of carbon out of the atmosphere on an annual basis.

### **2017 GOAL** → *Reach a 70 percent global average of eco-friendly cooler purchases annually*

In many parts of the world where AB InBev operates, we have the opportunity to supply our retail store customers with refrigerators that bear our product logos and promotional messages. Not only is this a great way to promote our products in-store, it enables us to help our customers reduce their own carbon footprints through the use of environmentally preferable technology.

In 2013, we committed to ensuring that by 2017, 70 percent of the coolers we buy annually to provide to our retailers will be eco-friendly. Eco-friendly features include long-lasting, energy-efficient LED lighting, energy-saving controllers and a refrigerant that has much lower greenhouse gas impacts if released. To qualify for inclusion in our goal, a cooler must have at least two of these three features. We are already making progress against this goal, with 16 percent of our 2013 cooler purchases meeting these requirements. Additionally, we have developed and issued related standards to guide our procurement activities going forward.



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## REDUCING CARBON EMISSIONS THROUGH IMPROVED LOGISTICS

*One of the ways we strive to reduce our overall carbon footprint is by partnering with our transportation and logistics providers and our customers to reduce their fuel and energy consumption. Based on our continued participation in and best practices learned from the “**Lean & Green**” program, sponsored by the Flemish Institute for Logistics, Belgium, we are developing a goal on logistics that we will announce in summer 2014.*

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Some of the avenues we will explore for reaching this future goal include the deployment of lower-emitting truck fleets and fuels, routing efficiencies, incentives for fuel-efficient driving practices and truck-sharing to help optimize travel miles.

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## MATERIALS AND RECYCLING

*A wide range of materials go into the manufacture and distribution of our products. At AB InBev we continuously raise the bar by reducing the amount of material we use, recycling everything we can, integrating the use of recycled inputs into our packaging and ensuring that our packaging is recyclable whenever possible. This commitment is reflected in the exceptional progress we made in 2013, reaching nearly half of our 2017 packaging reductions goal.*

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Worldwide, we recycled more than 97.5 percent of our solid waste in 2013, and 121 of our 144 beverage plants throughout the world achieved Virtually Zero Waste to Landfill status, which is defined by research and standards firm, **UL**, as diverting at least 98 percent of all solid waste from landfills. The 2013 recycling rate of 97.5 percent is down from 99 percent in 2012 due primarily to our combination with Grupo Modelo.

In 2013, we made a 100 million USD investment in a new aluminum bottle manufacturing process in the United States that has allowed us to reduce the weight of our Bud Light 16-ounce bottles by 40 percent. Through this “coil-to-can” process, developed by Alcoa, we are providing innovative reclosable bottles, while also achieving a packaging reduction of 2,400 tons. For the full year of execution, we expect to achieve a 9,200-ton reduction, saving an estimated 80,500 metric tons of carbon dioxide emissions.

**2017 GOAL** → **Reduce packaging materials by 100,000 tons**

AB InBev has established global packaging best practices and benchmarks, and we continuously challenge all parts of our company to implement best-in-class, sustainable packaging solutions. Through our unified plant management system, value engineering, innovative design and procurement initiatives, we are able to use fewer and lighter-weight materials in our packaging.

We have made great strides in this area, and our culture of continuous improvement led us to commit to reducing the amount of our packaging by another 100,000 tons by 2017. Our first-year performance against that goal was highly successful; we are nearly halfway there thanks to a reduction in packaging of 48,000 tons in 2013. We estimate that it reduced GHG emissions by 71,677 tons.

**SOME OF THE WAYS WE REDUCED MATERIALS USE IN 2013 INCLUDE:**

- **Paper Reductions** – By removing carton partitions and other paper from cartons, reducing the gauge of the paper, trimming the size of flaps in folding cartons and other paper optimization techniques, we were able to reduce paper use by 32,254 tons, or the equivalent of 248,000,000 12-pack beer cartons. These examples demonstrate how incremental changes can add up to a huge difference in the amount of materials needed to package our products.
- **Glass Reductions** – Throughout the world, AB InBev sites worked hard to reduce the amount of glass we use to bottle our products. By paring the weight and thickness of some of our beer bottles while maintaining product safety and structural integrity, we reduced glass use by 13,839 tons, the approximate equivalent of 77,000,000 355-ml beer bottles. Light weighting bottles continues to be a technique that is being implemented across the entire company.
- **Metal and Plastic Reductions** – Through techniques such as down-gauging metal crowns and lids and using thinner shrink wrap, we saved more than 1,100 tons of metal and nearly 500 tons of plastic.

*[Read more about our Materials and Recycling programs.](#)* 



# Brazil

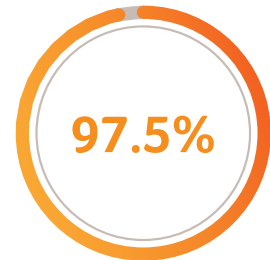
In 2012, our Brazil operations developed the first 100 percent recycled PET bottle for our Guaraná Antarctica soft drink. Through 2013, we have introduced about 220 million of these bottles to the Brazilian market, enough to package 3 million hectoliters of product. Compared with manufacturing new plastic bottles, these bottles reduce the need for virgin materials, divert waste from landfills and use less energy and water to manufacture. The bottles also create a marketplace for recyclables, providing income opportunities throughout the region.





**MATERIALS RECYCLED AND WASTE DISPOSED (METRIC TONS)**

	2011	2012	2013*
Materials recycled and composted	5,937,251	5,619,408	5,836,743
Materials used as fuel	6,038	10,434	98,240
Incinerated waste	0	22	0
Landfilled waste	104,946	43,608	150,963
Hazardous waste	4,970	225	724
<b>Total</b>	<b>6,053,205</b>	<b>5,673,697</b>	<b>6,086,670</b>

**2013 Recycling Rate**


\* Includes data from Mexico operations

## MANAGING BIODIVERSITY

*Many of our environmental efforts – especially our work to protect and improve watersheds – have a positive impact on biodiversity. Several of our facilities maintain a portion of their property to benefit native plants and animals, improve their local environments and promote biodiversity through on-site education, awareness, research and conservation projects.*

### NATIONAL PARK CONSERVATION PARTNERSHIP - MEXICO

For the past 13 years, our Mexican team has been working to help restore, protect and conserve the Iztaccíhuatl-Popocatepetl National Park. We teamed up with Pronatura Mexico and CONANP, the National Commission of Protected Natural Areas, to create “Together in Conservation (Juntos en la Conservación).” The work focuses on five areas: reforestation of degraded areas; water and soil conservation; recreation and public use; protection against threats; and vigilance and maintenance. Through the partnership, a total of 668 hectares of forest have been reforested with an average density of 611 trees per hectare. The park has 465 wildlife species, of which 23 only occur in this area and 30 are designated at risk.

### GUARULHOS BREWERY - BRAZIL

Surrounded by 2,100 acres of protected forestland, our brewery in Guarulhos (São Paulo) Brazil, works with the local Department of Environment to catalog wild animals and rehabilitate various animal species within our boundaries before re-integrating them into the forest. To date, the brewery’s “Field of Preservation and Tracking Wild Animals” program has registered 346 species, including three reptiles, 12 mammals and 331 birds.

### **BRAHMA TREE-PLANTING PARTNERSHIP - BRAZIL**

Our Brahma unit developed the project, “Joy is Standing in the Forest” (“Alegria no pé é floresta de pé”) in 2012. In connection with this project in 2013, Brahma planted or conserved 100 trees for every goal scored in Brasileirão, a Brazilian soccer championship, and in the FIFA Confederations Cup, with a total of 100,000 trees conserved.

### **JACKSONVILLE, FLORIDA, NUTRI-TURF FACILITY - UNITED STATES**

Our Nutri-Turf operation near our Jacksonville, Florida, brewery uses effluent from our brewery operations to grow high-quality turf products. This 1,000-plus acre site has developed an extensive wildlife management program, as well as a pollination program. Feed plots on the premises provide supplement nutrients to wildlife throughout the growing season and on-site ponds provide food, shelter, breeding grounds and overwinter areas for many species.

The bee program is a partnership with local master beekeepers. The bees are moved from the site to various fruit and vegetable crops for pollination periods then back to the site for rest periods.



### **CARTERSVILLE, GEORGIA, BREWERY - UNITED STATES**

Our brewery in Cartersville, Georgia, maintains and operates multiple food plot locations, and mineral supplement sites for wildlife and develops habitat projects in cooperation with conservation groups, and local, state and federal agencies. The facility has also developed a program to refurbish and clean bird nest boxes and is involved in longleaf pine restoration efforts.

### **MERRIMACK, NEW HAMPSHIRE, BREWERY - UNITED STATES**

In Merrimack, New Hampshire, our brewery manages 45 acres of open grassy meadow and 120 acres of woodland and wetland areas to improve and protect the habitat of the endangered New England Cottontail and the threatened Grasshopper Sparrow and American Bald Eagle. The facility also maintains pollinator-friendly grounds to benefit the Monarch Butterfly and other pollinators.

### **FORT COLLINS, COLORADO, BREWERY - UNITED STATES**

At our Fort Collins Brewery in Colorado, we maintain an eight-acre natural area certified by the City of Fort Collins. We maintain an inventory of resident species on the site and place additional nesting boxes within the area, ensuring the structures are inhabited by the intended wildlife. We also remove invasive species to prevent their aggressive spread, and replace native plants as needed. Our focus is on building a viable habitat where native animal and plant species can thrive. We utilize the area as an educational platform to demonstrate the importance of habitat protection to both employees and visitors.



# Our People in the Community

It takes great people to build a great company and a better world. We strive to attract and retain the best talent: people who care about each other, our business and the communities where they live and work.



## PROGRESS

2013

46.7K

Number of employees globally who volunteered their time and talents to our communities

1.9M

Hours of employee training

65%

Reduction in lost-time injuries since 2009, without Mexico Zone

### Economic Contributions:

4.1 billion (USD) in wages and salaries paid to employees

3.8 billion (USD) in capital expenditures on our facilities, distribution network and systems around the world – investments that generate jobs and local economic growth

13 billion (USD) in excise and income taxes paid



## VOLUNTEERISM AND SUPPORT

*In 2013, nearly 46,700 employees volunteered their time to support a wide variety of community activities around the world. That total, which included colleagues who may have volunteered more than once, was more than double our 2012 count. The total hours volunteered by our employees in 2013 was 168,474. By offering a global volunteer policy to guide and track employees' volunteer efforts, which are supported by Zone policies that reinforce the value of these efforts, we are confident that we can continue to expand the scope of our colleagues' volunteerism around the globe.*

### **Gente Que Ayuda (People Who Help) Volunteer Program**

Our colleagues in Argentina, in partnership with the NGO Asociación Conciencia, participated in our Gente Que Ayuda (People Who Help) volunteer program. Employees and community members in nine cities worked together to support local schools by decorating and repairing the buildings, refurbishing school grounds and other activities. The Ministry of Education of Argentina also recognized our Fourth Annual National Day of Volunteering Program with a “Declaration of Educational Interest,” noting our contribution to education and the community.

### **China's Hope Schools**

AB InBev China is committed to partnering with the Ministry of Foreign Affairs and the China Youth Development Foundation to build and support schools that give all children a chance at an education. We work with the government to support its “Hope Schools” program in underserved rural areas of the country or where there are large populations of migrant workers. We now support seven Hope Schools in communities where we operate breweries.

[Read more about China's Hope Schools.](#) 



<sup>1</sup> Number includes employees who may have volunteered more than one time.

**ADDITIONAL VOLUNTEER PROGRAMS TOOK PLACE ACROSS OUR COMMUNITIES, INCLUDING:**

- In the United States, our celebration of 14 years of support for Habitat for Humanity included 600 colleagues volunteering their time to help build houses in each brewery city.
- Germany participated in its annual “Day of Caring,” in which we partner with community agencies to create volunteer projects specifically for AB InBev employees. More than 100 colleagues participated in five projects in 2013.
- The Budweiser Club Futures program in the UK continued for its second year in 2013. Through this program, we are investing £1 million (nearly 1.7 million USD) over two years directly into grassroots football. This funding enables non-league clubs to invest in improved facilities, benefitting the team, their fans and the local community.

*“The past, present and future of Dommelen is inseparably connected to AB InBev’s ‘Dommelsche’ brewery. The brewery was and is the beating heart of Dommelen, both economically and in support of different activities for the local community.”*

- drs. A.B.A.M. Ederveen, Mayor of Valkenswaard







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## DISASTER RELIEF

*Since 1988, our U.S. operations have packaged and donated more than 72 million cans of fresh drinking water to emergency relief organizations following natural disasters. In 2013, we donated more than 200,000 cans of drinking water to support disaster relief in six communities following tornadoes, storms, wildfires and floods. This best practice was also rolled out to additional regions in 2013 and included the donation of 60,000 cans in Canada to victims of flooding in Calgary, 100,000 cans in Germany in the wake of floods, and 100,000 cans in Sardinia, Italy after a cyclone.*

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## CHARITABLE FOUNDATIONS

*Through charitable foundations associated directly or indirectly with AB InBev, we reach out to our employees and groups in need. We contribute to community organizations and touch countless individual lives, with a focus on supporting education, the environment, economic development and disaster relief and preparedness.*

**In 2013, contributions totaled nearly 124 million USD.**

[Read more about our charitable foundations.](#) 





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## WORKFORCE AND PERFORMANCE

*At the end of 2013, we employed more than 150,000 full-time, seasonal and temporary employees worldwide. Of our full-time employees, approximately 20 percent were female and 80 percent male. The average employee age was approximately 35. The average length of service was approximately eight years. About 67 percent of employees worked in blue-collar jobs, while 33 percent worked in white-collar jobs. About 49 percent of our employee population is covered under a collective bargaining/union agreement. Our turnover rate for 2013 was 10.7 percent.*

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One thing all of our colleagues have in common is focus, talent and passion for raising the bar every day. We have an ownership culture that is based on the principle that we are all responsible and accountable for results. Our people dream big, aim high and challenge themselves, enabling us to improve productivity and continue to invest in our business, which in turn ultimately strengthens our social responsibility initiatives.

[Read more about our ownership and performance culture.](#) 

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## CAREER ADVANCEMENT AND ENGAGEMENT

### Career Management

At our core, we are committed to helping employees grow at the pace of their talent. To support this, we have a global People Cycle that includes three key phases, Competency Review, Organization and People Review (OPR) and Engagement. The People Cycle drives consistency across our teams and helps ensure that managers and employees have the right data and tools to support performance and career discussions.

Each of our colleagues receives regular feedback on their performance and stretch targets. Each April, our employees participate in an annual competency appraisal process which helps to identify their strengths and development areas. Approximately 19,000 employees complete a competency appraisal.

Our OPR is a formal, structured process that allows us to actively manage our talent pool and develop, engage and retain our people. This process is supported by an online system that maintains employee data on the skills, credentials and achievements of more than 20,000 employees across the globe.



### Employee Engagement

To measure and track the motivation of our colleagues, each year we run a global employee engagement survey. This survey gathers feedback from employees on issues such as communication, workplace safety, career development, and senior leadership. The engagement results are analyzed and prioritized to help managers develop action plans to improve and/or maintain team motivation and retention.

Our latest employee opinion survey, carried out in December 2013, shows an employee engagement index of 80 percent. This was an increase of 2.6 percentage points over 2012. The 2013 data is based on responses from nearly 98,000 employees, composed of 44,412 white-collar and 53,566 blue-collar employees across all Zones, including our newest Zone, Mexico.

One important engagement metric we track is employees' views on whether the company acts in a socially responsible way. This metric was 86 percent in 2013, an increase of 6 percentage points over 2012.

### AB InBev University

Each of our geographic Zones offers live or online programs through AB InBev University, with a curriculum focused on leadership, method and functional learning. In 2013, our employees participated in more than 1.9 million hours of classroom and e-learning training combined. Training courses were attended by more than 300,000 participants, with many employees taking several trainings, for an average of 5.4 hours per participant.

### Global Management Trainee Program

To attract the best talent, our Global Management Trainee (GMT) program recruits graduates of top universities around the world for a demanding 10-month paid training program that exposes participants to a wide range of company operations.

In 2013, we selected 124 trainees for the program from more than 134,000 applicants worldwide.

[Read more about our Career Advancement and Engagement.](#) 



## DIVERSITY

*Our commitment to equal employment opportunity, diversity and inclusion is a defining value that helps make our company a great place to work, while also guiding and enriching our relationships with customers and the communities we serve.*

As a leading international business, we are committed to ensuring that we offer employment and career development opportunities without regard to race, color, religion, disability, sexual orientation or creed. In 2013 in the North American Zone, approximately 73 percent of our employees were Caucasian, 12 percent Hispanic, 10 percent African decent, 3 percent Asian decent, 1 percent Native decent and 1 percent other. To further our commitment to diversity and support our business objectives in the United States, we have Employee Resource Groups (ERGs) that provide education, awareness, and professional growth and development opportunities for our diverse family of employees.

[Read more about Diversity and Employee Engagement.](#) 





## HEALTH & SAFETY

*Our employees and their families are at the heart of our success. They are the reason we have built a safety culture focused on openness and effective reporting to encourage appropriate behavior, practices and procedures that avoid incidents and injuries. Led by our managers, every AB InBev employee has a personal responsibility to observe and promote our global health and safety policies.*

### World Safety Day

Although safety is a year-round focus, we take extra time to celebrate safety during our safety days and during the International Labor Organization's World Safety Day on April 28. In 2013, we focused the celebration on personal risk assessment, launching the S.A.F.E. program (Survey the area, Assess the risk, Find a solution, Every time).

The focus on safe commuting extended throughout our Zones. As an example, our colleagues in the Dominican Republic conducted their first motorbike safety training called "Techniques for Motorcycle Driving." The training was designed for colleagues who use motorbikes both on the job and as a means of transportation. The same training is being conducted in Guatemala and throughout Brazil, where motorbikes are also a popular form of transport.

[Read more about our Health and Safety Practices and Performance.](#) 





## Safety Performance Results

Lost Time Injuries (LTI)	2009	2010	2011	2012	2013
Supply Employees (own)	244	172	135	111	291 <sup>Ⓐ</sup>
ABI	244	172	135	111	86
Mexico*	n/a	n/a	n/a	410	205
Second Tier/Sales Employees (own)	n/a	394	313	337	1,728
ABI	n/a	394	313	337**	209
Mexico*	n/a	n/a	n/a	2,016	1,519
Contractors (Supply/Second Tier/Sales)	n/a	341	424	244	358
ABI	n/a	341	424***	244	237
Mexico (Supply only)*	n/a	n/a	n/a	n/a	121
<b>Total Recordable Injuries (TRI) (Supply, own)</b>					
Supply Employees (own)	n/a	1,325	1,388	1,086	1,189
ABI	n/a	1,325	1,388	1,086	726
Mexico*	n/a	n/a	n/a	1,362	463
<b>Fatalities</b>					
Supply Employees (own)	2	0	0	0	4
ABI	2	0	0	0	4
Mexico*	n/a	n/a	n/a	n/a	0****
Second Tier/Sales Employees (own)	1	2	2	6	4
ABI	1	2	2	6	0
Mexico*	n/a	n/a	n/a	n/a	4
Contractors (Supply/Second Tier/Sales)	6	1	10	9	11
ABI	6	1	10	9	9
Mexico*	n/a	n/a	n/a	n/a	2****
<b>Days Lost due to Injury (Supply own)</b>					
Supply Employees (own)	7,817	7,629	6,356	7,219	11,561
ABI	7,817	7,629	6,356****	7,219	4,254
Mexico*	n/a	n/a	n/a	12,871	7,307
<b>Global Severity Rate (Supply, Own, ABI without MEX)</b>	60	61	51****	56	33

### Key:

Lost Time Injuries (LTI) = Occupational injury resulting in more than one day absence from work  
 Total Recordable Injuries = LTI + modified duty injuries + medical treatment injuries  
 Global Severity Rate = Lost days per 1,000,000 hours worked  
 Supply Employees = Brewery and manufacturing facility employees, including first-tier logistics  
 Second Tier/Sales Employees = Second-tier logistics, sales, Zone and global corporate employees

<sup>Ⓐ</sup> AB InBev took management control of Grupo Modelo following the combination on June 4, 2013. Where 2012 data is shown for Mexico, we have done so in order to allow for comparison and show progress since the combination. Where 2013 data is shown, it reflects the full year unless otherwise noted.

\*\* Numbers updated to reflect Ambev's 2012 purchase of joint ownership in Cervecería Nacional Dominicana SA in the Dominican Republic.

\*\*\* Numbers updated to reflect corrected data from the Zones.

\*\*\*\* In addition to the fatalities noted in 2013, there was an incident before AB InBev took management control in Mexico that resulted in three employee and four contractor fatalities.

<sup>Ⓐ</sup> Assured metric



## OUR ACCOUNTABILITY TO GLOBAL STANDARDS

*Anheuser-Busch InBev (Euronext: ABI; NYSE: BUD), based in Leuven, Belgium, is the world's leading brewer, managing a portfolio of more than 200 beer brands. We are also one of the top five consumer products companies.*

Our history traces back to 1366, and over the years we have grown into a global company with operations in 25 countries in six geographic Zones. Our dedicated and passionate workforce of more than 150,000 employees is making innovative and meaningful progress as we work to achieve our goal of being the *Best Beer Company Bringing People Together for a Better World*, while also achieving total 2013 revenues of 43.2 billion USD in 2013.

Our culture requires that we conduct business around the globe according to the highest ethical, corporate governance and transparency standards, and in compliance with all applicable regulations.

[Read more about AB InBev.](#) 

### Corporate Governance

AB InBev's *Corporate Governance rules*, which were established by our Board of Directors and updated in May 2013, help us properly manage our business without limiting our vision or the speed and flexibility of our operations.

Our Corporate Governance Charter is published online and provides a comprehensive and transparent disclosure of the company's governance. A full report on our corporate governance activities in 2013 can also be found in our company's *online annual report*.

[Read more about our Corporate Governance.](#) 

### Product Quality

Our passion for beer transfers to our uncompromising commitment to product quality that ensures that our consumers enjoy the freshest, best tasting beers. We follow a comprehensive quality management system at our breweries and facilities to maintain product safety, and we extend these standards to our suppliers as well. There were no product-safety recalls in 2013.

[Read more about our Product Quality.](#) 





### Responsible Supply Chain Sourcing

We look at our entire value chain for opportunities to reduce costs, reduce environmental impacts and foster economic stability among our many suppliers and surrounding communities.

We know that a significant portion of our water and GHG footprints are associated with the activities of those suppliers. Understanding these impacts is highly complex, but it is something we are working hard to do. At the same time, we want to ensure that the companies from which we purchase products and services are operating in an ethical and responsible manner. We have put in place a *Responsible Sourcing Policy* that communicates our expectations in these areas and are accessing their performance through a variety of engagements.

In pursuit of these goals, we take part in industry and NGO initiatives that seek to improve supply chain performance. We are a member of AIM-Progress, a global forum of consumer goods companies sponsored by the European Brands Association and the Grocery Manufacturers Association. The group's purpose is to promote responsible supply chain and sourcing standards covering labor practices, health and safety, environmental management and business integrity. As a member, we report audits of our suppliers to AIM-Progress.

We are also a member of SEDEX, a not-for-profit organization dedicated to driving ethical and responsible business practices in global supply chains. As the largest collaborative platform for sharing ethical supply chain data, SEDEX is an innovative and effective management solution that will help AB InBev reduce risk, protect our reputation and improve our supply chain practices.

In 2012, we conducted pilot risk assessments of 35 suppliers in China. Twenty-five suppliers needed to have follow up corrective action plans, of which seven were completed in 2013 and the remaining 18 will be completed in 2014. No critical non-compliances were found, and in total, 61 percent of the corrective actions were completed in 2013.

In 2013, we also enhanced our global responsible sourcing program by re-communicating our policy to our supply chain and implementing self-assessments with 1,250 suppliers for social compliance risk. Suppliers were chosen based on risk criteria that included country of origin, spend, relationship to brands and existing country corruption ratings.



In 2014, our global program moves to another phase with additional onsite audits of suppliers we believe are higher risk based on SEDEX self-assessments. Our main focus is to improve performance by working with suppliers and traders to close identified gaps. We also look forward to expanding our responsible sourcing activities to second-tier merchandising suppliers through self-assessments and audits as appropriate. To reduce “audit fatigue,” we are assessing where we can mutually recognize supplier audits performed by one of the other member companies of AIM-Progress.

### **Code of Business Conduct**

As a leading global company, we operate in countries having a broad range of cultures and business practices. As a result, it is more important than ever that we are guided by a clear and consistent code of business ethics and guidelines for AB InBev employees around the world. We updated our Code in January 2014.

*[Read our Code of Business Conduct.](#)* 



### Global Human Rights Policy

As a signatory to the United Nations (UN) Global Compact, we are committed to business practices that do not infringe on human rights and that do align with various international standards of responsible business conduct, including the Universal Declaration of Human Rights and the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work. Our Global Human Rights Policy sets out standards, expectations and commitments in relation to our responsibility to respect human rights in our own operations and to not knowingly contribute to the violations of human rights by other parties.

[Read our Global Human Rights Policy.](#) 

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*“We appreciate all the help and cooperation given by Cervepar during 2013 to help provide education for children in Ypané City. In these communities we have at-risk situations involving child labor, so working together, we can take actions aimed at prevention and eradication.”*

**- Rosa Merlo, Fund Development Manager, Dequeni Foundation**

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## PUBLIC POLICY

*As the world's leading brewer, our company deals with a broad range of issues, and we monitor all legislation for possible impacts on our business.*

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All of our public policy expenditures and activities comply with relevant federal, state and local laws, as well as with the company's approval processes, and reflect our continued commitment to supporting the political process. We strive to ensure that our actions work to support the best interests of our company, employees, shareholders, and consumers, as well as the communities in which we do business.

[Read more about our Public Policy.](#) 





## RECOGNITION

We are proud of the recognition our company and our Better World work have earned, both globally and locally. Here are a few examples from the past year:

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Corporate Energy Management Award received from the Association of Energy Engineers (AEE)

Budweiser and Corona named to Interbrand's list of 100 Best Global Brands

European Commission awards AB InBev "Green Light Award"

AB InBev China ranked No. 7 in "2013 Overall Ranking of Contribution of Fortune Global 500 in China"

Labatt named one of Canada's Top 100 Employers for 2014

Ambev named the Best Company in the last 40 Years by Exame Magazine

"SUN InBev" Russia wins "Save Energy" Project

Cervecería y Maltería Quilmes ranked third in Clarín magazine's ranking of top 100 companies with the best reputation in Argentina

Fairfield, California, brewery named 'Green Plant of the Year' by Food Processing magazine

Williamsburg, Virginia, brewery received Silver Medal from the Virginia Governor's Award for Environmental Excellence

Brewery and Maltería Paysandú SA wins National Environmental Prize 2013

Desna Brewery water treatment system wins "Best Program for Sustainable Development in the Enterprise" in the national Green Awards environmental competition

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## ABOUT THIS REPORT

*This report presents Anheuser-Busch InBev's annual update on key performance data and information for calendar year 2013 and provides data on specific targets in our Better World Plan approved annually by our Board of Directors. This report is intended to provide meaningful updates to our various stakeholder groups around the world. These include investors, employees, governments, NGOs, customers and consumers in the 25 countries where we operate.*

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This year, AB InBev has split our global citizenship reporting between this self-contained PDF document and our corporate website. The PDF document primarily summarizes activities, initiatives and achievements that occurred in 2013, while the website offers information on our Better World strategy, ongoing activities and in-depth exploration of key topics. Taken together, the PDF and website content constitute our citizenship reporting for 2013.

We have used the GRI G3.1 Sustainability Reporting Guidelines in developing our 2013 Global Corporate Citizenship Report. However, in preparation for our transition to the GRI G4 Guidelines next year, we have opted not to declare a G3.1 Application Level and to include an index that tracks with G4 indicators, mainly at the “Core” in-accordance level with some aspects of the “Comprehensive” in-accordance level. However, our Disclosures of Management Approach follow G3.1.

Our report structure parallels our Better World focus areas – Responsible Drinking, Environment, and Community – our three pillars of global citizenship. Our achievements within these pillars would not be possible with the diligent efforts of our people. The data and stories presented were gathered and verified with the assistance of content owners across all functions and geographic Zones. For the first time, we have received external assurance for a number of key data points (denoted with an ®) contained in the PDF report. This assurance does not cover year-to-year reductions. The metrics assured are also reflected in our online [GRI Index](#) referenced above and in the assurance report on page 59. We plan to expand the assurance scope in future years and hope to achieve full assurance for our 2015 report.

Information presented in our report encompasses AB InBev's company-wide wholly owned operations, including 143 global breweries and soft drink facilities unless otherwise noted. Some newer beverage facilities are not yet included in our Voyager Plant Optimization management system, and therefore, data is not currently being collected. These facilities will be included in future reporting, which typically takes six months to a year after acquisition.

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The environmental data included in this report encompasses the breweries acquired as part of AB InBev's 2013 combination with Grupo Modelo and Ambev's 2012 purchase of joint ownership in Cervecería Nacional Dominicana SA, in the Dominican Republic. As a result of these transactions, we have updated the 2012 baseline for our environmental goals. Our per-hectoliter goals on GHG emissions, energy and water pertain to our beverage facilities only and do not encompass our vertical operations such as malt plants and packaging facilities. We have included footnotes on applicable data tables to indicate what operations are in scope for each metric reported.

While final assurance for the responsible drinking goals in scope will be completed at the end of 2014, we have received assurance on our goal to reach at least 100 million adults with programs developed by subject matter experts that help parents talk with their children about underage drinking reaching 100 million adults. This is based on achievements by our U.S. operations in 2011 and 2012, via activations of the U.S. "Family Talk" Facebook page, as well as print and digital advertising. Adult is defined as anyone 21 or older in the United States. For this goal, reach is defined as an adult who 1) "liked" the Facebook page; or 2) read or viewed, as defined by the third-party media monitoring/planning agencies, a media type of the program developed by the subject matter expert. An adult may be counted one time per media type execution, per year, as determined by the methodology of Facebook Insights and the media monitoring/planning agencies. We are reporting an additional 45 million adults reached based on similar tracking and third-party media monitoring/planning in our other participating countries. We do not plan to independently verify this additional reach given that we have already achieved our goal.

In 2014, AB InBev will refresh the materiality assessment that we last performed in 2009 to identify and prioritize the issues that matter most to our company and our many stakeholders. We expect the results of this strategic exercise to show that our material issues are largely the same as they were several years ago. For more information, see our [2009 materiality assessment](#).

As a publicly traded, multinational company, our business is subject to certain risks, which include, but are not limited to, the impact of water availability, climate change, economic recession, negative publicity, our ability to hire and retain the best talent, government regulations, the reputation of our brands, the ability to make acquisitions or divest divisions, access to capital, volatility in the stock market, exposure to litigation and other associated risks. A more detailed analysis of the risks our company faces is outlined in our annual [U.S. Securities and Exchange Commission Form 20-F](#). Additional information about AB InBev's global greenhouse gas and water risks, management and performance is available through the Carbon Disclosure Project.

***For questions regarding the content of this report, please contact us at [betterworld@ab-inbev.com](mailto:betterworld@ab-inbev.com).*** 



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## Your Feedback

Thanks for reading what we have to say — now we want to hear from you.

Please take a moment to tell us what you think of this report by completing a [brief survey](#).

*We refer all readers of the ABI Global Citizenship Report to all of ABI's public filings (including, but not limited to, its Annual Report, its annual report on Form 20-F filed with the U.S. Securities and Exchange Commission, the Risk Factors included therein, its current reports filed on Form 6-K with the SEC and its press releases). Before making any investment or other decision relating to the Company based on this Global Citizenship Report, all such public filings should be considered in detail.*



## **Independent Assurance Report**


### **To the readers of the 2013 Global Citizenship Report**

We were engaged by the management of Anheuser-Busch InBev NV (“AB InBev”) to provide assurance on selected information in the AB InBev Global Citizenship Report 2013 (“The Report”). The Executive Board is responsible for the preparation of The Report, including the identification of material issues. Our responsibility is to issue an assurance report based on the engagement outlined below.

### **What was included in the scope of our assurance engagement?**

Our engagement was designed to obtain limited assurance on whether the following data are presented, in all material respects, in accordance with the reporting criteria used by AB InBev:

- Reach at least 100 million adults with programs developed by subject matter experts that help parents talk with their children about underage drinking (2011 – 2012 progress/goals to be met by end of 2014) (page 14)
- Water Use Ratio and Total Water Use for 2013 (page 27)
- Energy Consumption, Energy Consumption per Hectoliter of Product, Total Direct and Indirect GHG Emissions, and GHG Emissions per Hectoliter of Product for 2013 (page 34)
- Lost Time Injuries (LTI) - Supply Employees (own) for 2013 (page 50)

We do not provide any assurance on the achievability of AB InBev’s objectives, targets and expectations or comparative data, but on the 2013 data related to selected global goals exclusively, as indicated throughout The Report with the symbol ‘’.

Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of information and are less extensive than those for a reasonable level of assurance.

### **Which reporting criteria did AB InBev use?**

For the information covered by our engagement scope AB InBev applies criteria as detailed in the ‘About this Report’ section. It is important to view the assured information in the context of these criteria. We believe that these criteria are suitable in view of the purpose of our assurance engagement.

### **Which standard did we use?**

We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE) 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. This Standard requires, amongst others, that the assurance team possesses the specific knowledge, skills and professional competences needed to provide assurance on sustainability information, and that they comply with requirements of the Code of Ethics for Professional Accounts of the International Federation of Accountants to ensure their independence.

### **What did we do to reach our conclusions?**

Our procedures included the following:

- A risk analysis, including a media search, to identify relevant issues for AB InBev during the reporting period with specific emphasis on responsible drinking, environmental, safety related topics.
- Assessing the suitability of the reporting criteria.
- Evaluating the design and implementation of the systems and processes for the collection, processing and control of the selected information.
- Interviews with the relevant staff at corporate level responsible for collecting, consolidating and carrying out internal control procedures on the selected information.
- Visits to four production sites in Brazil, China, Germany and the United States of America to review the environmental and safety data and the design and implementation of validation procedures at local level.
- An analytical review of the data for the selected responsible drinking, environmental and safety indicators submitted by all production sites for consolidation at corporate level.
- Evaluating internal and external documentation, based on sampling, to determine whether the selected information is supported by sufficient evidence.

### **Conclusions**

Based on the procedures performed, as described above, nothing came to our attention to indicate that the selected information is not presented, in all material respects, in accordance with the reporting criteria.

Amsterdam, 29 April 2014  
KPMG Sustainability  
of KPMG Advisory N.V.

Belgium, 29 April 2014  
KPMG Bedrijfsrevisoren Burg. CVBA part  
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