



Striving for a Better World

At FNC, in all that we do, we recognize our responsibility to improve the world where we do business. We are all citizens of the world— together—and together, we must find ways to put social responsibility into action. FNC is committed to building a company for the long term with a legacy to be proud of—for the people who work for us and with us; for future generations and the environment in which we live; and, above all, for our consumers, who we hope will always enjoy our products responsibly and be as proud to choose them as we are to create them.

Our dream is to be the Best Beer Company in a Better World by focusing on these key areas:

Community

We are committed to making a difference through our people, the integrity of our business conduct, and our community support

Responsible Drinking

We brew our beers to be enjoyed responsibly by those of legal drinking age and are committed to engaging with consumers to promote responsible drinking and prevent drunk driving and underage drinking

Environment

We are committed to using a sustainable approach to the use of natural resources

Report Highlights

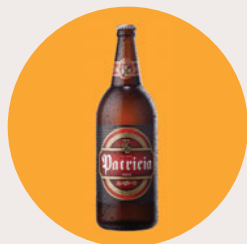
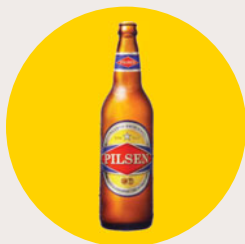
In 2010, FNC's Better World efforts included significant initiatives in each pillar. On the community front, we continued our partnership with Un Techo para mi País (A Roof for My Country), a Latin American organization that builds temporary housing to advance community development. We also continued our responsible drinking efforts through our *Gente que Vende (People Who Sell)* and *Pilsen Rock* programs. On the environmental front, we reduced our water and energy consumption by 16 percent and 3 percent, respectively.

Community

A key aim for FNC is to create value for shareholders and stakeholders, especially our employees and the communities in which we operate. We are proud of the positive and meaningful impact our business has on the communities in which we work. We are improving our production facilities, modernizing logistics, increasing commercial

Key Brands

1. Pilsen
2. Patricia



investments, creating jobs, and paying taxes and excise duties. By constantly improving our operations, we aspire to continue creating new jobs, improving economic standards and adding value.

In 2010, significant investments included the first stage of a modern bio-treatment system plant to help reduce our environmental impact, which was finished with an investment of 33.9 million UYU (1.8 million USD). In addition to investing in our facilities, we also invest in our communities, recognizing that giving back is key to a sustainable approach to our business.

For the second year in a row, FNC partnered with Un Techo para mi País, a Latin American NGO created in Chile in 1997 with the goal of building temporary housing and executing social empowerment plans to advance community development. Today, the organization is present throughout Latin America and has won an award from the United Nations for its work in 15 countries. In Uruguay, it has enrolled more than 8,000 college volunteers in the process of eradicating extreme poverty in the country since 2003. Over the past two years, FNC donated 60 houses to people in need. In addition, about 80 FNC volunteers constructed 10 of these houses, investing approximately 20 hours each over a weekend, totalling 1,600 volunteer hours.

In addition to providing temporary housing for those in need, the program offers an additional benefit to our employees. It helps to increase their engagement with our company, which has resulted in a 56 percent increase in employee engagement since 2007, as well as significant media coverage.

Dream, People, Culture

We also recognize that by showing respect for our people through competitive compensation, benefits and a safe work environment, we tap into their innate desire to help us be a more responsible corporate citizen.

At FNC, we saw a 34.1 percent decrease in our total accidents in one year (2009 data).

Our workforce is composed of 90 percent male and 10 percent female employees.

Promoting Responsible Drinking

Beer is enjoyed responsibly by the vast majority of consumers, but we recognize that alcohol misuse can cause harm. That's why at FNC, we have long acknowledged the seriousness of abusive drinking and devoted considerable resources to promoting responsible drinking and discouraging abuse.

In 2010, we developed and promoted responsible drinking programs in all of our key markets, with a primary focus on drunk driving, high-risk drinking and underage drinking. FNC programs included:

Global Be(er) Responsible Day

On September 15, we celebrated *Global Be(er) Responsible Day* with our third annual *Gente que Vende* day-in-trade activity. More than 150 employees and special guests joined in this campaign, including two celebrities and three members of Junta Nacional de Drogas. Through this program, we reached out to retail outlets to remind them to not sell our beers to those under 18.

Virtual Alcoholimeters

For the second year, FNC sponsored easy-to-use electronic touch-screen devices that were located at on-premise retail outlets to help bar patrons recognize when they have overconsumed, to help prevent drunk driving.

Pilsen Rock

At our second annual *Pilsen Rock* event, we employed strict measures to help prevent drinking abuse and underage drinking by fans. Legal-age consumers received hand stamps to indicate they could purchase alcohol within certain hours of the day. We also took the opportunity to highlight the importance of responsible drinking at a booth in which fans could try on "fatal vision" goggles that simulate how it feels to be drunk, and understand the poor choices that can be made when someone has overconsumed.

“As you already know, I have been present at the *Pilsen Rock* event. I think that it has been a perfect demonstration of prevention and control, applied in an efficient and solid way. All the areas collaborate, giving an excellent result in an event with so much publicity and movement of people. The stand of *Vivamos Responsablemente*, with the visual lens and the ‘Responsible Consumption +18’ stands, all made an education activity. It is important to consider that an alcohol industry made this whole system to prevent alcohol abuse, and underage drinking by teens and children...Congratulations for this achievement.”

Milton Romani, Secretary of the National Commission on Drugs

Environmental Performance Data

	2010
Material recycling and by-products use (%)	94
Energy use (GJ/hl)	0.141
Water use (hl/hl)	4.65
Wastewater (hl/hl)	1.89
Greenhouse gas emissions (KgCO ₂ /hl)	5.72

2012 Global Environmental Targets

Last year, we announced global, companywide targets on key measures such as water and energy use, as well as carbon emission reductions, that we will strive to achieve by the end of 2012. Our targets are:

-  Increase our waste and by-product recycling to 99 percent
-  Reduce water use for beer and soft drinks facilities to an industry-leading 3.5 hectoliters of water per hectoliter of product (hl/hl)
-  Reduce energy use per hectoliter by 10 percent
-  Reduce CO₂ emissions per hectoliter by 10 percent

Improving Environmental Performance

In 2010, FNC contributed significantly to helping achieve these global targets.

-  Recycled 94 percent of our waste and brewing by-products
-  Reduced our water usage by 16 percent
-  Reduced energy consumption per hectoliter of production by 3 percent
-  Reduced fuel use by more than 8 percent in our operations over the past three years

Environmental Performance

At FNC, we continually seek to operate more efficiently and maintain our quality standards, while considering our environmental impact, in order to be better stewards of the world in which we live. We focus our environmental sustainability initiatives on key issues—water, energy, recycling and packaging.

Our beers are brewed with the highest-quality ingredients and water. In addition to being efficient and avoiding waste—which is an important part of our culture—we also recognize we have a role to play in tackling shared challenges, such as freshwater availability and quality.

Outlook for 2011

In 2011, we will continue our volunteer support of the Un Techo para mi País community project that builds temporary homes for those less fortunate. On the responsible drinking front, we'll continue our *Gente que Vende* program to help remind retailers to sell our beers only to those 18 and older, and we'll also continue our responsible drinking outreach with consumers at summer concert events we sponsor. Our efforts to help reduce our environmental impact occur on a daily basis at our breweries, through our emphasis on water and energy conservation initiatives.

60
houses



For the second year in a row in Uruguay, as part of our *Futuro Posible* community initiatives, we partnered with Un Techo para mi País (A Roof for My Country), a Latin American organization that builds temporary housing and advances community development. Over the past two years, FNC has donated funds to build 60 houses with about 80 employee volunteers constructing 10 of the homes.