To deliver on our dream to be the Best Beer Company in a Better World, we do not accept the limitations of “or,” but constantly strive for the power of “and.” We brew high-quality beers and help conserve our natural resources. We market our beers in innovative ways and promote their responsible enjoyment. We are cost-effective in our operations and provide a safe work environment. When it comes to social responsibility, Anheuser-Busch InBev is committed to delivering Beer & a Better World.

This citizenship report covers our work in 2008 and 2009 on our three Better World focus areas and in relation to our People.

**Responsible Drinking**: providing quality products, marketing them responsibly, and being part of the solution to alcohol issues, including drunk driving and underage drinking.

**Environment**: conserving water and energy, reducing our greenhouse gas emissions, byproducts and waste, and accountability through our value chain.

**Community**: the economic impact of our company, including the jobs we provide, the wages and taxes we pay, the capital investments we make in our facilities, and our efforts to give back to the communities where we operate.

**Our People**: the heart of our company and our social responsibility work, which includes promoting learning and talent development, providing a safe work environment, and helping ensure all our business is conducted with integrity.
Welcome to Our Citizenship Report

At Anheuser-Busch InBev, our dream is to be the Best Beer Company in a Better World.

We strive, in all we do, to ensure that we produce the highest quality products, provide the best consumer experience, and maximize shareholder value by building the strongest competitive and financial position. And we must use this increasing financial capacity and our global reach to deliver on our Better World commitment.
Anheuser-Busch InBev is committed to building a company for the long-term with a legacy to be proud of — for our employees; for our stakeholders; for future generations and the environment in which they live; and for our consumers, who we hope will always be as proud to choose our products as we are to create them. It is our responsibility to protect our long heritage that spans nearly 650 years and ensure that it continues well into the future.

As a result of the creation of Anheuser-Busch InBev, we now have greater resources to deliver on our Better World dream, including an extensive range of successful programs and best practices that we are implementing in our key markets. In 2009, we redefined our Better World pillars — responsible drinking, environment, and community — and developed a new three-year plan with aggressive targets.

As the world’s leading brewer, we take very seriously our role to encourage the responsible enjoyment of our products. In our markets around the world, we develop and implement programs and promotions that encourage responsible drinking and discourage alcohol abuse, including underage drinking and drunk driving. As part of our three-year plan, we have committed to a variety of actions, including implementing designated driver efforts and programs that encourage parents to talk with their children to help prevent underage drinking in all of our key markets.

Beer is a product of natural ingredients, and stewardship of our land, water and other resources is fundamental to helping ensure the quality of our brands for the long term. We strive to be as efficient as possible in our use of natural resources, while maintaining our quality, in order to reduce our impact and preserve and protect the planet for future generations. We recently announced aggressive environmental targets we will work to achieve by the end of 2012: 3.5 hectoliters of water used per hectoliter of production; energy and greenhouse gas reductions of 10 percent; and a solid waste recycling rate of 99 percent. We also recently joined the United Nations CEO Water Mandate, in addition to being a signatory to the United Nations Global Compact.

In the community, not only do we make a positive impact through the jobs we create, the wages we pay, and the tax revenues we generate, but also through our community support. Around the world, we will continue our work on local community initiatives that connect with our business objectives.

Delivering on our dream would not be possible without our people, who are the foundation of our company. We are committed to providing a well-managed, safe work environment with competitive compensation. And our people have told us they’re committed to helping us deliver a Better World. Through a survey across all zones in 2009, our employees said they appreciate our work so far, want us to do more, and will help us achieve our dream.

From our employees’ passion to make a difference in their communities, to our programs and partnerships that promote responsible drinking and preserve the planet, to the enjoyment our beers bring to life, we are committed to dream and deliver Beer & a Better World.

Carlos Brito
Chief Executive Officer
About Anheuser-Busch InBev

Based in Leuven, Belgium, Anheuser-Busch InBev is the leading global brewer and one of the world’s top five consumer products companies. The company has four of the top 10 selling beers in the world — Bud Light, Budweiser, Skol and Brahma — and has a No. 1 or No. 2 position in 19 markets.

Anheuser-Busch InBev employs approximately 116,000 people worldwide and manages a portfolio of more than 200 beer brands. The company works through six operational zones: North America, Latin America North, Latin America South, Western Europe, Central and Eastern Europe, and Asia Pacific.

Financials

In 2009, Anheuser-Busch InBev made great progress while operating in an economic environment that was the most difficult our industry has seen in many years. Normalized EBITDA grew 16.6 percent for 2009, to reach $13.037 billion. Our EBITDA margin for the year was 35.5 percent, up from 30.8 percent in 2008 on a combined basis, up 415 basis points organically. Revenue for the year was $36.758 billion and increased organically by 2.5 percent. Largely due to continued effective revenue management, revenue per hectoliter rose 4.5 percent. While total volumes decreased 0.7 percent, volumes in our focus brands rose 1.5 percent.

1 The term “normalized” refers to performance measures (EBITDA, EBIT, Profit, EPS) before non-recurring items. Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the company due to their size or nature. Normalized measures are additional measures used by management and should not replace the measures determined in accordance with IFRS as an indicator of the company’s performance.

2 All figures reported in U.S. dollars unless otherwise noted.
1.9 percent from a year ago, led by Antarctica, Brahma and Skol in Brazil, the Bud Light family in Canada, Budweiser and Harbin in China, and Stella Artois in the United Kingdom. Focus brands are those with the greatest growth potential in their relevant consumer segments and are where the majority of our marketing resources are invested. We also gained or maintained share in markets representing approximately 70 percent of our total beer volume from 2008 to 2009.


A Brief History
Anheuser-Busch InBev’s roots can be traced back to Den Hoorn in Leuven, which began making beer in 1366.

In 1987, the two largest breweries in Belgium merged: Artois, located in Leuven, and Piedboeuf, located in Jupille to create a single company called Interbrew.

After the merger in 1987, the company acquired a number of local breweries in Belgium. By 1991, a second phase of targeted external growth began outside of Belgium’s borders. The first transaction in this phase took place in Hungary, followed in 1995 by the acquisition of Labatt, in Canada, and then in 1999 by a joint venture with Sun in Russia.

In 2000, the company acquired Bass and Whitbread in the U.K., and in 2001 the company established itself in Germany, with the acquisition of Diebels. This was followed by the acquisition of Beck’s & Co., the Gilde Group and Spaten. The company operated as a family-owned business until December 2000. At this point it organized an Initial Public Offering, becoming a publicly owned company trading on the Euronext stock exchange (Brussels, Belgium).


In 2006, InBev acquired the Fujian Sedrin brewery in China, making InBev the No. 3 brewer in the world’s largest beer market. Labatt also acquired Lakeport in Canada, and InBev increased its shareholding in Quinsa, strengthening the company’s foothold in Argentina, Bolivia, Chile, Paraguay and Uruguay.

In 2008, InBev closed the combination with Anheuser-Busch, creating Anheuser-Busch InBev, the leading global brewer and one of the world’s top five consumer products companies. On Sept. 16, 2009, Anheuser-Busch InBev was also listed on the New York Stock Exchange through the American Depository Receipt program trading under the symbol BUD.
Brewing A Better World

From turning coconut husks into renewable energy to fuel our breweries, to promoting responsible drinking messages on some of the world’s most watched television programming, to providing a safe work environment for our employees, Anheuser-Busch InBev is committed to delivering Beer & A Better World.

Our Better World Three-Year Plan
Following the combination with Anheuser-Busch, creating Anheuser-Busch InBev, we recognized the opportunity and need to take our social responsibility work to a higher level as we work to achieve our dream to be the Best Beer Company in a Better World.

To support this effort, we created our Beer & Better World Taskforce, a team dedicated to implementing an aggressive three-year Better World plan. This plan ensures the setting and measurement of key social responsibility metrics and sharing of best practices across all functions and geographic zones. The Taskforce is guided in its work by our newly established Better World Council made of up senior company leaders and with two members of our Board of Directors serving as a sounding board and counselors for the company’s social responsibility efforts. We also now regularly report our Better World work to our Board of Directors.

Building on the past successes of both Anheuser-Busch and InBev in the areas of social responsibility, we worked with the leading non-profit organization Business for Social Responsibility to develop the Better World three-year plan. This process involved stakeholders from all functions across all zones, as well as conversations with our senior leaders and approval from our Board of Directors.

Through this process, we identified the issues of greatest importance from a business success and external stakeholder perspective. We also surveyed our employees on our Better World work and received key feedback through a global reputation consumer survey.

Based on all of the analysis and feedback, we defined three pillars for our Better World work, which is built on a strong foundation of support from our People. We have set key metrics and targets going forward to accomplish our three-year plan for 2010-2012.
Responsible Drinking
Our primary responsibility to our consumers is to make sure that our products are of the highest quality. However, as the leader in the beer industry, we recognize the importance of encouraging the responsible enjoyment of our products. We promote responsible drinking and discourage alcohol abuse, including drunk driving and underage drinking, through focused consumer campaigns. We ensure our own marketing and sales activities support our position on responsible drinking. And we promote responsibility internally through our employee responsible drinking policies.

Environment
The sustainability of our business and sustainability of the environment go hand in hand. Since our products come from the earth, we understand that what’s good for the environment is also good for business. In practice, this means being as efficient as possible in our use of natural resources, such as the water we use to brew our beers; recycling our byproducts and waste; and taking on the shared challenges of the future, such as climate change, by reducing our carbon footprint. This also includes our work up and down the value chain to help suppliers understand and support our initiatives.

Community
With operations in 23 countries, our company has a far-reaching economic impact in the communities in which we operate through the jobs we create and the wages and taxes we pay. Our position as a competitive, well-managed company generating long-term value for our shareholders allows us the opportunity to give back. Recognizing differences among cultures around the world, our community support takes many forms, from employees volunteering their time for a community beautification project, to a donation of canned water in times of disaster, to charitable donations.
Our People
We recognize that our social responsibility work is only possible with the commitment and support of our people, who are truly the foundation of all of our social responsibility efforts. To be the Best Beer Company in a Better World means we must employ the best people. To attract and retain the best employees, we must provide a safe work environment, an environment that promotes learning and talent development, and one that promotes and supports only the highest standards of integrity in our business conduct.

Report Scope
This report presents key performance indicator (KPI) data and information for calendar years 2008 and 2009. In addition, the report outlines some specific targets in our Better World Three-Year Plan as approved by our Board of Directors in October 2009. Much of the data presented is also available through our Annual Report and various company and brand Web sites.

We have also consulted the Global Reporting Initiative’s (GRI) Sustainability Reporting Guidelines to assist in the presentation and content of the data presented in this report. Content owners across all functions and zones were responsible for collecting and verifying KPI data and information used in the report and in preparing our three-year plan.

Highlights from key countries are also included as a new feature in this year’s report to show the depth and reach of our Better World work and make the report more relevant for use with a variety of stakeholders in our markets around the world.
## Support of the UN Global Compact 10 Principles

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
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<tbody>
<tr>
<td>1. Business should support and respect the protection of internationally proclaimed human rights.</td>
<td>Our Global Code of Business Conduct prohibits human rights violations. In addition, we have adopted a new ethical sourcing policy that helps drive our values down the supply chain. Find out more on page 25.</td>
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<td>2. Business should make sure that they are not complicit in human rights abuses.</td>
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<td>3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.</td>
<td>We continue to adhere to the collective bargaining agreements in place across our global operations. Employee involvement in decision-making (such as via works councils) varies across the organization. In addition, our ethical sourcing policy recognizes the rights of employees to engage in collective bargaining. Find out more on page 25.</td>
</tr>
<tr>
<td>4. Business should support the elimination of all forms of forced and compulsory labor.</td>
<td>Our Global Code of Business Conduct and our Ethical Sourcing Policy prohibit these forms of labor in our own and our suppliers’ operations. Find out more on page 25.</td>
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<tr>
<td>5. Business should support the effective abolition of child labor.</td>
<td></td>
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<tr>
<td>6. Business should support the elimination of discrimination in respect of employment and occupation.</td>
<td>Our Legal and Corporate Audit departments monitor legal compliance and conformity with principles of non-discrimination.</td>
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<td></td>
<td>Our Ethical Sourcing Policy addresses non-discrimination by our suppliers in their operations. Find out more on page 25.</td>
</tr>
<tr>
<td>7. Business should support a precautionary approach to environmental challenges.</td>
<td>Our Voyager Plant Optimization (VPO) management system promotes best practices in brewery management. Find out more on page 14.</td>
</tr>
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</table>
| 8. Business should undertake initiatives to promote greater environmental responsibility. | Our Voyager Plant Optimization (VPO) management system promotes environmental efficiency throughout our operations. We have set aggressive environmental targets to achieve by the end of 2012:  
  - Water use of 3.5 hectoliters of water per hectoliter of production;  
  - 10 percent reduction in energy use and greenhouse gas emissions; and a  
  - 99 percent solid waste recycling rate.  
  Find out more on page 14.                                                                                                                                 |
| 9. Business should encourage the development and diffusion of environmentally friendly technologies. | We aim to employ environmentally efficient brewing and packaging technologies, while maintaining our commitment to quality. We continue to use renewable fuel technologies in our processes to improve environmental, social, as well as financial performance. In Brazil, biomass fuel accounts for 30 percent of our on-site fuel use. We operate Bio-Energy Recovery Systems (BERS), which turn wastewater leftover from the brewing process into methane, at 25 of our facilities around the world. We also have two solar installations and a landfill gas application. In addition, we are striving to conserve water throughout our operations on a daily basis, and we constantly share best practices among all our zones worldwide. Find out more on page 14. |
| 10. Business should work against all forms of corruption, including extortion and bribery. | Our Code of Business Conduct strictly prohibits the facilitation of payments, and this is reinforced through annual code training. In turn, our Ethical Sourcing Policy addresses business conduct of our suppliers. Find out more on page 25.                                                                                                    |
Today, around the world, the vast majority of consumers drink in moderation. To help reinforce this positive behavior, we develop and implement a variety of consumer campaigns and community-based programs dedicated to promoting responsibility and discouraging abuse, including drunk driving and underage drinking.

We regularly track progress and monitor public comment on alcohol issues and adjust our responsibility programming and education efforts accordingly. This research may take many forms, including government, university, third-party and proprietary data, and serves as an important checks and balances measure to ensure our efforts remain relevant and effective.

We also recognize that it takes teamwork to fight alcohol abuse, which is why we regularly join with parents, educators, community groups, law enforcement, government officials, retailers and others on developing and implementing our responsibility initiatives.

In the United States, wholesalers are required to spend one penny-per-case of beer sold on responsibility initiatives as part of their distribution agreement with our company. Annual wholesaler spending generally exceeds the required amount, totaling more than $30 million over the past two years. This information is tracked and verified on an annual basis through our sales system.

### Programs and Partnerships

In 2008, as part of our Better World efforts, we developed and promoted responsible drinking programs in 30 key markets, a threefold increase compared to 2007. Where possible, partnerships with public organizations were established, and to maximize focus, we chose three universal themes: drunk driving, high-risk drinking and underage drinking. As a combined company, those efforts continued even stronger in 2009.

As an example, in China, we launched a campaign in November 2008 to solicit consumer suggestions for the Top 10 Tips on preventing drunk driving. Partnering with the Shanghai Traffic Safety Bureau and a local media, the campaign garnered more than 5,300 consumer responses, with the leading tips then being announced in May 2009 and drunk-driving prevention reminders being distributed to more than 100,000 consumers through a leaflet from the Traffic Safety Bureau. The Top 10 list included such things as: providing a designated driver; getting a safe-ride home with a taxi; free overnight parking for a driver who had drunk too much; printing reminder messages on restaurant menus; and using a special family ring tone on mobile phones to...
remind the driver to be safe and not drive drunk. In December 2009, more than 4,000 employees participated in a day-in-the-trade initiative to deliver calendars featuring the Top 10 Tips to retailers across the country to help remind them of the importance of serving and selling our beers responsibly. In 2010, we then launched a new television commercial promoting the use of designated drivers by taking best-practice creative from a TV spot used in the United States and adapting its important message for Chinese consumers.

In partnership with the Belgian Institute for Road Safety and the country’s brewers’ association, we are a major co-sponsor of the “BOB” campaign. Built around the memorable character of Bob, a designated driver, the lively, eye-catching campaign makes the point that no party can go on without its own “BOB.” The campaign has been copied in 16 European countries with support from the European Union.

In the Netherlands in 2009, we joined with the Dutch Transport Ministry to organize “Blaas BOB” designated driver events at soccer clubs in connection with the Dutch Jupiler League soccer season. Between periods, fans who are the designated drivers for their groups face off in a fun match of “Blaas BOB” in which players work to score goals using leaf blowers and an inflatable ball, all to draw attention to the fun, life-saving service designated drivers bring to the game.

In Brazil, we expanded our Skol brand’s consumer advertising campaign that celebrates the designated driver, or “Motorista da Rodada,” as the hero of the evening for helping ensure everyone gets home safely. In addition, popular Brazilian soccer players representing our Brahma brand remind consumers to “Enjoy life in a responsible way.”

In the U.K., Stella Artois sponsored a “Get Home Safe” program with a special Web site to help consumers find safe transportation home after a night out.

In Germany in 2008 and 2009, we implemented our Beck’s “Check Who Is Driving?” designated driver program at leading dance clubs throughout the country in partnership with the German Automobile Association. This effort reminded consumers as they entered the clubs to choose a designated driver at the beginning of the evening to help ensure a safe ride home. It also included a consumer Web site (www.geklaert-fer-faehrt.de) that promotes the use of designated drivers and encourages consumers to interact and share their experiences.

As part of our Better World three-year plan, we will focus on actively promoting the designated driver concept in all our key markets and then tracking our progress by measuring consumers’ use of this life-saving concept through annual surveys, as well as media coverage of our designated driver promotional efforts.
On the underage-drinking prevention front, we recognize that parents are the number one influence on children’s decisions about drinking, according to government and independent research.

On the underage-drinking prevention front, we recognize that parents are the number one influence on children’s decisions about drinking, according to government and independent research. That’s why in the United States, we offer our Family Talk About Drinking (www.familytalkonline.com) program that encourages parents to start the dialog early, between ages 9 and 11, and continue the conversation through the teen years. The company’s U.S. wholesalers distributed more than 325,000 Family Talk materials in the past two years, with the company and its wholesalers distributing more than 7 million program materials since the program began in 1990. As part of our Better World three-year plan, this best practice has now been translated into Chinese, French, Russian, Portuguese, and Spanish, and our zones are working to share this program with consumers in our key markets around the world. We will track our progress by measuring the number of parents reached year-on-year with our efforts.

Vivamos Responsablemente (www.vivamos-responsablemente.com) is our educational program in Argentina targeted at adolescents in the last year of high school. The purpose of this program is to create an opportunity for dialog and debate, and the promotion of healthy values among young people, with the ultimate goal of preventing abusive behaviors. The core and contents of this initiative were devised and developed by leading specialists and address five values: responsibility, awareness of one’s own limits, tolerance / respect, affections and effort. More than 30,000 students have participated since the program began in 2004.

In March 2009, Anheuser-Busch InBev hosted a social norms forum (www.socialnormsforum.eu) in Brussels as part of its membership commitment to the European Alcohol and Health Forum (EAHF). Organized by the European Commission, the EAHF is designed to encourage best-practice sharing among health professionals, governments, non-governmental organizations, and industry to help address alcohol abuse issues. The forum featured presentations by leading experts in social norms implementation, best-practice presentations by those who have implemented programs and other relevant contributors. Nearly 90 participants from more than 10 EU member states attended and received information on how to successfully develop and implement the social-norms method of addressing high-risk drinking among populations at risk. The audience included a variety of European stakeholders, including local and national officials, community leaders, health care professionals, law enforcement and others.

Our Commercial Communications Code
Commercial communications play a fundamental role in the success of a free market economy. They facilitate competition and allow new products to be introduced to consumers. Anheuser-Busch InBev employs a single company global Commercial Communications Code that ensures our commercial communications are responsible and directed to those of legal drinking age, no matter the country.
This voluntary Code covers not only advertising, but all forms of brand marketing and commercial communications, including sponsorship, outdoor events, promotions, Web site content, relationship marketing, consumer public relations, packaging and labeling claims for all Anheuser-Busch InBev beers and any other alcohol products manufactured and/or marketed by us.

The Code is the minimum standard we apply wherever we do business. If local rules are less strict than the Code, then the Code prevails. If local rules are more precise, then those are applied. In many cases, our Code goes beyond existing legal frameworks.

In 2008, all our marketing personnel around the world were trained in the code through an online program.

In 2009, we updated the Code to reflect the best of the previous InBev code and Anheuser-Busch past practices. In addition, we enhanced the compliance metrics related to our media placement guidelines, ensuring that we perform regular audits as we continue to place our advertising on programming that reaches a minimum 70 percent legal drinking age audience. The results of these audits are now posted on our company Web site. We also strengthened our product placement and digital media guidelines.

As part of our World Class Commercial Program, all Marketing personnel and key agency personnel must complete Code training on an annual basis. In addition, the Code is being implemented as part of our sponsorship agreements and compliance is also expected of our licensed brewing and distribution partners.

**Employee Responsible Drinking Policy**

In early 2008, Anheuser-Busch InBev ran an internal survey on responsible drinking. Employee responses showed they welcomed the company providing them with more reminders and education on responsible drinking, as well as providing them with more detail on our policies and consumer-facing programs. In support of this effort, at the end of 2008, we established a set of global minimum standards that were then implemented across all zones into local employee alcohol policies.

In addition, we recently introduced an employee ambassador Web site that provides responsible drinking tips and information. In turn, we will also be sharing best practices between the zones on promoting responsibility among our employees, including communications at key times of year, as well as safe-ride home programs.
Environmental key performance indicators (KPIs) and targets are fully integrated into Anheuser-Busch InBev’s Voyager Plant Optimization (VPO) global management system, which is designed to bring greater efficiency to our brewery operations and generate cost savings, while at the same time improving quality and ensuring safety. The Environment Pillar in VPO guarantees that environmental management is done in accordance with our Environmental Policy and Strategy. VPO requires regular self assessments and audits to ensure consistency and high standards.

Scope of our Environmental Performance Data
We are reporting data from 146 beverage plants, which reflects our company as of Dec. 31, 2009, and is the basis for all comparisons to previous years to ensure an accurate representation of our progress. This accounts for the addition of the Anheuser-Busch facilities in 2008 and the sales of our South Korean and Central European operations in Bulgaria, Croatia, Czech Republic, Hungary, Montenegro, Romania, and Serbia, as well as select Metal Container Corporation plants and Busch Entertainment Corporation in 2009.

2009 Highlights
- We reduced water usage per hectoliter of production by 8.5 percent.
- We reduced the amount of energy per hectoliter of production by 7 percent.
- We reduced the CO2 emissions per hectoliter of production by 8.5 percent.
- We recycled 98 percent of our solid waste and brewing byproducts.

Three-Year Plan Goals
In March 2010, we announced our new three-year goals that we will work to achieve by the end of 2012.

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th>2012 Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water use per hectoliter of production (hl/hl)</td>
<td>3.5</td>
</tr>
<tr>
<td>Energy use reduction per hectoliter of production (hl/hl)</td>
<td>10%</td>
</tr>
<tr>
<td>CO2 emissions reduction per hectoliter of production (hl/hl)</td>
<td>10%</td>
</tr>
<tr>
<td>Waste and byproduct recycling rate</td>
<td>99%</td>
</tr>
</tbody>
</table>
Water Use
High-quality water is fundamental to our business. It is a key ingredient in our beers and soft drinks and is used in the brewing process for cleaning, cooling and steam production. The majority of water not used in our products is then returned to watersheds through bio-treatment systems that meet local water quality standards. Water is also an important consideration in our agricultural businesses and our raw material supply chain.

Water use is important to our stakeholders, especially in parts of the world where availability is limited. Looking to the future, climate change may also have an impact on water availability, which could impact our business and the communities in which we operate.

Conservation continues to be a primary focus in how we address our water use, while maintaining our quality standards. Our VPO system guides our water management practices that all production plants must comply with regardless of location or regulatory structures. These practices are supported by plant-level targets and global KPIs. Our approach to water efficiency includes conducting operational reviews to minimize use and identify opportunities to recycle and reuse, as well as capital expenditures when justified by a return in cost savings.

Our Global Water Performance
In 2009, we used 8.5 percent less water per hectoliter of production than in 2008, and we have reduced our water use per hectoliter of production 14.5 percent since 2007. Our pure soft drink facilities have reduced water use from 2.57 hectoliter per hectoliter to 1.96, a reduction of 23.7 percent since 2007.

Conservation continues to be a primary focus in how we address our water use, while maintaining our quality standards.
Selected best-practice examples include:

- In the United States, the Cartersville, Georgia, brewery is already ahead of our 2012 stated water use goal. Cartersville achieved an annual water use metric of 3.1 hectoliters of water per hectoliter of production in 2009. This was achieved primarily through process improvements identified and implemented by brewery employees.

- In 2009, the Wernigerode brewery in Germany also exceeded the goal, achieving an annual water use metric of 3.09 hectoliters of water per hectoliter of production through a combination of engineering solutions and ongoing training sessions that help identify key environmental issues, ensure the economical use of resources and fine-tune procedures.

- The Jaguariuna brewery in Brazil has implemented a program to optimize utilization of water across all steps of the production process. This has resulted in a 9 percent reduction in water use from 2007 to 2009, saving more than 1.7 million hectoliters of water.

- In 2009, we completed a global water risk assessment to help us identify high-risk operations. This assessment has lead to specific actions for these high-risk areas that will be implemented as part of our Better World three-year plan.

- In 2009, we also built or upgraded 12 bio-treatment systems and will construct or upgrade an additional 20 facilities by the end of 2012.

The Jaguariuna brewery in Brazil has implemented a program to optimize utilization of water across all steps of the production process.

U.S. Breweries Take Water Use to New Low

In the past two years alone, water use has decreased nearly 27 percent at Anheuser-Busch’s 12 U.S. breweries.

The chart to the right illustrates this success on a per-hectoliter of production basis since 2007.

Optimization efforts associated with our cleaning-in-place (CIP) processes are generating significant water savings while maintaining the company’s strict quality standards. In addition, the breweries are expanding the use of clean reclaimed water for a variety of applications, including cooling, cleaning, residuals operations, packaging line wash down and lawn irrigation.

Our U.S. breweries saved more water in the past two years than the collective annual water use of the company’s St. Louis and Columbus breweries in 2008!
Energy Use
Energy conservation has been a strategic focus at our company for many years; however, the unpredictable cost of energy and emerging climate regulations have increased our focus even more.

Our Global Energy Performance
We reduced our energy use per hectoliter of production by 7 percent in 2009, and by 10.9 percent since 2007.

Renewable Energy
Getting the correct energy mix is key to maximizing efficiency and minimizing the impact of our business on the environment. Around the world, we continue to explore the use of biomass as a source of fuel for our breweries. Whether it’s rice husks, coconut husks or wood chips, this source of energy contributes to significant reductions in CO₂ emissions, as well as significant cost savings.

In 2009, in Brazil, biomass represented 30 percent of total heating fuel use.

Twenty five of our breweries around the world use Bio-Energy Recovery Systems (BERS), a method of capturing methane from water leftover from the brewing process to produce steam. In the Houston, Texas brewery, methane captured through the BERS process plus methane from a nearby landfill provides more than 70 percent of the brewery’s fuel needs.

One in six of our beers is now brewed in the United States using renewable fuel through BERS in place at 10 of our 12 breweries and the landfill gas application at our Houston brewery. In addition, we have solar panel installations at our Fairfield, Calif., and Newark, N.J., breweries.

Sources of Energy
In 2009, energy generated from renewable sources such as biomass and biogas accounted for 8 percent of our fuel use.

Greenhouse Gas Emissions
In 2009, Anheuser-Busch InBev cut CO₂ emissions per hectoliter of production by 8.5 percent. We calculate greenhouse gas (GHG) emissions from our production plants using the widely accepted WBCSD/WRI GHG Protocol. For 2009, we have reported our direct and indirect CO₂ emissions based on scopes one and two of the Protocol. We measure CO₂ emissions from fuel use in our boilers and use of purchased electricity. Where possible we have included transport-related emissions. In 2009, Anheuser-Busch InBev emitted 4.55 million metric tons of CO₂ equivalent, of which 65.1 percent were direct emissions and 34.9 percent were indirect.

In 2008, we commissioned a comprehensive carbon study to assess CO₂ emissions across Anheuser-Busch InBev’s U.K. and China operations, as well as a detailed analysis of the Stella Artois brand in the U.K. The study covered every aspect of our operations, from raw materials through packaging and transport to consumption.
and disposal and recycling. Its conclusions enabled us to identify practical measures that will help us achieve our global goal of a 10 percent reduction in CO₂ emissions by the end of 2012. In Latin America North, we are trading carbon credits generated by good carbon management practices.

Anheuser-Busch InBev participates annually in the Carbon Disclosure Project (CDP). The CDP collects detailed surveys of corporations’ carbon impacts and their responses to climate risks.

Recycling
Our first priority is to eliminate material losses, improve brewing and packaging efficiencies and determine cost-effective, environmentally-preferable ways to managing waste. We then focus on recycling all materials and byproducts that are generated throughout our processes and are constantly pushing the boundaries of what and where we can recycle. Where possible we also resell these materials and byproducts, which eliminates the need for disposal, as well as provides a source of revenue.

We also support and participate in public education campaigns in communities around the world where we operate that help increase awareness about the importance of recycling.

Our Waste Management Processes
Waste and byproduct management is part of our VPO management system and is mainly driven by the secondary market value of byproducts, primarily for animal feed. We continue to improve at-source sorting and quality control to ensure that our byproducts satisfy safety regulations for animal feed and other applications.

Secondary Uses of Our Waste and Byproducts:
- Malt husks and spent grain — Animal feed component
- Wet and dry yeast — Animal feed component or food flavoring for human consumption
- Labels and paper — Cardboard and paper manufacturing
- Glass bottles — Glass manufacturing
- Metals — Various metal products, including aluminum cans
- Wastewater sludge — Soil improvement and organic fertilizer

Anheuser-Busch Reaches EPA Goal One Year Early

For generations, Anheuser-Busch has been promoting environmental stewardship at its breweries and operations across the country. In 2007, the brewer joined the U.S. Environmental Protection Agency’s Climate Leaders program and pledged to reduce its greenhouse gas (GHG) emissions by five percent from 2005 through 2010. Through the dedication of its employees and continued use of alternative fuels, Anheuser-Busch met its goal one-year ahead of schedule and was formally recognized for its accomplishment at the annual Climate Leaders Partners meeting on Dec. 2, 2009.

As part of receiving advanced certification of its goal from the Climate Leaders program, our U.S. operations have committed to further decrease total GHG emissions by 15 percent by the end of 2013 from a 2008 base.
We have cut waste and byproducts per hectoliter of production by 4.8 percent in the past year. The breakdown of our waste and byproduct destinations is shown below.

### Waste and Byproduct Destinations

<table>
<thead>
<tr>
<th>Waste Type (Metric Tons)</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Byproducts and organic</td>
<td>5,188,854</td>
<td>4,904,425</td>
</tr>
<tr>
<td>Packaging1</td>
<td>200,067</td>
<td>197,414</td>
</tr>
<tr>
<td>Other recycled2</td>
<td>245,045</td>
<td>226,413</td>
</tr>
<tr>
<td>General3</td>
<td>101,790</td>
<td>106,569</td>
</tr>
<tr>
<td>Hazardous</td>
<td>1,188</td>
<td>1,163</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,736,945</strong></td>
<td><strong>5,435,984</strong></td>
</tr>
</tbody>
</table>

1 Packaging waste collected in production plants.
2 Other recycled waste is non-ferrous and ferrous scrap, tires, wood and construction waste.
3 General waste is all waste that is not recycled.

We increased our global reuse/recycling rate for solid waste to 98 percent in 2009 from 97.2 percent in 2007. In some areas of the business, the rate is even higher, and our 2012 solid waste recycling rate target is 99 percent.

**Packaging**

Packaging ensures the quality and safety of our products, is part of the attraction of our products for consumers, and is essential to protecting our products when in transit. Anheuser-Busch InBev works with suppliers, wholesalers and procurement and packaging experts to help make decisions that minimize cost and environmental impact from packaging materials.

We use many types of product packaging, including bulk packaging such as beer kegs, crates and pallets that are almost always returnable and reusable. Other packaging includes boxes, glass bottles, cans and PET (polyethylene terephthalate). Packaging has to account for regulatory requirements, environmental impacts, available recycling facilities, available technologies, various market needs, labeling requirements and customer/consumer expectations.

We continue our light-weighting efforts to reduce costs, minimize the use of natural resources, and lessen transportation-related impacts. For example, following the best practice of other zones, U.S. operations implemented several packaging lightweighting initiatives that will save an estimated 76 million pounds of paper annually, which is equivalent to about 380,000 trees.

Since January 2007, package innovations in our U.S. operations have reduced the amount of solid waste generated by more than 141,000 metric tons. This is equal to offsetting the annual carbon impact of 1,400 American families, based on a usage rate of 30 tons per year for a family of four, according to calculation methodology used by the U.S. Environmental Protection Agency.

**Value Chain**

We recognize that our brewing operations have an environmental impact across the entire value chain — which includes suppliers and a complex distribution network. We are working to identify high priority areas for further efficiencies and environmental improvement, to establish goals to reduce those impacts and then work with suppliers and others along the value chain to encourage appropriate changes.

Quantifying a total value chain inventory is a lengthy and complicated process with numerous variables related to climate, geography, soil conditions and other agricultural variables, sourcing of raw materials, manufacturing, transportation, and consumer habits. Our efforts on this front continue to provide valuable insight on priority areas and reveal additional work that must be completed before meaningful goals can be set.
As an example of our value chain work, we have barley farmers’ programs in our Asia Pacific, Central & Eastern Europe, Latin America North, Latin America South, and North America zones involving about 10,000 farmers. We guarantee the purchase of all production that meets our quality parameters. We have a group of agronomists in each zone who support the farmers with technical assistance during the barley season to help them get the best results from their fields.

We also invest in barley research and development in order to create new varieties with better yields and to develop sustainable techniques that help improve the volume and quality of the barley produced by the farmers. We have barley research programs in the United States, Brazil, Uruguay, Argentina, China and Russia.

Anheuser-Busch InBev is a member of the Beverage Industry Environmental Roundtable (BIER), a partnership of leading global beverage companies working together to advance the standing of the beverage industry on environmental stewardship. BIER is working to create a common protocol for determining a beverage company’s carbon footprint and is also developing a similar protocol for water use.

In January 2010, the company adopted an Ethical Sourcing Policy, which includes standards on the environment. We are committed to measuring and minimizing our impact on the environment, while maintaining our commitment to quality, and we encourage a similar emphasis on the part of our business partners, including:

- Measuring energy usage and committing to reducing it both in manufacturing operations and transporting products.
- Measuring and committing to reduce water usage and discharge.
- Measuring and committing to reduce the production of non-hazardous solid waste.
- Maintaining a list of hazardous and non-hazardous substances, and establishing procedures for the safe handling, transporting, and disposing of waste in accordance with international, national or local regulations.

Environmental Outreach
In 2009, our breweries around the world celebrated World Environment Day by implementing 250 community-focused environmental projects in 24 countries. Examples of the projects included:

- As part of this celebration, over 30,000 employees across our 29 breweries in China participated in a variety of projects including tree plantings and “no car days,” as well as facility improvements targeted to achieving energy reductions.
- Our Western Europe (WE) zone launched a “WE Bike to Work” campaign to encourage our employees to bike, share a ride or take public transport to work. More than 1,400 employees participated, saving more than 50,000 km driven and more than 9 tons of CO2 emissions.
More than 450 individuals were involved in the campaign, from our employees, to community organization Casa Brasil, to local farmers, to government officials. During the month of June, Navegantes Malting achieved new records lowering its water, energy and fuel consumption. More than 150 trees were planted with 1,000 more to come. In addition, 80 kg of recyclables were collected on the region’s streets. Navegantes employees are continuing their environmental education within the company and within their communities as part of their commitment to make it a Better World.

In Canada, employees at our London, Ontario, brewery and their families participated in the annual community effort to clean the Thames River. Land Trust representatives also visited each of our locations to educate Labatt employees about the local land trust properties close to them and volunteer opportunities available.

Our Latin American South employees launched a four-week campaign that focused on saving energy, promoting ride sharing, and saving trees by reducing copies and paper waste.

Our Ukraine employees helped clean public parks and places in the Kyiv, Chernigiv, Kharkiv, and Mykolaiv regions.

We also continue our work to raise awareness of water issues around the world via partnerships with leading non-governmental organizations such as Great Lakes Forever (www.greatlakesforever.org), Ducks Unlimited (www.ducksunlimited.org), and the World Wildlife Fund (www.wwf.org).

On World Water Day, March 22, 2010, our Latin America South zone launched a partnership in Brazil called the “Cyan Movement — Whoever looks at water sees how much it’s worth,” a campaign to mobilize awareness around water conservation. As part of the effort, AmBev is partnering with the World Wildlife Fund on the project “Water for Life — Conservation and Management of Fresh Waters.” Through this initiative, the company will adopt hydrographic basins that service its plants to develop studies on the best utilization of water by industries and the local community, and contribute financial resources to its preservation. The initiative will have a first stage in the Corumbá-Paranoá Basin, which supplies the Gama branch, in Brasilia/DF. Afterwards, the project may be expanded to other hydrographic basins throughout the country. More information is available at www.blogcyan.com.br, and initial results from this project will be included in next year’s citizenship report.

Compliance
Any deficiencies in Anheuser-Busch InBev operations identified by regulators are promptly corrected, and, if necessary, changes are made to our management system to avoid recurrence. In 2009, we paid $18,300 in environmental fines.
Community

2009 Anheuser-Busch InBev Economic Contributions

- Wages and salaries paid to our approximately 116,000 employees worldwide totaled $3.8 billion.
- Capital expenditures around the globe totaled nearly $1.4 billion, with investments in our facilities, distribution networks and systems generating jobs and local economic growth.
- Excise and income taxes, which help to support government programs around the world, totaled nearly $10 billion.

We also can be counted on to help our communities directly when opportunities arise. Markets are encouraged to support community causes that are closely tied to their business objectives. Here are selected examples of our community initiatives in the past two years around the world. Additional examples are featured in the country sections.

- In the United States, we work with our distributors and provided a total of 5 million cans of fresh drinking water to victims of natural disasters in the past two years. Since 1988, Anheuser-Busch has donated more than 68.5 million cans of drinking water following natural and other disasters. In May 2008, our China breweries also provided water to victims of the Sichuan earthquake and donations to the local government and Red Cross that year totaling more than $2.2 million. This community best practice has now been shared with other zones. When an earthquake hit Haiti in January 2010, our Latin American North AmBev brewery in Santiago, Dominican Republic, provided some of the first fresh drinking water — 350,000 cans — to victims. That was followed by an additional 600,000 cans from our Anheuser-Busch Cartersville, Georgia, brewery, along with a $500,000 donation to the Red Cross in which the company matched employee and wholesaler contributions. In February 2010, when the earthquake hit Chile, we provided nearly 35,000 cans of fresh drinking water from one of our Quilmes breweries in Argentina and 25,000 cans of Maltin, a non-alcohol, high-protein beverage, from our La Paz, Bolivia brewery.
- For six years in a row, employees of our Canadian London, Ontario, brewery and national office have supported the Annual Thames River Clean Up. More than one metric ton of debris — including metal, old bicycles, tires and shopping carts — was removed from the shoreline of the Thames, and employees also restored a path behind the brewery to its natural state for the community to enjoy.
- In Russia, our employees and their families joined townspeople and local authorities to help clean the streets of Klin, Ivanova, Kursk, Volzhsky, Saransk, Novecheboksarsk, Perm, Omsk and Angarsk. This is part of a longtime company commitment, called “We All Live Here,” in which employees aim to make life more pleasant and comfortable for residents of our brewery communities.

In Russia, our employees and their families teamed with the community to help beautify and improve street, gardens and parks through traditional “subbotniks” or street cleanings.
In Argentina, the project “Building Citizenship: Access to Health and Rights in Adolescence” implemented in five communities where our breweries are located, was recognized in 2009 by the United National Education, Cultural and Scientific Organization and the Inter-American Development Bank as a “Best Practice in Youth Policies and Programs in Latin America and the Caribbean.” The project’s goal is to promote the participation of young people in local development strategies, and it was selected from among 600 initiatives from 30 countries.

In China, we launched a partnership in 2009 with the China Europe International Business School (CEIBS). Under the partnership, CEBIS and Anheuser-Busch InBev will work together on joint events, case-study writing, and research. The company will provide tuition scholarship for MBA students at CEIBS, and in return, CEIBS will provide priority access for recruitment of its graduates and hiring of interns.

Through our Better World three-year plan, we have committed to reviewing and providing additional structure for our volunteer and charitable support around the world.

Charitable Foundations Associated with Anheuser-Busch InBev:

- Anheuser-Busch Companies and its Foundation have contributed more than $450 million since 1997 to communities across the United States. Funding is directed to initiatives supporting education, economic development and the environment, as well as disaster relief and support of those who serve our country.

- In 2009, the Antônio and Helena Zerrenner Foundation (FAHZ) invested 137 million Brazilian real ($70 million) in the company’s employees and dependents, totaling some 63,949 people throughout Brazil. This comprises a medical, hospital and dental plan, 1,607 scholarships, 15,078 supplies of school materials for students, and the distribution of 26,534 hampers and 15,106 Christmas toys.

- The InBev-Baillet Latour Fund in Belgium encourages accomplishments in the scientific, educational or artistic fields by rewarding prizes, study grants, trips or gifts in cash or goods. In 2008, the Fund provided €2.5 million ($3.3 million), and for 2009, €2.2 million ($2.9 million).

- In 2009, the Verhelst Foundation in Belgium provided €2.29 million ($3.1 million) to support Anheuser-Busch InBev employees by helping with extraordinary medical costs, operating a confidential counseling service, and providing scholarships. The Verhelst Foundation is an independent organization created in 1949 to support company employees.

Over the past two years in the U.S. alone, we have worked with our distributors to provide 5 million cans of fresh drinking water to victims of natural disasters.
Our People

Talented people continue to represent our most important sustainable competitive advantage. Our ownership culture unites our people to provide the necessary energy, commitment and alignment needed to pursue our dream to be the Best Beer Company in a Better World.

To do this we must attract and retain the best people, develop them at the pace of their talents and provide competitive compensation. Our focus on having the right people in the right roles at the right time, aligned through a clear target-setting and reward process, improves productivity and enables us to continue to invest in growing the top line. And by growing the top line, we are afforded the opportunity to support our social responsibility investments.

Corporate Governance Structures

Corporate Governance rules established by the Anheuser-Busch InBev Board of Directors are vital in supporting our business ambitions. They ensure the company is properly managed and controlled, without limiting our vision, or the speed or flexibility of our operations.

As a company incorporated under Belgian law and listed on the Euronext exchange in Brussels, Anheuser-Busch InBev adheres to the principles and provisions of the Belgian Corporate Governance Code published in March 2009, taking into account its specific status as a multinational group.

As of Sept. 16, 2009, our company is now also listed on the New York Stock Exchange through the American Depository Receipt program trading under the symbol BUD. As a result, the New York Stock Exchange Corporate Governance rules for Foreign Private Issuers are applicable to the company. According to these rules, the company discloses on its website [www.abinbev.com/go/corporate_governance.cfm](http://www.abinbev.com/go/corporate_governance.cfm) the significant ways in which its Corporate Governance practices differ from those followed by U.S. companies listed on the NYSE. Anheuser-Busch InBev has registered with the United States Securities and Exchange Commission (“SEC”) and is also subject to the U.S. Sarbanes-Oxley Act of 2002 and to the rules of the SEC relating to corporate governance.

Anheuser-Busch InBev’s Corporate Governance Statement published online provides a comprehensive and transparent disclosure of the company’s governance. A full report on corporate governance activities in 2008 and 2009 can also be found in our company’s online annual reports. [www.abinbev.com/go/corporate_governance.cfm](http://www.abinbev.com/go/corporate_governance.cfm)
Code of Business Conduct
As part of Anheuser-Busch InBev’s Corporate Governance framework, we have a Global Code of Business Conduct that establishes parameters and safeguards to ensure high standards of integrity are upheld. The Code covers compliance with all laws, including competition and antitrust laws; dealing with potential conflicts of interest; use of company assets; honest and ethical conduct; and together with specific guidelines on gifts and political contributions, includes safeguards against bribery and corruption. The Board of Directors and Audit Committee receive quarterly progress reports on matters related to the Code of Business Conduct.

To ensure that the Code of Business Conduct is properly enforceable, an independent telephone line is available 24 hours per day, seven days per week. Employees can also register concerns via an independent website. Privacy and confidentiality reasons restrict us from publishing statistical details on active cases or calls received; however, we monitor the number and type of case by Zone internally and provide reports to the Board level Audit Committee.

Ethical Sourcing Policy
In January 2010, the company adopted an Ethical Sourcing Policy, which includes standards on labor issues and business conduct. We are committed to operating ethically and with high integrity, while maintaining our commitment to quality, and we encourage a similar emphasis on the part of our business partners, including:

- No use of child labor, as defined under the United Nations Global Compact guidelines.
- Non-discrimination on the basis of race, religion, gender, sexual orientation, age, political opinion, national extraction, or social origin.
- Recognition of workers’ rights to join a trade union and engage in collective bargaining.
- Health and safety programs that include such things as: the provision of protective equipment to workers as needed in accordance with their job requirements and the goal of safe working conditions; the establishment of safety procedures and training programs for workers to ensure that they are aware of workplace hazards; the assessment, identification, and control of potential hazards and risks associated with equipment and processes; and, the monitoring and analysis of all accidents, and the keeping of accurate and timely records of accidents and injuries.
Diversity
Anheuser-Busch InBev’s employment regulations, our Code of Business Conduct and other human resources processes work to ensure that opportunities are available without prejudice to race, color, religion, disability, sexual orientation or creed.

At the end of 2009, Anheuser-Busch InBev employed 116,000 full-time, seasonal and temporary employees worldwide. Of the full-time employees, 21 percent were female and 79 percent male. The average employee age was 36 years old. The average length of service was 8.5 years. About 72 percent of employees worked in blue-collar jobs, while 28 percent worked in white-collar jobs.

Opportunities for Our People
We are committed to helping develop our employees through a variety of ongoing training programs and opportunities. In 2009, our employees across all zones participated in a combined total of more than 1 million hours of training, or an average of 10 hours per employee.

Anheuser-Busch InBev University
All training and development efforts are guided by the three pillars of Anheuser-Busch InBev University, which provides strategic direction, structure and consistency for learning and development across all zones.

- Leadership and Culture: This pillar employs role model examples of leadership (both internal and external) as practical references to help cascade our “Dream, People, Culture” platform throughout the company. Programs include our Executive Education; Senior Leadership Convention; Leadership, Performance and Change; and “Owners @ ABInBev” initiatives.
- Functional: This pillar is designed to help provide know-how and technical skills for all critical roles, as well as share and help implement best practices. This training includes mapping critical competencies, enhancing on-the-job training, and benchmarking technical and operating abilities to guarantee that both collective and individual targets are achieved. Examples include our “Supply Academy” for brewery managers and our “Marketing Academy,” which includes our advanced marketing program.
- Method: This training instills and consolidates management practices and tools (e.g. routine management, target setting and cascading, problem solving — “Plan, Do, Check, Act” at all levels of our business chain. Examples include our “White Belt” and “Green Belt” training initiatives.
Global Management Trainee Program
Now in its fifth year as a truly global initiative, our management trainee program attracts talent from around the world and aims to find and develop Anheuser-Busch InBev’s future leaders. Under this program, we recruit the best students from more than 100 leading universities around the world and enroll them in a demanding 10-month paid training program combining classroom study and “in-the-field” jobs in our brewing, sales and other areas. The objective is to build a highly qualified, well-rounded team that is inculcated in our culture from the first day.

After the 10-month period, the candidates go on to full-time positions within our global organization. This is a highly selective program; for example, Brazil had a record 60,000 applicants in 2009 for 26 positions, while China had 11,000 applicants for 50 positions. In 2009, we launched the program in the United States for the first time. Globally, there were approximately 100,000 applicants for 123 positions in the program in 2009.

The program was started in 1991 in Brazil and has expanded with our company’s growth around the world. Since inception, more than 1,000 trainees have come through the program, many of whom are now senior executives of the company.

Employee Engagement
Research suggests that the connection or engagement people have with the work they do and their assessment of the significance of their contribution are what make the most difference to them, even above and beyond their compensation package.

We engage employees in our dream through an annual cycle of regular, formalized communication and feedback. This helps to ensure that all of our people understand the company’s goals and are engaged in meeting them. It also allows management to hear employees’ suggestions about ways we can improve.

Our latest employee opinion survey, carried out in December 2009, shows an employee engagement index of 76 percent, up from 65 percent in 2007. The 2009 data is based on responses from 64,446 employees in white-collar and blue-collar positions across all zones. The employee engagement responses are used to develop action plans to improve our responsiveness to employees on the issues that matter to them.

Research suggests that the connection or engagement people have with the work they do and their assessment of the significance of their contribution are what make the most difference to them, even above and beyond their compensation package.
China Makes Safety Strides

We significantly improved our safety performance in China in the past two years. A main step was the appointment of a zone environmental and safety team of five specialists who carried out safety audits in all breweries. These audits were the start of major improvement projects regarding such things as machine guarding, workplace transport and personal protective equipment use. In the past two years, LTIs have declined 80 percent and the frequency rate (number of LTIs per 1,000,000 worked hours) has declined 89 percent.

Workplace Health & Safety
Anheuser-Busch InBev is committed to ensuring that we provide a safe work environment. Our safety culture focuses on openness, effective reporting, and appropriate behavior, policies, practices and procedures.

Safety in Our VPO Program
Our sites are responsible for implementing our global Health & Safety (H&S) policies that are part of our Voyager Plant Optimization (VPO) management system. VPO also complements OHSAS18001 at the sites that have installed it.

On a global level, we thoroughly reviewed the safety aspects of the VPO program by creating a separate safety pillar in 2008. This separate pillar increases focus, awareness and ownership. We introduced the safety pillar in 2009, and it will remain our main focus in 2010.

Our VPO global management and auditing system links safety performance and implementation of the safety pillar at our plants to the annual site performance evaluation using a rewards system.

Organization of Safety Function
Ownership and focus are key to success. The global Environment and Safety Director position in our Supply function was split into two separate functions, a Global Safety Director and a Global Environment Director, both reporting to the Supply Technical Vice President. A zone safety organization is now functional in every zone. These zone organizations are responsible for supporting the plants in implementing the safety policies and play an important role in the overall improvement of our safety performance. On a plant level a safety manager, reporting to the plant manager, is supporting the management and workforce in running the plant safely.

Safety First Program
The ownership of the Safety First program that was launched on a global level in 2008 has been transferred to the Zones. Quarterly, each zone focuses on a specific safety topic to help raise safety awareness and promote safe behaviors throughout our plants.

Safety Committees
These committees are a legal requirement in many countries and are mandatory in all our plants to facilitate dialogue between Anheuser-Busch InBev and employees’ representatives. The committees aim to eliminate unsafe conditions, identify improvements, review accidents and ensure effective communication.

As part of our safety procedures, we enforce LOTO — lock-out, tag out. Before they begin any kind of service or maintenance, employees must turn off and de-energize the equipment, using their lock and tag to ensure the equipment cannot be turned back on while being serviced.
Safety Day
This initiative, which was launched in Western and Central and Eastern Europe in 2006, now takes place in all our plants. In Brazil, our plants observe Safety Weeks, which are a Brazilian legal requirement. During Safety Days, production is stopped and all operators are involved in workshops and training focused on improving safety behavior and awareness.

Hazard and Incident Reporting
In the past our first focus was accident reporting in most zones. Now the plants that implement the VPO safety pillar focus on hazard and incident reporting and risk assessments. Our statistics show that plants and zones that have embraced this approach have experienced significant improvements in safety performance.

Safety Alerts
As part of improving our response to incidents and accidents, we share information on incidents and accidents via Safety Alerts that describe the event and the preventive measures that are put in place. Other plants must then apply the same preventive measures, if applicable.

Supply Safety Performance

**Fatalities**
In 2008, there were six fatal accidents, and in 2009, three fatal accidents related to Anheuser-Busch InBev’s operations. This is a matter of serious regret, which is considered wholly unacceptable. We are convinced that the efforts that we are making to improve our safety management will help us to avoid such tragic events.

Specific safety dashboards are made to follow-up the preventive measures that are defined after fatalities. These dashboards are used in every zone and plant.

**Lost-Time Injuries / Frequency Rate**
Currently, we use the number of Lost-Time Injuries (LTI) as our major key performance indicator (KPI) to measure the safety performance of our company and the individual plants. In addition, some zones are using more advanced KPIs, and we will apply similar KPIs in future as we continuously strive for improvement.
Our LTI results show that the implementation of the VPO safety pillar and all other efforts we are doing in the safety field are delivering the desired results. The number of LTIs decreased 58 percent from 2007 and 49 percent from 2008. Temporary and seasonal workers are included. All zones contributed to this success. We have set a 36 percent reduction target for 2010. Contractor LTIs are recorded separately, and in 2009, 73 contractors suffered LTIs.

**Lost Days / Severity Rate**
The number of lost days is a measure for the severity of the injuries. The number of lost days due to injuries and the severity rate (number of lost days per 1,000,000 hours worked) have both significantly decreased. We have set a target of a 23 percent reduction for 2010.

Our LTI results show that the implementation of the VPO safety pillar and all other efforts we are doing in the safety field are delivering the desired results.
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.