

AB INBEV'S FRAMEWORK FOR IMPROVING SOIL HEALTH

Soils are the basis of most agricultural systems and play a critical role in sustaining food production and healthy ecosystems. The capability of soil to continue to support sustainable agricultural supply chains will depend largely on the strategies employed by land managers. However, AB InBev recognizes there is no “one-size-fits-all” approach to improving soil health across the wide range of soil conditions, technical capacities, and external pressures that define the realities of farmers around the globe. AB InBev – in collaboration with The Nature Conservancy and the Sustainable Food Lab – has developed this soil health framework to provide a unifying structure that is practical to implement, maximizes AB InBev’s ability to support our 20,000+ direct farmers, and provides flexibility to adapt to the different challenges facing our farmers around the globe. At AB InBev, we source our ingredients from farmers ranging from smallholders growing sorghum in Uganda to large-scale barley farmers in Siberia. We believe all of our farmers have the potential to improve their farm system and deliver valuable benefits to nature and society by unlocking the potential of the soil.

Investing in Soil Health is a Key Pathway to Meeting Our 2025 Sustainability Goals

2025 Commitments	Farmer Benefits	Societal Benefits	ABI Benefits
Smart Agriculture	<ul style="list-style-type: none"> ✓ Improved crop yields ✓ Better crop quality ✓ Resilience to severe weather & climate change ✓ Lower input costs 	<ul style="list-style-type: none"> ✓ Stable food supply ✓ Thriving & resilient rural economies ✓ Healthy ecosystems 	<ul style="list-style-type: none"> ✓ Secure supply chain ✓ Improved farmer recruitment & retention ✓ Better crop quality
Water Stewardship	<ul style="list-style-type: none"> ✓ Increased water availability for crops ✓ Reduced runoff & erosion ✓ Increased nutrient use efficiency & lower input costs 	<ul style="list-style-type: none"> ✓ Cleaner water ✓ Increased water availability for other uses ✓ Healthy aquatic ecosystems 	<ul style="list-style-type: none"> ✓ Increased available of clean water for beer production & other uses ✓ Reduced risk of production & supply disruptions
Climate Action	<ul style="list-style-type: none"> ✓ Yield stability in the face of climate change ✓ Reduced fuel & fertilizer use/lower input costs ✓ Participation in carbon markets 	<ul style="list-style-type: none"> ✓ Climate stability ✓ Stable food supply ✓ Thriving and resilient rural economies 	<ul style="list-style-type: none"> ✓ Secure long-term sourcing of high-quality crops ✓ Lower C footprint ✓ Meet investor expectations for climate action

There is a wealth of evidence supporting the links between farm management practices and the health and functional capacity of soils. However, the exact nature and magnitude of the agronomic, economic, and environmental benefits afforded by a given set of practices will be affected by the context in which they are implemented. Therefore, the purpose of this framework is not to provide a prescriptive protocol to AB InBev farmers, but rather a common set of principles that allow for the tailoring of actions to the conditions in each of AB InBev’s sourcing regions. To facilitate the implementation of these principles and demonstrate how the framework can enable AB InBev farmers to build upon their existing successes in improving soil health, a set of suggested practices is included within each principle. These suites of practices are intended to be broadly applicable to a wide range of geographies, farm conditions, and skill levels – providing a range of options and entry points for farmers to engage with the AB InBev framework.

Soil Fertility Management

Careful, strategic management of soil nutrients can optimize yields of high-quality crops, while minimizing nutrient pollution and greenhouse gas (GHG) emissions. Potential practices contributing to this principle include:

- Implement **regular, transparent soil testing** that follows established protocols and is linked to actionable advice.
- Base nutrient management decisions on plant nutrient requirements and use, monitoring the efficacy of management with plant tissue testing.
- Adopt **nutrient management planning following the 4Rs** of nutrient stewardship (Right Source, Right Rate, Right Time, Right Place).
- Include organic residues (e.g., crop mulch), manure, or other inputs where possible to maximize potential organic matter build up in the soil.



Devon King/TNC

Minimize Tillage

Minimizing the extent and frequency of soil disturbance improves soil structure, reducing compaction and erosion and improving water cycling and availability. Potential practices contributing to this principle include:

- Reduce the **depth, frequency, and extent of mechanical cultivation** as much as possible, to restore soil structure. The use of integrated management techniques, such as Integrated Weed Management (IWM), can balance tradeoffs or mitigate challenges that arise when transitioning to a minimum tillage regime.
- Practice **contour and controlled traffic farming** where appropriate to reduce erosion and minimize the extent of compaction.



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Crop Rotation

Complex, well-designed crop rotations can break pest and disease cycles, increase agrobiodiversity, and reduce erosion and direct soil greenhouse gas emissions. Potential practices contributing to this principle include:

- Include **3 or more plant families** with diverse characteristics, including nitrogen-fixing legume species, into rotation.
- Implement **strategic planning** to avoid planting similar crops in close succession and maximize the benefits of rotations.
- Introduce agrobiodiversity with **relay- or inter-cropping**.



TNC

Continuous Cover

Maintaining living plants, mulch, or plant stubble on the soil surface year-round helps keep soil in place, while restoring soil quality over time. Potential practices contributing to this principle include:

- **Eliminate bare (clean) fallow** that contributes to soil erosion by maintaining residue on the soil surface at all times.
- Adopt systems that result in **continuous living cover** (e.g., cover cropping, relay cropping, livestock/pasture integration, agroforestry) to improve soil quality and support healthy soil communities.



Erlich Schittler/TNC

Regenerative Landscapes

A holistic approach to managing landscapes and integration of additional habitat into farmland can deliver multiple benefits to both farmers and nearby communities. Potential practices contributing to this principle include:

- **Avoid and revegetate steep slopes** whenever possible and stabilize slopes that must be cultivated with terraces, vegetative strips, or contour bunds.
- Install or maintain **natural infrastructure** to protect water bodies, including creating grassed waterways, riparian buffers, and restored wetlands that filter sediment and chemicals from field runoff.
- Incorporate trees into agricultural landscapes through **agroforestry and windbreaks** to provide habitat and protect soils.



Mark Godfrey/TNC

Pathway for Implementing Our Framework for Improving Soil Health



STEP 1

Benchmarking & Setting Objectives:

Benchmarking of current practices and challenges will be performed leveraging existing data in AB InBev's SmartBarley platform, surveys of farmers, or publicly available data. Benchmarking will inform regionally-appropriate objectives for contributing to global soil health goals.

AB InBev is committed to helping farmers achieve healthy soils for the benefit of both people and nature. Our framework for improving soil health provides a path for our direct farmers, skilled agronomists, and research teams to make real and lasting changes to how we manage soils to maximize production of high-quality crops, improve water stewardship, and contribute to climate mitigation.



STEP 2

Identifying Priority Practices & Initiatives Contributing to Guiding Soil Health Principles:

Priority practices and initiatives to advance each of the framework's principles will vary between AB InBev's sourcing regions because of the unique challenges and baseline conditions they face. The benchmarking activities of the previous step will highlight which practices have the greatest potential for impact in specific geographies, helping farmers and agronomists identify areas for immediate action and prioritization of resources.

STEP 3



Develop Implementation Strategy:

Once priority practices have been identified, this framework will serve as the foundation for AB InBev's regional program creation, giving our skilled agronomists and researchers the tools they need to deliver effective recommendations to farmers and encourage the adoption of AB InBev initiatives.



STEP 4

Transparent Tracking & Reporting:

AB InBev will work together with farmers to translate on-farm action into meaningful measures of progress for each sourcing region. This framework will be a platform to amplify the successes our farmers achieve and share lessons learned among peers.

STEP 5

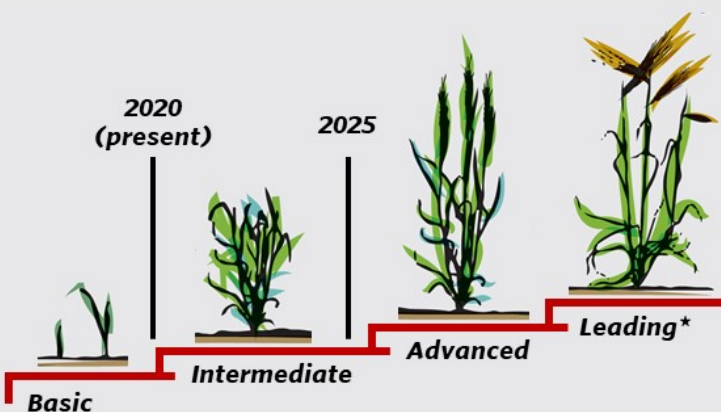


Adapting & Refining:

AB InBev's programs will aim for continuous improvement, adapting in response to the results and challenges that farmers and agronomists face in the field.

There are many ways that AB InBev's programs can support the adoption of the principles and practices for improving soil health included in this framework. AB InBev will continue to support and encourage our direct farmers to be leaders in sustainable agriculture by:

- **Providing expert technical support** through our agronomists that aligns with the principles for improving soil health and the best available science.
- **Demonstrating the business case** for investing in soil health through our farmer programs and model farms.
- Incorporating **regionally relevant soil health practices** into our crop protocols that are shared with our farmers.
- Developing strategic partnerships to create **positive enabling conditions** for the successful adoption of the soil health principles.



As farmers incorporate more advanced or additional soil health practices into their operations, they can expect to see soil health improvements. Our ranking system for reporting progress is customized to each region and fosters a culture of continuous improvement. Global reporting will be derived from the average performance of AB InBev farmers by zone, based on SmartBarley and farmer survey data.

SmartBarley
GLOBAL INSIGHTS. LOCAL RESULTS
delivered by Anheuser-Busch InBev