





Achieving More Together

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Learning Together



AT AB INBEV, OUR DREAM to be the Best Beer Company Bringing People Together For a Better World is rooted in our company's culture, and an important part of that culture is transparency. Transparency with stakeholders, partners and colleagues. Transparency on our impacts and lessons learned. And, transparency on where we're heading. Because through transparency, we are able to grow together, in a way that helps us achieve our collective goals. That's why we continue to evolve our approach to reporting.

This year, AB InBev's global citizenship reporting includes this self-contained PDF document and content on our corporate website. The PDF document primarily summarizes our 2015 activities, initiatives, achievements and challenges, while the website, housed within the "Social Responsibility" section, provides further information on our Better World strategy and ongoing activities.

Taken together, the PDF and website content constitute our sustainability reporting for 2015.

### Our Dream is to be:

# THE BEST BEER COMPANY BRINGING PEOPLE TOGETHER FOR A BETTER WORLD.

# **Dream-People-Culture**

**BRINGING PEOPLE TOGETHER** builds common ground, strengthens human connections and allows us to achieve something together that cannot be accomplished alone. Our Dream also fosters a culture that unites us as one and provides the energy and focus to achieve our goals. Our Dream-People-Culture platform is not only our driving force; it also represents everything we stand for as a company, which is rooted in our 10 Principles. Read more about our Dream-People-Culture platform.



#### **Our 10 Principles**



Our shared dream energizes everyone to work in the same direction to be the: **Best Beer Company Bringing People Together For a Better World.** 

Our greatest strength is our **people**. Great People grow at the pace of their talent and are **rewarded** accordingly. PEOPLE

We recruit, develop and retain people who can be **better** than ourselves. We will be judged by the **quality** of our teams. 3

PEOPLE

We are **never** completely satisfied with our results, which are the **fuel of our company**. Focus and zero-complacency guarantee lasting **competitive advantage**.



CULTURE

The con We serv offering that pla role in t

The consumer is the **Boss**. We serve our consumers by offering brand experiences that play a meaningful role in their lives, and always in a responsible way.

#### CULTURE



We are a company of **owners**. Owners take **results personally**.

#### CULTURE

7

We never take shortcuts.

quality, and responsibility

Integrity, hard work,

are key to building our company.

We believe **common sense** and **simplicity** are usually better guidelines than unnecessary sophistication and complexity.

#### CULTURE

10

#### CULTURE

Leadership by personal example is at the core of our culture. **We do what we say**.





2015 Global Citizenship Report

We manage our costs tightly,

will support sustainable and

profitable top line growth.

to free up **resources** that



# Bringing People Together For a Better World

**OUR BETTER WORLD FOCUS** promotes a global culture of smart drinking, helps to protect and preserve the environment and aims to make a difference in our communities, which is all made possible through our people. Learn more about our **Better World platform and pillars**.

### **Smart Drinking**

We aim to foster a global culture of smart drinking by empowering consumers to make smart drinking choices and investing in evidencebased programs that positively shift social norms and behaviors to reduce the harmful use of alcohol.



### Environment

We have set ambitious environmental targets in water conservation, watershed protection, sustainable agriculture, and energy use/ greenhouse gas emissions. We share responsibility for meeting these goals throughout the entire company.



## Community

We take pride in giving back to the communities where we live and work. Whether it's by creating jobs, paying wages and taxes or encouraging our employees to volunteer, we continually look for new ways to make a sustained impact.







#### **Our People**

Underlying and supporting these three pillars are our people. We must continue to attract and retain the best and brightest people, provide a safe workplace, and always hold one another to the highest standards of ethics and integrity.







#### **Colleagues & Community**

Over 71 000 colleagues have volunteered, contributing to nearly 371 000 hours of volunteer service together with our partners.

#### **Crop Cultivation**

More than 3 200 growers have participated in the *SmartBarley* program through 2015, helping our local teams and agronomists identify a portfolio of technology and management solutions for regional gaps.

#### Water Stewardship

Our global water use ratio is 3.14 hl per hl of production and we continue to invest in restoration and conservation projects to protect watersheds in high stress areas.

#### **Powerhouse**

10.9% of our 2015 global energy use was from renewable sources, helping us reduce our emissions and energy costs.

#### Retailers

With an approximately 84.2% global average of eco-friendly cooler purchases, we're helping our retailers reduce their carbon emissions.

# Brand Integration & Consumers

Through its *Buy a Lady a Drink* cause marketing campaign, Stella Artois has helped Water.org provide clean water to 290 000 people around the world in 2015.

#### Industry

In collaboration with peers and industry associations, we continue to promote responsible sales and consumption of our products and protect environmental resources.



#### **Brewing**

Our Brewmaster Program uses virtual classroom software, in combination with hands-on training, allowing us to share our highest quality, most efficient brewing practices from Zone to Zone and consistently train the best brewmasters in the world. In 2015 there were no product safety recalls and our recycling rate was 99.01%.

#### Packaging

Our product packaging includes recyclable materials such as glass, cardboard and aluminum, and we are working to minimize packaging materials overall.

#### Distribution

We continue to identify ways to distribute our products in the most efficient manner to reduce emissions and cost. More than 85% of our global truck fleets have been fitted with telemetry systems to track driver behaviors while on the road.

# Growing Together

At AB InBev, we are committed to using our global resources—and our ability to bring people together to make a difference in areas such as responsible or "smart" drinking, environmental stewardship and the communities in which we operate.

2015 was marked by a particular focus on growing a Better World together, in collaboration with our colleagues, partners, stakeholders and consumers. While the company as a whole saw a year of solid growth and progress against our commercial priorities, we also expanded our efforts to invest in the wellbeing of the communities in which we live and work.

#### **Responsible together**

After delivering on our previous Global Responsible Drinking Goals in 2014, we launched our new Global Smart Drinking Goals in 2015 to be achieved by the end of 2025 which reflect our evolved approach through collaboration with partners and stakeholders. This new approach has taken us from a focus on raising awareness to driving impact by investing in longer-term, evidence-based initiatives that positively change behavior to reduce harmful drinking. It was also our emphasis on collaboration that allowed us to have our most successful Global Be(er) Responsible Day (GBRD) yet with the participation of more than 66 000 colleagues and through the expansion of our industry-wide celebrations from one country in 2014 to eight countries in 2015. Our colleagues, partners and stakeholders also came together for our World Environment Day activities. Specifically our Global Walk for Water initiative brought together over 14 000 colleagues to log steps and charitable donations to water NGOs in local markets.

#### **Caring together**

Our Stella Artois brand has launched a campaign called *Buy A Lady A Drink*, in partnership with Water.org, to help tackle the global water crisis that affects hundreds of millions of people around the world. The crisis disproportionately affects women who spend millions of hours collecting water for their families. Our campaign raised awareness and urged consumers to do their part to end these



journeys so that these women could start new journeys of their own. In 2015, the campaign helped provide clean water for more than 290 000 people in the developing world.

#### Learning together

We faced drought and water scarcity in some of our brewery locations around the world, which has encouraged us to take new and innovative approaches to our water efficiency resulting in savings of over 14 million hectoliters between 2014 and 2015. Furthermore, we continued to partner with local stakeholders and invest in the long-term conservation and restoration of stressed watersheds as an integral part of our water stewardship strategy. Additionally, as a result of some gaps that surfaced in our existing Responsible Marketing & Communications Code, we have revisited and strengthened the Code and our internal control processes to reinforce the priority we place on reaching zero violations. Through all of these challenges, we work to see opportunities for improvement to our Better World strategy which will make our partners, communities and our business stronger in the long-term.

#### Achieving more together

In November 2015 we announced a proposal to acquire SABMiller. We believe that a combination of our two companies would build the first truly global brewer and that this transaction would be in the best interests of both companies' consumers, shareholders, employees, wholesalers, business partners and the communities we serve. Bringing together our resources and expertise, we also would be able to make an even greater and more positive impact on the communities in which we live and work, by providing opportunities along the supply chain and aspiring to the highest standards of corporate social responsibility. In particular, we are very excited about the prospects of making a significant investment and commitment to the African continent.

#### **Committing together**

In 2015, we saw the announcement of the United Nations Sustainable Development Goals. We're excited about the opportunity to further advance this global development agenda through some of our signature initiatives, such as *Together* For Safer Roads, a cross-sector coalition of 14 member companies to improve road safety and SmartBarley, our agricultural development program, as well as the robust resource efficiency initiatives in our facilities. The UN SDGs offer a common language and framework for governments, civil society and the private sector to tackle some of the world's most pressing global issues. At AB InBev we are committed to drive progress through partnership and help achieve the UN Sustainable Development Goals, sharing best practices not only across our own global footprint, but also with other industries and stakeholders.

#### **Delivering our Dream together**

A passionate commitment to Bringing People Together is at the very heart of our Dream. We believe that together we can achieve more. Whether we're providing water to communities in need, encouraging smart drinking, enhancing farmers' livelihoods, or contributing to the economic growth of our communities, we can always achieve more together. There are incredible opportunities and inevitable challenges that lie ahead. But our Dream remains the same: each day, we will bring new partnerships and transformational ideas to the table, to build the **Best Beer Company Bringing** People Together For a Better World.

Carlos Brito, Chief Executive Officer

# Growing a Sustainable Future with SmartBarley

### Brewing can be traced back to ancient times 7 000 years ago, making beer one of the oldest beverages ever produced.

And while specific brews and varieties have emerged since then, beer is still made up of four main ingredients: water, barley, hops and yeast. That's why, as one of the primary ingredients in our world-class beers, we place such a high priority on cultivating quality barley.

Through our *SmartBarley* program, we are building on our long-standing history of working collaboratively with our network of barley growers around the world to



provide access to quality seeds and inputs, develop improved varieties with higher barley yields and increased water efficiency, and assist growers in the art of producing malt barley.

As our work in barley cultivation continues to evolve, leveraging global data and barley expertise to create greater value for our growers, *SmartBarley* remains guided by three defining principles:

- Investing in growers;
- Innovating our supply chain; and
- Transforming global agriculture.

#### **Investing in Growers**

AB InBev partners with growers around the world to produce high-quality malt barley. Through 2015, more than 3 200 growers have participated in *SmartBarley*, utilizing the program to compare their crop performance against advanced productivity and key environmental performance metrics from similar growers and global benchmarks. The information within *SmartBarley* also helps our local teams

#### 2017 GLOBAL ENVIRONMENTAL GOALS / 2015 Progress



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

2012	2015	2017
°	°	°
0%	86% 1	00%

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

2012	2015/2017 <u>9</u> 9
3.5 hl/hl	3.1hl/hl 3.2hl/hl

Reduce global greenhouse gas emissions per hectoliter of production by 10%, including a 15% reduction per hectoliter in China  $^{\ast\diamond}$ 

2012	2017	2015
0	o.	°.
0%	10%	18.6%

Reduce global energy usage per hectoliter of production\*\* by 10%

2012 °	<b>2015 2017</b>
0%	8.8% 10%

Reduce packaging materials by 100 000 tons\*\*\*\*



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

2012	2017	2015
°	?	°
	70%	84.2%

Reduce greenhouse gas emissions in logistics operations by 15% per hectoliter sold from our 2013 baseline\*\*\*\*

2013 o	2015 o	<b>2017</b>
0%	7.4%	15%

Operational water and energy goals are measured against a 2012 baseline; our logistics goal is measured against a 2013 baseline.

Energy and water data to the left represents all beverage operations within the original scope of our 2017 goal—established in 2012, the baseline for the water and energy goals. Data from previous years are not adjusted in the case of a divestments and acquisitions of beverage facilities.

An external assurance provider was engaged by AB InBevto verify the data for all of the Environment goals to the left with the exception of the goal to reduce greenhouse gas emissions in logistics operations by 15% per hectoliter sold from our 2013 baseline. The data in scope in relation to these goals can be found on page 45.

- In 2014 we introduced pilot programs in 78% of our key barley regions, and expanded to 100% key region pilot coverage in 2015. However, we measure our progress based on the transition of these pilot programs into implemented initiatives within the region. As of 2015, we have graduated pilot programs into implemented initiatives within 62.5% of our key barley regions.
- Data is from the plants in the business footprint at the end of 2012 when the goal was established.
- The reduction in packaging materials is calculated based on budgeted production volumes of these packaging materials. Differences can exist between actual and budgeted production volumes.
- Our logistics goal was added in 2014 to formalize our aspiration to be the sustainable logistics leader in the brewing industry.



## Lessons Learned: SmartBarley

SMARTBARLEY BEGAN IN 2013, when we invited 340 growers to participate in a benchmarking pilot coordinated through our local agronomists in Argentina, Brazil, Canada, China, Russia, the United States and Uruguay. The pilot allowed participating growers to compare their growing practices anonymously with one another, and work with our agronomists to learn how they could grow barley more efficiently and productively. After scaling the pilot in 2014 to incorporate over 1 800 growers, in 2015, we expanded our *SmartBarley* program to include not only benchmarking, but also a portfolio of grower-centric programs focused on research, technology, innovation and general education on best practices. Throughout the past two years, we have learned how critical it is to work side-by-side with our growers, focus on benchmarking, demonstrate tangible results, and emphasize collective action in order to shift long-standing farming practices towards more efficient use of resources.

identify the most pressing challenges facing our growers, helping direct our portfolio of initiatives to address those challenges that most influence grower productivity, resource use efficiency and profitability.

To help facilitate knowledge sharing among barley growers and our agronomists, 2015 saw nine local agronomist-hosted *Grower Field Days* in China, the United Kingdom, Mexico, the United States (Idaho, North Dakota, and Montana), Argentina, Brazil and Uruguay. These events brought together more than 2 000 growers and agricultural stakeholders to discuss best crop management practices, learn about new barley varieties and crop management research, and participate in live demonstrations of *SmartBarley* technologies and programs.

"The Grower Field Days are a good way to connect with other growers and hear about improvements being made through technology and research in my region. It's also great to learn more about the brands that my barley is used to brew."

Leobardo Domínguez Ramírez, AB InBev Grower, Mexico

As we look ahead to 2016, we will continue to explore and test innovations that can deliver value across the farm production system and that strengthen *SmartBarley*'s value to our growers. We will also expand the program to new countries and new growers, incorporating third party barley sourcing partners and malt suppliers in order to scale the benefits and impact of the program. Scaling our efforts and recruiting more growers into the program will be a priority to make real strides at fully integrating *SmartBarley* into our longterm business strategy and thinking.

#### **Innovating our Supply Chain**

In 2015, the *SmartBarley* program comprised 18 local, regional and global initiatives, ranging across information technology, field technology and crop management innovations. Pillars Represented 🎉 📢

Top Markets Referenced US, Brazil, China, Mexico, Argentina, Russia, Canada, UK

#### EXCELLENCE

Particularly in Latin America, many of our growers are organized in cooperatives or market their barley through a local distributor. These distributors play an important role in providing financial resources and inputs to growers as well as facilitating the relationship with AB InBev. Our Excellence Programcurrently active in Argentina, Brazil and Uruguay-aligns operational, guality, environmental and financial goals among growers, the distributors and AB InBev. The goal of Excellence is to improve performance and resilience across the agricultural value chain, enabling our agronomists to develop improved business and operational management systems amongst our key barley supply partners.

"Excellence is a program designed to foster collaboration with our growers and distributors. Working closely with our agronomists, they really see the value in adopting our metrics as a way to align objectives and achieve greater results in their operations," said Caio Batista, AB InBev Agronomist, Brazil. "We have plans to expand the program from 32 to 54 distributors in Argentina, Brazil and Uruguay in 2016."





### Día de Campo

AWARDED THE WINNER OF THE AB INBEV 2015 GLOBAL GROWER FIELD

**DAY COMPETITION**, Argentina wowed with its event coordination, grower appreciation components, partner incorporation, media attendance and coverage, and branding. It was an opportunity for our teams to engage with and educate over 500 farmers, stakeholders and media about our sustainable agriculture practices and our approach to making beer at our Tres Arroyos malt plant.

Our agronomist team shared barley production best practices, crucial for brewing the best quality beer. And the brew master and cytology expert at our Quilmes Brewery in Argentina both shared information with media on the importance of barley in the brewing process. Partners from Facultad de Agronomía de la Universidad de Buenos Aires, Universidad Nacional del Sur, Bayer, BASF, Syngenta, John Deere and Toyota all joined us to help educate growers on technology and crop management improvements. Our partners played a crucial role in helping attendees understand the full scope of the brewing process. By the end of the day, participants had a much better understanding of our agricultural practices, sustainability efforts, the regional economy, the quality of our products and our use of natural ingredients.

Similar to our other celebrations around the world, our growers in Argentina brought their families along to *Grower Field Day*, where the local community was also educated on the latest barley innovations that we've uncovered through barley field trials and on the brewing and malting process. Our teams in Argentina also involved our marketing team and local beer brands, in order to reach consumers with information on the process used to brew beer and bring it to homes everywhere. One of our Argentina growers shared,

"As a grower, I know I have a large role to play in the brewing of quality beer, but during our event, we focused on ways we could emphasize the importance of quality throughout the process to everyone who came out to join us."

Juan Ouwerkerk, Cooperativa Rural Alfa, Tres Arroyos

We plan to expand these efforts to share best practices, highlight the great work of our growers and agronomists and engage senior leadership to build longer-term relationships across our agricultural supply chain.





"By creating a granular view of a grower's field through satellite imagery and prediction models, I am better able to help the grower identify opportunities to adjust crop management practices throughout the growing season to improve yield and quality."

Oleg Stishenko, AB InBev Agronomist, Russia

#### **Satellite Imagery and Modeling**

In Russia, we partnered with a leading satellite technology company to utilize imagery that helps growers identify areas within their fields where barley yield and quality can be improved. The technology is also utilized for yield and protein forecasts, continually updating growers on the health of their production. Our local agronomist, Oleg Stishenko led the development of the technology across more than 8 000 hectares of barley production. Given the program's success, we are piloting the technology with growers in the United States in 2016.

#### **Transforming Global Agriculture**

*SmartBarley* aims to deliver unique value to our barley growers and our supply chain, including upholding our shared responsibility to improve natural resource use efficiency in agriculture. The program helps drive our commitment of reducing water risks and improving water management in 100% of key barley growing regions by the end of 2017, in partnership with local stakeholders. More than 90% of our water use goes into growing barley and other agricultural inputs used in the brewing process, which is why the portfolio of *SmartBarley* initiatives focuses on generating the most "crop per drop."

*SmartBarley* is not only delivering improved technologies and practices for barley, but also for other crops produced in rotation by our growers. Improvements facilitated by *SmartBarley*—such as advancements in nutrition management and soil health or improved irrigation technologies and scheduling—apply not only to barley but to the entire farm production. Thus we will continue to partner with established agriculture companies, entrepreneurial agricultural technology startups, and progressive civil society organizations to bring innovation and value to the entire agricultural system through *SmartBarley*.



#### **Global Barley Research**

OUR GLOBAL BARLEY RESEARCH TEAM—headquartered in Fort Collins, Colorado, USA with field researchers working across the globe—is responsible for developing new malt barley varieties that increase growers' productivity while driving the quality we need to brew our world class beers. With global agriculture facing increasing pressures like water scarcity and climate volatility, Global Barley Research is focused on developing varieties that are more climate resilient, require less water, and maintain greater resistance to pests and disease.

"What we're trying to do is identify those varieties that can maintain agronomic yield, when we apply as much as a 40% reduction in water," explained Gary Hanning, Director of Global Barley Research, Anheuser-Busch. "Our role as barley breeders is to reduce the amount of water being used, from seed to sip."

Global Barley Research manages variety and crop management trials in over ten countries. Through the help of this team, our growers have access to high quality locally adapted malt barley varieties and improved crop management practices that strengthen our supply chain now and into the future.

#### AgriMet and Irrigation Research

WE'RE DRIVING IRRIGATION best practices and technologies across Idaho and Montana that allow our network of growers to produce greater barley yields with less water.

In a program developed in partnership with the U.S. Bureau of Reclamations, we have funded a network of agriculturally-based weather stations located throughout the Pacific Northwest of the United States called AgriMet. The data generated by the six AgriMet stations is free to download and informs growers of relevant climate conditions to better manage their irrigation. We have also worked with the University of Idaho and Washington State University as part of the AgriMet program to develop and test an irrigation scheduler, providing a tool that guides growers on when and how much water to apply to their fields.

In 2016, we are expanding the scope of this project to include research on improved irrigation methods that, when used in conjunction with the AgriMet data and irrigation scheduler, will provide growers a robust toolset to reduce their water usage while still maintaining or increasing their crop yields.

# Reducing Carbon Emissions in Our Brewing and Logistics Operations

Brewing and distribution is an energy-intensive process, and we are making significant strides in reducing our energy consumption and carbon footprint across our manufacturing and logistics operations as well as in our retailers.

Having already met our 2017 GHG emissions intensity goal three years in advance, in 2015, we have continued to improve the efficiency of our operations, use cleaner fuels, work with our logistics suppliers to reduce fuel consumption and supply retailers in many parts of the world with eco-friendly coolers.

Our culture of ownership and accountability, entrepreneurial attitude and innovative techniques are helping our breweries use less energy for every beer we brew. Coupled with best-practice sharing, these efforts have helped us make significant progress toward achieving our global goal of reducing our energy use per hectoliter of production by 10%. In 2015 alone, we achieved a 1.5% reduction in energy use. Specifically, in China, we have continued natural gas conversions of coalfired boilers which are much easier to use and more efficient in energy conservation and emission reduction.





#### Fuels Mix 2015



**IN JULY 2015**, we signed an agreement with a third party renewable energy company to purchase over 21 000 megawatt hours of solar energy for our brewery in Baldwinsville, NY. The new solar installation will have over 17 megawatts (DC) in solar capacity across six locations, and will be the largest installation for any brewery in the U.S.



### Lessons Learned: Carbon Emissions

**FURTHER TO OUR CARBON EMISSION** reduction efforts in our brewing operations, we are committed to reducing our emissions in logistics operation through improved routing efficiencies, alternative fuels, telematics, driver education and more efficient equipment. We continue to make measurable progress against our green logistics goal with the commitment of our internal teams and the support of many external partners; we have scaled our efforts to more than 90% of our operating markets and are working to standardize tracking and management systems globally. While capturing accurate estimates of carbon initiatives across global operations is complicated we are focusing our efforts to achieve consistency in our measurement and reporting tools.

#### **Eco-Coolers**

WE HIT OUR 2017 ECO-COOLER GOAL two years in advance, moving from our 2012 baseline of only 6% of our cooler purchases meeting the requirements of our goal, to approximately 84.2% of our 2015 cooler purchases. To be counted against our goal, a cooler must have at least two of these three features: long-lasting, energy-efficient LED lighting; energy-saving controllers; or an eco-friendly refrigerant gas that has much lower GHG impacts. We were able to achieve and go beyond our goal of 70% by implementing new initiatives across all our Zones. In China, for example, we switched to a more eco-friendly cooler that uses R600a refrigerant gas, which improved our eco-cooler purchases from 16% in 2014 to 89% in 2015. Looking ahead, we are aiming for 100% green coolers in China. And in Brazil, over 70% of our purchases will include electronic controllers with energy-saving features that will save around 30% of the electric usage for our retailers. We are continuing to push for increased eco-cooler purchases all around the world.

Pillars Represented

Top Markets Referenced

US, Belgium, Argentina

Since 2012, our China breweries have reduced GHG emissions 35.3% per hectoliter of production. Furthermore, in 2015, we used more renewables than coal for fuel.

The moment we realized that not including a goal specific to greenhouse gas emissions in logistics operations in our set of Global Environmental Goals announced in 2013 was a missed opportunity, we immediately added this new target to our 2017 Environmental Goals in 2014. With the addition of this goal to reduce greenhouse gas emissions by 15% in our logistics operations, we formalized our aspiration to be a sustainable logistics leader in the brewing industry. And in 2015, we implemented programs to accelerate our progress toward this goal.

#### **Compressed Natural Gas (CNG) Power**

Nearly 100 diesel tractors in our St. Louis brewery fleet were replaced with tractors powered by compressed natural gas (CNG) in 2015. This move makes AB InBev one of the few heavy-haul fleet owners to employ the latest in cleaner-burning fuel vehicles.



Approximately, 30% of our US fleet now uses CNG. The new engines are expected to emit 23% less greenhouse gases (compared to diesel), which is the equivalent of taking more than 500 passenger vehicles off the road.

# 100% POWERED BY IER-BURNING NATURAL GAM



Approximately, 30% of our US fleet now uses CNG. The new engines are expected to emit 23% less greenhouse gases (compared to diesel), which is the equivalent of taking more than 500 passenger vehicles off the road.

#### **Boats in Belgium**

In Europe, we launched several Green Logistics initiatives to reduce energy usage and emissions in the supply and logistics

Materials Recycled and Waste Disposed (Metric Tons)

process. For example, we began using river barges instead of trucks to transport empty bottles between our facilities in Leuven and Jupille.

#### Use of B50 Fuel in Zarate

We introduced a 50 000-liter biodiesel station in the Zarate brewery in Argentina to refuel delivery trucks. This traditional fuel alternative does not contain sulfur and is obtained from soybean oil, a natural resource. As of the end of 2015, we had 50 trucks running on "B50," which represents 50% petroleum and 50% biodiesel blend. This fuel causes 35% less CO2 emissions. And in 2016, we look forward to seeing the additional environmental benefit that will come from our recently operational station in Buenos Aires. Notably, this station is located at our main distribution facility in Buenos Aires. The facility has upgraded technology, allowing us to increase the number of trucks running on this B50 fuel blend.

#### **AB InBev Energy Consumption and GHG Emissions**

	2012	2013	2014	2015
Materials recycled and composted	5 619 408	5 836 743	6 602 430	6 713 512
Materials used as fuel	10 434	98 240	43 364	13 705
Incinerated waste	22	0	809	63
Landfill waste	43 608	150 963	96 668	66 954
Hazardous waste	225	724	984	565
Total	5 673 697	6 086 670	6 744 255	6 794 799

	2012 🛞	<b>2013</b> @	<b>2014</b> @	2015 ®
Total Direct and Indirect GHG Emissions (million metric tons of CO2e)	5.32	5.90	6.08	5.20
GHG Emissions per Hectoliter of Product (kilograms of CO2e per hectoliter [kg/hl])	10.16	10.07	9.10	8.27
Total Energy Consumption (million gigajoules of energy)	58.6	54.3	54.9	55.0
Energy Consumption per Hectoliter of Product (megajoules per hectoliter [Mj/hl]	129.0 )	124.6	119.4	116.9

#### Packaging

AFTER IDENTIFYING NEW AND INNOVATIVE packaging alternatives, including extensive PET and glass lightweighting projects across Latin America, we continued to reduce our environmental impact and the cost of our packaging. We made great progress towards our packaging reduction target of 100 000 tons by 2017. In addition to meeting quality standards and consumer expectations, our product packaging includes recyclable materials such as glass, cardboard and aluminum; and on a global basis about 71% of our packed glass products are returnable, which includes both beer and soft drinks. For packaging that is not returnable, we support consumer recycling initiatives around the globe, including Keep America Beautiful in the United States and the Ambev Recicla project in Brazil which benefits consumers, cooperatives, society and the environment by improving waste disposal, sorting and recycling of post-consumer packaging. In line with our culture of continuous improvement, we aim to 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.

#### Assured Metric

Our per-hectoliter goals on GHG emissions and energy pertain to our beverage facilities only and do not encompass our vertical operations such as mait plants and packaging facilities, in order to allow for increased accuracy, meaningful comparisons and determination of goal achievement, absolute and normalized GHG emissions data from previous years has been adjusted using the latest emission factors and reporting methodologies. Specific data tables contain other footnotes about environmental performance data.

Scope 1 accounts for 65% 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 35% and represents emissions from purchased electricity."

Total GHG emissions data encompass beverage facilities and most vertical operations, including malt plants and packaging facilities.

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.

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

Energy data above represents all beverage operations within the original scope of our 2017 goal—established in 2012, the baseline year for the energy use intensity goal. Data from previous years are not adjusted in the case of adjustments and acquisitions of beverage facilities.

# **Cultivating Water Stewardship**

### Water is the key ingredient in all of our products and a scarce resource in many parts of the world.

As the world's leading brewer, we have the opportunity to use our scale and expertise to address the global water crisis, one of the most pressing issues of our time. That is why we are focused on minimizing our water use throughout our value chain—from helping farmers use enhanced irrigation technology and drought-resistant seeds to grow more barley with less water, to improving our water efficiency, to providing our effluent for community needs across nearly 40 breweries and leading ambitious multistakeholder partnerships that help protect watersheds and ecosystems in waterstressed regions.

Water resource challenges are increasingly magnified by climate pressures, inadequate infrastructure and poor governance. The growing scarcity of fresh water is not just an issue for our company. It is a global risk to the economic, social and environmental well-being of our communities. To ensure that we integrate innovative and fresh perspectives into our environmental strategy, in 2013, we convened a panel of three outside experts. Namely, Stuart Orr, Head of Water Stewardship, World Wildlife Fund for Nature (WWF International), Hal Hamilton, Founder and Co-Director. Sustainable Food Lab and Howard Neibling, Associate Professor, Department of Biological and Agricultural Engineering, University of Idaho, help us shape and evaluate our approach, with a particular focus on watersheds, water systems and sustainable agriculture. Please see the Environmental Technical Advisory Committee section of our website for more information on our advisors.

#### Lessons Learned: Water Stewardship

WHILE PROGRESS has been made by the private sector towards water stewardship, the scale of transformation needed for improved basin governance demands significantly more. We know we cannot solve the global water crisis alone, and advancing global dialogue and identifying alternative sources of financing can parlay the growing awareness of the shared risk into coordinated efforts and greater positive impact. This is why transformative partnerships will continue to be at the heart of our water stewardship efforts.





#### **2017 Environmental Goals Progress**

In 2015, we continued to improve our water management and stewardship efforts. We further reduced our global water usage to 3.14 hectoliters of water per hectoliter of production and engaged in watershed protection measures, in partnership with local stakeholders, in 86% of our facilities located in water-stressed regions in Argentina, Bolivia, Brazil, China, Mexico, Peru and the United States.

#### Our water basin work in Brazil

In 2014, we launched the *Projeto Bacias* in partnership with The Nature Conservancy, in order to better manage critical water basins near Jaguariúna to improve the quality and quantity of available water. In 2015, we invited the local landowners at farms within the basin to take part in our project, and five of them signed on. These farms cover one third of the pilot area that we mapped in 2014, which provides the opportunity to make a significant impact.

Through the program, we provide farmers and landowners financial incentives, known as Payment for Environmental Services (PES), that encourage environmentally responsible land management and the conservation of natural resources in order to prevent erosion and sediments. We provided the first PES to the Sao Joao do Atibaia farm at the end of 2015. By 2016, we plan to recover 100 hectares (50% of the total in the original pilot area) of degraded areas and local forests and preserve 120 hectares (40% of the total from the original pilot area) of forests remnants. The impact of this work has been strengthened through collaborations with not only The Nature Conservancy, but also the area Mayor's office, the Jaguariúna Bureau of the Environment, the Brazilian Agricultural Research Corporation, the Brazilian National Water Agency and the Piracicaba, Capivari and Jundiaí Watershed Committees. By collaborating with a variety of partners and considering the full spectrum of stakeholders, we have been able to simultaneously align efforts and leverage available resources to make a larger impact.

We are now replicating this model across our company in water-stressed areas. Because only through coordinated collective action can we mitigate long-term risks and protect water supplies for all.

#### **World Environment Day**

Every World Environment Day, we look forward to joining together with colleagues around the world to stress the importance of environmental sustainability.

Despite being our seventh consecutive year joining with environmental stewards around the world to celebrate this global moment of action, 5 June 2015 was particularly meaningful because we celebrated the early achievement of our 2017 water efficiency goal, and we organized a special *Global Walk for Water* to bring our people in our communities together.





Brazil



#### **Global Walk for Water**

From start to finish, water plays a critical role in the brewing process and is the main ingredient in our beer. In addition to being absolutely vital for our agricultural inputs, it is an essential resource for the social, economic and environmental wellbeing of the communities where we live and work. Our Global Walk for Water served as a symbol for the emphasis we place on our environmental work. During these events, our colleagues logged their steps and tracked charitable donations in order to drive awareness of the water issues that are most critical in their communities, and to support the work of important local non-profit partners. Over 22 000 people participated in the Walk for Water to benefit local water NGOs, including over 14 000 colleagues and 8 400 family members and friends. In total, we walked almost 60 000 kilometers and we raised over 100 000 USD in the United States for Water.org.

Over 52 000 global colleagues and more than 35 000 family members and friends participated in World Environment Day activities around the world.

El medio ambiente nos recoge la baswa y nos

2015 Global Citizenship Report





#### AB InBev Water Use Year-Over-Year

	2012 🛞	2013 🛞	2014 🛞	<b>2015</b> @	% Change 2015 vs 2012 baseline
Water Use Ratio (hl/hl)	3.54	3.35	3.23	3.14	11.30%
Total Water Use (billion hl)	1.566	1.461	1.489	1.382	11.75%

#### Assured Metric

Water data above represents all beverage operations within the original scope of our 2017 goal—established in 2012, the baseline for the water and energy goals. Data from previous years are not adjusted in the case of a divestments and acquisitions of beverage facilities.





Our Walk for Water is just one illustration of how we deploy resources, technologies and cross-functional teams both within our facilities and across our global footprint to help solve environmental challenges such as water management. We also invest in partnerships and initiatives that address the whole water ecosystem, such as facility improvements, new grower technologies, community forums and watershed cleanups. Our strong legacy of water stewardship across our value chain and within our global communities exemplifies our Dream to be the Best Beer Company Bringing People Together For a Better World in action.

In addition, we completed 926 projects to clean up watersheds and beaches, clear trash, plant trees and beautify areas near our offices, facilities and breweries. We also engaged over 2 000 non-profit partners around the world to help realize these efforts.

In the year ahead, we look forward to continue to engage our colleagues, communities, partners and local stakeholders to scale these efforts and convene innovative and impactful partnerships for freshwater challenges.

# Getting Smart about Drinking

In 2015, we started a new chapter in our commitment to smart drinking with the launch of our new <u>Global</u> <u>Smart Drinking Goals</u> and the release of our 'Celebrate Tomorrow' video, a consumer call to action.

In a video featuring people from six cities around the world—Shanghai, Buenos Aires, São Paulo, Mexico City, Brussels and New York City—sharing celebratory moments with friends and family, we bring to life what smart drinking choices can look like, illuminates how they affect everyone every day, and underscores our commitment to help foster a global culture of smart drinking.

In order to achieve our vision of a global culture of smart drinking, we will implement effective and collaborative solutions through our four established goals.

#### Lessons Learned: Our Journey to Smart Drinking

IN 2015, AFTER FOUR YEARS of working towards the achievement of our original Global Responsible Drinking Goals (2011–2014), and after more than 30 years of investing in efforts to promote responsible drinking and discourage the harmful use of alcohol, we reflected on our progress and lessons learned through our experiences. We recognize the accomplishments that we made through strategic partnerships, public education initiatives, and joint efforts with retailers, all focused on driving awareness of alcohol responsibility. But we also acknowledged that there is still a lot of work to be done. As a result we determined that, by taking an evolved approach to positively changing behavior by investing in longerterm, evidence-based approaches, we had an opportunity to make a more lasting and meaningful impact on underage drinking, binge drinking and drink driving globally. With these areas in mind, we narrowed our focus to ensure we could make a real impact where it matters.

With this as our vision, in 2015 we launched our new set of Global Smart Drinking Goals, which we aim to achieve by the end of 2025. These goals, which are reflective of the evolution of our approach to alcohol responsibility, focus on two key areas: changing behaviors through social norms, and empowering consumers through choice.



Dr. Derek Yach, Chief Health Officer, Vitality Institute and member of AB InBev's Global Advisory Council

We are launching multi-year pilots to reduce the harmful use of alcohol by at least 10% in six cities around the world by the end of 2020 and will implement the best practices globally by the end of 2025.

These projects will explore collaborative and innovative approaches and identify best practices to implement across all of our markets by the end 2025.

In 2015, we launched our first two pilots, one in Brazil (in collaboration with the trade association CervBrasil) and the other in Mexico. We will launch two more City Projects in 2016 in North America and in Europe, and the final two in 2017 in Asia and in South America. We'll use best practices and learnings from these cities to develop local implementation plans for additional markets worldwide. Strategically selected, these cities represent each of our six geographic Zones.

ightarrow Watch the Celebrate Tomorrow video

We are investing at least 1 billion USD across our markets in dedicated social marketing campaigns and related programs to influence social norms and individual behaviors to reduce harmful alcohol use.

In partnership with governments, law enforcement, NGOs and other key stakeholders, and with guidance from experts, we will support science-based social

#### **GLOBAL SMART DRINKING GOALS 2015–2025**

# Our vision is to foster a culture of smart drinking globally to reduce the harmful use of alcohol.

# CHANGING BEHAVIORS THROUGH SOCIAL NORMS MULTI-YEAR PILOTS SOCIAL NORMS



Influence social norms and individual behaviors to reduce harmful alcohol use by investing at least 1 billion USD across our markets in dedicated social marketing campaigns and related programs by end 2025

#### EMPOWERING CONSUMERS THROUGH CHOICE

#### **PRODUCT PORTFOLIO**



Ensure No- or Lower-Alcohol beer products represent at least 20% of AB InBev's global beer volume by the end of 2025

Reduce the harmful use of alcohol by at least 10% in six cities by end 2020

Implement the best practices globally by end 2025

#### ALCOHOL HEALTH LITERACY



Place a Guidance Label on all of our beer products in all of our markets by the end of 2020 Increase alcohol health literacy by the end of 2025



Top Markets Referenced US, Brazil, China, Mexico, Argentina, Belgium

marketing campaigns and related programs as we look to influence social norms and individual behaviors.

"I think spending one billion USD setting out to change people's behavior is enormous because obviously (a) one billion USD is a lot of money, and (b) the power you have today to drive and effect positive change is enormous."

David Jones, Founder, One Young World and member of AB InBev's Global Advisory Council

 $\rightarrow$  Watch our GAC video

#### 2015 Pilot City Profile: Zacatecas, Mexico

ZACATECAS IS ONE of the six cities serving as a pilot for the Global Smart Drinking Goals. It is labeled "Ciudad Modelo," a model city.

As a first step, we completed a baseline study in Zacatecas to assess the current situation with regard to harmful consumption of alcohol, both among adults and adolescents. Equipped with this data, we are now working with a variety of partners on programs and initiatives toward the goal of reducing harmful consumption of alcohol in Zacatecas by at least 10% by the end of 2020.

#### We will expand our product portfolio to ensure that No- and Lower-Alcohol beer products represent at least 20% of AB InBev's global beer volume by the end of 2025.

We believe that consumers in all of our markets should have access to high quality, great tasting No- and Lower-Alcohol beer products. We will develop and launch new high quality, great tasting No- and Lower-Alcohol offerings and establish them as desirable alternatives for consumers through marketing and education efforts.

"The private sector has to play a big role, government cannot do everything, and we have to achieve these goals. And I think a big corporation like the one that we work with is in a very good position, because the problem is global."

Jean Chrétien, Former Prime Minister, Canada and member of AB InBev's Global Advisory Council

We will place a Guidance Label on all of our beer products in all of our markets by the end of 2020 and increase alcohol health literacy by the end of 2025.

For consumers to make smart choices, they need information. The content on the label and the labeling format will be developed by an independent group of technical experts (in alcohol labeling, alcohol epidemiology, health communications, health literacy, marketing, and other related fields) using a rigorous process and working under the oversight of a Global Steering Committee.

Our new Global Smart Drinking Goals are ambitious by design. We know we'll need to enlist the help of partners and collaborate with diverse stakeholders to achieve the impact we envision. We are proud to have so many existing partners committed to taking this journey with "If you take a company like AB InBev and you say, okay, we're no longer a neighborhood's beer or a country's beer, we are in fact a corporation representing the world, you want your populous to enjoy your product, but be healthy enough for tomorrow. So the message in these goals, which are very ambitious, is to drink smart, but celebrate tomorrow."

Dr. Nancy Snyderman, Former Chief Medical Editor, NBC News and member of AB InBev's Global Advisory Council



us and many new partners, including our consumers, who have been inspired by our 'Celebrate Tomorrow' video to join the effort. Within one month of the launch of our Global Smart Drinking Goals, we amassed nine million views across Facebook, Twitter and YouTube. We are excited to build on this momentum and to implement our smart drinking programs in partnership with our global communities in 2016 and beyond. To view our 'Celebrate Tomorrow' video visit: www.ab-inbev.com/social-responsibility/ smart-drinking.html.





#### The Importance of External Perspectives

AT AB INBEV WE RECOGNIZE the value that outside experts bring to our work. That's why we consulted with accomplished and reputable public and private sector leaders on the development of our new Global Smart Drinking Goals. These thought leaders make up our Global Advisory Council, and are visionary experts in policy, health and corporate responsibility who were invited to offer their independent perspectives on the development of our final set of goals. The quotes are perspectives from the Council members that were offered as a reaction to our final set of Global Smart Drinking Goals.

Similarly, we will be forming a Global Steering Committee made up of outside experts who will advise us on the implementation, monitoring and evaluation of progress against our goals.



#### CHANGING BEHAVIORS THROUGH SOCIAL NORMS

#### MULTI-YEAR PILOTS

Harmful use of alcohol is reduced by at least 10% in six cities by the end of 2020
 Best practices in reducing harmful use of alcohol are implemented in all of our markets by the end of 2025

TIMELINE

	0	0
2015	2020	2025
		••••••

#### **SOCIAL NORMS**

- Invest at least 400 million USD in social marketing campaigns and programs to reduce the harmful use of alcohol by the end of 2020 (2015–2020)
   Invest at least 1 billion USD in social marketing campaigns and programs to
- Invest at least 1 billion USD in social marketing campaigns and programs to reduce the harmful use of alcohol by the end of 2025 (2015–2020)
- Social norms and individual behaviors are measurably influenced toward reducing harmful use of alcohol by the end of 2025

TIMELINE

	0	0
2015	2020	2025

#### EMPOWERING CONSUMERS THROUGH CHOICE

#### **PRODUCT PORTFOLIO**

No- or Lower-Alcohol beer products are at least 20% of AB InBev's global beer volume by the end of 2025

Availability of **No-Alcohol beer** in all of our markets by the end of 2025

TIMELINE		•
2015	2020	2025
(Yes/No by Market)	LITERACY nented in all of our beer products by the eased by the end of 2025	end of 2020
	0	0
2015	2020	2025

# **Our Commitment to Safety**



The World Health Organization estimates that, without intervention, road traffic crashes could become the fifth leading cause of death globally by 2030.<sup>1</sup>

So we asked ourselves what we could do to help address this critical public health challenge. In 2014, we came together with other leading global companies to create a coalition called Together for Safer Roads (TSR), dedicated to improving road safety and reducing deaths and injuries from road traffic collisions. Together for Safer Roads had its first full year in 2015 during which time we worked together to further hone in on our three key focus areas: advancing safer vehicles and roads through data and technology, creating a culture of traffic safety built on a safe systems approach, and raising awareness about the importance of safety.

"Together for Safer Roads brings together global industry leaders, including AB InBev, who believe business can drive change that will help reduce the number of casualties and injuries due to road traffic accidents."

Carlos Brito, CEO of AB InBev and Chairman of *Together for Safer Roads* 





Through TSR, we are collaborating with other leading companies—including AIG, AT&T, Chevron, Ericsson, Facebook, IBM, iHeartMedia, Octo Telematics, PepsiCo, Republic Waste Services, Ryder, UPS and Walmart—to improve road safety and reduce deaths and injuries from road traffic collisions. Advised by an independent expert panel of eminent leaders in road safety, we are combining our knowledge and expertise to identify and implement solutions that promote safer roads, vehicles and systems.

#### **Amplifying Awareness**

As part of World Safety Day in April 2015, our employees across North America, Europe, China, Mexico, Argentina and Brazil engaged in a range of activities. As a company, we offered an opportunity to make an employee pledge, posted signage in our offices, hosted employee gatherings and engaged our company on social channels. As part of the pledge, employees signed their name on a banner confirming their commitment to the "Five Life-Saving Rules:" 1) Don't text and drive—It can wait!; 2) Respect the speed limits; 3) Buckle up your seatbelts; 4) Be visible in traffic always!; and 5) Don't drink and drive.

World Safety Day was TSR's first awareness initiative as a coalition. And five of our other member companies joined us in these efforts: AIG, AT&T, PepsiCo, Ryder and Walmart.

1. "The Global Status Report on Road Safety," World Health Organization (2013)

#### **TSR Shanghai Launch**

A key element of TSR's work is the Safer Roads Challenge, which represents local demonstration projects where member companies work with local governments and other partners to address a city's most pressing road safety challenges. Together with our partners, we launched the Shanghai city project on 2 December with a ceremony coinciding with China's National Road Safety Day. During the event, the city government presented awards to the top ten best policemen and top ten best professional drivers in Shanghai. The event was attended by high level government officials and local partners,

Top Markets

Referenced

Brazil, China, Mexico

including the Shanghai Municipal Public Security Bureau, Shanghai Municipal Bureau of Justice, Shanghai Traffic Police Bureau, the Joint International Research Laboratory of Transportation Safety of Tongji University, Xinmin Evening News, China Alcoholic Drinks Association and the Shanghai Traffic Engineering Association.



#### **Country Spotlight: Mexico**

**AB INBEV ALSO PLAYED** a key role in Mexico's special focus on road safety, working with the government to launch a national road safety campaign targeted at college students. A total of 61 365 college students received the message at 43 different universities across 19 Mexican cities, including via social media. The volunteers disseminated materials about not drinking and driving and also about the importance of wearing seatbelts. And our Grupo Modelo team and partners in Cervceros de México used cats in the *No Te Hagas Güey* (Don't Fool Yourself) campaign to catch the public's attention and raise awareness for this important issue.



#### **Zero Raspones**

THROUGH ZERO RASPONES (NO SCRATCHES) initiative in Asunción, Paraguay, we gave all our warehouse forklift trucks a new paint job to track the number of scratches on each and kept count every 24 hours which fostered a friendly competition and a sense of pride amongst each team of three employees (one per each 8-hour shift). Not only did Zero Raspones greatly decrease the number of scratches on our forklifts, we also saw less wasted product and fewer broken bottles.

As part of the launch event, we showcased our new Designated Driver mini-movie starring basketball legend Yao Ming and Olympic-champion sprinter Liu Xiang, both of whom received Road Safety Ambassador certificates from the Shanghai government and from TSR at the launch.

"The efforts we've been making in responsible drinking in China have entered their 8<sup>th</sup> vear and we've seen that the incidents of drunk driving have been reduced. As an important stakeholder. AB InBev has been helping people improve driving behavior."

Michel Doukeris, zone president and CEO of Asia Pacific at AB InBev

#### **Turning Ideas Into Action**

When it comes to road safety, our commitment is to continue to identify and disseminate best practices, and ultimately to do more of what works. On 11 November. TSR hosted a virtual press conference to launch a white paper, titled "Investing in Road Safety: A Global Imperative for the Private Sector." The white paper provides

#### **Distribution Safety**

MORE THAN 85% OF OUR TRUCK FLEETS have been fitted with telemetry systems to track driver behaviors while on the road, such as speed, rapid acceleration/deceleration, guick turns and seatbelt use. Through the real-time data that these telemetry systems provide, our managers know immediately

shorter stopping distances, better ergonomic designs to reduce fatigue, special hazardous routes with cars.





expert recommendations to private sector companies and offers a robust platform for taking action on nine key road safety priorities.

Additionally, released in connection with World Safety Day in 2016, the TSR Fleet Safety Best Practices Report leverages the cumulative knowledge and insight of TSR's member companies to develop a set of best practice guidelines for fleet delivery and employee transportation programs. It draws upon the first-hand experience of our member companies to identify the areas where commercial entities can enhance safe driving practices and manage road-related risk.

Going forward, we will continue working with fellow TSR member companies to turn these priorities into real-world action, driving us ever closer to our goal of safer roadways for all worldwide.

#### Country Spotlight: Brazil

Together with our partners, we are working with the government to promote road safety in São Paulo and Rio de Janeiro States, with a goal to save 20 000 lives in São Paulo and 12 000 lives in Rio by 2020.



#### **Safety Performance Results**

Lost Time Injuries (LTI)	2012	2013*	2014**	2015***
Supply Employees (own)	521	291 @	151 @	126 ®
Second Tier/Sales Employees	2 353	1 728	898	568 @
Contractors (all)	244	358	211	147
TRI				
Supply Employees (own)	2 448	1 189	644	544 ®
Second Tier/Sales Employees	-	-	-	1 948
Fatalities				
Supply Employees (own)	0	4	0	0 @
Second Tier/Sales Employees (own)	6	4	4	4 🛞
Contractors (all)	9	11	12	8 ®
Days Lost Due to Injury (supply own)				
Supply Employees (own)	20 090	11 561	9 229	6 180 🕲
Global Severity Rate				
Supply Employees (own)	127	73	64	43

#### 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. Lost days only include the days that are effectively lost in the year due to LTI in this year.

#### **Supply Employees**

Brewery and manufacturing facility employees, including first-tier logistics.

#### Second Tier/

Sales Employees Second-tier logistics, sales, Zone and global corporate employees.

#### Assured Metric

<sup>a</sup> AB InBev took management control of Grupo Modelo following the combination on June 4, 2013. 2012 and 2013 data includes Mexico in order to allow for comparison and show progress since the combination.

\*\*2014 data does not include Oriental Breweries, South Korea, or additional Asia-Pacific Zone breweries acquired during the course of the year, as we did not have operational control for the entire year.

<sup>600</sup> 2015 data only cover sites for which AB InBev has full management control since 01 Jan 2015.

#### Safety in Our Operations

IT IS WITH DEEP REGRET that we report four second-tier/sales employee and eight contractor fatalities in 2015. In each case, we undertook an in-depth investigation and implemented measures to reduce the likelihood of similar incidents in the future. In addition, we continued to improve our already robust safety standards by making updates to our Voyager Plant Optimization (VPO) and our Distribution Process Optimization (DPO) programs after we went through an external benchmarking process that helped identify best practices to improve behavior-specific procedures. These efforts stress our emphasis on safe technology and incorporate information and training on safe behaviors to improve employee awareness and engagement. We have seen a marked increase in the awareness of safe behaviors scoring 87% across Working Environment and Safety metrics in our annual employee engagement survey up from 83% in 2014. This score takes into account elements such as the safeness and cleanliness of facilities, manager reinforcement of safe work practices and the provision of personal protective equipment. This 2015 favorable percentage reflects the opinions of over 55 000 employees worldwide, which represents a 92% response rate from the 61 000 survey invitations sent.

# Bringing Our Better World Commitment to Life through Our Brands

### As the leading beer company in the world, our portfolio consists of over 200 beer brands that span local and international markets.

This reach enables us to build strong connections with diverse consumers around the world and join together with communities to be the agents of change for environmental and social stewardship. Below are just a few examples of brand partnerships in 2015.

#### Corona Save the Beach

Over the past 80 years, our Corona brand has developed a deep emotional connection with the beach in the hearts and minds of consumers around the world. Continuing along its journey to honor the world's beaches, Corona expanded its *Save the Beach* initiative a program to improve beach accessibility and increase environmental protection of ecologically sensitive areas—to five countries in 2015. In Mexico, where Corona has the strongest brand recognition, we gathered 2 924 local community volunteers and employees to clean 40 beaches between March and July. As part of *Movimiento Playa Corona*, the name of our beach clean-ups in Mexico, volunteers helped pick up litter, including bottles, cans, paper and other miscellaneous items totaling 45 223 kg.

In Italy, we engaged our consumers in identifying priority beaches through an online contest. More than 350 000 consumers voted on eight different beaches, and the Cattolica Beach, in the Province of Rimini, emerged as the beach that the majority of voters wanted to adopt. In partnership with Bandiera Blu (the Italian branch of the Blue Flag Program a nonprofit organization promoting sustainable development through environmental education), we organized a clean-up on 20 June where over 50 volunteers took part and helped keep Cattolica Beach clean and accessible for tourists all summer long.

Building from 2015's momentum, Corona will continue to inspire community action towards beach cleanup efforts. In 2016, we are excited to elevate our *Movimiento Playa Corona* beach clean-up initiative in Mexico, which will now include an educational component and provide local volunteers with the necessary materials to make clean-ups more efficient. In line with this initiative, our Corona team will also be rolling out new Corona packaging that will help drive awareness and support for the continued beach recovery efforts.

#### **Economic Contributions**

Approximately 3.7 billion USD in wages and salaries paid to employees

**4.3 billion USD** in capital expenditures on our facilities, distribution network and systems around the world—investments that generate jobs and local economic growth

13.7 billion USD in excise and income taxes paid



#### Stella Artois Buy A Lady A Drink

Water has been a key ingredient in Stella Artois's 600-year brewing heritage. Yet today, 663 million people live without access to clean water, and this problem disproportionately affects women. Every day, women spend a combined 125 million hours collecting water for their families.

Stella Artois partnered with Water.org to develop *Buy a Lady a Drink*—a campaign to help end these long journeys for water so women can focus on new journeys of their own. We kicked off the 2015 campaign in January at the Sundance Film Festival in Utah, United States with a <u>video</u> series illuminating the nuances of these individual struggles around the globe. The series was hosted on a specially designed <u>microsite</u> to help bring the stories of these women to life.

In addition to highlighting the global water crisis through a creative web platform, we also encouraged customers around the world to purchase a limitededition Stella Artois chalice. These chalices featured artwork inspired by traditional handcrafted objects from three developing countries, such as textiles from India, baskets from Ethiopia and pottery from Honduras. Every specially designed chalice purchased helped provide one woman in the developing world with five years of clean water. All 20 000 chalices produced for initial sales sold out within a month of the campaign announcement, and then, we went on to sell nearly 95 000 chalices in 2015.

Stella Artois contributed 1.2 million USD to the effort, which helped Water.org provide more than 290 000 people in the developing world with five years of clean water.

In 2016, we plan to continue the sale of these chalices in partnership with Water.org in order to help more people around the world who don't have access to clean water. Our goal is to continue to leverage the strength of Stella Artois's brand to make a continued impact on the global water crisis.



Top Markets US, Bra Referenced South

US, Brazil, Mexico, South Korea, Belgium



#### Cass Forest of Hope

According to Green Asia Network, desertification has spread across Northeast, Central, West, and South Asia; and in Mongolia specifically, 90% of the land has been affected by desertification. The Mongolian Government cited that over 18% of the nation's rivers and streams, 20% of the creeks and 30% of the lakes have disappeared in recent decades. Additionally, almost 75% of Mongolia's wildlife has diminished.

In 2015, we continued our Cass Forest of Hope program to help address this issue of desertification in Mongolia. Cass, our local South Korean brand, partnered with the Green Asia Network—a nongovernmental environmental protection group—to plant 5 000 trees with the help of hundreds of college students from South Korea and Mongolia. In addition to greening the landscape, we supported eco-refugees (people displaced by environmental conditions) by renovating infrastructure (wall painting and home repairs), providing education opportunities, organizing environmental activities, and building greenhouses.

Our Make a Plan to Make It Home set-up in Times Square attracted more than 20 000 consumers and resulted in the redemption of more than 750 free UBER rides.

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Before 2015, we had planted 35 000 trees through the Cass *Forest of Hope* program and with the 5 000 additional trees planted in 2015, we have planted 40 000 trees total in Mongolia since the beginning of the program in 2010.

And in 2015, the United Nations Convention to Combat Desertification (UNCCD) awarded Green Asia Network the 'Land for Life' award, recognizing Cass *Forest of Hope* as a model campaign.

As climate change and desertification continue to impact the lives of vulnerable populations, we have a responsibility to continue our on-the-ground efforts. Moving forward, we will continue to work towards our goal of planting 150 000 additional trees by 2020, in those areas most affected by desertification.

#### Brahma Viva o Campinho

It's no secret that in Brazil, the sport of soccer is a key part of the country's heritage and culture. Children start learning the fundamentals of the game at a very young age, and most see it every day on TV and in the streets and parks within their communities. This is why Brahma, one of our local brands in Brazil, formed a partnership with Love.Fútbol, an internationally recognized non-profit organization known for its efforts to improve amateur soccer fields. Through this partnership, we launched the *Viva o Campinho* (Live the Pitch) campaign, which aims to recover amateur soccer fields and champion the game of soccer in poor communities throughout Brazil.

In 2015, we built a custom <u>microsite</u> to engage audiences on this important cultural issue and showcase the process to revive 30 fields across the country. To further underscore the positive impact the revived pitches can have on poor communities, we collaborated with the Fort Lauderdale, Florida Strikers and its club co-owner Ronaldo, to introduce the *O Fenômeno Dos Campinhos* (The Phenomenon of the Little Pitch) competition. This competitive event provided an opportunity for 30 amateur players, one from each of the fields improved by Brahma throughout 2015, to compete to earn a six-month contract with the Strikers. The 30 people were divided into two teams, and were invited to play under FIFA World Cup Champion coaches Cafú, Edmílson, Ricardo Rocha, and Zetti. Upon the completion of the game, Ronaldo personally selected the winner of the competition, based on his assessment of their skill and passion.

With such incredible success in 2015, Brahma will continue to build its connection with communities across Brazil by developing fields and programs in the years ahead. Brahma has set an ambitious goal to revive 300 fields by 2018. In addition to the field improvement work Brahma led, Guaraná Antarctica organized soccer tournaments to bring together local people in various areas. Our colleagues helped spearhead these Taça das Favelas across the country.

#### Budweiser Make a Plan to Make It Home

To mark Global Be(er) Responsible Day (GBRD) on 18 September 2015, our U.S. team engaged with consumers, key stakeholders, and other audiences delivering Budweiser's Make a Plan to Make it Home message through various events and activities. Specifically, the team released a Budweiser digital video reminding consumers of the importance of always making a plan to make it home safely—no matter what. The video was inspired by Budweiser's successful "Brewed the Hard Way" Super Bowl spot and borrowed the Make a Plan to Make it Home message from the 2014 GBRD video, "Friends Are Waiting". Titled "Two Things", the video, which racked up more than 52.4 million impressions, delivered the message that Budweiser cares about two thingsbrewing great beer and seeing everyone get home safely. That same day, employees across the country engaged retailers and consumers at local partner businesses, sporting events, popular bars, restaurants, stores, and even in New York City's Times Square to share our message.



Complete with a DJ, decorated UBER cars on display and a green screen for the perfect selfie, our *Make a Plan to Make it Home* set-up in Times Square attracted more than 20 000 consumers and resulted in the redemption of more than 750 free UBER rides.

Throughout the U.S., 3 500 colleagues in more than 78 markets joined together to visit popular bars during peak times to distribute Budweiser Make a Plan to Make It Home materials—promoting safe rides home. Our Budweiser Make a Plan to Make It Home activities engaged MLB fans, NASCAR fans (through a special paint scheme on Kevin Harvick's #4 Budweiser Chevrolet), consumers at retail accounts, corporate partners, elected officials, congressional staffers, and non-profit partners. Through this activation, we realized the real impact we can make by leveraging our brand awareness and our colleagues' enthusiasm to truly engage the public about promoting the securing of a safe ride home.

At AB InBev, our ability to deliver our Dream is based, in part, on the combined success of our brands' efforts. We believe that by aligning social causes whether they are alcohol responsibility, environmental protection or community development—with relevant brands, geographies and consumers, we can leverage our unique reach and scale for profound collective impact. This is one of the ways we're continuing to innovate and partner in pursuit of our Dream to be the Best Beer Company Bringing People Together For a Better World.

# Volunteering to Build a Better Wor

Our Dream energizes our people to work together, as they help build our business and support the communities where we live and work.

At AB InBev, we are committed to helping our diverse workforce raise the bar in their communities by providing a volunteer structure that empowers them to undertake community projects aligned to their personal passions.

In 2015, as part of our efforts to provide more convenient ways to volunteer, our Mexico team took the initiative to launch a new online volunteer management system to better match eager volunteers to projects addressing causes they were passionate about. These volunteers included both AB InBev employees and community members.

Through the system, prospective volunteers can log on, develop a personal profile identifying issue areas of focus, and explore non-profit partners and local volunteer opportunities in an organized and userfriendly way. Our long-standing relationships and previous engagements with local community organizations in the region allowed this system to stay consistently populated with opportunities for our employees and local volunteers in the community.

#### **Evolving Voluntarios Modelo**

Since its inception and launch, *Voluntarios Modelo* has evolved into a highly impactful community engagement program due, in large part, to the user-friendly, accessible online volunteer system. One of our colleagues, shared,

#### "Volunteering is for everybody. I feel very proud to be part of a company where I can contribute to a Better World by donating my time with my family friends and interacting with my community."

Paula Alejandra Escobal, Project Coordinator, Grupo Modelo.

In addition to the benefits the system provides to our colleagues and community members, the system also allows us to more effectively manage employee volunteers, understand the issues they care about, and measure their impacts. In the first full year of the system's implementation, we engaged over 150 000 volunteers, who logged over 822 000 hours of service across 409 initiatives supporting over 555 non-profit partners.

#### Incorporating International Volunteer Day

While 5 December marked the second year that we celebrated International Volunteer Day in Mexico, it was the first year where we utilized our online system to amplify and accurately track our volunteer efforts and invite other companies to participate with us. According to Grupo Modelo CEO Ricardo Tadeu, "Our International Volunteer Day is one of the national activities that we have throughout the year and it is a great way to connect with our family and friends, meet new people, feel happier, help others and do our part to make a positive impact. I see volunteering as one of the key trends for the future."

In 2015—through targeted outreach across print, digital and broadcast media we welcomed passionate employees, family and friends to explore our online platform and engage with those causes most meaningful to them.
We have also invited other companies to use the platform as a means of establishing their own corporate volunteer programs, and currently representatives from 15 different companies have created profiles and donated their time through the digital platform. In 2016, we are looking forward to bringing on more companies to join our volunteer efforts.

At AB InBev, we strive to always operate as one company, with one Dream and one culture that unites us, while maintaining a clear focus on building lasting

**Employee Volunteering and Training** 

370 911 Number of hours of volunteer service by our employees and partners

**Over 71 000** Number of employees globally who volunteered their time and talents to our communities

Nearly 3.1 Million hours of employee training

relationships in the communities where we live and work. Mexico took this opportunity to create Voluntarios Modelo, and each of our Zones also continued to create programs and donate their time to causes throughout the year. To that end, in 2015, our company-wide volunteer efforts resulted in 370 911 hours of service to others in these various communities from over 76 000 employees. Grounded in this service to others, our efforts in Mexico are tangible examples of how we're using our work to drive us forward and enable the achievement of our Dream.

#### **Employee Engagement**

92% Response rate to employee opinion survey in December 2015

85% Employee engagement index, an increase of two percentage points over 2014

89% Percentage of employees who believe our company acts in a socially responsible way

MODELO VOLUNTEER PROGRAM 2015 VOLUNTEER PARTICIPATIONS BENEFICIARIES









VALUE OF VOLUNTEER SERVICE

ECONOMIC

BRINGING PEOPLE TOGETHER FOR A BETTER WORLD



**Top Markets** . Referenced

Mexico



# Fostering *Family Talk* to Prevent Underage Drinking

Talking to their children about drinking can be difficult for many parents. The topic is complex and personal and can be hard for parents to broach proactively before children are confronted by real life situations that require responsible decisions and habits.

According to a GfK Roper Consulting multi-country survey, parents are the leading influence among youth ages 15–19 with regard to decisions about alcohol. At AB InBev, we saw the unique opportunity to act as the convener of this conversation and the mediator who could help break the ice to make the discussion around smart choices less taboo and more effective in preventing underage drinking.

The desire to provide meaningful tools and resources inspired the creation of *Family Talk*. First launched in the United States over 20 years ago, *Family Talk* is available in all of our key markets worldwide. First and foremost, *Family Talk*  is designed to encourage conversations between parents and children in order to promote healthy drinking attitudes and habits and help prevent underage drinking. Initially, we were focused on providing a variety of free materials that helped coach parents through tough conversations and



encourage direct questions and discussion with their children. But in 2015, we aimed to reach teenagers in ways that would most resonate with them, and that meant using creative digital content and live performances.

In South Korea, which has a wide-spread prevalence of underage drinking, the challenge was to bring the conversation off the page and onto a more public platform so that parents could become more familiar with what a successful conversation with children about drinking could look like. To this end, our local team developed a stage performance, which built on the momentum from our successful *Family Talk* launch in South Korea in 2014.

With the help of Mr. Chunsuk Seo, a well-known child psychologist in South Korea and a *Family Talk* Ambassador and advisor, our team created 'Family in the Ring,' a stage play that portrays family members battling in the boxing ring due to a lack of communication, but ultimately coming together for a constructive and positive conversation about alcohol. The play brings to life the potential of the program, showing the types of productive conversations that can take place through





the use of tools available to parents and children. Throughout 2015, the team put on regular performances in five cities and then organized encore performances in select cities. The performances ultimately reached more than 1 000 attendees.

Our message also resonated with audiences beyond the stage. In addition to the development of the stage production, we broadened our approach in South Korea by offering lectures, updating our *Family Talk* booklets, and sharing seven original video clips, which were posted online to Facebook, YouTube and Kakao Story. We distributed *Family Talk* parent guide booklets to the audience members at the various stage plays, garnered more than half a million views of the video clips and joined the national conversation through the national media in South Korea.

The topic hit close to home with many parents. Kim Joo-hoon, a father who took to social media after attending the performance, said, "I could really empathize a lot with the content and it made me think a lot about where I should start. Thank you for creating this opportunity."

# Creating a Better World through Economic Empowerment



## At AB InBev, we know that having a Dream is just the first step to creating a Better World.

That's why we're proud to partner with Enactus, a nonprofit organization that inspires students to live out their entrepreneurial dreams to improve their communities. Launched at the end of 2014, the AB InBev Better World Project Partnership works to empower students to create and implement community development projects that improve livelihoods. In this first year of the Better World Project Partnership, we engaged students from the United States and China by inviting ten teams from each country to propose innovative solutions to the most pressing economic problems facing their local communities. The selected teams committed to help advance the economic progress of their regions by implementing programs to improve business and career training, create new jobs, and increase local business and/or household income. In



the end, the twenty teams presented their final projects and we selected first, second and third place winners from each country to be awarded the National Grand Prizes.

# Partnering to accelerate commercial recycling

In the United States, the ten teams partnered with environmental organizations to design and implement solutions to increase recycling at businesses that create significant on-site waste, such as restaurants and bars. The teams began by conducting a needs assessment that revealed three key challenges facing local store owners as they seek to adopt recycling practices, including cost, time and lack of local services. With these findings in hand, teams worked to develop ways to overcome these challenges. The first place *Better World Project Partnership* team in the United States, from Gulf Coast State College, realized that their community in Panama City, Florida did not have any facilities that accepted glass, so they created an innovative pilot project that turned discarded glass into tumbled sea glass. Using a concrete glass mixer, the team combined recycled glass, sand and seawater to create the new sea glass, and helped sell it for landscaping, aquarium floor cover and other craft purposes.

As a result of the team's efforts, glass was kept out of landfills and recycling increased by 30% during the duration of the project.

The Gulf Coast State College students are currently working to expand the initiative to further increase recycling and create larger volumes of glass.



Through all ten projects in the United States, students collectively improved recycling practices at 20 businesses by training 156 business owners and employees and diverted over five additional tons of aluminum, cardboard, paper and plastic waste that were recycled instead of landfilled.

# Improving local livelihoods in global communities

In China, the ten teams were tasked with finding ways to improve livelihoods in the low-income communities surrounding five select Primary Hope Schools in Harbin, Zhangzhou, Xinxiang, Lezhi and Suquian.

These schools were built through a partnership between AB InBev and the China Youth Development Foundation (CYDF), an organization whose "Project Hope" initiative seeks to help school dropouts in poor, remote regions return to school and complete at least an elementary education. Since 2012, AB InBev has assisted CYDF with the construction of 14 Hope primary schools, five Dream football pitches and two Happy playgrounds. We have also supported the revitalization of a multimedia classroom in Yingkou City, Liaoning Province.



The first place *Better World Project Partnership* team in China focused their efforts on the Zhangzhou AB InBev Primary School and the nearby Longqiao Village. Approximately half of the residents in the village make their living by selling raw bamboo shoots, however up to 5% of the plants are not sold due to their appearance, despite the bamboo still being edible.

The team of students developed a solution to dehydrate, process and package the leftover produce and turn it into a new marketable product to sell in local markets and online. Over the course of the project, 200 pounds of bamboo shoots were repurposed and sold by five local merchants, decreasing waste in the community and increasing the income of households. In the first three months alone, the households took home an additional income of more than 550 USD (average of 110 USD per household).

Overall, the ten Better World teams in China helped to provide business and career training to over 100 people, assisted in the creation of 12 new businesses, empowered the improvement of three existing businesses and helped over 40 people gain employment.

#### Making a lasting change

Through our partnership with Enactus, we've been able to make a positive contribution to local economies across Zones. Not only have students gained experience and professional development by engaging their entrepreneurial spirit; they have also made a positive impact in the areas where they, and our colleagues and consumers, live and work.

In November 2015, we began the second year of our programming in China and expanded the reach of our partnership with Enactus to Mexico, where teams will help local residents make a living and positively impact the environment by selling goods made from discarded brewery materials. We look forward to sharing results from both China and Mexico later in 2016.

Learn more about our project partnership here: www.abinbevbetterworld.org.

### Teacher Trainings at Lezhi AB InBev Hope Primary School

**QUALITY TEACHING METHODS** are not a widespread practice in rural schools in China. In order to equip teachers with better instructional techniques, we sponsored a two-day training for 213 teachers in Lezhi, Sichan in October 2015.

On the first day, Mr. Shizhong Huang, a top national math teacher, trained 103 teachers from 66 rural schools in Lezhi County on standardized and effective math teaching methods through classroom simulations and role-play scenarios. The next day, Mr. Denning Zhu conducted similar trainings related to physical education on the playground and demonstrated better ways to engage students through basketball and other sports.

Because this first training was so successful, additional trainings were subsequently conducted in other cities around the country. Throughout 2015, 2 186 teachers from 421 elementary schools received the special teacher instruction, logging 18 396 total training hours.

# Championing Collective Action on Global Beer Responsibility Day

Imagine the impact that the leading global brewer and one of the world's top five consumer product companies can have when we connect with consumers on an issue like alcohol responsibility.

Now, imagine the ways that we can multiply that impact by collaborating with global industry peers, local brewers and beer associations from around the world to encourage alcohol responsibility. Together. At AB InBev, we began our annual Global Be(er) Responsible Day (GBRD) in 2010, when colleagues in more than 20 markets around the world came together to promote our alcohol responsibility programs in local communities. It soon became an annual celebration for our family of more than 150 000 colleagues around the world, bringing our message of smart drinking to our communities in a variety of powerful ways. Then, in 2014, our Mexico team evolved our company-wide celebratory day into a joint industry effort.

Following the 2014 Mexico event, our CEO Carlos Brito challenged AB InBev to organize additional industry-wide celebrations globally, in order to expand the reach and the impact of the program. In 2015, colleagues from AB InBev, representatives from local beer associations and employees from our global and local brewer peers came together to celebrate even more joint industry celebrations in select countries. The aim of these industry-wide Global Beer Responsibility Day celebrations was to increase impact through collaborative drink driving and underage consumption prevention initiatives, server and seller trainings, the

> In the end, the partnering brewers collectively engaged more than 650 000 retailers, reached over eight million consumers directly, as well as over 300 million consumers indirectly through various communications activities worldwide.



providing of consumer education tools and brand-led responsibility campaigns, among many other initiatives.

Representative of the activations in many participating countries, here's a look at the celebrations that took place in Canada, Argentina, Russia, Ukraine and Brazil on 18 September and in Mexico on 22 September.

#### Canada

On Global Beer Responsibility Day, our Labatt Brewing Company's team spearheaded Partners for Safer Communities, Canada's first-ever industry-wide initiative to promote the use of designated drivers, reduce the incidence of drinking and driving, and prevent underage drinking. The initiative included the Canadian industry association, Beer Canada, which represents 32 brewers across Canada. Various brewer employees visited licensees across Canada to raise awareness of correct ID-checking and to support servers with tips and materials to carry out their Duty of Care in the responsible service of alcohol.

#### Brazil

Under the umbrella of CervBrasil, the Brazilian brewers' association, the industry came together to celebrate *Día de Responsa*. More than 12 000 of our own Ambev colleagues visited 257 000 retail outlets across the country with the goal to help prevent underage drinking and drink driving. Through a variety of communications efforts, over 21 million consumers aged 18+ were reached with smart drinking messages.

#### Argentina

Our own Cervecería y Maltería Quilmes team came together with CCU Argentina and Cervecería Argentina Isenbeck to celebrate Global Beer Responsibility Day for the first time ever as an industry. Under the umbrella of the national Beer Chamber, Cerveceros Argentinos, the activities included a variety of initiatives to communicate alcohol responsibility messages in more than ten cities across the country. The event culminated in the center of Buenos Aires to celebrate the day's accomplishments with an outdoor concert for thousands of music fans.

#### **Russia and Ukraine**

In Russia and Ukraine, our local AB InBev team joined forces with Carlsberg, EFES and Heineken to celebrate Global Beer Responsibility Day in over 170 cities across both countries. With a focus on underage drinking prevention, an ID-checking program was executed at more than 160 000 retail accounts and more than 12 500 000 consumers were reached with smart drinking messages.

#### Mexico

Our Grupo Modelo team, Heineken and various craft brewers inspired retailers to commit to requiring young adults to show an ID before selling or serving them alcohol. The industry also focused on driving awareness for the No Te Hagas Güey (Don't Fool Yourself) campaign, which directly engages consumers by encouraging them not to be ignorant about the harm that can come from underage alcohol consumption. It also puts the accountability on servers and sellers to check IDs reliably. The campaign is organized by Cerveceros de México, the national Beer Chamber made up of Mexican brewers representing the majority of the beers sold in the country. In its second year, more than 30 000 industry employees took the No Te Hagas Güey message to the streets, visited retail accounts in 32 states and inspired more than 200 000 ID-checking pledges from retailers.

We're excited about the work we've done in these six years to evolve our Global Be(er) Responsible Day celebration into Global Beer Responsibility Day. And, together with our industry peers, we are dreaming bigger about the impact we can make in the years to come.



Represented

**Top Markets** 

Referenced

Mexico, Argentina, Russia, Ukraine, Canada, Brazil



## A Snapshot of Our Awards & Recognitions

#### Asia-Pacific

- China Association of Enterprises with Foreign Investment (CAEFI) selected China's Reclaimed Water program as a CSR Best Practice.
- → We were named a Top 100 Job Creating Companies' by Ministry of Employment and Labor in South Korea.

#### Europe

Management Today's Most Admired Companies named AB InBev the Top Beverage Company.

#### **Latin America North**

- → Valor 1000 named AB InBev 1<sup>st</sup> place in Food & Beverage sector.
- → In IstoÉ Magazine's "Most Sustainable Companies" issue, we received 4<sup>th</sup> place in the overall ranking and 3<sup>rd</sup> place in Environmental Stewardship.

#### **Latin America South**

CBN won the 1st place and Quilmes won the 5th place in Best Corporate Reputation Companies list by Merco (Corporate Reputation Business Monitor).

#### Mexico

- Three of our breweries (Zacatecas, Tropico and Guadalajara) received Excelencia Ambiental awards for their environmental stewardship efforts.
- We ranked 7<sup>th</sup> on *Forbes*' list of 45 top companies with an environmental commitment.

#### **North America**

- → AB InBev was named #2 Most Admired Beverage Company by Fortune.
- We were also named to Canada's Top 100 Employers, Canada's Top Employers for Young People and Canada's Greenest Employers.



### **About this Report**

THIS REPORT, in conjunction with content on our corporate website, presents Anheuser-Busch InBev's annual update on key performance data and information for calendar year 2015 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 stakeholders around the world, including investors, employees, governments, NGOs, and customers and consumers in the 26 countries where we operate.

This year, AB InBev's global citizenship reporting is comprised of this self-contained PDF document and content on our corporate website. The PDF document primarily summarizes our 2015 activities, initiatives and achievements, while the website, housed with the "Social Responsibility" section, provides further information on our Better World strategy and ongoing activities, and offers in depth exploration of key data and metrics. Taken together, the PDF and website content constitute our citizenship reporting for 2015.

AB InBev prepared this reporting (across the PDF report and the website) in accordance with the Global Reporting Initiative's (GRI) G4 "Core" level. To help determine the content for our reporting we worked with Business for Social Responsibility (BSR) in 2014 to conduct a materiality assessment that helped identify the issues most important to our stakeholders and our company. For a summary of the process taken and the resulting Boundary Analysis Table, see here. To see where the impacts occur along our value chain, see the infographic on pages six and seven of the PDF and here. A more detailed look at our materiality process is available here, and a GRI Index for this year's report can be found here.

The data and stories presented were gathered and verified with the assistance of content owners across all functions and geographic Zones. The company has established a Data Management Plan to ensure accurate and consistent reporting of smart drinking and environment goal performance data, and key performance indicators. We have noted which environmental and social metrics have been externally assured by KPMG in the Independent Assurance Report <u>here</u>, in key locations throughout the report and in our online GRI Index referenced above.

For information included in our consolidated financial statements, AB InBev's Statutory auditor is PricewaterhouseCoopers (see pages 67–69 of the <u>AB InBev 2015 Annual</u> <u>Report</u>).

Our report structure parallels our Better World focus areas—Smart Drinking, Environment and Community—our three pillars of global citizenship. Our achievements within these pillars would not be possible without the commitment, dedication and diligence of our people around the world.

Information presented in our report encompasses AB InBev's company-wide wholly owned operations, including 141 global breweries and soft drink facilities represented in global goal performance for water and energy use, unless otherwise noted.

Some newer beverage facilities that were acquired during the course of 2015 are not yet included in our Voyager Plant Optimization management system, and therefore data may not currently being collected. These facilities will be included in future reporting, which typically takes six months to a year after acquisition.

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. In order to allow for increased accuracy, meaningful comparisons and determination of goal achievement, absolute and normalized GHG emissions data from previous years has been adjusted using the latest emission factors and reporting methodologies. Specific data tables contain other footnotes about environmental performance data.

This report contains "forward-looking statements", which generally include the words or phrases "will likely result", "are expected to", "will continue", "is anticipated", "anticipate", "estimate", "project", "may", "might", "could", "believe", "expect", "plan", "potential" or similar expressions. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those suggested by these statements due to, among others, 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, as well as the risks described under Item 3.D of our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission on 14 March 2016. Additional information about AB InBev's GHG and water risks, management and performance is available through CDP.

#### Future SEC Filings and This Filing: Important Information

In the event that AB InBev and SABMiller implement a transaction relating to the acquisition of SABMiller by AB InBev, AB InBev or Newco (a Belgian limited liability company to be formed for the purposes of such transaction) may be required to file relevant materials with the SEC. Such documents, however, are not currently available. INVESTORS ARE URGED TO READ ANY DOCUMENTS REGARDING SUCH POTENTIAL TRANSACTION IF AND WHEN THEY BECOME AVAILABLE. BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors will be able to obtain a free copy of such filings without charge, at the SEC's website (http://www.sec.gov) once such documents are filed with the SEC. Copies

#### ABOUT THIS REPORT CONTINUED

of such documents may also be obtained from AB InBev, without charge, once they are filed with the SEC.

#### Notice to US investors

US holders of SABMiller shares should note that the steps of any transaction requiring approval by SABMiller shareholders may be implemented under a UK scheme of arrangement provided for under English company law. If so, it is expected that any shares to be issued under the transaction to SABMiller shareholders would be issued in reliance upon the exemption from the registration requirements of the US Securities Act of 1933, provided by Section 3(a)(10) thereof and would be subject to UK disclosure requirements (which are different from those of the United States). The transaction may instead be implemented by way of a takeover offer under English law. If so, any securities to be issued under the transaction to SABMiller shareholders will be registered under the US Securities Act, absent an applicable exemption from registration. If the transaction is implemented by way of UK takeover offer, it will be done in compliance with the applicable rules under the US Exchange Act of 1934, including any applicable exemptions provided under Rule 14d–1(d) thereunder.

This filing shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

For questions regarding the content of this report, please contact us at **betterworld@ab-inbev.com**.

## **Global Citizenship Reporting at AB InBev**

Learn more about our Global Citizenship Initiatives and Reporting efforts:

- → Materiality Assessment & Report
- → GRI Index & UNGC Communications on Progress
- → Global Standards
- → Environmental Management System
- → Environmental Technical Advisory Committee
- → People Data

### **Independent Assurance Report**

#### TO THE READERS OF THE AB INBEV 2015 GLOBAL CITIZENSHIP REPORT

We were engaged by the Executive Board of Anheuser-Busch InBev NV (further 'AB InBev') to provide assurance on selected information in the AB InBev Global Citizenship Report 2015 (further '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 assurance engagement was designed to provide limited assurance on whether the data for the following aspects are presented, in all material respects, in accordance with the reporting criteria used by AB InBev:

- Reduce water risks and improve water management in 100% of key barley-growing regions, in partnership with local stakeholders (page 10)
- Engage in watershed protection measures at 100% of facilities located in key areas in Argentina, Bolivia, Brazil, China, Mexico, Peru and the United States, in partnership with local stakeholders (page 10)
- Water Use Ratio and Total Water Use (page 21)
- Total Energy Consumption, Energy Consumption per Hectoliter of Product, Total Direct and Indirect GHG Emissions and GHG Emissions per Hectoliter of Product (page 17)
- Packaging material (page 10)
- Eco-friendly cooler purchases (page 15)
- Lost-time Injuries (LTI) Supply, second tier and sales Employees (own) for 2015 (page 29)
- Total Recordable Injuries (TRI) Supply Employees (own) for 2015 (page 29)
- Days Lost due to injury Supply Employees (own) for 2015 (page 29)
- Fatalities for 2015 (page 29)

The above data reviewed as part of our assurance engagement has been indicated throughout The Report with the symbol '@'. We do not provide any assurance on the achievability of the objectives, targets and expectations of AB InBev. Our engagement has been performed with a limited level of assurance. Procedures performed in a limited assurance engagement are aimed at determining the plausibility of information and therefore vary in nature and timing from—and are less extensive than—a reasonable assurance engagement.

#### Which reporting criteria did AB InBev use and which assurance standard did we use?

For the information covered by our engagement scope AB InBev applies internally developed criteria as detailed in the 'About this Report'section (page 43). 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.

We conducted our engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3000: "Assurance Engagement other than Audits or Reviews of Historical Financial Information".

We are independent of Anheuser-Busch InBev NV in accordance with the Regulation regarding the independence of auditors in case of assurance engagements ("Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO)) and other relevant independence requirements in The Netherlands. Furthermore we have complied with the Regulation code of conduct and professional practice for auditors ("Verordening gedrags- en beroepsregels accountants" (VGBA)).

We apply the Further Regulations for Audit Firms Regarding Assurance Engagements ("Nadere voorschriften accountantskantoren ter zake van assurance opdrachten") and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Our procedures included the following:

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

#### Conclusion

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

Amsterdam, 27 April 2016

KPMG Sustainability,

Part of KPMG Advisory N.V. Wim Bartels, RA

Partner

Belgium, 27 April 2016

KPMG Bedrijfsrevisoren Burg. CVBA, Represented by

Mike Boonen, Partner Thank you for reading our report—now we want to hear from you. Please take a moment to tell us what you think of this report by contacting us at betterworld@ab-inbev.com.

We refer all readers of the AB InBev Global Citizenship Report to all of AB InBev'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.

