Anheuser-Busch InBev’s Drive to Address Shared Water Challenges

UN CEO Water Mandate – Lima, Perú – April 9, 2014

Bert Share - Senior Global Director
Beer & Better World - AB InBev
Anheuser-Busch InBev at a glance

- Leading global brewer
- Top-five consumer products company
- EBITDA of 17.2 billion USD in 2013
- Revenue of 43.2 billion USD in 2013
- Global HQ: Leuven, Belgium
- Operations in 25 countries
- Sales in 100+ countries
- 200+ brands
- 150,000 employees worldwide
- Ticker: Euronext: ABI NYSE: BUD
A truly global company
Operations across six geographical Zones – 2013 Volumes by Zone (millions HL)

425 million hectoliters in 2013
Environment
Global goals achievement – 2009 through 2012

Global goals achievement
Our colleagues across more than 20 countries helped achieve our 3 year environmental goals

Water reduction
18.6% DOWN

Energy reduction
12% DOWN

Recycling
99.2% UP

Carbon emissions
15.7% DOWN

Through our efforts, we’re creating value for all our stakeholders

All results relative to 2009 baseline
Our Better World dream

New global environmental goals
To be achieved by the end of 2017

1. Reduce water risks, improve water management in 100% of key barley growing regions
2. Watershed protection measures at facilities located in key areas
3. Reduce global water usage to a leading edge 3.2 hl of water per hl of production
4. Reduce global greenhouse gas emissions per hl of production by 10%; 15% in China
5. Reduce global energy use per hl of production by 10%
6. Reduce packaging materials by 100,000 tons
7. Reach a 70% global average of eco-friendly cooler purchases annually
Water Risk Assessment
How We Do It

- Shared goals ----global → zone → facilities/agro-operations
- Integration into existing systems, processes and plans
  - VPO Management System
  - Barley Growers Program
  - Seed research and varietal development
- Stakeholder mapping at the watershed level
- Best practice sharing
Case Study – Cochabamba, Bolivia

- 2013 – conflicts over water between two communities near our brewery
- AB InBev engaged with representatives from both communities and local and regional government to find solutions for all parties
Case Study – Cochabamba, Bolivia

- Continue to reduce brewery water consumption
- Effluent reuse in auxiliary operations to reduce needs from local sources
- Donating clean effluent to local agricultural union
- Upgrades to water infrastructure (channels and lagoons) to reduce losses up to 30%
- Allowing access to brewery inlet water for other community use
- Other community initiatives, including evaluating irrigation capabilities and water education of community
Ambev Perú – Beverage Facilities

- Ecuador
- Colombia
- Bolivia
- Pacific Ocean

- Sullana
- Huachipa
Management System tools that made improvement possible:

- Water PDCA and follow-up
- Leak monitoring
- Improved procedures for shutdown and startups
- Daily and weekly control limits around consumption - DOTS
- Best practice sharing
- Environmental events (World Water Day, World Environment Day)
Ambev Perú - Sullana

- Sedimentation of Poechos Dam (level has reduced storage capacity to less than 50% - at 420 M³ out of 850 M³ capacity)

- Potential Actions
  - Upstream restoration and forest conservation to reduce sediment loss
  - Participation in National Drought Observatory (Observatorio nacional de Sequía en Perú) to improve water management
  - Evaluating FORASAN – a multi-stakeholder water fund being developed for the region
  - Participation in Watershed Committee
  - Open doors – become a reference for all stakeholders on water management and effluent treatment
Ambev Perú - Huachipa

- Decreasing groundwater level
- Increasing demand by industries and uncertain status of extraction and discharge permits
- Potential Actions
  - Participation in National Drought Observatory (Observatorio nacional de Sequía en Perú) to improve water management
  - Effluent reuse
  - Open doors – become a reference for all stakeholders on water management and effluent treatment
  - Update hydrogeological study of area
World Water Day Engagement

Sullana Plant

*Participamos de pasacalle organizado por Autoridad Local del agua Chira.*
We participated in a parade organized by the Chira local water authority.

Huachipa Plant

*Realizamos Campaña Externa “Agua Sostenible” con la comunidad de Lince.*
External campaign “Sustainable Water” conducted with the community of Lynx.

*Participamos en el Primer FESTIAGUA organizado por la Autoridad Nacional del Agua.* We participated in the First Water Festival organized by the National Water Authority.