



BUDWEISER BREWING COMPANY APAC
百 | 威 | 亚 | 太 | 控 | 股 | 有 | 限 | 公 | 司

Water Policy

Budweiser Brewing Company APAC (Bud APAC)

Version	Date	Major Update	Issued by
1.0	Dec 2021	Initial Release	Huihuang Huang (Director), ZBS Utility & Sustainability

Table of Contents



BUDWEISER BREWING COMPANY APAC
百 | 威 | 亚 | 太 | 控 | 股 | 有 | 限 | 公 | 司

1. Introduction.....	3
2. Scope of Application	4
3. General Policy	5
4. Implementation and Review	6
5. Abbreviations	7



1. Introduction

- 1.1 This Water Policy (“Policy”) describes the stance and approaches of Budweiser Brewing Company APAC (“Bud APAC” or the “Group”) to promote water stewardship. At Bud APAC, we are committing to building a **#FutureWithMoreCheers**. To do so, we are determined to sustain our company together with a healthy environment and thriving communities, while creating economic, environmental and social values for our stakeholders and business.
- 1.2 The combined effects of population growth, economic development, and climate change have contributed to increasing water stress on a global scale. Increasing demand and pollution, together with changing weather and water cycles will continue to impact the availability of water. At Bud APAC, we have a creed of “No water, no beer!”. Water is our number one ingredient, and we value every drop. Moreover, water is a critical resource for the well-being of our communities. About 10% of our breweries are located in proximity to watersheds identified as facing “high water stress” – It is our role as the world’s leading brewer to work towards water stewardship. While there is no single solution to address water challenges, we continue to make collaborative efforts and progress in achieving measurable impact along our value chain.
- 1.3 Bud APAC is committed to achieving its water stewardship goal of enhancing water availability and quality in the communities where we operate. Aligned with our 2025 Sustainability Goals and the United Nations Sustainable Development Goals (“UN SDGs”), our water stewardship goal delivers a clear strategy and measurable, positive impact on the environment and our communities. Water withdrawal, consumption and discharge need to be addressed at a basic level. As such, we establish context-based strategies for the water basins we rely on and have set ambitious brewery-level water usage targets.
- 1.4 Our production in and operations at over 40 breweries across APAC depend on a reliable supply of clean water. To sustain this, we have invested in water availability and water quality improvement in communities, especially those facing significant water stress. We have set stringent standards beyond local requirements to monitor discharge into local water bodies and have made commitments to drive sustainable agricultural practices.

Scope of Application



BUDWEISER BREWING COMPANY APAC
百 | 威 | 亚 | 太 | 控 | 股 | 有 | 限 | 公 | 司

2. Scope of Application

- 2.1 All Business Units (“BUs”) under Bud APAC, contractors and others working on the Group’s behalf should comply and refer to this Policy.

Other Relevant Policy for Reference:

- Click here to [see](#) our Environmental Policy.

3. General Policy

3.1 Bud APAC is committed to steering water stewardship throughout our operations and value chain. This commitment focuses on minimizing water discharge, reducing water consumption intensity and improving water availability and quality in our communities, especially those facing high water stress. We will strive to:

- Comply with all relevant laws, regulations and standards in all APAC markets that we serve and operate;
- Integrate industry best practice into our operations and through our Responsible Sourcing Policy encourage our business partners to do the same;
- Anticipate and prepare for emerging environmental regulations and increasing societal expectations; and
- Transparently disclose our context-based targets and progress.

3.2 Accordingly, we will:

- Undertake annual water risk assessment using the World Resources Institute's ("WRI") Aqueduct tool and our internal custom-made Water Risk Toolkit to assess the respective level of water risks across our operations in APAC and identify opportunities to increase water use efficiency at the brewery level;
- Apply the same set of water risk assessments for the agricultural commodities that we source;
- Conduct environmental impact assessment ("EIA") and/or due diligence to identify and address water-related impacts in our greenfield and implement water efficiency measures throughout our new operations to optimize water use and minimize water discharge;
- Implement technologies, processes and monitoring systems to maintain or enhance the quality of the effluent discharge and prevent untreated discharge. This is monitored on a daily basis;
- Prevent any untreated discharge from production and strive to progressively achieve "Zero Discharge" breweries through the application of advanced technologies to "Reduce-Reuse-Recycle" water onsite (our brewery in Suqian, China has become the first "Zero Discharge" brewery in APAC);
- Provide fully functioning and safely managed water, sanitation and hygiene ("WASH") services to uphold the highest standard of employee health and safety as well as food safety;
- Track and report the progress of our water stewardship goals through our internal sustainability dashboard and external annual ESG Report;
- Advocate responsible water practices and increase water stewardship awareness with our internal and external stakeholders, especially the agricultural farmers we source from; and
- Collaborate with industry players, policymakers, non-governmental organizations ("NGOs") and other potential stakeholders (e.g. river basin management authorities) to advance water policies and innovations.



4. Implementation and Review

- 4.1 Bud APAC will enact this policy by implementing procedures in our Voyager Plant Optimization (“VPO”) manual.
- 4.2 All BUD APAC’s employees and related suppliers must comply with the Water Policy.
- 4.3 Suggestions, issues and concerns raised by Bud APAC’s employees and public concerns on Bud APAC’s Water Policy will be reported to the management team and conveyed back to APAC Sustainability Team for further investigation and, if needed, rectification. Further amendments to the Water Policy will be made as necessary.
- 4.4 This Policy should be enforced into Bud APAC’s practices and the responsibility to review the Policy lies with the Sustainability and Procurement Team. If applicable, the Water Policy should be communicated with related suppliers.
- 4.5 All respective budget controls are included in Bud APAC’s annual budgets of relevant parties.
- 4.6 This Policy is approved by Huihuang Huang (Director of Zone Brewery Support (“ZBS”) & Sustainability), who reports to the ESG Committee under the Board.
- 4.7 Key performance indicators (“KPIs”) and status updates relating to each commitment identified in the Water Policy will be reported to meetings of the Board, ESG Committee, Sustainability and Procurement Team, ZBS’s annual strategy, when needed. In addition, updated information will be placed on Bud APAC’s website.
- 4.8 This Policy will be regularly reviewed in due course considering legislation, public policy and organizational changes and development in sustainability best practices, or at a minimum, every three (3) years. Updates of the Policy will be presented to the ESG Committee for endorsement.

Abbreviations



BUDWEISER BREWING COMPANY APAC
百 | 威 | 亚 | 太 | 控 | 股 | 有 | 限 | 公 | 司

5. Abbreviations

<u>Abbreviation</u>	<u>Full Description</u>
Bud APAC	Budweiser Brewing Company APAC Limited
BUs	Business Unit(s)
EIA	Environmental Impact Assessment
KPIs	Key Performance Indicator(s)
NGOs	Non-governmental organization(s)
UN SDGs	The United Nations Sustainable Development Goals
VPO	Voyager Plant Optimization
WASH	Water, Sanitation and Hygiene
WRI	World Resources Institute
ZBS	Zone Brewery Support