

A close-up photograph of beer foam, showing a thick head of white foam with many small bubbles, set against a background of golden beer.

2018 Annual Report

Shaping the future.

Bringing People Together — for a Better World.

We are building a company to last, brewing beer and building brands that will continue to bring people together for the next 100 years and beyond.

We have a passion for beer.

Dreaming big is in our DNA

Brewing the world's most loved beers, building iconic brands and creating meaningful experiences are what energize and inspire us. We empower our people to push the boundaries of what is possible. Through hard work and the strength of our teams, we can achieve anything for our consumers, our people and our communities.



8/10

8 out of the 10 most valuable beer brands worldwide according to BrandZ™.



Beer is the original social network

With centuries of brewing history, we have seen countless new friendships, connections and experiences built on a shared love of beer. We connect with consumers through culturally relevant movements and the passion points of music, sports and entertainment. Our portfolio now offers more than 500 brands and eight of the top 10 most valuable beer brands worldwide, according to BrandZ™.

We are constantly innovating for our consumers

Our consumer is the boss. As a consumer-centric company, we are relentlessly committed to innovation and exploring new products and opportunities to excite our consumers around the world.



We want every experience with beer to be a positive one

We work with communities, experts and industry peers to contribute to reducing the harmful use of alcohol and help ensure that consumers are empowered to make smart choices. We are doing this by supporting innovation, providing more no- and low-alcohol beer options, piloting local programs and campaigns around the world, investing in social marketing, rolling out initiatives to create safer roads and more.



50

Operations in nearly
50 countries

Our 10 Brewing Principles



We are all brewers
Passion for beer is our life



Heritage
We protect the heritage and integrity of our brands



Preservatives
We strive for zero added preservatives



Stakeholders
We value and address external stakeholder perspectives



Ingredients
We only select ingredients that meet our standards



Consumer choice
We respect the consumer desire for choice



Transparency
We believe in transparency



Sustainability
We preserve our natural resources



Quality
We never compromise on quality



Freshness
Fresh beer tastes better



Sustainability is our business

Brewing quality beer starts with the best ingredients. Without a healthy and sustainable environment, we would not be able to brew the highest quality beers. That is why we have made global commitments focused on smart agriculture, water stewardship, circular packaging and climate action, to help contribute to a healthy natural environment and thriving communities, so we can continue to brew beers that bring people together for the next 100+ years.

We are proud to be truly global

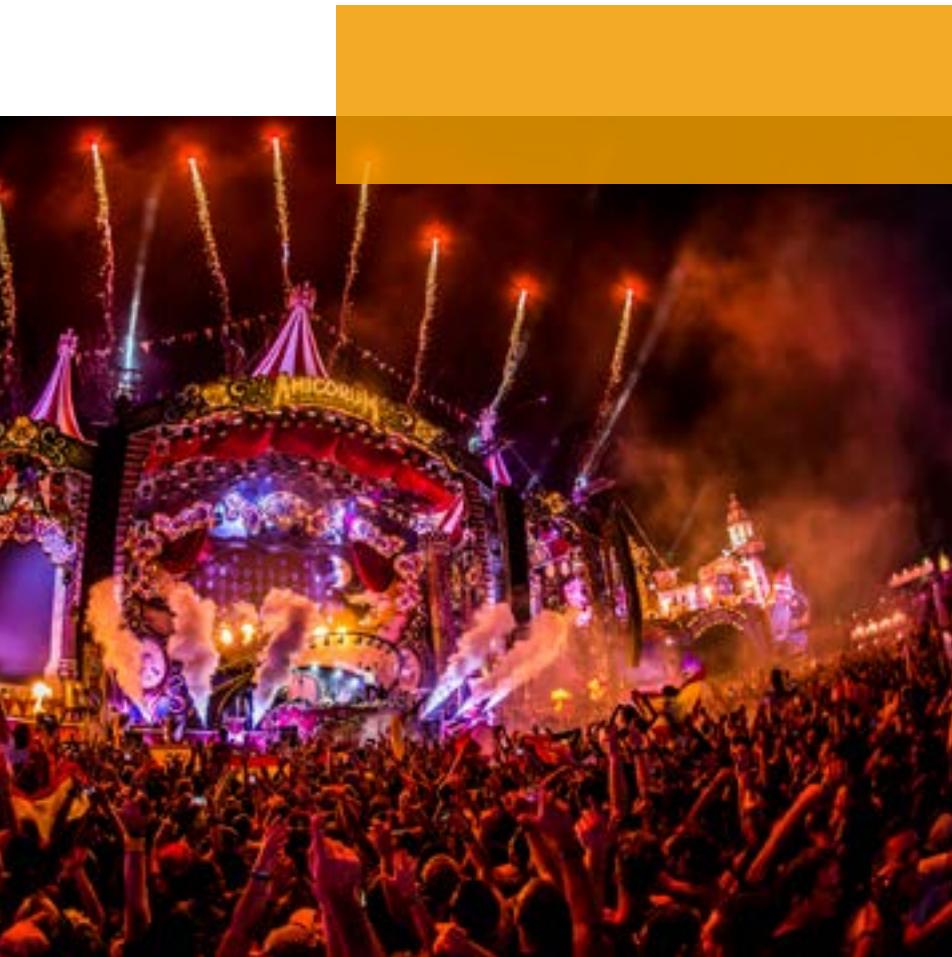
Our global footprint is one of our key strengths. In October 2016, we completed a transformational combination with SAB, making us a stronger, more diversified company that is better poised for sustainable future growth.

Honoring the past, building towards the future

We are all brewers. By combining over 600 years of brewing heritage with constant innovation, we protect the heritage of our much-loved brands while constantly innovating and creating new and exciting beers and occasions for consumers.

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Becoming a stronger company.

To our shareholders:

2018 was another step forward in our company's transformational journey. We had many successes to celebrate, though the year was not without its challenges. Our focus this year was to continue to drive the organic growth of our business while deleveraging towards our optimal capital structure.

Today we are a stronger, more diversified company applying our learnings across our global business. While there is more work to be done, we are confident in our strategy and plans to grow our business by creating value from seed to sip and delivering sustainable top and bottom line growth in 2019 and beyond.



#1

**global brands were our
#1 growth engine in 2018**



Reflecting on our performance

Our business delivered consistent top-line growth with margin expansion and EBITDA acceleration throughout the year. Revenue growth of 4.8% was driven by own beer volume growth of 0.8% (total volume up 0.3%) as well as continued premiumization and revenue management initiatives. Revenue per hl growth on a constant geographic basis was 4.7%, of which we estimate more than 100 bps was driven by positive mix in line with our premiumization strategy. EBITDA grew 7.9% on a full year basis with margin expansion of 118 bps to 40.4%, with consistent acceleration each quarter in line with our guidance. However, we faced challenging macroeconomic environments in many emerging markets, especially Brazil, Argentina and South Africa, and unfavorable currency volatility has slowed our deleveraging pace.

Highlights from the year include:

- Healthy volume, revenue and market share growth in important markets including Mexico, China, Western Europe, Colombia and several African countries including Nigeria. Each of these markets delivered strong performances in their respective premium portfolios while simultaneously evolving their core portfolios in line with the category expansion framework.
- In the US, achieving our best market share trend performance since 2012. This was driven by the evolution of our commercial strategy, led by premiumization and innovation.
- Continued global growth of our High End Company (revenue up 18.3%) and global brand portfolio (revenue up 9.0% globally and 13.1% outside of the brands' home markets). The brands within the High End Company command a premium and contribute higher margins to our overall results.
- ZX Ventures, our growth and innovation group, delivered robust revenue and EBITDA growth in the year with strong commercial momentum. In craft and specialties, our portfolio of brands grew well ahead of the total company and broader industry with double digit revenue growth. Our eCommerce and brand experience platforms also each grew revenue double digits, and our share online is now greater than our share in traditional channels. Our ZX Ventures platforms allow us to engage with consumers more than ever before and we are using this consumer proximity to drive more meaningful interactions and solutions.
- Budweiser was the most "talked about" brand on digital and social media during the 2018 FIFA World Cup Russia™, with an estimated five billion social media impressions. It was the biggest commercial campaign in our company's history, with activations across more than 50 markets and 565 000 points-of-consumption. We were successful in building brand awareness in many of our new markets and are using this awareness to propel the brand toward future growth. We further maximized this sponsorship by activating more than 40 of our local brands in more than 40 markets.
- Delivering profitable growth, with EBITDA margin expansion of 118 bps to 40.4%, driven by premiumization, cost discipline and continued synergy capture. We achieved further synergies from the combination with SAB, with 805 million USD in 2018 and over 2.9 billion USD captured to date out of our commitment to deliver 3.2 billion USD by the end of 2019.

- Launched our 2025 Sustainability Goals, our most ambitious set of sustainability commitments yet, focused on smart agriculture, water stewardship, circular packaging and climate action.

The following aspects of the year held us back:

- Top and bottom line performances were below our expectations in Argentina, Brazil and South Africa, largely as a result of a weak macroeconomic environment putting pressure on the consumer in all three markets. Additionally, in South Africa we were adversely affected by out of stocks, unexpected tax increases and segment mix shift.
- Unfavorable currency volatility in emerging markets impacted our cash flows and slowed our anticipated deleveraging path. As a result, we proactively rebased our dividend payout by 50% in October to accelerate deleveraging in line with our capital allocation priorities.
- Headwinds to our cost base, especially with respect to aluminum globally and the freight market in the US.

We have always said that we are never completely satisfied with our results, and 2018 is no exception. We will build upon the learnings of this year to ensure we continue opening and closing gaps to create sustainable, long-term, profitable growth.

Evolving our commercial strategy

We made significant progress in 2018 executing on many intellectual synergies from the combination with SAB. These intellectual synergies are anchored around three interlocking strategic frameworks: the market maturity model, the category expansion framework and growth champions.

Our market maturity model allows us to group markets into clusters based on maturity level, enabling us to develop our portfolio to meet the needs of a range of markets around the world as they mature and evolve.

Our category expansion framework helps us find opportunities for growth. It allows us to address consumer preferences across occasions, share best practices and adopt a new way of looking at the category that recognizes different market maturities and the role of brand portfolios in each of our markets.

Finally, our growth champions approach is used to identify the right time to expand our portfolios and commercial practices in the most efficient and impactful manner. This process is modeled after one of our most successful systems, efficiency champions, and allows us to benchmark our strategy to open gaps, execute on them deliberately and track performance to deliver increasing efficiencies.

We believe these frameworks position us well to find opportunities and address consumer needs. We utilize them to offer the best beer at price points ranging from affordable to premium, and to continually innovate with the best pipeline of new products and offerings.

Leading the growth of the global beer category

As the world's leading brewer, we take responsibility for shaping the future of the beer category, its health and sustainable growth globally. Our category has grown over the past 10 years, both in terms of volume (+1.0%) and value (+3.7%). Our estimated share of throat as a company has increased within total beer by 60 bps and within total alcohol by 10 bps over the past five years.

Premiumization: We see a significant opportunity for premiumization around the world and we have the best portfolio to lead this trend. Compared to wine and spirits, beer is in its early stages of premiumization globally, providing us with the opportunity to capture beer's fair share. For instance, Corona currently has a market share of 3% or higher in just three countries where we own the brand. With the brand growing double digits globally, we believe it is still far from reaching its full potential and see an opportunity for further growth. We expect the premium segment to grow about five times faster than core and value in the years to come. Our High End Company is well positioned to capitalize on this trend and deliver high growth and profitability.

Differentiate & extend the core: Our portfolio of core brands is focused on sharpening brand positions to create meaningful emotional and functional differentiation by celebrating the authenticity of our brands along with beer's natural ingredients and its simplicity.

Emerging markets and affordability: We also see a clear opportunity for volume growth in emerging markets, where per capita consumption volumes are considerably lower than those of developed markets. We believe we are uniquely positioned to lead that growth in a responsible manner, given our diverse portfolio of brands tailored to a variety of consumer price points and occasions.

Category expansion is enhanced in our low- and middle-maturity markets through affordability initiatives, as it is crucial to have a portfolio of affordable options to engage our consumers at accessible price points. Two prime examples in 2018 were the launches of Nossa and Magnifica in Brazil—beers brewed with local cassava and offered to consumers at a considerably lower price point while providing comparable margins to our core brands. This affordability initiative was a best practice in some of our African markets and showcases how we are leveraging intellectual synergies across different markets.

Portfolio enhancing: Lastly, by mapping our portfolio of brands within each market, we are identifying opportunities to introduce existing brands into new markets. Examples of this practice include Argentina's Patagonia in certain regions of the US, Australia's Pure Blonde by Jupiler in Belgium and the US' Michelob Ultra in the UK.

Leveraging our global brands

Our global brands continued to deliver great results, representing more than one third of our total net revenue growth. For the full year, our global brands grew revenue by 9.0% globally and 13.1% outside of their home markets.

Budweiser revenue grew 5.3% globally and 10.0% outside of the US, driven by continued expansion into new geographies as well as our activation during the 2018 FIFA World Cup Russia™, which was our largest and most successful campaign ever. Stella Artois continued to see strong, balanced growth, up 5.2% globally, driven by its increased penetration of the meal occasion. Corona leads the way as the most premium brand amongst the three, growing double digits for the fourth consecutive year, with revenue up 17.6% globally and 28.5% outside of Mexico.

We believe in offering a customized portfolio of brands to lead the premium segment in order to reach more consumers in different occasions. Our complementary global brands give consumers premium options defined by occasion, taste profile and price point.

Innovating to share our passion for beer

As a consumer-centric company, we are relentlessly committed to exploring new products and opportunities to excite consumers around the world. We have a robust innovation pipeline, including the launch of Corona Ligera in Australia, Stella Artois Gluten Free in the UK and Michelob Ultra Pure Gold (organic light lager) in the US.

Our no- and low-alcohol beer (NABLAB) portfolio continues to cultivate new opportunities in many of our markets by addressing the growing consumer trends of moderation and health and wellness. With these trends becoming ever more important to consumers around the world, we are committed to leading innovation in this space. For example, we have successfully launched brands such as Castle Free in South Africa, Carlton Zero in Australia, Aguila Cero in Colombia and, most recently, Leffe Blonde 0.0% in Belgium.

Leveraging technology to better engage with consumers

Our focus on technology and innovation goes beyond what consumers see every day. ZX Ventures is continuing to find new ways to respond to consumer trends through eCommerce, craft and brand experiences, and today represents more than 10% of our total growth.

Beer Garage, our home for innovation, emerging technology and enterprise technology, is utilizing enterprise-level technology to transform our supply chain and bring us closer



The Budweiser campaign for the 2018 FIFA World Cup Russia™ was our largest and most successful campaign ever.

to consumers with initiatives such as using Point of Sale (PoS) technology to gather consumer insights from around the world. Our Global Innovation and Technology Center (GITEC) is focused on enhancing our brewing processes, as well as product and package development. One example is Canvas, a sustainable plant-based barley beverage produced with saved grain from our brewing process.

Organizing ourselves for future growth

In July, we created two new senior leadership positions to capture organic growth opportunities within our existing business. Our Chief Non-Alcohol Beverages Officer is focusing on accelerating growth in our existing non-alcohol business, which represents more than 10% of our current volumes. Our Chief Owned-Retail Officer will manage and grow our existing owned-retail business by coordinating cross-marketing initiatives and sharing best practices.

To continue our focus on staying ahead of market and consumer trends, we brought Marketing and ZX Ventures under a common global lead, our Chief Marketing Officer. This change will allow us to adopt ZX Ventures' innovative approach more broadly within our company.

Contributing to a sustainable future

In March 2018, we launched our ambitious 2025 Sustainability Goals, which will help us brew great beers for the next 100 years and beyond. We have already begun to create change—every Budweiser sold in the US is now brewed with 100% renewable purchased electricity, with plans to roll out to other markets around the world. 2018 also marked the launch of our 100+ Accelerator, which mobilizes the world's brightest minds to solve some of the most pressing global sustainability challenges.

Fostering a culture of Smart Drinking

We are committed to responsible drinking and road safety. Our programs include our six city pilots to create innovative evidence-based programs to reduce the harmful use of alcohol and a global internal competition to help promote Smart Drinking messaging through commercial communications using social norms marketing. Additionally, as part of our commitment to reach 20% of our volumes from NABLAD by 2025, we continue to expand our portfolio with high quality options. In 2018, we expanded our NABLAD portfolio to 76 offerings by

successfully adding 12 new products, reaching approximately 8% of our global beer volume within this segment. We also continued our ongoing efforts to address road safety with our Together for Safer Roads coalition and a new partnership with the United Nations Institute for Training and Research (UNITAR) to help improve road safety worldwide.

Deleveraging to our optimal capital structure

About two years ago, we completed a transformational combination with SAB. We believe the total company is greater and stronger than the sum of its parts, and we remain disciplined and focused on deleveraging to our optimal capital structure of around 2x net debt to EBITDA. We expect our net debt to EBITDA ratio to be below 4x by the end of 2020.

Our debt portfolio and liquidity position provide our business with operating and financial flexibility. We have addressed large near-term maturities to eliminate refinancing needs and will continue to proactively manage our debt portfolio. Our debt portfolio is comprised of a diverse currency mix that provides access to liquid debt markets, and 94% of the portfolio holds a fixed-interest rate. Additionally, our 16 billion USD of liquidity far exceeds our debt maturities in any given year.

Considering this year's currency volatility and consistent with our capital allocation priorities, in October we proactively rebased our dividend payout by 50% to accelerate deleveraging. In doing so, we continue to prioritize investments in organic growth opportunities and create greater financial flexibility.

Achieving results together

Thank you to our shareholders for your continued support, as we remain focused on delivering solid organic growth while deleveraging toward our optimal capital structure. We are a company of owners who take results personally, and we are never completely satisfied with our results, including in 2018.

As we begin 2019, we firmly believe that with our commercial strategy, robust portfolio of brands, diverse geographic footprint, unparalleled efficiency and, most importantly, our strong pipeline of committed and talented people, we can deliver on these objectives now and in the future.

Carlos Brito
Chief Executive Officer

Olivier Goudet
Chairman of the Board

Key Figures.

Performance

+4.8%

revenue growth

22,080

million USD

2018 normalized EBITDA

567 million hl

2018 beer volumes

40.4%

EBITDA margin expansion
of 118 bps to 40.4%



Operations

50

Operations in nearly
50 countries

227

breweries

13,000

owned retail locations

150+

Beers sold in
150+ countries



Brands

>500 brands

377

377 beer awards won at 16 major
international competitions in 2018

8/10

8 out of the 10 most valuable
beer brands worldwide
according to BrandZ™



Dream-People-Culture**175,000**

colleagues

100+

nationalities represented across our company

16

Minimum 16 weeks gender neutral primary caregiver leave globally



Nearly half of our breweries in the US are led by female brewmasters

Sustainability**7,000**

farmers participated in our SmartBarley Program globally and smallholder skills programs implemented in Colombia, India, Mexico, Uganda and Zambia

-8.0%

Our total water usage has decreased 8.0% since 2017 and global strategic partnerships launched with World Wildlife Fund for Nature (WWF) and The Nature Conservancy (TNC)

Smart Drinking & Road Safety**6**

City Pilots in 6 cities around the world

**8%**

of our global beer volume is no- or low-alcohol

>135 million USD

invested in dedicated social marketing campaigns and related programs over the past two years

End of 2020

Target year to place a Guidance Label on all of our beer products in all markets

13%

reduction in fatalities in the state of Sao Paulo, Brazil between 2015 and 2017, accounting for over 496 lives saved

Community Support**>1.4 million**

cans of emergency drinking water donated across the US

18,500+

retailers supported via our small retailer development program

4.5 million

liters of water per day to support Cape Town, South Africa in its pressure management project during major drought

202,000+

volunteers engaged in Colombia, Peru, Ecuador and Mexico via volunteering programs #MeUno and Voluntarios Modelo

62,000+

colleagues engaged worldwide on Global Be(er) Responsible Day

43.5%

of our volume is in returnable packaging

Recycled content in our primary packaging:

64.7% in Cans
41% in Glass
15.7% in PET

4.5%

reduction in emissions (Scope 1, 2 and 3) across our value chain since 2017

16%

To date, we have contracted 50% of our electricity from renewables sources, and 16% of this is already operational



Highlights of the year.

Jan.

Stella Artois debuted a Super Bowl ad to kick off our fourth annual campaign in partnership with Water.org. The ad brought attention to the global water crisis and announced our 2018 limited-edition chalices available for purchase. Since the start of our partnership in 2015, we have sold more than 460,000 chalices and **helped over 1.5 million people gain access to clean water.**

Budweiser revealed a renewable electricity symbol at the World Economic Forum in Davos to champion its commitment to brew with **100% renewable electricity.** The symbol was launched in the United States and Chile and will continue to roll out into other markets around the world by 2025.

Feb.

We signed a partnership agreement with the United Nations Institute for Training and Research (UNITAR) to collaborate to **improve road safety.** Together we will create a road safety management toolkit that will be available worldwide, enabling governments to better address road safety.

Mar.

We launched our **new 2025 Sustainability Goals**, which are aligned with the UN Sustainable Development Goals. They focus on making ambitious progress in four areas: smart agriculture, water stewardship, circular packaging, and climate action.

We completed a 50:50 merger with Turkey's leading brewer Anadolu Efes' existing businesses in Russia and Ukraine. Following the closing of the transaction, the operations of our and Anadolu Efes' businesses in Russia and Ukraine are now combined under **AB InBev Efes.**

Apr.

We introduced a new patent that is **estimated to reduce our operational emissions by 5% where implemented.** The technology creates gas bubbles without needing a lot of heat and water, reducing energy usage at our breweries.



May

We announced our new **Global Parental Leave Standard**, extending parental leave to more people and ensuring a global minimum standard parental leave of 16 weeks for primary caregivers and 2 weeks for secondary caregivers, regardless of gender.

We reacquired the rights to the **Budweiser brand in Argentina.**

Jun.

In 2018, we were among the best-in-class for our marketing campaigns at the prestigious International Festival of Creativity in Cannes, France, winning a total of **23 Lions and two Grand Prix**, the highest honor.





Jul.

Budweiser was the most talked about brand on digital and social media during the **2018 FIFA World Cup Russia™**, with an estimated five billion social media impressions. Eight million Red Light Cups amplified the euphoric energy of the game across the world. It was the biggest commercial campaign in our company's history, with activations across more than 50 markets and 565,000 points-of-consumption. Our sponsorship contributed to 2Q18 net revenue +10.1% outside of the US and sustained top-line growth of 9.3% outside of the US in 3Q18.



We announced a **new organizational structure** for future growth, simplifying our structure from nine to six management regions and creating two new senior leadership positions to capture organic growth opportunities in no-alcohol portfolio and owned-retail.

Aug.

We launched the **100+ Sustainability Accelerator** to host and fund startups that are solving challenges to create a more sustainable world for all. In its first year, our accelerator program received over 650 applications from startups across 20 countries around the globe. 21 companies were selected to participate in the inaugural cohort and are being piloted in 12 countries. Each will receive up to 100,000 USD investment and the opportunity for further partnership and/or investment from our company as well as external partners at a demo day in 2019.



Sep.

We took part in **Global Be(er) Responsible Day**, engaging more than 62,000 colleagues worldwide to promote awareness about Smart Drinking. Together, we spread Smart Drinking messages to more than 3.6 million consumers on one day through direct interactions.



Our CEO Carlos Brito joined Mike Bloomberg at a press conference to promote the **2019 Gender Equality Index** at the Bloomberg Global Business Forum in New York.

Oct.

We appointed our company's first **Global Director of Diversity & Inclusion**.

Nov.

We announced the winners of our **"Smartest Smart Drinking Campaign Competition,"** an internal competition that challenged our marketing teams around the world to promote smart drinking messaging through social norms marketing and innovative consumer-facing campaigns.

Our **BrewRight technology** was recognized at the 2018 Financial Times Intelligent Business Awards. This innovative in-house tool helps us be proactive against corruption, fraud and money laundering by using data analytics and risk scoring to help identify patterns in everyday transactions that may require more investigation or oversight.

Our beers won six awards at the internationally-renowned **European Beer Star Awards**, with the winning beers including an English bitter from our Sydney-based brewers at 4 Pines and the Belgian-style ales of our Dutch brewers at Hertog Jan. The winners were crowned at the BrauBeviale fair in the Bavarian city of Nuremberg, Germany.

Dec.

We announced a deal with Europe's largest solar energy company, Lightsource BP, to purchase **100% renewable energy** for Budweiser operations in the UK.

Labatt, our Canadian subsidiary, announced a research partnership with Tilray, a global player in cannabis production and distribution, to research **non-alcohol beverages** containing tetrahydrocannabinol (THC) and cannabidiol (CBD) in Canada. The research partnership is limited to Canada and no decisions regarding the commercialization of beverages have been made.

Brewing a better future.



More than 600 years ago, we began revolutionizing beer. Here's to the next 100 and beyond!

We unite nearly 175,000 exceptional people and more than 500 iconic brands around a passion for brewing the highest quality beer.

With a robust portfolio of beers including affordable, premium, easy drinking, flavored beers, near beer options and more, our Dream is bringing people together for a better world. We are a truly global brewer, embedded in communities around the world as a family of local companies.

Leading the way for the beer category

According to Euromonitor, we brew more than a quarter of the world's beer, with a far greater share of the industry's EBITDA. As the world's leading brewer, we take responsibility for the health and growth of the global beer category.

We have adopted a new way of looking at the beer category that recognizes different market maturities and the role of brand portfolios in driving growth. As we look forward, we are excited about the growth opportunities in our expanded footprint for both developed and developing markets.

Adapting our product mix to meet evolving tastes

We are continually diversifying and innovating our beers to offer more choice with the highest quality. Our goal is to create beers that consumers can enjoy in a variety of occasions. Our category expansion framework allows us to anticipate changing consumer habits and trends so we can define the optimal portfolio for any market to drive growth.

We are positioned to not only ensure that we are bringing new consumers into the beer category through our brands, but also to offer existing customers new ways to engage with a wide range of beer offerings to meet different occasions.



We are also working to invigorate core lager through brand extensions, like Bud Light Lime and Orange that appeal to younger, legal drinking age consumers, and both men and women. Another way we elevate core lager is through pack innovation, such as our ring pull Harbin bottles in China that have an easy open bottle format with a distinctive opening sound.

Delivering growth through premiumization

The most immediate substantial growth opportunity for our business is through premiumization. We recognize this as a global trend, and beer as a category significantly under-indexes in premium share versus other categories.

The growth in premium can only be achieved by having a strong portfolio strategy. We have today a robust portfolio of brands to drive the premium segment and we are accomplishing this with our High End Company. We have identified 11 brands that make up our global premium portfolio and, together with other local brands, allow us to play in all relevant beer styles. So far, we have successfully rolled out the High End Company in 22 countries, with overall revenue growth up 25.6% vs. 2017.

#1

Global brands were our #1 growth engine in 2018

+1/3

Revenue of our three global brands represented more than one-third of our growth in 2018



Spotlight On: Our Global Brands

Our global brands expanded into a number of new markets over the last year. We saw successful scale ups of the global brand portfolio, especially in Australia, Colombia, Ecuador, Peru and South Africa. In 2018, our global brands were our number one growth engine, representing more than one third of our total net revenue growth vs. 2017. Here are some other highlights of our global brands over the past year.

Budweiser

Budweiser revenue grew 5.3% globally and 10% outside of the US, behind a strong FIFA World Cup Russia™ campaign and continued expansion into new geographies.

- Leveraged one of the world's biggest platforms, the 2018 FIFA World Cup Russia™, to activate Budweiser in more than 50 countries. This was our largest and most successful campaign ever. Budweiser was the most talked about brand on digital and social media channels during the tournament.
- Successfully launched the third series of Budweiser's Reserve Collection, Copper Lager. The collaboration with Jim Beam became one of our top 15 share gainers in the US in 2018.
- Launched a renewables platform at the World Economic Forum in Davos, Switzerland in January 2018. Every Budweiser sold in the US is now brewed with renewable electricity.
- Had a remarkable year in China, with geographic expansion into new territories beyond Guangdong and Fujian, plus channel expansion into Chinese restaurants and traditional trade.

Stella Artois

Stella Artois continued to see strong, balanced growth, up 5.2% globally, driven by its increased penetration of the meal occasion.

- Continued a successful partnership with Water.org, selling more than 460,000 chalices, and helping over 1.5 million people gain access to clean water since 2015.
- Successfully launched new brand campaign Joie de Bière across 15 markets, inspiring people to bring enjoyment to every day.
- UK Stella Artois grew double digits through a Wimbledon campaign featuring limited edition packaging and a ticket giveaway.

Corona

Corona grew double digits for the fourth consecutive year, with revenue up 17.6% globally and 28.5% outside of Mexico. China has become the number one export market for the brand in the world in markets where we operate.

- Expanded the Corona SunSets franchise, a worldwide series of music festivals, with 11,000 SunSets events activated in 25 of Corona's biggest countries in 2018.
- Introduced a new lower alcohol variant, Corona Ligera, which became the number one premium imported mid-strength beer in Australia in 2018.
- We continued our Corona X Parley Partnership to address marine plastic pollution, conducting over 300 cleanups in over 15 countries, including the Maldives, Palau, Mexico, Dominican Republic, Chile, Indonesia, Italy, South Africa and Australia, with over 7,000 volunteers collecting more than 3 million pounds of plastic waste.

Sharing our passion for beer with the world.

We are geographically diversified with a balanced exposure to developed and developing markets, operating in nearly 50 countries worldwide.



North America

In North America, total volume was down 2.5%, revenue declined 0.8% and Normalized EBITDA was down 2.4% vs. 2017. Normalized EBITDA margin contracted by 68 bps to 39.7%.



Latin America West

In Latin America West, total volume was up 4.5%, revenue increased by 9.5% and Normalized EBITDA was up 16.4% vs. 2017. Normalized EBITDA margin expanded by 306 bps to 52%.



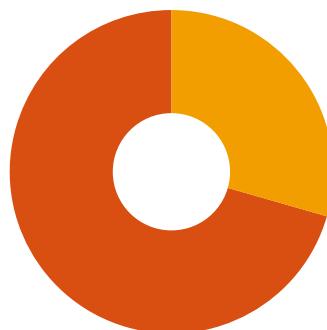
Latin America North

In Latin America North, total volume was down 3.5%, revenue increased by 3.0% and Normalized EBITDA was up 5.2% vs. 2017. Normalized EBITDA margin expanded by 95 bps to 43.7%.

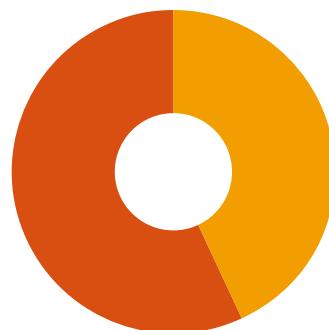


Latin America South

In Latin America South, total volume was down 1.0%, revenue increased by 21.3% and Normalized EBITDA was up 30.8% vs. 2017. Normalized EBITDA margin expanded by 369 bps to 48.2%.

TOTAL VOLUMES 2018

● DEVELOPED MARKET - 30%
● EMERGING MARKET - 70%

TOTAL REVENUE 2018

● DEVELOPED MARKET - 43%
● EMERGING MARKET - 57%

EMEA



In EMEA, total volume was up 2.3%, revenue increased by 4.1% and Normalized EBITDA was up 1.3% vs. 2017. Normalized EBITDA margin contracted by 100 bps to 35.8%.

Asia Pacific



In Asia Pacific, total volume was up 2.1%, revenue increased by 6.1% and Normalized EBITDA was up 12.8% vs. 2017. Normalized EBITDA margin expanded by 218 bps to 36.4%.

Simplifying our structure

As of 1 January 2019, we have shifted from nine to six management regions. We made these changes to more closely align with our consumers, make our company more agile in the regions and proactively pursue growth opportunities.

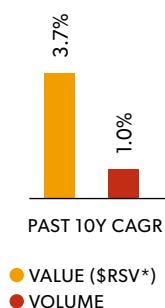
Driving growth.



Our scale as a truly global brewer, embedded in communities around the world, gives us insight into emerging consumer trends, allowing us to benefit from new opportunities. Over recent years we have significantly increased our focus and capability in forecasting the key drivers of consumer choice to identify trends and opportunities.

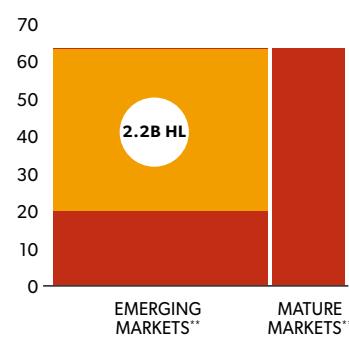
VALUE AND VOLUME GROWTH ON A GLOBAL BASIS

Global Beer Category



SIGNIFICANT POTENTIAL FOR PER CAPITA CONSUMPTION GROWTH

Per Capita Beer Consumption (L p.a.)



* Retail Sales Value in constant \$US

** Mature Markets = W. Europe, E. Europe (ex. Turkey, CIS), North America, Japan, S. Korea, Singapore, Australia, NZ. Emerging Markets excludes Pakistan, Indonesia, MENA

Source: GlobalData, PlatoLogic, IWSR, Nielsen, IRI



Identifying long-term growth potential

The global beer category remains healthy and robust, with growth in terms of both volume and value over the past ten years. We believe there is a significant opportunity for volume growth globally, especially within the beer category in emerging markets, due to the difference in per capita consumption in mature versus emerging markets with a significant potential gap to be closed.

This potential is backed up by the growth we have seen in emerging markets over the last several years. One example is our exceptional growth in Nigeria following the stabilization and economic growth of the country, where our portfolio of premium brands appeals to an emerging middle class of consumers who demand quality and great experiences.

We believe there are still more opportunities for per capita consumption to grow in emerging markets and are putting affordability initiatives in place to capitalize on this potential, including using local crops in our beer and using affordable packaging.

We are convinced that this growth potential is compatible with our economic impact and Smart Drinking agenda.

Adapting to meet changing consumer needs

An important trend across most consumer goods, including beer, is premiumization. Consumers are trading up for more affordable luxuries and many of our beers offer them a premium experience. Compared to wine and spirits, beer is in the early stages of premiumization which presents an exciting opportunity to continue to increase sales value and also margin by enhancing mix.

In this table, you can see premium brands and their share of total market. We believe there is significant headroom for growth ahead of us and the beer category. This growth will continue to be supported and capitalized on by our portfolio of global brands as well as the High End Company which has significantly expanded our capabilities to execute in the market.

% CATEGORY VOLUME PRICED

	Beer	Spirits	Wine
Early Maturity Market	0%	7%	18%
Mid-Maturity Market	3%	17%	70%
Late Maturity Market	6%	30%	85%

Source: GlobalData, PlatoLogic, IWSR, Nielsen, IRI

Turning challenges into opportunities

In today's market, environmental risks such as climate change and water scarcity are real. Our sustainability initiatives help us to manage risk while also creating value through new products and campaigns with purpose.

Our approach to sustainability allows us to turn emerging challenges into opportunities – for ourselves, our partners and the communities where we operate. Mitigating water risk means improving water security for our communities. Investing in agriculture development and innovation means we are improving productivity and livelihoods for our farming communities.

Our three global brands are all championing initiatives to help drive change on serious environmental issues. Budweiser has committed to renewable electricity, Corona has partnered with Parley for the Oceans to help mitigate ocean plastics and Stella Artois has partnered with Water.org to improve water access in developing countries. All of these brands are growing strongly.

The growing premium segment includes craft beers like Goose Island.



From seed — to sip.

We are a company of owners who take results and progress personally, constantly driving towards a better future. We have a passion for brewing the highest quality beers our consumers love.



Our people

Our greatest strength is our people. Our people are curious, bold and resilient. We recruit, develop and retain people who can be better than ourselves.



Our partners

We recognize no single organization can solve today's global challenges alone – effective partnerships are critical to addressing the most pressing challenges of today, and tomorrow, and the private sector must play a proactive role.



Our suppliers

Relationships are essential to our operations—especially with our suppliers. Their collaboration is a key element to creating a resilient supply chain that delivers value and contributes toward our sustainability goals.



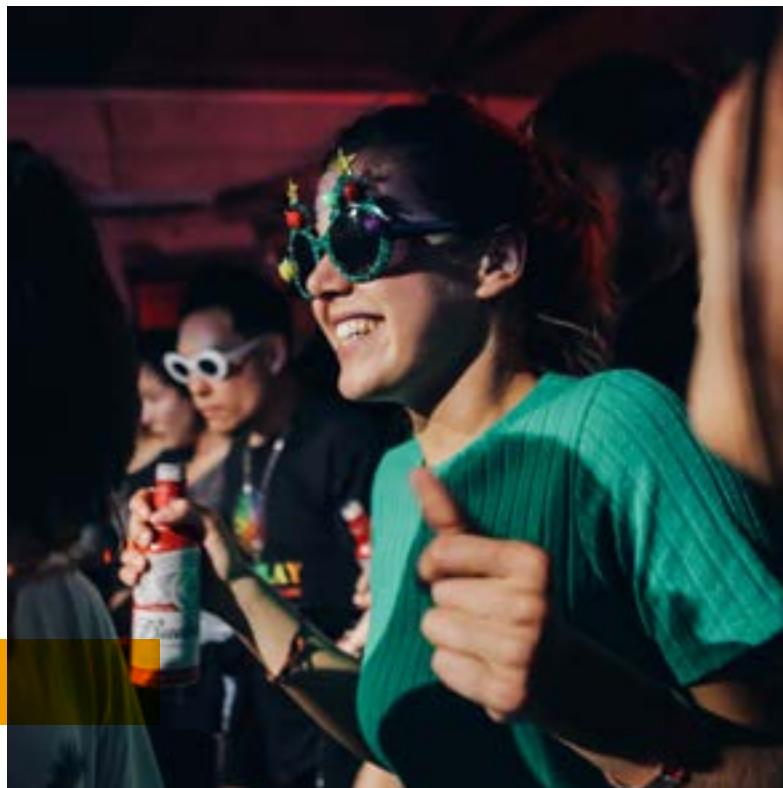


Our shareholders

Delivering consistent, profitable growth is our priority. We never take shortcuts. We have built our company with integrity, hard work, quality and responsibility.

Our communities

We are closely connected to the communities where we live and work. We strive to contribute positively to important issues such as sustainability, smart drinking and road safety in such communities. Our goals are focused on where we, as a global business of scale, can make the greatest positive impact.



Our customers

We partner with valued retailers, bar owners, wholesalers and distributors to bring our beers to our consumers, while supporting their business growth, striving to provide best-in-class service as well as pursuing extraordinary execution of our brands on- and off-trade.

Our consumers

Our consumer is the boss. Beer brings people together to celebrate life, and we serve our consumers by offering meaningful brand experiences, always in a responsible way.



Dreaming big is in our DNA.

We are a company of owners—empowered to lead real change, deliver results and grow at the pace of our talent. Dream-People-Culture is the platform on which we have and will continue to build our company. It is the foundation of our success, and it drives our performance.



Setting a foundation with our principles

Our ten principles form the essence of our culture, allow us to achieve a level of consistency in the way we do things while respecting local cultures and enable us to work together toward one shared Dream around the world.

Dream

- 1 Our shared Dream energizes everyone to work in the same direction: Bringing people together for a better world.

We are all brewers. Passion for beer is our life.



People

- 2 Our greatest strength is our people. Great people grow at the pace of their talent and are rewarded accordingly.
- 3 We recruit, develop and retain people who can be better than ourselves. We will be judged by the quality of our teams.

Culture

- 4 We are never completely satisfied with our results, which are the fuel of our company. Focus and zero-complacency guarantee lasting competitive advantage.
- 5 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.
- 6 We are a company of owners who take results personally. We lead by example and do what we say.
- 7 We believe common sense and simplicity are usually better guidelines than unnecessary sophistication and complexity.
- 8 We manage our costs tightly, to free up resources that will support sustainable and profitable top-line growth.
- 9 Leadership by personal example is at the core of our culture. We do what we say.
- 10 We never take shortcuts. Integrity, hard work, quality, and responsibility are key to building our company.

Brewing big, dreaming bigger

Brewing the world's most loved beers, building iconic brands and creating meaningful experiences are what energize and inspire us. We empower our people by pushing the boundaries of what is possible because we believe that through the hard work and strength of our teams, we can achieve anything. This is evident in many of our initiatives launched in 2018, including our 100+ Accelerator, and how we use the reach of our global brands to play an important role in our sustainability agenda.

Our people are curious, bold and resilient. We see challenges as opportunities and are excited by the possibilities they offer. We are constantly learning and growing, to recruit, develop and retain people who have the potential to be even better than ourselves.

Building careers and empowering our people

A rewarding career is not about waiting your turn—it is about realizing your goals and having impact. That is why we encourage fast career growth and early leadership—whether that means cross-functional experiences, global opportunities or leadership development.

Our Global Management Trainee (GMT) Program fast-tracks the careers of the brightest, most driven university graduates through a 10-month rotation that offers in-depth exposure to our business operations and global projects. We also bring in a strong pipeline of high-potential MBA talent through our Global MBA (GMBA) program. The GMBA program is a one-year development program that offers "deep dives" into the operations of several regions, unique exposure to senior leaders globally and the opportunity to work on some of the most impactful projects in the business.

The class demographics of our GMT and GMBA programs exemplify our focus on bringing in diverse talent and improving gender parity. Our 2018 GMBA class was made up of 50% men and 50% women, including participants from 10 different nationalities. Our 2018 GMT class was made up of 53% men and 47% women, including participants from 27 different nationalities.

We look for long-term leadership potential when attracting talent. This is evidenced by the fact that 62% of our salaried colleagues (bands 0-VII), have been with the company for more than five years, 32% have been with us for over 11 years and 11% have been with us for more than 20 years. For our senior colleagues who are director level and above, 81% have been with us for more than five years.

Measuring employee engagement

In order to encourage continued motivation and a culture of ownership, as well as reduce turnover, improve productivity and create more overall employee satisfaction, we place a strong emphasis on employee engagement. This starts with measuring engagement to create a benchmark to identify gaps and then build initiatives to improve engagement moving forward. Our engagement survey results and participation rates continue to be well above industry averages.

SUPPORTING COMMUNITIES AROUND THE WORLD

Volunteering in communities

Volunteering is one of the best ways to bring people together for a better world. All around the world, our people are passionate about empowering communities. We encourage these efforts through volunteering initiatives that are often also open to our families, friends, partners and consumers.

One key program is Global Be(er) Responsible Day, which in 2018 engaged more than 62,000 colleagues worldwide to promote awareness about smart drinking. Together, we spread smart drinking messages to more than 3.6 million consumers in one day through direct interactions, generating over 215 million social media impressions. We also engaged with more than 1.1 million points of consumption, retailers and wholesalers throughout the month of September.

Our local teams also organized their own volunteering efforts. In Mexico, our volunteering program Voluntarios Modelo engaged more than 135,000 people in volunteering activities in their communities, including many of our colleagues. In Brazil, our skills-based volunteering program VOA provided management training to 185 non-governmental organizations (NGOs) leveraging the management expertise of 191 of our colleagues. In Colombia, Ecuador and Peru our volunteering program #MeUno engaged more than 67,000 volunteers in environmental and educational activities. In the US, South Africa and Colombia our Pro Bono Marathon leveraged the skills of 194 colleagues to help 13 nonprofit partners solve organizational challenges.

Supporting disaster relief efforts

In 2018, many communities around the world were affected by droughts, earthquakes, wildfires, floods and other natural disasters. We believe we can play a positive role in building communities more resilient to disasters by working alongside government, civil society and other private sector organizations.

In South Africa, we responded to a major drought in Cape Town by providing the community access to local spring water (the public can collect a maximum of 25 liters per person per day). Additionally, we supported the city in its pressure management project to save 4.5 million liters of water per day.

In the US in 2018, we sent over 1.4 million cans of emergency drinking water to disaster relief efforts across the country in partnership with the American Red Cross through our Anheuser-Busch Emergency Drinking Water Program. In September 2018, our Fort Collins, Colorado, brewery added the necessary equipment to produce canned drinking water, so that we now have two US breweries with this capability in strategic locations.

We also responded to a major urban fire in a vulnerable community in the Brazilian city of Manaus, which was caused by a pressure cooker explosion in a home kitchen and impacted 520 families. We provided financial support in less than 24 hours, helping to acquire 260 new, safer ovens for the affected families.

In Brazil, our skills-based volunteering program VOA provided management training to 185 non-governmental organizations

1.4 million

cans of emergency water distributed in 2018 in the US



Supporting small enterprises and communities to thrive

Our small retailer development programs supported over 18,500 small retailers in eight markets across four regions. The initiatives aim to improve the incomes and livelihoods of small retail outlets in our distribution chain through access to tools such as business skills, financial services and infrastructure. In Colombia, Peru and Ecuador, the programs focused specifically on female-owned retailers, helping to support gender equality and women's economic empowerment.

In South Africa, we continued to empower small entrepreneurs and our suppliers with advanced business capabilities and access to new commercial opportunities, leading to the creation of over 2,400 jobs. This contributes to South African Breweries' goal to create jobs through enterprise and supplier development, helping drive inclusive economic growth and development.

We also work to drive positive impact that is tailored to the needs of the communities in which we work. Our foundations, such as the Anheuser Busch Foundation, Bavaria Foundation, Grupo Modelo Foundation and SAB Foundation, play a key role in achieving this.





Our CEO Carlos Brito joined Mike Bloomberg at a press conference to promote the 2019 Gender Equality Index at the Bloomberg Global Business Forum (September 2018, New York)



DIVERSITY AND INCLUSION

We believe that our greatest strength is our diverse team of people. Diversity and inclusion in our organization helps us to achieve our Dream as it enables the diversity of thought needed to achieve exceptional results. Our focus is on attracting, hiring, engaging, developing and advancing the very best talent and creating a level playing field—regardless of gender, ethnicity, sexual orientation or any other characteristics that make our colleagues unique.

Our global footprint provides us with an unparalleled opportunity to attract talent from diverse backgrounds. Currently, over 100 different nationalities are represented across our company and 55 nationalities are represented in our Global Headquarters.

Beyond that, reflecting the diversity of our footprint enables us to better understand our consumers and meet their needs. We believe that diversity of thought delivers better decision-making and more innovative ideas.

Our company was built by passionate people building a company to last. By creating opportunities for everyone, we will continue growing for the next 100+ years.

Driving diversity is a global priority for us

In 2018, we made progress in showing accountability for diversity and inclusion. For example, we launched our first global Diversity and Inclusion Policy as part of our Global Code of Conduct and appointed our first Global Director of Diversity and Inclusion in October.

Showcasing our commitment to diversity

In November, we signed the UN Women's Empowerment Principles & CEO Action for Diversity Pledge. The first action as part of our collective pledge was to celebrate 'A Day of Understanding' with a workshop for senior Global Headquarters colleagues moderated by PwC. Our CEO Carlos Brito opened the session by sharing personal insights on diversity, inclusion and unconscious bias. We also participated in the Bloomberg Gender Equality Index for the first time by releasing data on our workforce, benefits, products and gender related programs in our value chain, which resulted in us being listed on the 2019 Index. 2018 also marked the third straight year we achieved a 100% score on the Human Rights Campaign Corporate Equality Index in North America.

To further our progress towards our diversity and inclusion goals, we have joined organizations including Management Leaders for Tomorrow, OUTstanding, EMpower, Mercer's Global Diversity Forum and MAKERS@. We are also a Corporate Partner of the Stanford VMware Women's Leadership Innovation Lab.

Creating our goals and strategy

In 2018, we expanded our existing diversity and inclusion strategy beyond the workplace alone to encompass our broader value chain and communities. The strategy sets goals including attracting diverse talent, enabling our workforce to recognize bias and creating an inclusive work environment. Additionally, it defines priorities such as reviewing our policies and processes to be more inclusive, reflecting diversity and inclusion throughout our value chain and supporting relevant initiatives across the communities in which we operate.

Hiring and developing diverse talent

To ensure fairness across our processes to attract, hire, engage, develop and advance talent, we are establishing and tracking metrics in a global dashboard that will be reported to the executive team and board annually. Beyond that, in 2018 we trained close to 200 of our current Senior Leadership Team (SLT) and their direct reports through in-person workshops on unconscious bias and inclusion. Other managers and leaders globally were also given unconscious bias training through online and in-person training, and we implemented trained bias breakers in our performance review meetings.

"At INVOLVE, we've been extremely impressed with AB InBev's commitment to progressing their diversity and inclusion journey. From working with INVOLVE to launch their first ever Global D&I Policy, to hosting our New York Role Model dinner, it is clear that their desire for positive change is strong, and we are looking forward to seeing more in 2019."

- SUKI SANDHU, FOUNDER & CEO, INVOLVE

Committed to women in leadership

We are actively working to increase female representation, especially at the most senior level and have increased the percentage of women in our salaried workforce to 30%, which is up 2pp since 2016. We have also increased the percentage of female partners (bands 0-IV) to 20%, up 3pp since 2016. In 2018, we had 18% women in our overall workforce and 25% of our new hires were women.

Today, nearly half of our breweries in the US and a quarter of our breweries in Argentina, China and Europe are led by female head brewmasters, and they have played a crucial role in brewing some of our best-known beers.

Empowering caregivers

In May 2018, we launched our first Global Parental Leave Standard in all of the nearly 50 countries where we operate to provide caregivers with the leave they need to bond with their new children. All primary caregivers—irrespective of their gender—receive a minimum of 16 weeks of time off at 100% pay. Secondary caregivers receive a minimum of two weeks of time off at 100% pay. This new Standard now exceeds local regulatory requirements in over half of the countries where we operate.

As one of the world's leading companies, we believe we have not only a responsibility but an opportunity to support our colleagues through important life events. We are proud to set an example by setting a minimum parental leave standard globally that is available for all parents including same sex and domestic partners.

Supporting LGBTQ+ rights

We are committed to growing global pride in the LGBTQ+ community around the world. In 2018, we helped support LGBTQ+ rights with a variety of programs and some of our largest brands. We partnered with external organizations including Out for Undergrad, Reaching Out MBA and OUT-standing. Our Chief People Officer, David Almeida, advocated for LGBTQ+ rights at the Economist Pride and Prejudice LGBTQ+ Rights forum.

Driving impact through our brands

In addition, our brands play a powerful role in society, bringing people together through meaningful experiences. In 2018, some of our largest brands have championed our values of respect and inclusion in their campaigns and been forces for social change.

"Diversity and inclusion is a priority for my leadership team and me. Diverse teams bring better outcomes, and by working together with others to share best practices, we have an opportunity to drive positive impact through our colleagues, our brands, our consumers and our value chain."

CARLOS BRITO, CHIEF EXECUTIVE OFFICER, AB INBEV

Carling Black Label tackles gender-based violence in South Africa

We leveraged the popular Carling Black Label to raise awareness amongst the brand's largely male consumer base and help make progress towards putting an end to a critical national issue: violence against women. The #NOEXCUSE campaign kicked off in 2017.

As of January 2018, 55% of the target audience reported that they were aware of the campaign; and of those who reported being aware, 74% reported being willing to spread the word that domestic violence is unacceptable.

Skol supports LGBTQ+ inclusion in Brazil

Skol started a movement to raise awareness of LGBTQ+ inclusion by "donating" the "L" from the brand name to the LGBTQ+ acronym. For the month of June, Skol's product name appeared as "Sko" in social media. Skol invited other brands in Brazil to join them and each of the allied brands pledged to donate to organizations that support the LGBTQ+ community.

Grupo Modelo sponsors LGBT+ in Mexico

From February to July, our business in Mexico sponsored a temporary exhibition called "LGBT + Identity, Love and Sexuality" at the Museum for Memory and Tolerance in Mexico City. The objective of the exhibition was to raise awareness around the richness of diversity and the understanding of gender and sexual orientation, with the aim of promoting a harmonious coexistence and eradicating discrimination.

Castle Lager smashes labels in South Africa

In August, we removed labels from Castle Lager bottles to show our solidarity with all those who are unfairly and callously labelled on a daily basis. The goal of the campaign was to help raise awareness and eradicate the labels that divide us all.

Our Chief People Officer David Almeida at the Economist Pride and Prejudice forum (May 2018, New York)



-36%

**total number of lost time
injuries vs 2017**



WORKPLACE SAFETY

Increasing safety in the workplace

The safety of our employees is our top priority. In 2018, we continued to increase awareness and promote safe behaviors with our colleagues and communities. Through our campaigns, including World Safety Day and our Global Behavioral Safety Initiative, we continually demonstrate what safety means to us; leadership commitment and ownership of safety by everybody working in or for AB InBev.

In addition, we made further progress against our key safety metrics. Total number of Lost Time Injuries decreased further with 36% vs 2017. This decrease was made possible by a further roll-out of the Environment and Safety Pillar of our global management systems, namely Voyager Plant Optimization (VPO) and Distribution Process Optimization (DPO) across Africa, COPEC and APAC South Zones as well as investments in improving the safety conditions in the facilities, implementation of behavioral safety programs and our focus on road safety. Our ultimate goal is to minimize risk, build safety leaders throughout the organization and achieve zero injuries. Through dedication and commitment of our team members, many of our operations are well on the way to achieve this dream.

We regret to report 14 occupational fatalities, of which 4 occurred inside the plants and 10 occurred in the field. Our safety programs for 2019 and beyond will continue to focus on preventing serious injuries and fatalities. Personal targets tied to variable compensation have also been significantly adapted to champion these programs.

Infrastructure and road conditions as well as violent assaults are a concern when operating outside of our facilities. This accounts for a portion of fatalities and serious incidents, which is why road safety and violence prevention is a top priority. In 2018, we continued to invest in fleet improvements and in training programs that give our employees the guidance to avoid situations that can put them at risk.

VPO and DPO continue to be our flagship programs where we track and monitor safety performance in our organization.

	2018	2017
Lost Time Injuries (LTIs)		
Supply Employees	135 ^A	233 ^A
Second Tier/Sales Employees	318 ^A	360 ^A
Contractors (All)	492	890
Total Recordable Injuries (TRIs)		
Supply Employees (Own)		
- Combined	415 ^A	*
- Pre-combination	246 ^A	269 ^A
Second Tier/Sales Employees		
- Combined	1,116	*
- Pre-combination	986	811
Fatalities**		
Supply Employees (Own)	1 ^A	0 ^A
Second Tier/Sales Employees (Own)	4 ^A	4 ^A
Contractors (All)	9 ^A	6 ^A

^A Assured metric (please refer to External Assurance Report on page 51)

* Due to the focus on more severe accidents during 2017, TRIs from former SAB plants were not be reported. Internal controls regarding the reporting of TRIs were not yet sufficiently implemented during 2017, resulting in lower data quality and robustness.

** Fatalities data do not include commuting and community related fatalities as per AB InBev's reporting definitions. The table also does not include road fatalities of contractors which are fully managed by the contracted firm/company.

Key

Lost Time Injuries (LTIs)

Occupational injury resulting in more than one-day absence from work.

Total Recordable Injuries

LTIs + modified duty injuries + medical treatment injuries.

Supply Employees

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

Second Tier/Sales Employees

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

Commuting Fatality

An incident that occurs while coming to work or going home resulting in a fatality to our employee(s).

Community Fatalities

Fatalities that occur to people outside of our operation in the course of doing business.

Setting the standard as a category leader.



To help optimize our portfolio and drive category growth across different markets, we use three interlocking strategic frameworks.

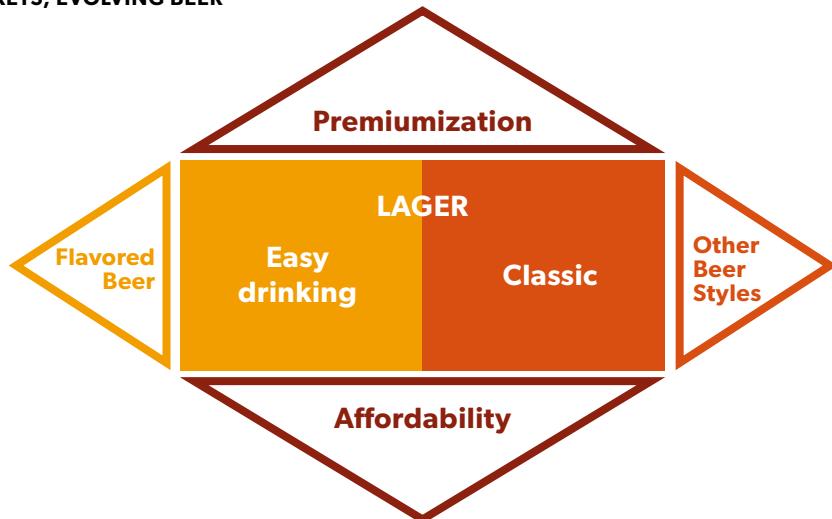
Market Maturity Model

The **market maturity model** is a framework which classifies our markets against a maturity level and share of beer. We know that the beer category evolves as markets mature and we use this model to group markets into clusters. We have found that the growth opportunity for beer differs across each level of maturity.

The model enables us to develop our portfolios and commercial capabilities with a future-facing mindset, so we can:

- Predict the evolution of a market and anticipate market dynamics from more mature markets
- Set specific priorities based on a market's cluster
- Optimize our portfolio of brands to address consumer occasions across clusters

CATEGORY EXPANSION FRAMEWORK
EVOLVING MARKETS, EVOLVING BEER



Category Expansion Framework

The **category expansion framework** guides us in shaping our brand portfolio to take advantage of the new occasions in evolving markets. We use this framework to identify which types of beer will best fit the adapting needs of an evolving market. This allows us how to expand our offerings to anticipate and deliver the types of beer our consumers desire.

Our vision is to structure the evolution of our beers to be similar to other categories:

- Stretch the price ladder through premiumization
- Add lower bitterness propositions
- Introduce sophisticated options
- Extend to savoring and refinement

We believe that the insights derived from the category expansion framework will enable our company to achieve further growth across our diverse geographic footprint at different levels of maturity.

Bringing the category expansion framework to life

At the center of the category expansion framework is core lager, the heart of our business. In many of our markets, both developed and emerging, our largest brand is within core lager. We have begun segmenting our core lagers into two types—easy drinking lagers and classic lagers, both suited for different occasions.

EASY DRINKING LAGER



CLASSIC LAGER



Enhancing category expansion through affordability

We use affordability to provide consumers in emerging markets with affordable, high quality, branded alternatives to illegal or illicit alcohol.

In 2018, we launched two new beers in Brazil, Nossa and Magnífica, brewed with local cassava. These initiatives were launched to drive our affordability platform, tapping into new consumers and giving them a safer, high quality beer option to replace unrecorded alcohol. Beyond that, the launch activated local production of cassava and created an additional revenue stream for the local government, that otherwise would not collect taxes on unrecorded alcohol.

We also had a strong response to our 1L returnable glass bottles in South Africa, a pack format that offers consumers a lower per unit cost. Affordability initiatives such as these support volume and revenue growth.

We are convinced that this growth potential is compatible with our economic impact and Smart Drinking agenda.

Growing our business through premiumization

On the other side of the price spectrum, we use premiumization to unlock future growth by offering more high end beers for a variety of occasions, based on consumer trends. To drive premium sales, we utilize our global brands and the High End Company.

As markets mature, beverage consumption evolves and premium is the fastest growing beer segment in developed markets. Our objective is to grow our share of premium beer by evolving our product mix and allocating more resources to our premium brands.

Colombia is a good example of how we are premiumizing in a market. After the combination with SAB, we introduced our global brands to the Colombian market. Since then, they have grown double digits, allowing us to deliver a more diverse portfolio to consumers across different styles and price points, which has contributed to beer gaining share of total alcohol in that market.

Another example is Argentina, where we have substantially grown our premium share and developed the premium segment with our portfolio that now includes Andes, Patagonia, Stella Artois and Budweiser.

Utilizing our premium brand portfolio

Led by our global brands, our premium brand portfolio offers more choices for consumers as markets mature, providing opportunities for growth. In addition, we are the number one craft beer brewer around the world, with new, exciting and high quality beers to meet the needs of every occasion. An example of the success of our craft business is the global expansion of Goose Island, with brewhouse or brewpub locations now open in Brazil, Canada, China, Mexico, South Korea and the UK, as well as the growth of our specialties portfolio.

Positioning our global brands

Within our global portfolio, each brand maintains its own positioning, occasion and price point, allowing differentiation and minimizing overlap. These brands are our number one growth engine, representing more than one-third of our total net revenue growth in 2018.

- **Budweiser** is the perfect beer for high energy, premium party occasions, plus sports and music events
- **Stella Artois**, with a rich history of over 600 years and its iconic chalice, is positioned to elevate the food experience
- **Corona** is truly a lifestyle brand, designed to be inviting to men and women in the escape moment

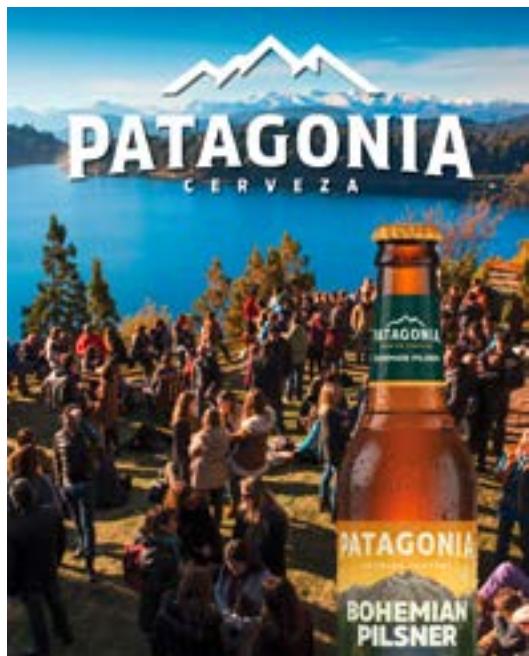
Focusing on the High End Company

The High End Company addresses two main sections of our category expansion framework—premiumization through our global brands, and other beer styles through our specialities portfolio. The premium segment is expected to grow about five times faster than core and value in the years to come.

Elevating the core by offering new and compelling propositions

In addition to offering consumers a variety of options across price points, another way to grow the category is by extending our portfolio to appeal to people with different tastes. We do this by extending core lager to include options such as flavored, savory and other beer styles.

As a customer favorite, our clean, crisp lagers account for most of our brands and beer volumes. We are excited to share the rich traditions of core lager with consumers in different ways, to reach new generations of consumers and elevate lager to make our brands more relevant in consumers' lives.



+18.3%

**High End Company
revenue up 18.3% vs. 2017**



We are invigorating core lager primarily through brand extensions and pack innovation.

In addition, we have a drive to communicate the intrinsic properties of our beers in terms of ingredients and the care and crafting of our brewing processes. A great example of this is our Brahma brand in Brazil, which has seen increased performance as a result of our focus on quality, ingredients, packaging upgrades and line extensions including Brahma Extra and Brahma 0.0.

Optimizing our portfolio for every market

Depending on the level of maturity in a given location, we prioritize different beers across our portfolio to fit the occasions of that market. For instance, in emerging markets there is a bigger focus on classic lagers and affordable brands. In developed markets, the emphasis is on broadening the set of occasions in which beer has a role to play.

Growth champions

We use **growth champions** to ensure that we expand our portfolios and related commercial practices efficiently and at the right time. This process follows one of our most successful business systems, efficiency champions, which provides a benchmark to open gaps, share best practices and then execute on them in a deliberate manner to deliver increasing cost-efficiency. We are now replicating this system through growth champions to benchmark best practices for top-line growth around the world and implement them in new markets with similar characteristics to leverage our scale.



In Brazil, our Brahma brand is elevating the core with packaging updates and line extensions.



+17.6%

Corona grew double digits for the fourth consecutive year, reaching 17.6% vs. 2017

Reviewing our performance.



2018 was another step forward in our company's transformational journey. Our business delivered consistent top-line growth with margin expansion and EBITDA acceleration throughout the year. Revenue growth of 4.8% was driven by own beer volume growth of 0.8% (total volume up 0.3%) as well as continued premiumization and revenue management initiatives. Revenue per hl growth on a constant geographic basis was 4.7%, of which we estimate more than 100 bps was driven by positive mix in line with our premiumization strategy. EBITDA grew 7.9% on a full year basis with margin expansion of 118 bps to 40.4%, with consistent acceleration each quarter in line with our guidance. However, we faced challenging macroeconomic environments in many emerging markets, especially Brazil, Argentina and South Africa, and unfavorable currency volatility has slowed our deleveraging pace.

+4.8%

**Revenue growth
in 2018**

+7.9%

**EBITDA growth
in 2018**

Company highlights of 2018 include:

- Revenue growth of 4.8% coupled with operating leverage drove EBITDA growth of 7.9% with margin expansion of 130 bps and 8.6 billion USD of underlying profit, all despite currency and commodity headwinds
- Volume, revenue and market share growth achieved in many of our important markets this year, led by Mexico, China, Western Europe, Colombia and several African countries including Nigeria
- Premiumization initiatives delivered top and bottom line growth, led by consistent double digit revenue growth in the High End Company and our global brands outside of their home markets
- In the US, we delivered our best annual share trend performance since 2012
- Approximately 8% of our global beer volume in 2018 was no- and low-alcohol as we continued to increase our focus on this opportunity, leveraging global health and wellness trends and in line with our commitment to smart drinking

Major country performances

United States

In the US, our revenues declined by 0.7%. Revenue per hl grew by 1.9%, driven by revenue management initiatives and continued premiumization of our portfolio. We estimate that industry sales-to-retailers (STRs) declined by 1.8%. Our own STRs were down 2.7% and our sales-to-wholesalers (STWs) were down 2.6%, as STWs converged with STRs as expected.

Our top-line performance was supported by the continued success of our commercial initiatives, which led to our best annual share trend performance since 2012 with an estimated decline in total market share of 40 bps.

Our above core portfolio continues to outperform the industry and accelerated share gains to 90 bps in FY18 versus 50 bps in FY17, driven by Michelob Ultra, our regional craft portfolio, the recently rebranded Bon & Viv Spiked Seltzer and our innovations in the segment. Michelob Ultra accelerated its growth in the fourth quarter, solidifying its position as the top share gainer in the US for the past 4 years. Our 2018 innovation pipeline contributed 50% of total industry innovation volume, up from 10% in the previous year, and included Michelob Ultra Pure Gold, Bud Light Orange and the Budweiser Reserve series. These innovations had a strong year and continue to gain share, enhancing the premiumization of our portfolio.

Within their segments, Budweiser and Bud Light are performing better than prior year trends. However, the core and core light segments remain under pressure as consumers trade up to higher price tiers, contributing to Budweiser and Bud Light losing 35 bps and 80 bps of estimated total market share, respectively in 2018.

Our Super Bowl advertising was in line with our strategy to strengthen the beer category. We drove stronger consumer awareness of our premium brands and innovations including Stella Artois, Bon & Viv Spiked Seltzer, Michelob Ultra and Michelob Ultra Pure Gold. Budweiser led the conversation on sustainability and renewable energy, and Bud Light highlighted the brand's commitment to quality and transparency for consumers, following our announcement in January that it would be the first brand in the US to add a comprehensive on-pack serving facts and ingredient label.

Our EBITDA declined by 2.3% in 2018 with margin contraction of 65 bps to 40.3%, as an improved top-line performance was more than offset by commodity headwinds and higher distribution expenses related to a tighter US freight market.

Mexico

Mexico was our best performing market this year in both top and bottom line delivery. We grew volume in every major brand and every region, resulting in a market share gain of 60 bps. Revenue grew by low double digits, revenue per hl grew by mid-single digits in line with inflation, and volumes grew by high single digits.

Throughout the year we have focused on developing our portfolio in line with the category expansion framework to clearly differentiate our brands. This strategy has enabled all of our brands to reach record levels across the country. Our core brands are leading the way for growth with different regional approaches, enabling Corona to grow at an accelerated pace in the Northern region and Victoria to deliver its best performance ever in the Central region. Our premium portfolio contributed meaningfully to top-line growth as well, led by Michelob Ultra and Stella Artois which grew by double digits.

The strong top-line performance, supported by capacity enhancements and continued cost discipline, contributed to EBITDA growth of 19.2% with margin expansion of 304 bps.

Colombia

In Colombia, our revenues grew by 8.4%, with revenue per hl growth of 5.0% and total volume growth of 3.2%. The beer category continues to expand, as we gained an estimated 150 bps of share of total alcohol in the year, leading to beer volume growth of 3.6%. Non-beer volumes grew 0.2%.

We continue to drive premiumization within the category, supported by our global brand portfolio which grew by more than 75% this year, led by a strong performance from Budweiser. Our local brand portfolio also performed well, led by Aguila's country-wide expansion focused on promoting its national identity.

EBITDA grew 17.3% with margin expansion of 418 bps, driven by revenue growth and continued synergy capture.

Brazil

Our business in Brazil reported revenue growth of 1.7% with revenue per hl growth of 6.4%. Volumes declined by 4.4%, with beer volumes down 3.1% and non-beer volumes down 8.7%. We estimate we lost 40 bps of market share in FY18, after gaining approximately 60 bps of market share in FY17.

We gained share in the premium segment, driven by our global brand portfolio which grew by more than 30%. Budweiser grew by more than 25%, Stella Artois was up by more than 40% and Corona led the way as one of the fastest growing brands in the country, with volumes up by more than 75% this year. Our core plus portfolio also delivered strong double digit growth, with both Bohemia and Brahma Extra performing very well.

We under-index considerably in the value segment with approximately 20% market share, and this segment now represents around 23% of the industry. Therefore, in order to capture share of the value segment without compromising our profitability, we are leveraging best practices from other markets to drive affordability initiatives in certain regions. We successfully launched two brands this year brewed with cassava grown by local farmers, which offer consumers an accessible price point while delivering comparable margins to our core portfolio. Nossa was launched in the third quarter in Pernambuco and we estimate it gained 5 percentage points of market share in the state by the end of the year. Applying the learnings from this early success, we launched Magnífica in the state of Maranhão in December, and we continue to explore additional opportunities to scale this initiative throughout relevant states for the segment.

In 2018, EBITDA grew 4.0% with margin expansion of 100 bps to 43.9% as a result of revenue management initiatives and ongoing cost discipline.

Our performance in Brazil this year was below our expectations in the context of a challenging consumer environment. We are committed to improving our results in the market and believe we have the right strategy in place to deliver more balanced top-line growth between volume and revenue per hl. Our strategy is supported by the right brand portfolio, distribution capabilities, commercial investments and people to deliver sustainable, profitable growth in 2019 and beyond.

South Africa

The macroeconomic and consumer environment in South Africa was challenging this year. The VAT increase as of 1 April 2018, numerous petrol price increases and rising unemployment levels continued to have a negative impact on consumer disposable income, which put disproportionate pressure on the core segment where our portfolio is over-indexed. Our revenue in 2018 was flattish, with mid-single digit revenue per hl growth offset by mid-single digit volume declines.

Our premium portfolio continues to grow by triple digits, and we gained 10 percentage points of market share in the growing high end segment this year. In the core segment, which still accounts for the vast majority of our volumes and was held back by a challenging macroeconomic environment, our share remains broadly unchanged, and toward the end of the year we saw an improved performance in volume.

EBITDA this year decreased by low single digits with margin contraction of just over 100 bps, primarily due to escalations in the cost of sales.

+30%
**growth of global
brand portfolio
in Brazil**





China

Revenue grew by 8.3% with premiumization driving revenue per hl growth of 5.6% and supported by volume growth of 2.5%.

Our strong top-line performance resulted in further market share gains of 75 bps as per our estimates. Our super premium brands continued to grow significantly, supported by a strong overall performance of our eCommerce business. Budweiser grew by mid-single digits supported by premiumization efforts which expanded beyond the music platform into fashion and broader lifestyle activations.

EBITDA grew by 20.9% with margin expansion of 338 bps, resulting from top-line growth coupled with continued premiumization and cost discipline.

Highlights from our other markets

In **Canada**, top-line declined by low single digits, driven primarily by a weaker beer industry and our share performance within the value segment, partially offset by the continued success of our trade-up strategy. Our High End Company in Canada is growing ahead of the industry, as Corona and Stella Artois continue to gain share and our local craft brands grew by double digits. Our focus core and core plus brands also continue to deliver solid results, with Michelob Ultra finishing the year as the fastest-growing brand in Canada, and with Bud Light growing share for the 23rd consecutive year.

In **Peru**, we grew revenue by 7.0% amidst a challenging macroeconomic environment that led to a volume decline of 1.7%. Top-line growth was driven by revenue management initiatives and positive brand mix from the growth of our global brands. In Ecuador, we grew revenue by 8.7% with volume growth of 4.9% and we gained an estimated 75 bps of share of total alcohol. This was a result of successful initiatives across our portfolio, led by Pilsener and Club Premium and continued growth of our global brands.

In Latin America South, **Argentina** volumes declined by low single digits, due largely to the consumption contraction resulting from challenging macroeconomic conditions. Despite the tough operating environment, we saw some encouraging trends in the industry and our portfolio. The beer category continues to gain share of throat from other alcoholic beverages, gaining over 3 pp this year. Our premium brands are doing well, gaining share in a growing segment of the industry, driven by Patagonia and Corona, and we continue to scale up Budweiser after reacquiring the rights to the brand in 2Q18. We also successfully repositioned our two largest brands in the country, Quilmes Clásica and Brahma, leading to an improved performance of our core portfolio.

+8.3%

**Revenue growth
in China**

**Michelob Ultra
was the fastest-
growing brand
in Canada in
2018**



Within EMEA, **Europe** grew revenue by low single digits, driven by both premiumization and volume growth. The UK and Spain led the way with double digit revenue growth underpinned by higher volumes, and we grew market share across the region. In **Africa** excluding South Africa, we saw significant own beer volume growth in FY18 in Zambia (up more than 20%) and Mozambique (up high teens), where we achieved record high market share in the last quarter of the year. However, own beer volumes were flattish in Tanzania and down by mid-single digits in Uganda as a result of capacity constraints and a challenging macroeconomic environment. Our growth in Nigeria accelerated throughout this past year following the introduction of our new brewery mid-year to meet demand, with revenue growth of more than 50% in 4Q18 (more than 25% in FY18) driven by double digit volume growth and continued market share gains.

In **Australia**, revenue grew by low single digits, despite lower volumes due to increased promotional activity by competitors and a softer industry performance amidst declining consumer confidence. Great Northern remains a key engine of growth, with continued double digit growth of both Original and Super Crisp variants. Our craft acquisitions continue to grow in strength with double digit volume growth. We also further strengthened our NABLAC portfolio with the launch of our first non-alcohol beer, Carlton Zero.

Driving growth through technology.

Our commitment to innovation is bringing us closer to consumers and communities around the world to drive business growth. We are leveraging new technologies to better engage with our consumers, partners, customers, colleagues and beer lovers around the world.



We have dedicated research labs and technology centers across the globe that are driving innovation and helping to ensure we stay ahead of the curve when it comes to our **commerce, solutions** and our **supply chain**.

From a **commercial** perspective, we are making strategic commercial investments in innovative technologies, optimizing our marketing and sales channels to drive top-line growth and support our customers' business growth.

We are scaling our **solutions** in enterprise technology to drive our commercial strategy and build a more sustainable business by developing capabilities that are globally scalable, secure, integrated and future-ready.

Lastly, technology is transforming our **supply chain**, allowing us to distribute fresher beer more efficiently and contribute to our partners' business growth, while serving evolving consumer needs.

DRIVING INNOVATION ACROSS THE GLOBE



ZX Ventures is brewing up the future, today

ZX Ventures is our global growth and innovation group whose mandate is to invest in and develop new products and businesses that address emerging consumer needs. We seed, launch, and even scale new products that deliver exceptional customer experiences, from services that step-change convenience, to rethinking delivery and more. ZX's organic net revenue growth represented over 10% of AB InBev's organic net revenue growth in 2018.

ZX Ventures operates multiple global business units of varying adjacency to our core beer business including eCommerce, Craft & Specialties, Brand Experience and our incubator and investment arm, Explore.

eCommerce

We acquired BoozeBud, a technology company revolutionizing how Australians can buy alcohol and Atom Group, a spirits, eCommerce and import business based in the UK. In China the eCommerce business grew 78% year over year and added 5.2pp share in 2018. China is also



+10%

ZX's organic net revenue growth represented over 10% of AB InBev's organic net revenue growth in 2018

leading the world in "New Retail", which is the digitization of all formats of retail, which is being driven by both Alibaba and JD.com. In December, AB InBev China was recognized for its leadership by Alibaba, receiving the "New Retail Influence Award," the only beverage or alcohol company to be so recognized.

Craft & Specialties

Craft beer is just starting to take off in some countries, and ZX Ventures is staying ahead of the curve. Our global craft beer brands grew 1.8% off-trade market share since last year. In 2018, one of our craft beer partners, 4 Pines Brewing Company, announced that the company is working on the first beer for space in partnership with Sabre Astronautics. The result is Volstok Space Beer, a low-carbonation dry Irish Stout.

Brand Experience

2018 was a busy year for our brand experience team, with highlights such as the opening of our 200th point of consumption in Colombia for Bogota Beer Company (BBC), creating the first-ever permanent retail concept for a global brand via our Vista Corona openings in Barcelona, Spain and growing franchising to two new markets, Argentina and Brazil.

Explore

Our corporate venture capital arm creates and identifies new products to address evolving customer needs. We launched a dry, sparkling canned wine called Saturday Session in the Washington, D.C. market to address emerging consumer trends moving towards low-calorie, lower ABV wine.

We held another successful Zxlerator, an 11-week start-up accelerator based in New York City. This program serves as both an opportunity to bring in top MBA and undergraduate talent and as an incubator for organic innovation. In 2018, we generated more interest across the company than ever before, resulting in more than 50 applications. Seven new ventures were validated, and several will launch in 2019.

We also ran a successful pilot with the portfolio company Pensa Systems to help reduce in-store stock-outs in a retail partner location in Canada using drone system technology. We are currently exploring opportunities to pilot the technology more broadly.

Beer Garage is transforming our business through emerging technology

The Beer Garage is our home for innovation, emerging technology and enterprise technology, which includes Global Enterprise Architecture and Cyber Security. Our innovation teams help us explore, pilot and scale new capabilities and drive our competitive advantage.

While working to gain insights into the needs of our customers and consumers, Beer Garage is also scaling our existing capabilities in AI & ML (Artificial Intelligence & Machine Learning), IoT (Internet of Things), Cloud & Data Analytics, Automation & Robotics, and exploring emerging technologies such as Blockchain, AR & VR (Augmented Reality & Virtual Reality) and others.

What sets Beer Garage apart is our structured approach to innovation and our culture of collaboration. We value the mindset of a learner throughout all phases of corporate innovation: from defining the need, exploring and prioritizing solutions, validating technology through a proof of concept, piloting in specific locations and finally scaling across the globe.

With teams specializing in both Enterprise Architecture and Tech Innovation, the solutions being created at Beer Garage are exploring cutting-edge technologies to help enhance our capabilities while partnering with global functions across commercial, supply chain, people, sustainability and other areas of our business.

Expanding our data analytics capabilities

Data analytics and our ability to drive insights are key enablers of our digital journey. In 2018, we built a global data platform centralizing all relevant business information, which allowed for deeper analytical insights, driving top-line growth and efficiencies. In addition, we hired top data engineers and scientists to work on our key business opportunities, including B2B, sales forecasting, finance planning, marketing insight and much more.

Making strategic commercial investments in innovative technologies

We are the first brewer to explore the use of PoS (Point of Sale) technology to better understand our consumers, to help our customers grow and to help grow the beer category. We are integrating hardware, software and data from thousands of bars around the world to gather insights that will support our customers' growth.



Exploring the use of blockchain technology

We expect blockchain technology to be transformational to our business and world. We partnered with Civic Technologies to create the world's first age-verifying blockchain vending machine, which debuted in May at Consensus 2018. Participants of legal drinking age were able to claim a free can of Budweiser using the Civic app, which enabled the machine to verify their identity and age.

In March, we were part of a consortium that successfully tested a blockchain solution that could revolutionize our supply chain by eliminating the need for printed shipping documents, resulting in cost savings and reducing our use of paper. Utilizing blockchain technology in our supply chain will reduce mistakes, digitize information and improve our overall process.

Using bots and automation to reach consumers and customers

To help people find the perfect beer, we developed and launched Brewce, a consumer-facing chatbot and beer expert powered by AI that serves up taste profiles, suggests food and beer pairings and more. We also utilized AI in the customer-facing area with sales chatbots that facilitate order taking and create a smoother experience for customers.

Building solutions to fill gaps and create change

When the opportunity arose to help traditional office spaces become more innovative, our team answered with the Office Bud-E smart fridge. These Wi-Fi enabled refrigerators hold up to 180 beers and connect to local delivery services to ensure consumers are always stocked with their favorite beer brands.

We are also working to fill gaps in our supply chain with innovations such as predictive maintenance, a diagnostic software that collects data and compares against previous and expected results to detect changes and forward alerts to technicians. The sensor units come with a low-power vibration sensor that collects data every half hour or less. We have been running a pilot of predictive maintenance technology for nine months in our Fort Collins brewery in Colorado, US.

Fostering a culture of internal innovation

In the summer of 2018, we launched our first Tech Incubator—a one-of-a-kind internship, talent exchange and product development program. Supported by over 40 mentors from Silicon Valley, our teams set off on a 10-week endeavor to solve a range of global business challenges. Each team focused on a different business area or technologies, such as using AI and NLP (Natural Language Processing) for customer service chatbots, applying IoT & data analytics for smart beer packaging to gain supply chain visibility or building a Procurement application leveraging cloud and blockchain technologies. The teams presented their ideas during the final demo day, and they all received a green light from the leadership team to proceed to pilots in one of our locations around the world.



experience of drinking non-alcoholic beers has significantly improved in recent years. Considering the growing trend of health and wellness, especially in mature markets, we are optimistic about the future of NABLAD.

In 2018, we launched 12 no- and low-alcohol beers, including Bud Light Radler, Carlton Zero, Diekirch 0,0, Flying Fish Chill, Franziskaner Zitrone 0,0, Great Northern, various Hoegaarden Radler varieties, Jupiler Pure Blonde and Leffe 0,0, in close cooperation with local development teams. These new options complement the previously developed portfolio of Brahma 0,0, Jupiler 0,0, Budweiser Prohibition Brew and Castle Free, among others.

GITEC is driving innovation across our brewing technology

Our Global Innovation and Technology Center (GITEC) partners across the globe to tap relevant expertise and help our company deliver and develop new raw and packaging materials, brew new and innovative products and deliver them to consumers in sharply-designed packaging.

Located in Leuven, Belgium, GITEC features a diverse team of more than 120 scientists and specialists from more than 20 countries, working together to create and deliver winning innovation and technologies.

To implement GITEC's innovations throughout the world, we rely on ZITECs, local innovation centers in six regions that employ in-depth knowledge of the local market to help scale-up and ready the latest products and packaging for distribution, as well as employ new processes in their breweries that are better both for the consumer and the environment.

Delivering the best ingredients

Yeast is one of the most important ingredients in the development of new beers. To help explore new yeast and fermentation processes that provide new experiences in taste and quality, GITEC possesses one of the largest collections of brewing yeast in the world.

Creating a more sustainable brewing process

In addition to exploring new tastes, our colleagues at GITEC are also making a positive impact on the environment. GITEC developed a patented brewing technology called Simmer & Strip that successfully limits the need for heat and water energy used in the brewhouse. The technology simulates gas bubbles without the need to boil the beer, which significantly helps to reduce both water consumption and carbon emissions. 34 of our breweries are already equipped with Simmer & Strip technology, with 19 more planned for 2019.

Developing new NABLAD choices

GITEC also focuses on providing no- and low-alcohol beer options and has developed key proprietary technology that removes alcohol from beer after the brewing process to create non-alcoholic beer options without compromising taste. Thanks to this technology, the taste and overall

Innovating packaging technology

GITEC also explores new packaging technologies to offer a great consumer experience. For example, our digital printing initiatives permit printing directly onto a bottle or can, which helps us connect with consumers in new, more meaningful ways. This technology was used to create special edition Budweiser bottles for the winners of the 2018 FIFA World Cup Russia™.

To help extend draught beer freshness, GITEC developed another packaging innovation called PureDraught. This "bottle-in-bottle" keg uses double-layered technology to prevent the contact of beer with CO₂, mix gas or air. PureDraught extends the life of draught beer for up to four times longer than a normal steel keg.



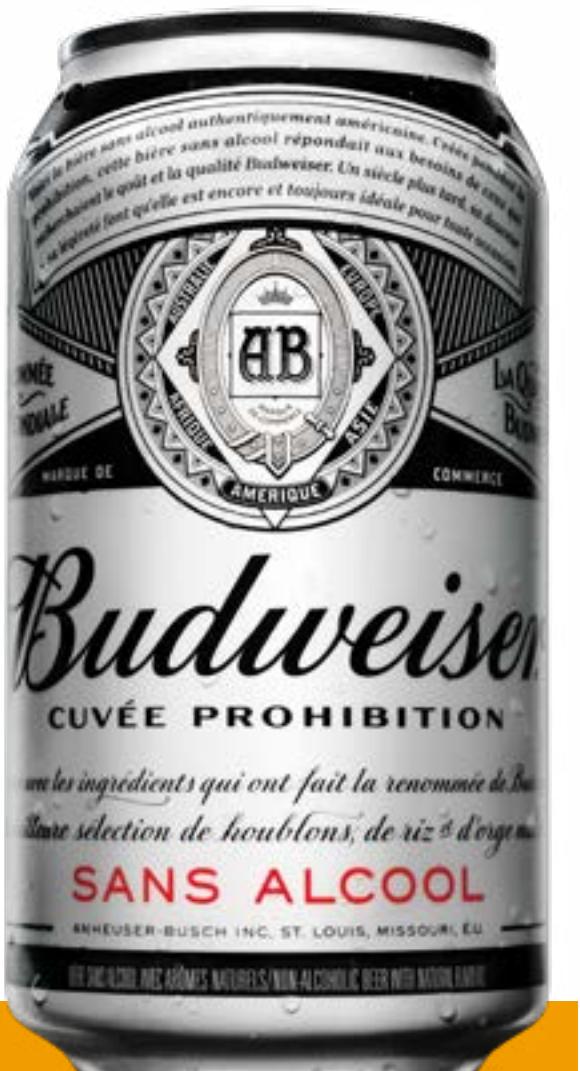
Making a tangible contribution.

We want every experience with beer to be a positive one. We believe the harmful use of alcohol is bad not only for our consumers, our colleagues, our families and our communities, but also for our business.

For these reasons and more, we support the World Health Organization (WHO) target of reducing the harmful use of alcohol by at least 10% in every country by 2025, and United Nations Sustainable Development Goal (UN SDG) target 3.5 to strengthen the prevention of harmful use of alcohol globally.

Our Global Smart Drinking Goals

We established our Global Smart Drinking Goals in December 2015 to contribute to WHO and UN SDG targets to reduce the harmful use of alcohol globally. The goals are intended to serve as a laboratory to identify and test replicable evidence-based programs, implement them in partnership with others and ensure they are independently and transparently evaluated. We are moving beyond awareness-raising campaigns to drive real change in the communities where we live and work. In 2017, we established the AB InBev Foundation to support achievement of our Global Smart Drinking Goals. In 2018, we published our Smart Drinking Beliefs, a set of principles and promises to guide our progress against our Smart Drinking commitments and make our vision a reality.





6

City Pilots in 6 cities around the world

Changing Behaviors Through Social Norms

City Pilots

Reduce the harmful use of alcohol by at least 10% in six cities by the end of 2020 and **implement the best practices** globally by the end of 2025.

Social Norms

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

Empowering Consumers Through Choice

No- and Low- Alcohol Beer

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

Label and 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.

* The guidance label will be implemented in those markets where there is not already government mandated labeling in place, and where it is permissible by local regulation.

CITY PILOTS

Our City Pilots are the cornerstone of our efforts to identify, test, and independently evaluate replicable evidence-based programs to reduce harmful use of alcohol. They are enabling us to identify which innovative initiatives are effective enough to scale. We will use the knowledge generated from this work to share best practices with others and improve our own efforts.

The six pilot cities are: Leuven, Belgium; Brasilia, Brazil; Jiangshan, China; Zacatecas, Mexico; Columbus, Ohio in the US and Johannesburg, South Africa. The initiatives within these pilots focus on addressing drinking and driving, underage drinking, binge drinking, or other issues of local relevance.

8%
**of our global beer
portfolio is low-
or no-alcohol**

Engaging local stakeholders and providing resources for success

Local knowledge and leadership are critical components of the City Pilot approach. In each city, a local Steering Committee was formed with community members, including government, academia, and other organizations. The role of these committees is to set the direction of their City Pilot; select programs to implement; manage execution of those programs; and ensure coordination of all partners involved.

To equip the Steering Committees with knowledge and practical resources, the AB InBev Foundation supported experts from the University of Southern California, San Diego State University, and The Ohio State University to develop a Smart Drinking Toolkit, which compiles key principles from social marketing, behavior change, and implementation science to help Steering Committees maximize impact. It will also help Steering Committees identify key issues to address and prioritize the interventions to deploy.

Making progress in our Pilot Cities

In Brasilia, Brazil, a screening and brief intervention program has been piloted in two primary health care centers. In Leuven, Belgium, the City Pilot partnered with Health House – an innovative exhibition platform – to provide young people with information on the biological, psychological and social aspects of the use of alcohol, and highlight the benefits of responsible alcohol use. In Zacatecas, Mexico, the City Pilot has engaged government, academic, and other stakeholders to develop and undertake actions in three areas: underage drinking, road safety and binge drinking. In Columbus, Ohio in the US; Jiangshan, China; and Johannesburg, South Africa, the City Pilot teams established local Steering Committees, conducted baseline assessments, and identified areas of focus in preparation for implementation.



SOCIAL NORMS & SOCIAL MARKETING

We believe the way we market our beers matters and must be responsible. All of our marketing and communications are subject to both industry codes of conduct and our own Responsible Marketing and Communications Code.

Since launching our Global Smart Drinking Goals in December 2015, we have invested more than 135 million USD in social marketing programs and campaigns to positively influence social norms around drinking. We recognize that traditional marketing alone is not enough to reduce and prevent the harmful use of alcohol. This goal is not just about spending a specified amount, but rather spending with impact, supporting impactful campaigns and developing greater understanding of what works and why. Our aim is to move beyond awareness-building by using social norms and social marketing theory to help affect positive behavior change.

Social Marketing Toolkit

To help our marketing teams create real impact, we engaged McCann Global Health to produce a Social Marketing Toolkit in collaboration with public health experts. The toolkit contains practical information on behavior change theory, social norms and social marketing principles; plus a comprehensive library of our initiatives to reduce harmful use of alcohol. Upon completion, we facilitated a series of workshops to train our marketing teams to utilize the resources within the toolkit.

"There's potential for big impact, not just in terms of helping communities, but in terms of adding new knowledge to our understanding about how we can create more positive and healthy drinking environments."

JEFF FRENCH, PH.D., PROFESSOR OF SOCIAL MARKETING AT BRIGHTON UNIVERSITY BUSINESS SCHOOL



The
#ProtectAFriend
campaign from
the "Smartest
Smart Drinking
Campaign"

The "Smartest Smart Drinking Campaign"

In 2018, we challenged our teams around the world to promote smart drinking messaging through innovative consumer-facing campaigns as part of an internal social marketing campaign competition. Using the Social Marketing Toolkit and with coaching from social marketing experts, our marketing teams around the world developed 30 unique and promising smart drinking campaigns.

An external panel of judges selected nine winners to receive funding to implement their campaigns, including:

- The #ProtectAFriend campaign by our Colombian brand Poker, which uses imagery of a crumpled beer cap to give consumers the visual of a car crash as a cue to remember not to drink and drive.
- A campaign from our Skol Beats brand in Brazil that tackles binge drinking with a unique argument—that harmful use of alcohol gets in the way of relationships.
- "The Best Accident" campaign from the Bud Light team in Mexico that urges consumers to leave their car if they plan to drink. It depicts footage of partygoers' cars getting crushed by a wrecking ball when they refused a taxi and decided to drive home after drinking.

NO-ALCOHOL AND LOW-ALCOHOL BEER

We are offering more choice to our consumers with the highest quality no- and low-alcohol beer options, which can be an important way to help reduce harmful use of alcohol. We are moving closer to achieving our goal: at the end of 2018, no- and low-alcohol beers made up about 8% of our beer portfolio by volume. In addition, six of our markets—Australia, China, Colombia, Ecuador, Honduras and Panama—had no- and low-alcohol beer representing more than 20% of their beer volumes.

No-alcohol beer

Our no-alcohol beers offer existing drinkers an option to enjoy the flavor and satisfaction they expect from beer while reducing alcohol intake and for not consuming alcohol at all when they decide to do so (e.g. when they are driving). For those who are not driving and decide to drink, they can moderate their drinking by practicing pacing, which means substituting some of their alcohol consumption for alcohol-free beverages, thereby lowering their intake of alcohol.

Since 2015, we have launched no-alcohol beers in many of our key markets, including Brahma 0.0 in Brazil, Budweiser Prohibition Brew in Canada, Carlton Zero in Australia, Castle Free in South Africa, Corona Cero in Mexico, and Jupiler 0.0 in Belgium.

Low-alcohol beer

We have also introduced low-alcohol beers in Canada, South Africa, Australia, and multiple European markets. Our solid portfolio of low-alcohol beer includes Bud Light Radler in Canada, Flying Fish Chill in South Africa, Great Northern in Australia and Hoegaarden Radler varieties. We also made further strides through the reformulation of our existing beers, including Bud Light (3.5% ABV) in the UK and Corona Light (3.4% ABV) in Mexico.

Measurement and evaluation of the impact of our no- and low-alcohol beers will be critical. In May 2018, we attended a roundtable hosted by Imperial College Business School in London, which focused on how to measure the impact of introducing no- and low-alcohol beers on reducing harmful consumption of alcohol. We look forward to results of the study being conducted.

LABELING & ALCOHOL HEALTH LITERACY

We believe in transparency and consumer choice. We want to help our consumers understand why and how alcohol should be consumed within limits, and are working to increase alcohol literacy among them, sometimes beyond regulatory requirements.

Developing guidelines for labeling

The AB InBev Foundation is supporting public health researchers at Tufts University School of Medicine to develop a consumer guidance labeling strategy for beer. As part of this work, Tufts conducted a scientific review of labeling effects and held a consensus conference in January 2018 in Boston, Massachusetts to review the evidence. The next step in this work is to develop label prototypes for our brands and develop and execute an implementation strategy.

ROAD SAFETY

We believe when you drive you should never drink, and as a major user of roads around the world, we are committed to contributing to safer roads for all. This is a personal issue for us - our approximately 175,000 colleagues and their families travel the world's roads every day. We share the UN SDG's ambitious target of halving the global number of deaths and injuries from road traffic crashes by 2020. We also recognize that as the world's largest brewer and a significant global operator of roadway fleets, we have a unique opportunity to take a leadership role improving road safety.

Tackling road safety together

We believe collective action is critical to achieving the UN SDG target, so we helped establish Together for Safer Roads (TSR), a coalition of private companies tackling road safety issues by sharing knowledge, data, technology and global networks. Since its founding in 2014, TSR has worked with local governments and NGOs to positively impact road safety around the world. In the state of São Paulo, Brazil, the Movimento Paulista de Segurança no Trânsito partnership reported a 13% reduction in fatalities between 2015 and 2017, accounting for over 496 lives saved due to but not only, on actions taken by the company on discouraging use of alcohol in transit. In Atlanta, Georgia, the government, after analyzing private sector and public data, suggests that critical road interventions reduced crashes by more than 26% from 2016 to 2017.

In January 2018, we announced a two-year partnership with UN Institute for Training and Research (UNITAR) to develop and spread insights and methodologies to help save lives beyond focus cities. Working with UNITAR, we are



We signed a partnership agreement with the United Nations Institute for Training and Research (UNITAR) to collaborate to improve road safety.

developing a road safety management toolkit that will be available to governments worldwide to improve their road safety efforts. We are testing it through local projects in the Dominican Republic, India, South Africa, China, Mexico and Brazil. We have also jointly organized a regional conference in South Africa and two high level dialogues in India and the Dominican Republic to help put road safety at the top of the public agenda; the next conference will take place in China.

As part of our partnership with UNITAR, we supported the development of a new road safety e-learning platform that aims to help countries design and implement results-oriented road safety learning. It includes knowledge sharing and management materials, training and country-specific projects.

Addressing drinking and driving

It is our goal to make impaired-driving culturally unacceptable. In 2018, we published for the first time a public position on drinking and driving. We know that communications can play a role in changing social norms related to drinking and driving, but we recognize that change also requires the implementation and strong enforcement of effective legislative measures. For this reason, we support targeted legislation and enforcement measures that have been proven to reduce impaired driving, such as:

- Legislation specifying the blood alcohol concentration limit that defines impaired driving in a jurisdiction
- Strong enforcement, including high visibility enforcement patrols
- Public education and awareness campaigns
- The use of technologies such as ignition interlocks and alcohol detection systems

Working with partners to create change

We know there is more work to do and that we do not have all the answers. So, we are open and eager to collaborate experts and other partners such as TSR, UNITAR and others to help accelerate progress towards our goals.

Sustainability is our business.

Brewing quality beer starts with the best ingredients. This requires a healthy, natural environment as well as thriving communities. That is why Sustainability is not just part of our business, it is our business.

In this section we report on our progress against our public commitments and other sustainability efforts – responding to the Directive 2014/95/EU for non-financial reporting, key indicators from the GRI Standards and relevant UN Sustainable Development Goals.



Metric	2018	2017
Total water use (in billion hl)	1.632 ^A	1.775 ^A
Water use by hectoliter of production (hl/hl)	2.95 ^A	3.09 ^A
Total GJ of energy (in millions)	61.1	61.4 ^A
Total GJ of energy purchased (in millions)	59.2 ^A	*
Energy usage per hectoliter of production (in MJ/hl)	110.1 *	111.6 ^A
Energy purchased per hectoliter of production (in MJ/hl)	106.8 ^A	*
Total direct and indirect GHG emissions (Scopes 1 and 2 in million metric tons of CO ₂ e)	6.03 ^A	6.18 ^A
Total direct and indirect GHG emissions (Scopes 1,2, and 3 in million metric tons of CO ₂ e)	31.21	32.35
Scope 1 and 2 GHG emissions per hectoliter of production (in kg CO ₂ e/hl)	8.04 ^A	8.55 ^A
Scopes 1,2, and 3 GHG emissions per hectoliter of production (in kg CO ₂ e/hl)	57.0	59.9
% Renewable Electricity	16% ^A	-
% Returnable Packaging	43.5% ^A	46%
% Recycled Content in primary packaging	Glass: Cans: PET:	41.4% ^A 64.7% ^A 15.7% ^A 37% 59% 21%
Direct farmers skilled, connected, and financially empowered**	Skilled: Connected: Financially Empowered:	5,000 10,000 2,000

^A Assured Metric (please refer to External Assurance Report on page 51)

· Our goals on water, GHG emissions per hectoliter of production and energy pertain to our beverage facilities only and do not encompass our vertical operations such as malt plants and packaging facilities.

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

· Scope 1 accounts for 59% of our operational emissions and includes CO₂ equivalent (CO₂e) from fuel used in our manufacturing processes and in cogeneration plants that generate on-site electricity. Scope 2 accounts for about 41% and represents emissions from purchased electricity.

· Scope 3 emissions constitute estimates based on a mix of supplier-based numbers, global emission factors and assumptions. Data's main categories include, Purchased Goods and Services, Logistics, Product Cooling, and End of Life.

* In line with our new sustainability goals, energy reporting will shift to energy purchased versus energy usage. Energy purchased per hl aligns with our RE100 sustainability goal of offsetting 100% of our purchased electricity with electricity sourced from renewable resources. Energy purchased per hl was not reported for breweries acquired from SABM in 2017.

** Smart Agriculture data is based on up-to-date estimates.



ACCELERATING AGRICULTURAL DEVELOPMENT

We have taken a farmer-centric approach in our public commitment to ensure 100% of our direct farmers will be skilled, connected and financially empowered by 2025. Today, we estimate that through our Agricultural Development Programs in 13 countries we work with over 35,000 farmers and are working diligently to ensure we have full transparency of farmers in our direct supply chains. In supporting farmers growing our six priority crops (barley, cassava, hops, maize, rice, sorghum), we are investing in key enablers and lasting programs that will help improve their yields, profitability and stewardship of natural resources.

Building our role as trusted advisors

From satellite and blockchain technology, to data analytics that identify crop management best practices and need for breeding drought tolerant and weather resistant crop varieties, our teams are helping farmers improve their productivity and securing our supply chain for the future.

Our flagship agricultural development program is SmartBarley which is led by our agronomists to help growers improve their productivity, profitability and natural resource efficiency. Launched in 2013, SmartBarley has collected field-level data from more than 7,000 farmers to help improve their farming practices. Through our partnership with the University of Illinois, our dedicated team at Bud Lab uses big data analytics to assess farming practices alongside weather, soil and market data and give insights to improve productivity and environmental performance. In 2018, we rolled out a new and improved SmartBarley app to provide better tools for our 100+ agronomists to advise farmers around the world.



Smart Agriculture:

100% of our direct farmers will be skilled, connected and financially empowered.



Water Stewardship:

100% of our communities in high stress areas will have measurably improved water availability and quality.



Circular Packaging:

100% of our products will be in packaging that is returnable or made from majority recycled content.



Climate Action:

100% of our purchased electricity will be from renewable sources and we will reduce our carbon emissions by 25% across our value chain.

Unlocking advances in crop breeding and management

We continue to invest in the resiliency of our barley and crop varieties, and in management techniques that will secure our supply in the face of increasingly hostile and volatile climate changes. In 2018, our teams in the US, Mexico, Uruguay, Brazil and Argentina worked on establishing a field drone and imagery program to optimize nitrogen use and other management practices.

Developing better training resources

A key pillar of our programs is providing farmers with the crop management protocols and trainings they need to successfully grow crops while also growing their businesses and improving their livelihoods. In 2018, we developed training programs focusing on both technical and financial skills for farmers in multiple countries including India, Tanzania, Uganda and Mexico, working with key partners including TechnoServe and FIRA.

Investing in mechanization and supply chain infrastructure

We believe that investing in technology will develop our agricultural supply chains for the long term, unlocking significant increases in productivity and profitability. In 2018,

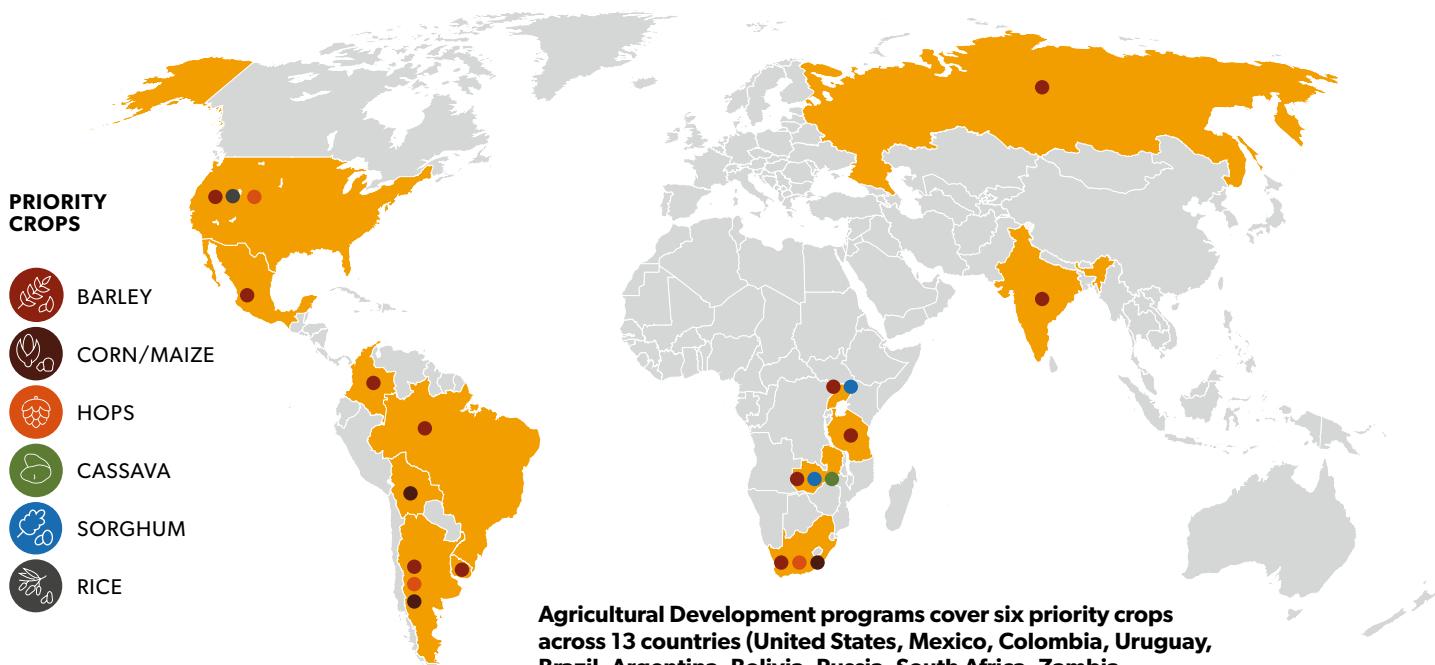


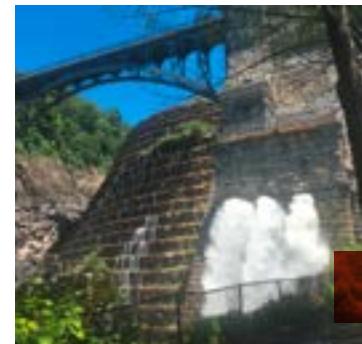
we continued our work in Mexico to provide financing for seeders and more affordable harvesting services and established a collateral fund to provide financing for cleaning machines to reduce post-harvest loss and drip irrigation to improve water use efficiency in high water risk areas.

Fostering a foundation of transparency

Establishing a transparent supply chain will serve as a critical foundation to reaching 100% of our farmers. In 2018, we began piloting a program in Zambia with BanQu that connects us with 2,000+ farmers in our cassava supply chain through an SMS-based service that uses blockchain technology to record purchasing and sales data. The results have been extraordinary: more than 1,000,000 kilos of cassava have been sold on the platform to date, and we have been able to offer the farmers a digital financial identity. We have also expanded the program to Uganda barley farmers.

DIRECT AGRICULTURAL DEVELOPMENT PROGRAMS





100%

Our 2025 Water Goal aims to ensure that 100% of our communities in high stress areas will have measurably improved water availability and quality.

ADVANCING WATER STEWARDSHIP

As water resource challenges become increasingly magnified by climate change, we continue to ramp up our water stewardship efforts, taking an outward-in approach and seeking knowledge from key experts and major water conservation organizations. Coupling their guidance with our scale and management systems allows us to ensure a reliable, clean supply of water for both our operations and our local communities.

Our 2025 Water Goal aims to ensure that 100% of our communities in high stress areas will have measurably improved water availability and quality. This ambition correlates directly with UN Sustainable Development Goal #6 and aims to tangibly improve watershed health and livelihoods.

A results-based approach to watershed protection

Striving for measurable improvement in water availability and quality in high risk communities is a bold commitment—one that is grounded in our core belief that water security is a priority challenge to global sustainable development. We plan to lead a corporate shift toward measurability and accountability, ensuring that our local investments and programs translate into lasting impacts on water quality and availability for our communities and operations around the world.

To establish baselines for measurement and tracking techniques, we piloted watershed protection benchmarking initiatives in Mendoza, Zacatecas, Lusaka and Cape Town. We will apply our findings to the rest of high-stress sites by 2020 and share the results with our NGO and local community partners as well as our peers.

Partnering to tackle challenges

In 2018, we announced global water partnerships with **The Nature Conservancy (TNC)** and the **World Wildlife Fund for Nature (WWF)**. Both of these organizations share our belief that measurable impact at scale is the next frontier in water stewardship.

The first phase of our TNC partnership is focused on Latin America and the US, with the development of four Water Funds in Colombia, El Salvador, Argentina and Mexico, and watershed protection projects in California and the Colorado River. The initiatives unite public, private and civil society stakeholders around the common goal of contributing to water security through nature-based solutions and sustainable watershed management.

Our partnership with WWF in Bolivia, South Africa and Zambia builds on previous collaborations that used water risk assessments to highlight the value of water to the economy. Together, we are working to develop blended finance approaches to encourage private sector investment at the scale required to improve water access and quality, enhance the health of river basins and ensure the needs of local communities are met.

Addressing global sustainability issues in a local context

While water is a global challenge, it always manifests within a specific local context. It is therefore essential to work with committed local stakeholders and develop a shared understanding of issues to design and implement effective response strategies. Approaches we have taken across high stress areas include environmental restoration, infrastructure improvements and communal water access projects.

For example, in Bucaramanga, Colombia, our operations and the local community are experiencing water quality deterioration as result of upstream contamination, deforestation and key ecosystems losses. To respond, our Bavaria unit is partnering with TNC on a new local water fund to promote sustainable mining and agriculture. Additionally, in October 2018, the German Ministry for the Environment awarded us a grant to scale up conservation efforts and protect the wetland, which serves as the source of water for the brewery and over two million people.

In Brazil, we launched AMA, a water brand whose sole purpose is to provide water access and improve life quality for those who do not have access to water in Brazil. 100% of profits go towards water access initiatives and we provide full transparency through our platform (www.aguaama.com.br) that discloses composition of profits, people impacted with the project, and verification by a third party.

Reducing operational water usage

As brewers, water will always be our number one resource. We continue our efforts to drive water efficiencies at 190+ breweries globally, as well as in our verticalized operations, including hops farms, malting, bottling and canning facilities.



CIRCULAR PACKAGING

As one of the world's largest purchasers of glass bottles and aluminum cans, we continue to champion a circular economy. Through our 2025 Packaging Goal, we aim to have 100% of our products be in packaging that is returnable or made from majority recycled content.

We aim to achieve our circular packaging vision through four key levers:

1. Recycle

- Increase recycled content in one-way packaging through supplier collaboration.
- Increase supply of recycled content through post-consumer waste recovery programs through local partnerships.
- Educate consumers to shift recycling attitudes.

2. Reuse

- Promote and protect returnable packaging.

3. Reduce

- Reduce the amount of material we put into the market.
- Reduce our carbon footprint.

4. Rethink

- Innovate and scale new materials and products designed for circular economy.
- Explore the use of alternative materials, technologies and designs for adverse materials.



Recycle

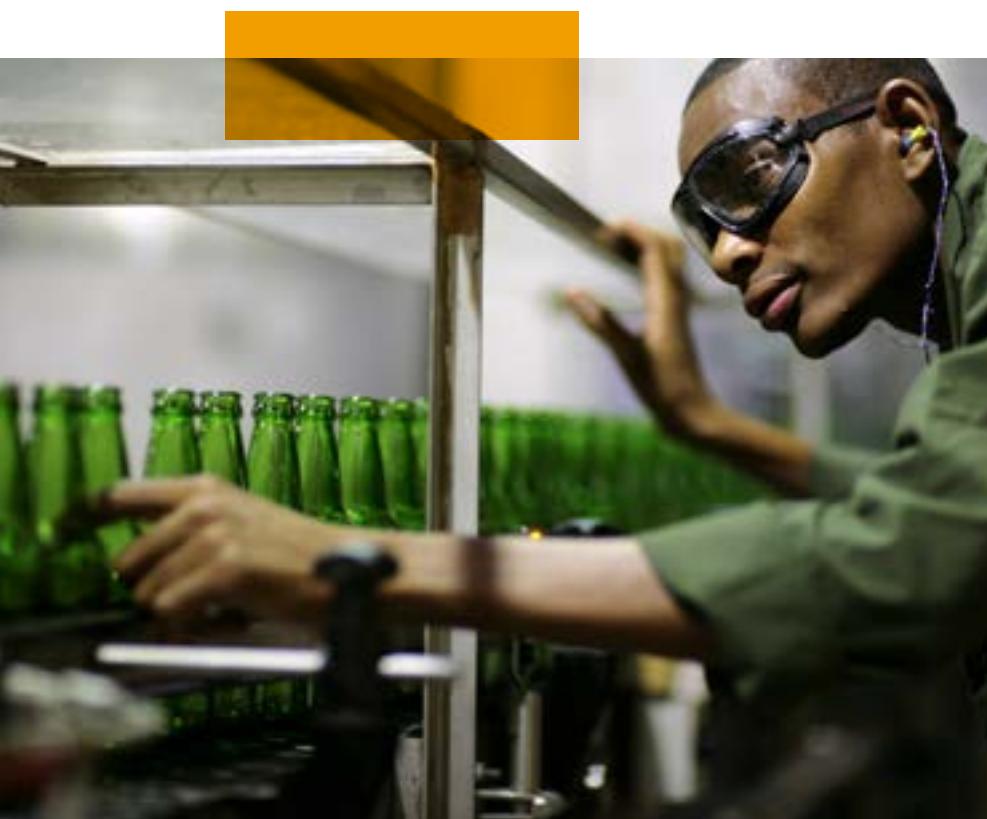
Packaging is our biggest contributor to our carbon emissions, representing more than one third of our carbon footprint across the value chain. To tackle this, we are collaborating with our packaging suppliers to spearhead partnerships to increase circularity across our key markets, explore ways to increase recycled content in our packaging, and co-innovate new solutions and technologies.

Additionally, we implemented reverse logistics pilots, taking advantage of the fleet we own to collect empty bottles and cans from our own franchises like Modelorama in Mexico. Through an incentive program, we encouraged both retailers and consumers to bring their empty containers back to the store where our trucks picked them weekly and brought them to our vertical glass plant near Mexico City.

Even though a very small portion of our packaging, we have also had several advancements on PET use. In 2018, we achieved 50% recycled content on one of our flagship brands, Pony Malta in Colombia.

Reuse

We made a notable contribution to circular economy through our two-way packaging (returnable bottles and kegs), and protecting and promoting returnable packaging continues to be our biggest opportunity. In 2018, 43.5% of our volume was in returnable packaging, down from 46%, and we plan to protect this operating model through consumer norm campaigns, innovations and new ways of working with our retailer partners. By working with our partners we are able to see an increase in cans from 59% in 2017 to 64.7% in 2018; 41% in glass from a 37% in 2017. PET decreased from 21% to 15.7%. We are working with our partners to increase recycled content in the coming years.



Reduce

In 2018, we worked with the Closed Loop Fund in the US and ECOCE in Mexico where we aim to increase recycled content in glass bottles.

Rethink

In November 2018, Corona launched 100% plastic-free fiber six pack rings made from plant-based biodegradable fibers, to be piloted in Mexico in early 2019. This initiative will replace close to 2.9 tons of hi-cone plastic currently used and reinforces our commitment to sustainable packaging.



100%
plastic-free fiber
six pack rings piloted
in Mexico



43.5%
of our volume
is in returnable
packaging

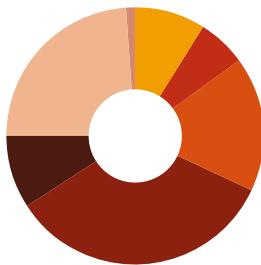
CLIMATE ACTION

Climate change is the most pressing issue confronting our planet with far-reaching consequences on our supply chain, operations and communities. We believe businesses can play a critical role in a global transition to a low-carbon economy to combat climate change, and recognize that our responsibility lies beyond our walls, into our value chain.

Therefore, we have committed to having 100% of our purchased electricity come from renewable sources by 2025. We have also set a science-based target to reduce our greenhouse gas emissions by 25% per beverage across our supply chain by 2025, with a baseline of 2017.

Our commitment to RE100 is well under way, with 50% of our global volume under contract up to date and 16% already implemented/operational. Our work to reduce our carbon footprint transcends our brewery walls. In 2018, we increased the scope of our carbon footprint, including Scope 3 emissions which account an estimated of 25 million tons of CO₂e in 2018 which includes our main categories purchased goods and services, logistics, and product cooling. In 2018, we estimated

OUR CARBON FOOTPRINT



- AGRICULTURE - 9%
- PROCESSING BREWING INGREDIENTS - 5%
- BREWING OPERATIONS - 16%
- PACKAGING MATERIALS - 36%
- LOGISTICS - 9%
- PRODUCT COOLING - 24%
- END OF LIFE - 1%



16%

To date, we have contracted 50% of our electricity from renewables sources, and 16% of this is already operational



In Davos, Budweiser revealed a renewable electricity symbol to champion its commitment to brew with 100% renewable electricity.

a reduction of 4.5% kgCO₂/hl vs 2017 on the total scope 1,2 and 3 emissions. The numbers of the scope 3 emissions are based on calculations using a mix of supplier-based numbers, global emission factors and assumptions, and are getting more and more accurate taking into account new methodologies and industry best practice going forward.

Budweiser commits to renewable electricity

In January 2018, at the World Economic Forum in Davos, Switzerland, Budweiser revealed a renewable electricity symbol to champion its commitment to brew with 100% renewable electricity. The symbol was launched in the US and Chile, and will be rolled out in other markets around the world by 2025. Every day, 41 million Budweisers are sold globally. Transitioning to renewable translates into the equivalent of taking more than 50,000 cars off the road for the brand.

Mainstreaming electric trucks in our distribution

Logistics represents 9% of our total carbon footprint. Although we have been able to reduce emissions per hl by 4.4% since 2017 through routing efficiencies, use of alternative fuels and reverse logistics initiatives, we are continuously searching for ways to invest in new technology and drive the industry forward.

Following pre-orders of 40 Tesla trucks in 2017, we signed an intent to contract 800 hydrogen-powered, electric semi-trucks from Nikola Motor Company in 2018. Once delivered and scaled, the conversion of our entire long-haul dedicated fleet to renewable-powered trucks will account for a 19% decrease in logistics emissions in our US operations. We will begin testing in 2019, with a plan for full roll-out over the next five years across the whole country. This would replace approximately 30% of our total fleet, and nearly 100% of our dedicated Anheuser-Busch fleet.

In Europe, we have partnered with our fleet suppliers and plan to launch electric vehicles in the Netherlands starting in 2019. In Brazil, we partnered with Volkswagen to test the first electric delivery truck in Sao Paulo with the aim of replacing our fleet of 1,600 trucks by 2025. This accounts for an estimated 0.2% reduction in absolute GHG by 2025 - or equal to taking more than 14,000 passenger vehicles off the road per year.

Striving for more sustainable brewing

We continue to invest in innovation to make our brewing more sustainable. Since 2013, we have been able to reduce our energy usage 15% on more than 30 facilities throughout the world. In 2018 alone, we reduced energy usage from 111.6 to 110.1 MJ/hl.

Investing in renewable energy

We signed agreements for an equivalent of 1.1GWh in renewable electricity this year, representing more than 20% of our global consumption. Our partnership with Enel Green Power's Thunder Ranch in Oklahoma, US went live this year, providing 602,000 MWh of electricity – the equivalent of 11% of AB InBev's total global electricity consumption.

Engaging with our value chain to share best practices

We know that we cannot achieve these ambitious goals without the help of our suppliers and retailers. For this reason, in November 2018, we launched Eclipse, a dedicated platform where we invite supply chain partners to share our Sustainability vision. Eclipse will allow us to identify key opportunities for partnership on sustainable development with some of our biggest suppliers across our top markets. As of December 2018, more than 20 major suppliers signed up.

100+ ACCELERATOR

In August, we launched the 100+ Sustainability Accelerator by issuing ten challenge statements across a range of issues, including water stewardship, farmer productivity, product upcycling, responsible sourcing, green logistics and more. Our goal was to solicit applications from startups that are solving key sustainability challenges with innovative solutions. Through the program, we want to empower driven and committed entrepreneurs and use our vast resources and expertise to nurture, support and grow these budding businesses.

In its first year, the accelerator had over 650 applications from startups all over the world. Collectively, the startups raised over 100 million USD in funding and 50 million USD in revenue. Of the applicants, 21 were selected to participate in the first cohort and receive mentorship, funding and access to new networks, so they can transform their ideas into reality.

We look forward to launching the second round of the accelerator in 2019, continuing our efforts to find breakthrough technologies to achieve our ambitious 2025 sustainability goals and contribute to the 2030 UN SDGs.



650

applications to our first
100+ accelerator



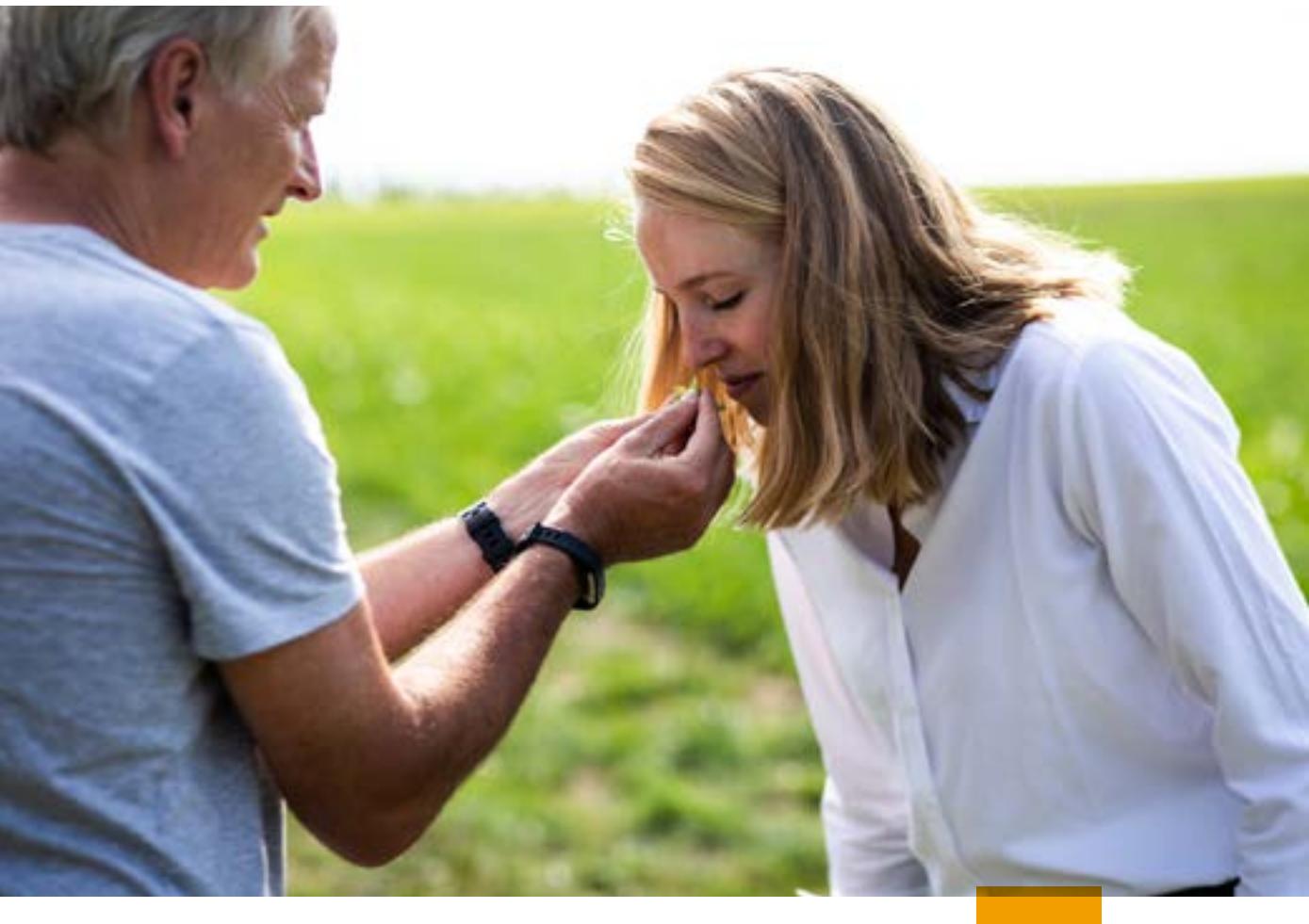
"I think that we may be standing on the precipice of world-wide change. I am excited to be a trigger for this and I am exhilarated to be partnering with such a dynamic and creative group of people from a truly committed powerhouse company."

- ARI KAUFMAN, CEO OF MICROLYZE, ONE OF OUR ACCELERATOR COMPANIES



Leading by example.

We never take shortcuts. We have built our company with integrity, hard work, quality and responsibility.



Preventing corruption and bribery

In 2018, we continued our efforts to maintain a leading anti-corruption compliance program. This program is managed by a global team that oversees policy implementation, investigations, operational dashboards and organizational change across all regions.

Our compliance officers are available around the clock to advise our people on specific issues. Colleagues can ask questions or raise concerns in person, via a mobile app or website or anonymously through a global compliance hotline.

We created BrewRIGHT, an innovative and award-winning data analytics platform that has put us at the forefront in the use of technology in the compliance space. We have also challenged ourselves to think holistically about the direction of our compliance program, and have rebranded our Compliance function as Ethics & Compliance, which reflects an effort to drive employee focus on principles-based decision-making, such as using ethical values to guide everyday business decisions.

We have also embarked on an effort to review, revise and enhance our compliance policies through the formation of the Policy Review Steering Committee. The committee conducts comprehensive reviews to identify compliance and business risks and to refine compliance policies to make them more practical, understandable and administrable for employees. As the committee undertakes this review, we are augmenting the process with a data-driven approach to identify potential gaps, and are focused at the policy design stage on how policies will be implemented, communicated and audited going forward to ensure that they are functioning effectively.

Our efforts to create and maintain a leading ethics and compliance program were recognized by a variety of leading experts in 2018, including:

- Former DOJ Compliance Counsel Hui Chen recognized our program as a leader in the use of data analytics in a July 2018 Global Investigations Review article entitled "Anti-bribery compliance: We need more 'pioneers'."
- The Financial Times twice recognized our Global Ethics and Compliance VP as one of the most innovative in-house lawyers in North America and awarded our company the 2018 award for Intelligent Business.
- BrewRIGHT's risk scoring methodology was also featured in an article titled "You can't monitor what you can't measure," in the March/April 2018 edition of Fraud Magazine, and as part of a Harvard Business School Case Study on our company's compliance program authored by Professor Eugene Soltes from Harvard Business School.
- Finally, Corporate Counsel awarded us the 2018 award for Best Legal Department in the compliance category for its "unconventional and high-tech strategies."



Respecting human rights

Respect for human rights is a core tenet of our business ethos. We have been a signatory to the United Nations Global Compact since 2005 and are committed to the principles and guidance contained in the UN Guiding Principles on Business and Human Rights.

In 2018, we started a refresh of our Global Human Rights Policy, led by the Policy Review Steering Committee and with input from external stakeholders. The Policy sets out standards and expectations for respecting and promoting human rights, and its implementation is overseen by our Global and Regional Ethics and Compliance Committees.

We also updated and rolled out an Anti-Harassment and Discrimination policy throughout our entire organization. As part of the implementation strategy, we made reporting of violations a mandatory requirement for all supervisors under the Policy, and established Policy Ambassadors who will function as an early warning mechanism and means for colleagues to report or discuss grievances or concerns. Building on this, we also launched a new Global Diversity and Inclusion Policy.

To supplement this, in 2018 we developed Responsible Sourcing Principles for Farms to highlight the principles of the Responsible Sourcing Policy that are most relevant in the agricultural context and to clarify our expectations in our agricultural supply chain. We work with over 35,000 direct farmers, ranging from large commercial farmers to smallholders and have created these principles to apply across a broad range of agricultural contexts. In 2019, we will work to implement these principles in our agricultural supply chain and support farmers to drive continuous improvement in their operations.

We also take part in industry and NGO initiatives that seek to improve supply chain performance. We are a member of AIM-Progress, a global forum of consumer goods companies sponsored by the European Brands Association and the Grocery Manufacturers Association. As a member, we report audits of our suppliers to AIM-Progress. We are also a member of SEDEX, an effective management solution that helps us reduce risk and improve our supply chain practices.

Report Scope

The Sustainability section of the 2018 Annual Report provides information about the progress towards our 2025 Sustainability Goals launched in March of 2018. Together with our corporate website, they provide an update of Anheuser-Busch InBev's performance on key metrics during the 2018 calendar year. This chapter, along with Smart Drinking & Road Safety, and Dream-People-Culture, including D&I, have been established in accordance with the law of September 3, 2017 implementing Directive 2014/95/EU of October 22, 2014 amending Directive 2013/34/EU regarding disclosure of non-financial and diversity information by certain large undertakings and groups. Together, they form the non-financial statement required under the referred law and include an overview of our environmental, social and human related matters, as well as human rights and anti-bribery matters. Some of the SDGs in relation to our goals refer to Improved Healthcare, Clean Water and Sanitation, Renewable Energy, Reducing Waste generation, Reduction of GHG Emissions and energy consumption, among others.

Alongside our environmental sustainability, information on Smart Drinking and Road Safety, Workplace Safety, and Business Ethics can be found on pages 23, 36 and 48 of this report. Additional information on volunteering and disaster response is also included in this report (page 20). These sections are intended to provide updates to stakeholders, including investors, employees, governments, NGOs, customers, and consumers in countries where we operate in.

AB InBev prepared the 2018 report (these chapters and website) using the Global Reporting Initiative's (GRI) Standards as a guide. To help determine the content developed, a materiality assessment was conducted, which helped identify the key issues that are of most importance to our stakeholders and our company. For more information at our materiality assessment, including Boundary Analysis Table, and GRI Index for this year's report can be found at www.ab-inbev.com.

Our 2025 Sustainability Goals and overall sustainability agenda aligns with several of the UN Sustainable Development Goals (SDGs) established by the United Nations in 2015. Activities throughout our operations and supply chain are aligned to the metrics that are considered the most material to our business and critical to our stakeholders. We are focused on areas where we can make the most significant positive impact.

The data and stories presented on this report were gathered and verified with the assistance of content owners across all functions and geographic zones.

AB InBev has established processes to ensure accurate and consistent reporting of Smart Drinking and Safety, 2025 Sustainability Goals, and Safety performance data, as well as key performance indicators. In the Assurance Report of the Independent Auditor (page 51), and in key places along the report, we have identified which metrics have been externally assured by KPMG. Financial information included has also been audited by Deloitte.

Environmental data from newly acquired operations are excluded from the running cycle. These facilities will be included in future reporting. Safety data is immediately tracked and monitored for all sites and included unless otherwise stated in text or footnotes. For all environmental and safety data, divestitures and closures are removed from the scope for the reporting year, but prior years are not adjusted.

Global goals on water, energy purchased and greenhouse gas emissions presented in this section, as well as key performance indicators such as energy usage, include AB InBev's wholly-owned operations unless stated otherwise in text or footnotes. Energy usage and purchased excludes the energy exported to third parties and certain projects under construction. The excluded energy use and purchase does not reflect the amount of energy used in our beer brewing processes. For comparison purposes following the combination with SAB, selected Safety TRIs data represent 2017 AB In-Bev pre-combination, 2018 AB InBev pre-combination and 2018 AB InBev combined with SAB, as noted.

For our Circular Packaging goal, recycled content information for primary packaging regarding third party vendors is included under the scope of the numbers as well as our own operations. Recycled content refers to recycled material included in primary packaging including glass, cans, and PET, taking into account the totality of our purchases on that calendar year.

In the scope of our reported Sustainability goals, both our beverage and vertical operations are included in addition to our Scope 3 emissions regarding information beyond our operations and that impact our supply chain with exception of the KPIs on energy and water usage and the KPI on Scope 1+2 emissions per hectoliter of production (in kg CO₂/hl)¹, as the relative KPI regarding scope 1 and 2 emissions also excludes vertical operations. For our beverage and vertical operations, including malting and packaging facilities use our Voyager Plant Optimization (VPO) global management system. This data is reported annually to the Carbon Disclosure Project (CDP). Specific data tables contain footnotes for additional data.

This report contains forward-looking statements regarding estimations into the future. These generally include words and/or phrases such as "will likely result", "aims to", "will continue", "is anticipated", "it is estimated", "anticipate", "estimate", "project", "result", "is predicted", "may", "might", "could", "believe", "expect", "plan", "potential", or other similar expressions. These statements are subject to uncertainties. Actual results may differ from those stated in this report due to, but not limited, impact to climate change, water stress, financial distress, negative publicity, our availability to hire and/or retain the best talent, emerging regulations, and reputation of our brands, the ability to make acquisitions and/or divest divisions, access to capital, volatility in the stock market, exposure to litigation, and other associated risks not mentioned as well as risks identified in our Form-20 filed with the US Securities and Exchange Commission. Additional information about AB InBev's climate and water risks, management and performance of such is available through CDP.

Assurance Report of the Independent Auditor

To the readers of the Anheuser-Busch InBev 2018 Annual Report:

Introduction

We have reviewed the following information in the Anheuser-Busch InBev 2018 Annual Report (hereafter 'The Selected Information') of Anheuser-Busch InBev SA/NV (hereafter 'AB InBev') based in Leuven, Belgium:

- Water Use by Hectoliter of Production and Total Water Use (page 41)
- Total Energy purchased and Energy purchased per Hectoliter of Production (page 41)
- Percentage of purchased electricity from renewable sources (page 41)
- Total Direct and Indirect GHG Emissions and GHG Emissions per Hectoliter of Production (page 41)
- Percentage of returnable primary packaging (page 41)
- Percentage of recycled content in primary packaging (page 41)
- Lost Time Injuries (LTI) – Supply Employees (own), Second Tier and Sales Employees (page 23)
- Total Recordable Injuries (TRI) – Supply Employees (own) (page 23)
- Fatalities (page 23)

The information reviewed as part of our limited assurance engagement has been indicated throughout the Annual Report with the symbol ^a. A review is aimed at obtaining a limited level of assurance.

Conclusion

Based on our procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that The Selected Information is not prepared, in all material respects, in accordance with the applied reporting criteria as disclosed in the section 'Report Scope' on page 50 in the Annual Report.

Basis for our conclusion

We have performed our review on The Selected Information in accordance with the International Standard on Assurance Engagements (ISAE) 3000: "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board.

This review engagement is aimed at obtaining a limited level of assurance. Our responsibilities under this standard are further described in the section 'Our responsibilities for the review of The Selected Information' of our report.

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Scope of the group review

AB InBev is the parent company of a group of entities. The Selected Information incorporates the consolidated information of this group of entities as disclosed in the section 'Report Scope' on page 50 in the Annual Report.

Our group review procedures consisted of both review procedures at corporate (consolidated) level and at site level. Our selection of sites in scope of our review procedures is primarily based on the site's individual contribution to the consolidated information. Furthermore, our selection of sites considered relevant reporting risks and geographical spread.

By performing our procedures at site level, together with additional procedures at corporate level, we have been able to obtain sufficient and appropriate evidence about the group's reported information to provide a conclusion about The Selected Information.

Responsibilities of the Board of Directors for The Selected Information

The Board of Directors of AB InBev is responsible for the preparation of The Selected Information in accordance with the applied reporting criteria as described in the section 'Report Scope' on page 50 in the Annual Report, including the identification of stakeholders and the definition of material matters. The choices made by the Board of Directors of AB InBev regarding the scope of the information in the Annual Report and the reporting policy are summarized in the section 'Report Scope' on page 50 in the Annual Report.

The Board of Directors is also responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of The Selected Information that is free from material misstatement, whether due to fraud or error.

Our responsibilities for the review of The Selected Information

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and

perform the engagement to obtain limited assurance about whether The Selected Information is free from material misstatement.

Procedures performed in an assurance engagement to obtain a limited level of assurance are aimed to determine the plausibility of information and are less extensive than a reasonable assurance engagement. The level of assurance obtained in limited assurance engagements is therefore substantially less than the level of assurance obtained in a reasonable assurance engagements.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of The Selected Information. The materiality affects the nature, timing and extent of our review procedures and the evaluation of the effect of identified misstatements on our conclusion.

We apply the International Standard on Quality Control 1 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.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with the International Standard on Assurance Engagements (ISAE) 3000, ethical requirements and independence requirements.

Procedures performed

Our limited assurance engagement on The Selected Information consists of making inquiries, primarily of persons responsible for the preparation of the Selected Information, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included, among others:

- Identifying areas of The Selected Information where material misstatements, whether due to fraud or error, are likely to arise, designing and performing limited assurance procedures responsive to those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion;
- Developing an understanding of internal control relevant to the limited assurance engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of the reporting criteria used and their consistent application, including the reasonableness of estimates made by management and related disclosures to The Selected information;
- Interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on The Selected Information and consolidating the data in the 2018 Annual Report;
- Visits to seven production sites in Mozambique, Brazil, Korea, Germany, the United States of America and Mexico (two sites) aimed at, on a local level, validating source data and evaluating the design and implementation of internal control and validation procedures;
- Reviewing relevant internal and external documentation, on a limited test basis, in order to determine the reliability of The Selected Information;
- Preliminary and final analytical review procedures to confirm our understanding of trends in the Selected Information at site and corporate level.

Antwerp, 28 February 2019

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■ Registered trademarks ■

The following brands are registered trademarks of Anheuser-Busch InBev SA/NV or one of its affiliated companies:

Global brands:

Budweiser, Stella Artois, Corona and Michelob Ultra

International brands:

Castle, Beck's, Leffe and Hoegaarden

Local brands:

10 Barrel, 100% renewable electricity, 4 Pines, Aguilas, Aguila Cero, Aleston, Alexander Keith's, Alta Palla, Andes, Antarctica, Archibald, Bagbier, Barrilito, Bass, BBC, Beck's Blue, Becker, Belle-Vue, Belgian Beer Café, Best Damn, Birra del Borgo, Blue Point, Boddingtons, Bohemia, Boxing Cat, Brahma, Brahma Extra, Brahma 0.0, Bud Light, Bud Light Lime 'Ritas' family, Bud Light Lime, Bud Light Orange, Budweiser 1933 Repeal Reserve Amber Lager, Budweiser Magnum, Budweiser Prohibition Brew, Budweiser Supreme, Busch, Busch Light, Cafri, Camden Town, Camden Hells, Canvas, Carlton, Carlton Zero, Carling Black Label, Cass, Castle Free, Castle Lite, Chernigivske, Club Colombia, Cola & Pola, Colorado, Corona Cero, Corona Extra, Corona Ligera, Corona Light, Corona SunSets, Corona This Is Living, Coronita, Cristal, Cubanisto, Cucapá, Cusqueña, Devils Backbone, Diebels, Diekirch, Diekirch 0.0, Dilly Dilly, Double Deer, Eagle Lager, Elysian, Estrella, Estrella Jalisco, Flying Fish Chill, Franziskaner, Franziskaner Zitrone 0.0, Ginette, Ginsber, Golden Road, Goose Island, Great Northern, Guaraná Antarctica, Haake-Beck, Harbin, Hasseröder, Hertog Jan, HiBall, Jinling, Jinlongquan, Julius, Jupiler, Jupiler 0.0, Kaiba, Karbach, Kilimanjaro, Klinskoye, Kokanee, Kombrewcha, Kwak, Labatt, Lakeport, Land Shark Lager, La Virgen, Leffe Royale, Leffe 0.0, Leon, Liberty, Löwenbräu, Lucky, Mackeson, Magnifica, Mexicali, Michelob Ultra Pure Gold, Mike's Hard Lemonade, Mill Street, MixxTail, Modelo, Modelo Especial, Montejo, Mountain Series, Natty Daddy, Natural Light, Negra Modelo, Norte, Nossa, O'Doul's, OB, Oland, Old Blue Last, Original, Paceña, Pacifico, Patagonia, Patricia, Pilsen, Pirate Life, Poker, Pony Malta Plus, Presidente, Pure Blonde, Pure Blonde Cider, Quilmes, Quilmes Clásica, RateBeer, Redd's Apple, Rogan, Safari, Saturday Session, Sedrin, Shiliang, Shock Top, Sibirskaya Korona, Skol, SmartBarley, Spaten, SpikedSeltzer, Stanley Park, Stella Artois Buy A Lady A Drink, Stella Artois Cidre, Stella Artois Le Savoir, Stella Artois Joie de Bière, Stella Artois Gluten-free, Sunbru, T, Tijuana, Tolstik, Tripel Karmeliet, Tropical, Vieux Temps, Victoria, Victoria Bitter, Vista Corona, Wäls, Whitbread, Wicked Weed, Yantar, ZX Ventures.

The following brand is a registered trademark:

- PerfectDraft: co-owned with Koninklijke Philips N.V.
- Clean Waves: co-owned with Parley LLC

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Special thanks to our proofreaders and all our Anheuser-Busch InBev colleagues who have made this annual report a reality.

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U kan dit rapport in het Nederlands raadplegen op onze website: www.ab-inbev.com

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Register of Companies

0417.497.106

Figures in million USD unless stated otherwise	2013 reported	2013 reference base¹	2014 reported	2015 reported	2015 reference base²	2016 reported	2016 reference base³	2017 reported	2018 reported	2018 reference base⁴
Volumes (million hls)	425	446	459	457	502	500	616	613	567	567
Revenue	43,195	45,483	47,063	43,604	46,928	45,517	53,942	56,444	54,619	54,619
Normalized EBITDA	17,188	17,943	18,542	16,839	18,145	16,753	19,633	22,084	22,080	22,592
EBITDA	23,428	--	18,465	17,057	--	16,360	--	21,429	21,366	--
Normalized profit from operations	14,203	14,800	15,308	13,768	14,882	13,276	15,520	17,814	17,821	17,904
Normalized profit attributable to equity holders of Anheuser-Busch InBev	7,936	--	8,865	8,513	--	4,853	--	7,967	6,793	--
Profit attributable to equity holders of Anheuser-Busch InBev	14,394	--	9,216	8,273	--	1,241	--	7,996	4,368	--
Net financial debt	38,800	--	42,135	42,185	--	107,953	--	104,390	102,462	--
Cash flow from operating activities	13,864	--	14,144	14,121	--	10,110	--	15,430	14,663	--
Normalized earnings per share (USD)	4.91	--	5.43	5.20	--	2.83	--	4.04	2.21	--
Dividend per share (USD)	2.83	--	3.52	3.95	--	3.85	--	4.33	2.05	--
Dividend per share (euro)	2.05	--	3.00	3.60	--	3.60	--	3.60	1.80	--
Payout ratio %	57.60	--	64.80	76.0	--	136.0	--	107.2	59.6	--
Weighted average number of ordinary shares (million shares)	1,617	--	1,634	1,638	--	1,717	--	1,971	1,975	--
Share price high (euro)	79.60	--	94.89	124.20	--	119.60	--	110.10	96.70	--
Share price low (euro)	63.44	--	69.14	87.73	--	92.13	--	92.88	56.84	--
Year-end share price (euro)	77.26	--	93.86	114.40	--	100.55	--	93.13	57.70	--
Market capitalization (million USD)	172,291	--	183,167	200,302	--	213,993	--	225,531	133,404	--
Market capitalization (million euro)	124,930	--	150,867	183,983	--	203,010	--	188,052	116,510	--

1. The 2013 Reference Base includes 12 months of Grupo Modelo operations to facilitate the understanding of AB InBev's underlying business. The 2013 reference base further reflects the combination of Western Europe and Central & Eastern Europe into a single Europe Zone, and a number of intra-Zone management reporting changes which took effect on 1 January 2014.
2. The 2015 Reference Base and 2016 segment reporting exclude the results of the SABMiller business sold since the combination was completed, including the joint venture stakes in MillerCoors and CR Snow, and the sale of the Peroni, Grolsch and Meantime brands and associated businesses in Italy, the Netherlands, the UK and internationally. The 2015 Reference Base and 2016 segment reporting also exclude the results of the CEE Business and the stake in Distell. The results of the CEE Business will be reported as "Results from discontinued operations" and the results of Distell will be reported as share of results of associates until the respective sales are completed.
3. The differences between the 2016 Reference base and the 2016 income statement as Reported represent the effect of the combination with SAB. The profit, cash flow and balance sheet are presented as Reported in 2016. The results of the CEE Business were reported as "Results from discontinued operations" until the completion of the disposal that took place on 31 March 2017. The results of Distell were reported as share of results of associates until the completion of the sale that occurred on 12 April 2017, and accordingly, are excluded from normalized EBIT and EBITDA. Furthermore, the company stopped consolidating CCBA in its consolidated financial statements as from the completion of the CCBA disposal on 4 October 2017.
4. The differences between the 2018 Reference base and the 2018 income statement as Reported represent the effect of (i) the new organizational structure that will be effective as of 1 January 2019 and is composed of five regions (North America, Middle Americas, South America, EMEA and Asia Pacific); (ii) the application of hyperinflation accounting as of IAS 29 Financial Reporting in Hyperinflationary Economies was not applied for the company's results published prior to the third quarter of 2018; and (iii) the new IFRS 16 Leases accounting standard that will be effective as of 1 January 2019 and will replace the current lease accounting requirements and introduces significant changes to lessee accounting, including the recognition a "right-of-use" asset and a lease liability, a depreciation charge related to the "right-of-use" assets and an interest expense on the lease liabilities, as compared to the recognition of rental cost on a straight-line basis over the lease term under the prior standard.



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