

**PART I**

**ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

**A. DIRECTORS AND SENIOR MANAGEMENT**

Not applicable.

**B. ADVISERS**

Not applicable.

**C. AUDITORS**

Not applicable.

**ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

**A. OFFER STATISTICS**

Not applicable.

**B. METHOD AND EXPECTED TIMETABLE**

Not applicable.

**ITEM 3. KEY INFORMATION**

**B. CAPITALIZATION AND INDEBTEDNESS**

Not applicable.

**C. REASONS FOR THE OFFER AND USE OF PROCEEDS**

Not applicable.

**D. RISK FACTORS**

*Investing in our shares involves risk. We expect to be exposed to some or all of the risks described below in our future operations. Such risks include, but are not limited to, the risk factors described below. Any of the risk factors described below, as well as additional risks of which we are not currently aware, could also affect our business operations and have a material adverse effect on our business activities, financial condition, results of operations and prospects and cause the value of our shares to decline. Moreover, if and to the extent that any of the risks described below materialize, they may occur in combination with other risks which would compound the adverse effect of such risks on our business activities, financial condition, results of operations and prospects. Investors in our shares and American Depositary Shares ("ADSS") could lose all or part of their investment.*

*You should carefully consider the following information in conjunction with the other information contained or incorporated by reference in this document. The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or of the potential magnitude of their financial consequences.*

## SUMMARY OF RISK FACTORS

### Risks relating to us and our activities

#### 1. Financial Risks

- We are exposed to risks associated with global, regional and local economic weakness and uncertainty (including those resulting from an economic downturn, recession, inflationary pressures and/or geopolitical instability), which could adversely affect our business and operations, the demand for our products and the market price of our Ordinary Shares and ADSs.
- Our business, financial performance and results of operations have been, and may continue to be, adversely affected by the continuation and consequences of the ongoing conflict between Russia and Ukraine.
- Fluctuations in foreign currency exchange rates may lead to volatility in our results of operations.
- We may not be able to obtain the necessary funding for our future needs and may face financial risks due to our level of debt, uncertain market conditions and potential downgrading of our credit ratings.
- Our results could be negatively affected by increasing interest rates.
- The ability of our subsidiaries to distribute cash upstream may be subject to various limitations.

#### 2. Risks relating to our business activities and industry

- Changes in the availability or price of raw materials, commodities, energy and water, including as a result of geopolitical instability, inflationary pressures, currency fluctuations, constraints on sourcing and unexpected increases in tariffs on such raw materials and commodities could have an adverse effect on our results of operations.
- Certain of our operations depend on independent distributors or wholesalers to sell our products, and we may be unable to replace distributors or acquire interests in wholesalers or distributors. In addition, we may be adversely impacted by the consolidation of retailers.
- We rely on key third parties, including key suppliers, and the termination or modification of the arrangements with such third parties or their failure to meet their obligations to us could negatively affect our business.
- Damage to our reputation or brand image can adversely affect our business.

#### 3. Risks relating to our corporate structure, acquisitions and investments

- We may be unable to influence our associates in which we have minority investments.
- We may have a conflict of interest with our majority-owned subsidiaries and we may not be able to resolve such conflict on terms favorable to us.
- We may be unsuccessful in identifying suitable acquisition targets or business partners or implementing our acquisitions, divestitures, investments or alliances, which may negatively impact our growth strategy.
- Our failure to satisfy our obligations under the SAB settlement agreement could adversely affect our financial condition and results of operations.

#### 4. Market Risks

- We are exposed to developing market risks, including risks of devaluation, nationalization and inflation.
- Competition and changing consumer preferences could adversely affect our profitability.

#### 5. Legal and Regulatory Risks

- If any of our products is defective or found to contain contaminants, we may be subject to product recalls or other associated liabilities.
- Negative publicity regarding perceived health risks, failure to provide safe working environments and associated government regulation may harm our business.
- We are exposed to the risk of litigation, claims and disputes, which may cause us to pay significant damage awards and incur other costs.
- We could incur significant costs as a result of compliance with, and/or violations of or liabilities under, various regulations that govern our operations.
- We may be subject to adverse changes in taxation and other tax-related risks.

- We are exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws. In addition, in connection with our previous acquisitions, various regulatory authorities have previously imposed conditions with which we are required to comply.
- If we do not successfully comply with applicable anti-corruption laws, export control regulations and trade restrictions, we could become subject to regulatory sanctions and adverse press coverage.
- Our subsidiary Ambev operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States and Ambev's operations in Cuba may adversely affect our reputation and the liquidity and value of our securities.

6. Brand and Intellectual Property Risks

- We rely on the reputation of our brands and our marketing efforts may be restricted by regulations.
- We may not be able to protect our intellectual property rights, and our ability to compete effectively may be harmed if our intellectual property rights are infringed by third parties.
- An impairment of goodwill or other intangible assets would adversely affect our financial condition.

7. Other risks related to our business

- Climate change or other environmental concerns, or legal, regulatory or market measures to address climate change or other environmental concerns, may negatively affect our business or operations.
- We are exposed to the risk of labor strikes and disputes that could lead to a negative impact on our costs and production level.
- Cybersecurity incidents and other disruptions to our information and operational technology systems, or in our supply chain, could damage our reputation and we could suffer a loss of revenue, incur substantial additional costs and become subject to litigation and regulatory scrutiny.
- If we fail to comply with personal data protection laws, we could be subject to adverse publicity, government enforcement actions and/or private litigation, which could negatively affect our business.

8. General Risks

- Natural and other disasters, including public health crises and global pandemics, could disrupt our operations.
- We may not be able to recruit or retain key personnel.
- Our insurance coverage may not be sufficient to protect us from material liabilities.

**Risks Related to Our Ordinary Shares and American Depositary Shares**

- The market price of our Ordinary Shares and ADSs may be volatile.
- Our largest shareholder may use its significant interest to take actions not supported by our other shareholders.
- We may be unable to pay dividends.
- Fluctuations in the exchange rate between the Euro, the South African rand, the Mexican peso and the U.S. dollar may increase the risk of holding our ADSs and Ordinary Shares.
- Future equity issuances may dilute the holdings of current shareholders or ADS holders and any such offerings by us or any large sales by our shareholders could materially affect the market price of our Ordinary Shares or ADSs.
- Investors may suffer dilution if they are not able to participate in equity offerings, and our ADS holders may not receive any value for rights that we may grant.
- ADS holders may not be able to exercise their right to vote the shares underlying our ADSs
- ADS holders may be subject to limitations on the transfer of their ADSs or the withdrawal of the underlying Ordinary Shares from the deposit facility.
- Shareholders may not enjoy under Belgian corporate law and our articles of association certain of the rights and protections generally afforded to shareholders of U.S. companies.
- As a "foreign private issuer" in the United States, we are exempt from a number of rules under U.S. securities laws and are permitted to file less information with the SEC than domestic issuers.
- It may be difficult for investors outside Belgium to serve process on or enforce foreign judgments against us.

**Risks relating to us and our activities****1. Financial Risks**

***We are exposed to risks associated with global, regional and local economic weakness and uncertainty (including those resulting from an economic downturn, recession, inflationary pressures and/or geopolitical instability), which could adversely affect our business and operations, the demand for our products and the market price of our Ordinary Shares and ADSs.***

Downturns in the worldwide economy, due to inflation, geopolitical instability (such as the ongoing conflict between Russia and Ukraine), increases in energy prices, the COVID-19 pandemic, changes in government policies and increased interest rates or other factors, have had, and may continue to have, far reaching adverse consequences across many industries, including the alcohol beverage industry. Our products are sold in over 150 countries worldwide, and our business and financial condition may be adversely affected by unfavorable political or economic developments in any of the countries where our products are made, manufactured, distributed or sold. Markets across the world experienced significant inflationary pressures in 2022 and inflation rates in countries in which we operate are currently expected to continue at elevated levels for the near-term. The ongoing conflict between Russia and Ukraine has, among other things, resulted in elevated geopolitical instability and economic volatility and contributed significantly to the prevailing inflationary pressures. In addition, central banks in various countries have raised, and may again raise, interest rates in response to concerns about inflation, which, coupled with reduced government spending and volatility in financial markets, may have the effect of further increasing economic uncertainty and eroding the purchasing power of consumers. Interest rate increases or other government actions taken to reduce inflation could also contribute to recessionary pressures in many parts of the world. Unfavorable macroeconomic conditions in any of our key markets, including the U.S., U.K., Europe and China (including as a result of measures taken in response to the COVID-19 pandemic or any variants thereof), may negatively affect our financial performance.

Consumption of beer and other alcohol and non-alcohol beverages in many of the jurisdictions in which we operate is closely linked to general economic conditions, with levels of consumption tending to rise during periods of rising per capita income and fall during periods of declining per capita income. Difficult macroeconomic conditions in our key markets, such as decreases in per capita income and level of disposable income driven by increases in inflation and the cost of living have adversely affected demand for our products in the past. Under difficult economic conditions, consumers may seek to reduce discretionary spending by forgoing purchases of our products, by shifting away from our premium products to lower-priced products offered by us or other companies or by shifting to off-premise from on-premise consumption, which could have a material adverse effect on the demand for our products and may negatively impact our revenues. Moreover, because a sizeable portion of our brand portfolio consists of premium and core beers, our volumes and revenue may be impacted to a greater degree than those of some of our competitors, the sales of which depend less on premium or core brands. For additional information on the categorization of the beer market and our positioning, see “Item 4. Information on the Company–B. Business Overview–2. Principal Activities and Products–Beer.” Softer consumer demand for our products could reduce our profitability and could negatively affect our overall financial performance.

Increasing inflationary pressures may result in significant increases to our expenses, including direct materials, wages, energy, and transportation costs. In addition, the prevailing geopolitical instability and sustained inflation (including as a result of the ongoing conflict between Russia and Ukraine) have resulted in increased pressure on the supply chain and increased energy costs, which may increase the cost of manufacturing, selling and delivering our products. In cases of sustained and elevated inflation across several of our key markets, it may be difficult to effectively manage the increases to our costs and we may not be able to pass these increased costs to our customers. See “–Changes in the availability or price of raw materials, commodities, energy and water, including as a result of geopolitical instability, inflationary pressures, currency fluctuations, constraints on sourcing and unexpected increases in tariffs on such raw materials and commodities could have an adverse effect on our results of operations” for further details on risks related to increases in prices of raw material and commodities.

Additionally, unfavorable economic conditions may negatively impact our suppliers, distributors, contractors, financial counterparties or other third-party partners who may experience cash flow problems, increased credit defaults, decreases in disposable income or other financial issues. Any future significant deterioration in economic conditions may cause our third-party partners to suffer financial or operational difficulties that they cannot overcome, impairing their ability to satisfy their obligations to us and provide us with the materials and services we need, in which case our business and results of operations could be adversely affected.

Capital and credit market volatility, such as that experienced in recent years, may result in downward pressure on stock prices and credit capacity of issuers. Potential changes in social, political, regulatory and economic conditions in the U.S. and the European Union, including as a result of the United Kingdom's exit from the European Union and changes in policies governing foreign trade and imports, may be significant drivers of capital and credit market volatility. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on our ability to access capital, on our business, results of operations and financial condition, and on the market price of our Ordinary Shares and our ADSs.

***Our business, financial performance and results of operations have been, and may continue to be, adversely affected by the continuation and consequences of the ongoing conflict between Russia and Ukraine.***

On 11 March 2022, we announced that we are forfeiting all financial benefits from the operations of AB InBev Efes, in which we own a 50% non-controlling stake and which we do not consolidate. On 22 April 2022, we announced our decision to sell our non-controlling interest in AB InBev Efes and that we are in active discussions with Anadolu Efes, the controlling shareholder of AB InBev Efes, to acquire this interest and that our request to Anadolu Efes to suspend the license granted to AB InBev Efes for the production and sale of Bud in Russia will also be part of a potential transaction. As a result, we derecognized the investment in AB InBev Efes and reported a USD 1,143 million non-cash impairment charge in exceptional share of results of associates as of 30 June 2022. See also note 16 to our audited consolidated financial statements as of 31 December 2022 and 2021, and for the three years ended 31 December 2022 included in this Form 20-F. Any potential transaction will be subject to customary closing conditions, including regulatory approvals in Russia and Ukraine, and there can be no guarantee that necessary regulatory approvals will be obtained or that a transaction will be completed.

In connection with the ongoing conflict, the U.S. government, the European Commission and the authorities of certain other jurisdictions in which we operate have imposed sanctions on certain individuals and organizations in Russia, controls on exports to Russia covering a wide range of products and services, and restrictions on U.S., EU and other nationals carrying out certain activities in Russia or in support of Russian businesses. As a result of the conflict and international reactions thereto, Russian authorities have also imposed various economic and financial restrictions, including significant currency control measures aimed at restricting the outflow of foreign currency and capital and restrictions on transacting with non-Russian parties. The implementation or expansion of these economic sanctions, trade restrictions, export and currency controls and other restrictive measures may make it difficult for us to divest our non-controlling interest in AB InBev Efes or for AB InBev Efes to remit cash from Russia to other jurisdictions. Any failure to comply with applicable sanctions and restrictions could subject us to regulatory penalties and reputational risk.

Even though we are forfeiting all financial benefits from the operations of our joint venture with Anadolu Efes, AB InBev Efes, in which we own a 50% non-controlling stake and which we do not consolidate, the foregoing developments have had, and may continue to have, an adverse impact on our business, financial performance and results of operations, and could result in damage to our reputation. In addition, the broader geopolitical and economic consequences of the ongoing conflict could have the effect of heightening other risks described in this Form 20-F, including, but not limited to, adverse effects on economic and political conditions in our key markets, further disruptions to global supply chains and increases in commodity and energy prices with follow-on global inflationary impacts, additional sanctions and restrictive measures, increased risk of cyber incidents or other disruptions to our information systems, which could materially adversely affect our business and operations. See also “We are exposed to risks associated with global, regional and local economic weakness and uncertainty (including those resulting from an economic downturn, recession, inflationary pressures and/or geopolitical instability), which could adversely affect our business and operations, the demand for our products and the market price of our Ordinary Shares and ADSs”, “Changes in the availability or price of raw materials, commodities, energy and water, including as a result of geopolitical instability, inflationary pressures, currency fluctuations,

constraints on sourcing and unexpected increases in tariffs on such raw materials and commodities could have an adverse effect on our results of operations”, and “If we do not successfully comply with applicable anti-corruption laws, export control regulations and trade restrictions, we could become subject to fines, penalties or other regulatory sanctions, as well as to adverse press coverage, which could cause our reputation, our sales or our profitability to suffer” for details regarding the impact the ongoing conflict between Russia and Ukraine has had, and may continue to have, on our business and operations. The ultimate impact of these disruptions depends on events beyond our knowledge or control, including the scope and duration of the conflict and actions taken by parties other than us to respond to them, and cannot be predicted.

***Fluctuations in foreign currency exchange rates may lead to volatility in our results of operations.***

Although we report our consolidated results in U.S. dollars, in 2022, we derived 71.2% of our revenue from operating companies that have non-U.S. dollar functional currencies (in most cases, in the local currency of the respective operating company). Consequently, any change in exchange rates between our operating companies’ functional currencies and the U.S. dollar will affect our consolidated income statement and balance sheet when the results of those operating companies are translated into U.S. dollars for our reporting purposes, as we cannot hedge against translational exposures. Decreases in the value of our operating companies’ functional currencies against the U.S. dollar will tend to reduce those operating companies’ contributions in dollar terms to our financial condition and results of operations.

During 2022, several currencies, such as the Argentinean peso, the Chinese yuan, the Colombian peso, the Euro and the South African rand depreciated against the U.S. dollar, while other currencies, such as the Brazilian real and the Mexican peso, appreciated against the U.S. dollar. Our total consolidated revenue was USD 57.8 billion for the year ended 31 December 2022, an increase of USD 3.5 billion compared to the year ended 31 December 2021. The negative impact of unfavorable currency translation effects, including hyperinflation accounting impact, on our consolidated revenue in the year ended 31 December 2022 was USD 2.1 billion, primarily as a result of the impact of the currencies listed above.

Following the categorization of Argentina as a country with a three-year cumulative inflation rate greater than 100%, the country is considered as a hyperinflationary economy in accordance with IFRS rules (IAS 29 *Financial Reporting in Hyperinflationary Economies*), requiring us to restate the results of our operations for the years ended 31 December 2022 and 2021 in hyperinflationary economies for the change in the general purchasing power of the local currency, using official indices before converting the local amounts at the closing rate of the period. If the economic or political situation in Argentina further deteriorates, our Latin America South operations may be subject to restrictions under new Argentinean foreign exchange, export repatriation or expropriation regimes that could adversely affect our ability to access funds from Argentina, our financial condition and operating results. See “We are exposed to developing market risks, including the risks of devaluation, nationalization and inflation” and “Item 5. Operating and Financial Review—A. Key Factors Affecting Results of Operations—Foreign Currency.”

Significant changes in the value of foreign currencies relative to the U.S. dollar could adversely affect the amounts we record for our foreign assets, liabilities, revenues and expenses, and could have a negative effect on our results of operations and profitability. See “Item 5. Operating and Financial Review—E. Results of Operations—Year Ended 31 December 2022 Compared to the Year Ended 31 December 2021” for further details on the impact of currency translation effects on our results of operations.

In addition to currency translation risk, we incur currency transaction risks whenever one of our operating companies enters into transactions using currencies other than its respective functional currency, including purchase or sale transactions and the issuance or incurrence of debt. Although we have hedging policies in place to manage commodity price and foreign currency risks to protect our exposure to currencies other than our operating companies’ functional currencies, there can be no assurance that such policies will be able to successfully hedge against the effects of such foreign exchange exposure.

Much of our debt is denominated in U.S. dollars, while a significant portion of our cash flows is denominated in currencies other than the U.S. dollar. From time to time we enter into financial instruments to mitigate currency risk, but these transactions and any other efforts taken to better match the effective currencies of our liabilities to our cash flows could result in increased costs. See “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Market Risk, Hedging and Financial Instruments,” note 27 to our audited consolidated financial statements as of 31 December 2022 and 2021, and for the three years ended 31 December 2022, for further details on our approach to hedging commodity price and foreign currency risk.

***We may not be able to obtain the necessary funding for our future capital or refinancing needs and may face financial risks due to our level of debt, uncertain market conditions and as a result of the potential downgrading of our credit ratings.***

We may be required to raise additional funds for our future capital needs or to refinance our current indebtedness and future indebtedness through public or private financing, strategic relationships or other arrangements. There can be no assurance that the funding, if needed, will be available or provided on attractive terms.

Following the combination with SAB, the portion of our consolidated balance sheet represented by debt is higher as compared to our historical position and we expect it to remain so in the near term. To fund the combination with SAB, we entered into, among others, the following transactions:

- in January 2016, our subsidiary Anheuser-Busch InBev Finance Inc. (“**ABIFI**”) issued bonds in debt capital markets offerings resulting in aggregate net proceeds of approximately USD 47.0 billion; and
- in March 2016, we issued bonds in a debt capital markets offering under our Euro Medium-Term Notes Programme (“**EMTN Programme**”) resulting in aggregate net proceeds of approximately EUR 13.1 billion.

Since the combination with SAB we have undertaken further debt issuance and debt liability management exercises; see “Item 5. Operating and Financial Review—H. Liquidity and Capital Resources—Funding Sources—Borrowings” for more information on our financing activities.

Our continued increased level of debt could have significant consequences, including:

- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our ability to fund future working capital and capital expenditures, to engage in future acquisitions or development activities or to otherwise realize the value of our assets and opportunities fully;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- impairing our ability to obtain additional financing in the future, or requiring us to obtain financing involving restrictive covenants;
- requiring us to issue additional equity (possibly under unfavorable conditions), which could dilute our existing shareholders’ equity; and
- placing us at a competitive disadvantage compared to our competitors that have less debt.

In addition, ratings agencies may downgrade our credit ratings below their current levels. In October 2018, Moody’s Investors Service placed AB InBev’s A3 senior unsecured ratings on review to downgrade, citing downward rating pressure due to high financial leverage and our slow path to deleveraging following the October 2016 acquisition of SAB. In December 2018, Moody’s Investors Service concluded its ratings review and assigned a definitive rating of Baa1 (stable outlook) to AB InBev’s long-term debt obligations. As of the date of this Form 20-F, our credit rating from Standard & Poor’s (“**S&P**”) Global Ratings was BBB+ for long-term obligations and A-2 for short-term obligations, with a positive outlook, and our credit rating from Moody’s Investors Service was Baa1 for long-term obligations and P-2 for short-term obligations, with a positive outlook. Any credit rating downgrade could materially adversely affect our ability to finance our ongoing operations and our ability to refinance the debt incurred to fund the combination with SAB, including by increasing our cost of borrowing and significantly harming our financial condition, results of operations and profitability, including our ability to refinance our other existing indebtedness.

In recent years, we have given priority, among other things, to allocate surplus free cash flow to balance leverage, return cash to shareholders and pursue selective mergers and acquisitions. While we aim to dynamically allocate excess cash between our capital allocation priorities, our level of outstanding debt may restrict the amount of dividends we are able to pay.

Our ability to repay and renegotiate our outstanding indebtedness will depend upon market conditions. In recent years, the global credit markets experienced significant price volatility, dislocations and liquidity disruptions that caused the cost of debt financings to fluctuate considerably. The markets also put downward pressure on stock prices and credit capacity for certain issuers without regard to those issuers' underlying financial strength.

Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors reduced and, in some cases, ceased to provide funding to borrowers. If such uncertain conditions occur, our costs could increase beyond what is anticipated. Certain of our subsidiaries could experience difficulties in obtaining or renewing third party guarantees or security arrangements that may be required to secure their performance of potential obligations under certain agreements and legal proceedings; see also "The ability of our subsidiaries to distribute cash upstream may be subject to various conditions and limitations". Such costs could have a material adverse impact on our cash flows, results of operations or both. In addition, an inability to refinance all or a substantial amount of our debt obligations when they become due, or more generally a failure to raise additional equity capital or debt financing or to realize proceeds from asset sales when needed, would have a material adverse effect on our financial condition and results of operations.

***Our results could be negatively affected by increasing interest rates.***

We use issuances of debt and bank borrowings as a source of funding and we carry a significant level of debt. Nevertheless, pursuant to our capital structure policy, we aim to optimize shareholder value through cash flow distributions to us from our subsidiaries, while maintaining an investment-grade rating and minimizing cash and investments with a return below our weighted average cost of capital. There can be no assurance that we will be able to pursue a similar capital structure policy in the future.

Some of the debt we have issued or incurred was issued or incurred at variable interest rates, which exposes us to changes in such interest rates. As of 31 December 2022, after certain hedging and fair value adjustments, USD 4.6 billion, or 5.7%, of our interest-bearing financial liabilities (which include bonds, loans, lease liabilities and bank overdrafts) bore a variable interest rate, while USD 75.4 billion, or 94.3%, bore a fixed interest rate. Moreover, a significant part of our external debt is denominated in non-U.S. dollar currencies, including the Canadian dollar, the Euro, the pound sterling and the South Korean won. Although we enter into interest rate swap agreements to manage our interest rate risk, and also enter into cross-currency interest rate swap agreements to manage both our foreign currency risk and interest-rate risk on interest-bearing financial liabilities, there can be no assurance that such instruments will be successful in reducing the risks inherent in exposures to interest rate fluctuations. See "Item 11. Quantitative and Qualitative Disclosures About Market Risk—Market Risk, Hedging and Financial Instruments," note 27 to our audited consolidated financial statements as of 31 December 2022 and 2021, and for the three years ended 31 December 2022 for further details on our approach, currency and interest rate risk.

***The ability of our subsidiaries to distribute cash upstream may be subject to various conditions and limitations.***

To a large extent, we are organized as a holding company and our operations are carried out through subsidiaries. In particular, 26.7% (USD 15.4 billion) of our total revenue of USD 57.8 billion in 2022 came from our Brazilian listed subsidiary, Ambev, which is not wholly owned and is listed on the São Paulo Stock Exchange and the New York Stock Exchange. Furthermore, 11.2% (USD 6.5 billion) of our total revenue of USD 57.8 billion in 2022 came from our Asia Pacific listed subsidiary, Budweiser Brewing Company APAC Limited ("Budweiser APAC"), which, since September 2019, is not wholly owned and is listed on the Hong Kong Stock Exchange.



Our domestic and foreign subsidiaries' and affiliated companies' ability to upstream or distribute cash (to be used, among other things, to meet our financial obligations) through dividends, intercompany advances, management fees and other payments is, to a large extent, dependent on the availability of cash flows at the level of such domestic and foreign subsidiaries and affiliated companies, and may be restricted by applicable laws, including currency controls and restrictions, accounting principles and illiquidity, inconvertibility or non-transferability of a specified currency.

Certain of our subsidiaries, including Ambev, may be required to secure their performance of potential obligations under certain agreements and legal proceedings. If these subsidiaries experience difficulties in obtaining or renewing, on attractive terms or at all, financial instruments required to secure their performance of potential obligations under such agreements or legal proceedings and we do not provide guarantees in respect of their obligations under such financial instruments, these subsidiaries may be required to pay higher fees, post additional collateral or use a substantial portion of their cash to secure such obligations, which may adversely affect their available cash flows and liquidity and our subsequent ability to receive cash upstream.

Furthermore, some of our subsidiaries are subject to laws restricting their ability to pay dividends or the amount of dividends they may pay. The risks posed by the illiquidity, inconvertibility or non-transferability of currencies may be heightened in developing markets; for more information see "We are exposed to developing market risks, including the risks of devaluation, nationalization and inflation". If we are not able to obtain sufficient cash flows from our domestic and foreign subsidiaries and affiliated companies, this could adversely impact our ability to pay dividends, and otherwise negatively impact our business, results of operations and financial condition. See "Item 5. Operating and Financial Review-H. Liquidity and Capital Resources-Transfers from Subsidiaries" for further information in this respect.

## **2. Risks relating to our business activities and industry**

***Changes in the availability or price of raw materials, commodities, energy and water, including as a result of geopolitical instability, inflationary pressures, currency fluctuations, constraints on sourcing and unexpected increases in tariffs on such raw materials and commodities could have an adverse effect on our results of operations.***

A significant portion of our operating expenses is related to raw materials and commodities, such as malted barley, wheat, corn, rice, hops, yeast, flavored concentrate, fruit concentrate, sugar, sweetener, water, glass, polyethylene terephthalate ("PET") and aluminum bottles, aluminum or steel cans and kegs, aluminum can stock, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

The supply and price of raw materials and commodities used for the production of our products can be affected by a number of factors beyond our control, including the level of crop production around the world, inflation, global geopolitical events, energy prices, export demand, quality and availability of supply, speculative movements in the raw materials or commodities markets, currency fluctuations, governmental regulations and legislation affecting agriculture, trade agreements among producing and consuming nations, extreme weather conditions, natural disasters, health epidemics, pandemics or other disease outbreaks, economic factors affecting growth decisions, political developments, various plant diseases and pests.

We cannot predict future availability or prices of the raw materials or commodities required for our products. The markets in certain raw materials or commodities have experienced and may in the future experience shortages and significant price fluctuations, including as a result of inflationary pressures, the ongoing conflict between Russia and Ukraine, increased energy prices, the COVID-19 pandemic, fluctuations in currency exchange rates, constraints on sourcing and unexpected increases in tariffs on such raw materials and commodities. The foregoing may affect the price and availability of raw materials and commodities that we use to manufacture our products, as well as the cans and bottles in which our products are packaged. Likewise, disruptions or constraints in the availability of transportation services may affect the price or availability of raw materials or commodities required for our products, and may adversely affect our operations. We experienced higher commodity and logistics costs during 2022, which may continue. We may not be able to increase our prices to offset these increased costs or increase our prices without suffering reduced volume, revenue and operating income.

To some extent, derivative financial instruments and the terms of supply agreements can protect against increases in materials and commodities costs and currency fluctuations in the short term. However, derivatives and supply agreements expire and upon expiry are subject to renegotiation and therefore cannot provide complete protection over the medium or longer term. If we are unable to adequately manage the risks inherent in such volatility, including if our hedging and derivative arrangements do not effectively or completely hedge against foreign currency risks and changes in commodity prices, our results of operations may be adversely impacted. See “Fluctuations in foreign currency exchange rates may lead to volatility in our results of operations” for further details on risks related to foreign exchange exposure. In addition, it is possible that the hedging and derivative instruments we use to establish the purchase price for commodities in advance of the time of delivery may lock us into prices that are ultimately higher than actual market prices at the time of delivery. See “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Market Risk, Hedging and Financial Instruments” for further details on our approach to hedging commodity price risk.

The production and distribution of our products require material amounts of energy, including the consumption of oil-based products, natural gas, biomass, coal and electricity. Energy prices have been subject to significant price volatility in the recent past, including as a result of the ongoing conflict between Russia and Ukraine, and may be again in the future. High energy prices over an extended period of time, as well as changes in energy taxation and regulation in certain geographies, may result in a negative effect on operating income and could potentially challenge our profitability in certain markets. There is no guarantee that we will be able to pass along increased energy costs to our customers in every case.

The production of our products also requires large amounts of water, including water consumption in the agricultural supply chain. Changes in precipitation patterns and the frequency of extreme weather events may affect our water supply and, as a result, our physical operations. Water may also be subject to price increases in certain areas and changes in water taxation and regulation in certain geographies may result in a negative effect on operating income which could potentially challenge our profitability in certain markets. There is no guarantee that we will be able to pass along increased water costs to our customers in every case. See “Climate change or other environmental concerns, or legal, regulatory or market measures to address climate change or other environmental concerns, may negatively affect our business or operations, including the availability of key production inputs.”

***Certain of our operations depend on independent distributors or wholesalers to sell our products, and we may be unable to replace distributors or acquire interests in wholesalers or distributors. In addition, we may be adversely impacted by the consolidation of retailers.***

Certain of our operations are dependent on effective distribution networks to deliver our products to consumers, and distributors play an important role in distributing a significant proportion of beer and other beverages. Generally, distributors purchase our products from us and then sell them either to other distributors or points of sale. Such distributors are either government-controlled or privately owned but independent wholesale distributors for distribution of our products. See “Item 4. Information on the Company—B. Business Overview—7. Distribution of Products” and “Item 4. Information on the Company—B. Business Overview—11. Regulations Affecting Our Business” for further information in this respect. There can be no assurance as to the financial affairs of such distributors or that these distributors, who often act both for us and our competitors, will not give our competitors’ products higher priority, thereby reducing their efforts to sell our products.

In the United States, for instance, we sell the vast majority of our beer to independent wholesalers for distribution to retailers and ultimately consumers. As independent companies, wholesalers make their own business decisions that may not always align themselves with our interests. If our wholesalers do not effectively distribute our products, our financial results could be adversely affected.

In addition, contractual restrictions and the regulatory environment of many markets may make it very difficult to change distributors and, in some markets, we may be prevented from acquiring interests in wholesalers or distributors (for example, see “Our failure to satisfy our obligations under the SAB settlement agreement could adversely affect our financial condition and results of operations.”). In certain cases, poor performance by a distributor or wholesaler is not a sufficient reason for replacement. Such distributors could engage in practices that harm our reputation as consumers look to us for the quality and availability of our products. Our consequent inability to replace unproductive or inefficient distributors could adversely impact our business, results of operations and financial condition.

Moreover, the retail industry, particularly in Europe, North America and other countries in which we operate, continues to consolidate, resulting in larger retailers with increased purchasing power, which may affect our competitiveness in these markets. Larger retailers may seek to improve their profitability and sales by asking for lower prices or increased trade spending. The efforts of retailers could result in reduced profitability for the beer industry as a whole and adversely affect our financial results.

***We rely on key third parties, including key suppliers, and the termination or modification of the arrangements with such third parties or their failure to meet their obligations to us could negatively affect our business.***

We rely on third-party suppliers for a range of raw materials for our beer and non-beer products, such as malted barley, corn, rice, hops, yeast, water, flavored concentrate, fruit concentrate, sugar and sweeteners, and for packaging material, such as glass, PET and aluminum bottles, aluminum or steel cans and kegs, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

We seek to limit our exposure to market fluctuations in the price and supply of these raw materials by entering into medium- and long-term fixed-price arrangements. We have a limited number of suppliers of aluminum cans and glass bottles. Consolidation of the aluminum can industry and glass bottle industry in certain markets in which we operate has reduced local supply alternatives and increased the risk of disruption to aluminum can and glass bottle supplies. Although we generally have multiple suppliers of raw materials and packaging materials, the termination of or any material change to arrangements with certain key suppliers, disagreements with suppliers as to payment or other terms, or the failure of a key supplier to meet its contractual obligations to us or otherwise deliver materials consistent with current usage, including as a result of sourcing constraints, disruptions in its supply chain or other difficulties, would or may require us to make purchases from alternative suppliers, in each case at potentially higher prices or lower quality than those agreed with that supplier. We may also be subject to potential reputational damage if one of our suppliers violates applicable laws or regulations or our internal policies, or fails to meet certain quality standards. These factors could have a material impact on our production, distribution and sale of beer, other alcohol beverages and soft drinks and have a material adverse effect on our business, results of operations, cash flows or financial condition.

A number of our key brand names are both licensed to third-party brewers and used by companies over which we do not have control. See "Item 4. Information on the Company-B. Business Overview-8. Licensing." If we are unable to maintain such arrangements on favorable terms, this could have a material adverse effect on our business, results of operations, cash flows or financial condition.

We monitor brewing quality to ensure adherence to our high standards, but, to the extent that one of these key licensed brand names is subject to negative publicity, it could have a material adverse effect on our business, results of operations, cash flows or financial condition.

For certain packaging supplies and raw materials, we rely on a small number of important suppliers. In addition, certain of our subsidiaries may purchase nearly all of their key packaging materials from sole suppliers under multi-year contracts. The loss of or temporary discontinuity of supply from any of these suppliers without sufficient time to develop an alternative source could cause us to spend increased amounts on such supplies in the future. If these suppliers became unable to continue to meet our requirements, and we are unable to develop alternative sources of supply, our operations and financial results could be adversely affected.

***Damage to our reputation or brand image can adversely affect our business.***

Our reputation forms the foundation of our relationships with key stakeholders and other constituencies, including consumers, customers and suppliers, and maintaining a positive reputation globally is critical to the successful operation of our business. Negative publicity surrounding us, our activities, our personnel or our business partners, consumer perception of our response to political and social issues or catastrophic events, and campaigns by activists, whether or not warranted, connecting us, our personnel, our supply chain or our business partners with a failure to maintain high ethical, business and environmental, social and governance practices, including with respect to human rights, workplace conditions and employee health and safety, whether actual or perceived, could adversely impact our reputation and brand image and may decrease demand for our products, thereby adversely affecting our business, results of operations, cash flows or financial condition.

Our sponsorship relations may also subject us to negative publicity as result of any actual or alleged misconduct by individuals or entities associated with organizations we sponsor or support. Activities by our promotional partners that harm their public image or reputation could also have an adverse effect on our reputation or brand image, and may decrease demand for our products, thereby adversely affecting our business. Our reputation may also be negatively impacted by the activities of our suppliers or associates, actual or perceived failures to provide safe working environments or by potential defects or contamination in our products; for more information see “We rely on key third parties, including key suppliers, and the termination or modification of the arrangements with such third parties could negatively affect our business,” “We may be unable to influence our associates in which we have minority investments”, “Negative publicity regarding perceived health risks, failure to provide safe working environments and associated government regulation may harm our business” and “If any of our products is defective or found to contain contaminants, we may be subject to product recalls or other associated liabilities”.

**3. Risks relating to our corporate structure, acquisitions and investments**

***We may be unable to influence our associates in which we have minority investments.***

A portion of our global portfolio consists of associates in new or developing markets, including investments where we may have a lesser degree of control over the business operations. For example, through our investment in the beverage operations of Société des Brasseries et Glacières Internationales and B.I.H. Brasseries Internationales Holding Limited, we have exposure to a number of countries in Africa; and through our investment in Anadolu Efes, we have exposure to Turkey and countries in the Commonwealth of Independent States.

We face several challenges inherent to these various culturally and geographically diverse business interests. Although we work with our associates on the implementation of appropriate processes and controls, we also face additional risks and uncertainties with respect to these minority investments because we may be dependent on systems, controls and personnel that are not under our control, such as the risk that our associates may violate applicable laws and regulations, which could have an adverse effect on our business, reputation, results of operations and financial condition. For more information, see “If we do not successfully comply with applicable anti-corruption laws, export control regulations and trade restrictions, we could become subject to fines, penalties or other regulatory sanctions, as well as to adverse press coverage, which could cause our reputation, our sales or our profitability to suffer.”

***We may have a conflict of interest with our majority-owned subsidiaries and we may not be able to resolve such conflict on terms favorable to us.***

Conflicts of interest may arise between us and certain of our subsidiaries in various situations due to our status as parent company of such majority-owned subsidiaries and interests that may differ from ours. Notwithstanding policies and procedures to address the possibility of such conflicts of interest, we may not be able to resolve all such conflicts on terms favorable to us.

We have entered into various agreements with our subsidiaries. Notwithstanding the influence that we have over such subsidiaries, we may not be able to use it to prevent them from bringing a legal claim against us in the event of a contractual breach. As a result, our business, financial condition and results of operations could be materially and adversely affected.

Additionally, certain of our directors and/or our senior management may also be managers or senior officers in certain of our subsidiaries. Since our interests and the ones of the relevant subsidiaries are not necessarily always the same or wholly aligned, such dual mandates and other relationships with our subsidiaries or related parties may in the future result in conflicts of interest.

***We may be unsuccessful in identifying suitable acquisition targets or business partners or implementing our acquisitions, divestitures, investments, joint ventures or alliances, which may negatively impact our growth strategy.***

In the past, we have made acquisitions of, investments in and joint ventures and similar arrangements with other companies and businesses. Much of our growth in recent years is attributable to such transactions, including the combination with SAB in 2016, the combination of AB InBev and Grupo Modelo in 2013, the combination of InBev and Anheuser-Busch Companies in 2008 and the combination of Interbrew S.A. and Ambev in 2004.

We will need to identify suitable acquisition targets and agree on the terms with them if we are to make further acquisitions. Our size, contractual and regulatory limitations to which we are subject and our position in the markets in which we operate may make it harder to identify suitable targets, including because it may be harder for us to obtain regulatory approval for future transactions. If appropriate opportunities do become available, we may seek to acquire or invest in other businesses; however, any future acquisition may pose regulatory, antitrust and other risks.

In addition, after completion of any transaction in the future, we would be required to integrate the acquired companies, businesses or operations into our existing operations. There is a risk that such integration will not be successful or will involve greater costs or result in fewer synergies than expected. Such transactions may also involve the assumption of certain actual or potential, known or unknown liabilities, which may have a potential impact on our financial risk profile. These risks and limitations may limit our ability to implement our global strategy and our ability to achieve or maintain future business growth.

***Our failure to satisfy our obligations under the SAB settlement agreement could adversely affect our financial condition and results of operations.***

We entered into a consent decree with the U.S. Department of Justice in relation to the combination with SAB on 20 July 2016. As part of this consent decree, we agreed, among other things, (i) not to acquire control of a distributor if doing so would result in more than 10% of our U.S. annual volume being distributed through majority-owned distributorships in the U.S. and (ii) to notify the U.S. Department of Justice at least 30 days prior to the consummation of any acquisition of a beer brewer, importer, distributor or brand owner deriving more than USD 7.5 million in annual gross revenue from beer sold for further resale in the United States or from license fees generated by such sales, subject to certain exceptions. The consent decree was approved and entered by the U.S. federal district court in the District of Columbia on 22 October 2018. Unless the court grants an extension, the consent decree will expire on 20 July 2026 (ten (10) years after the U.S. Department of Justice filed its complaint); however, the consent decree may be terminated at any time after 22 October 2023 upon notice by the U.S. Department of Justice to the court that continuation of the consent decree is no longer necessary or in the public interest. Our compliance with our obligations under the settlement agreement is monitored by the U.S. Department of Justice and the Monitoring Trustee appointed by it. Were we to fail to fulfill our obligations under the settlement, whether intentionally or inadvertently, we could be subject to monetary fines or other penalties. Our obligations under the settlement agreement may also adversely impact our U.S. operations.

In other jurisdictions, we were required to make certain divestitures and to fulfill a number of other commitments as a condition to receiving regulatory clearance for the combination with SAB, and we continue the process of fulfilling these commitments. For more information on commitments related to the combination with SAB, see “We are exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws. In addition, in connection with our previous acquisitions, various regulatory authorities have previously imposed conditions with which we are required to comply.”

#### 4. Market Risks

***We are exposed to developing market risks, including the risks of devaluation, nationalization and inflation.***

A substantial proportion of our operations are carried out in developing markets, representing approximately 60.1% of our 2022 revenue, which include Argentina, Bolivia, Botswana, Brazil, Chile, China, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, India, Mexico, Mozambique, Nigeria, Panama, Paraguay, Peru, South Africa, Tanzania, Uganda, Uruguay, Vietnam and Zambia.

Our operations in these markets and equity investments in developing markets are subject to the usual risks of operating in developing countries, which include political instability or insurrection, human rights concerns, external interference, financial risks, changes in government policy, political and economic changes, changes in the relations between countries, actions of governmental authorities affecting trade and foreign investment, regulations on repatriation of funds, interpretation and application of local laws and regulations, enforceability of intellectual property and contract rights, local labor conditions and regulations, lack of upkeep of public infrastructure, potential political and economic uncertainty, application of exchange controls, nationalization or expropriation, empowerment legislation and policy, corrupt business environments, crime and lack of law enforcement. Such factors could affect our results by causing interruptions to our operations or by increasing the costs of operating in those countries or by limiting our ability to repatriate profits from those countries. The financial risks of operating in developing markets also include risks of illiquidity, inflation (for example, Brazil and Argentina have periodically experienced extremely high rates of inflation), devaluation (see “Fluctuations in foreign currency exchange rates may lead to volatility in our results of operations.”) (for example, the Brazilian, Argentine, Colombian, Peruvian, Turkish and several African currencies have been devalued frequently during the last several decades), price volatility, currency convertibility and country default.

Continued deterioration of the Argentine economy, or new foreign exchange, export repatriation or expropriation regimes could adversely affect our ability to access funds from Argentina, our financial condition and operating results. Further devaluations of the Argentine peso (or the functional currencies of other of our operations) in the future, if any, may also decrease our net assets in Argentina (and other of our operations), with a balancing entry in our equity. For further discussion of the risks imposed by hyperinflation in Argentina, see “Fluctuations in foreign currency exchange rates may lead to volatility in our results of operations.”

These various factors could adversely impact our business, results of operations and financial condition. Moreover, the economies of developing countries are often affected by developments in other developing market countries and, accordingly, adverse changes in developing markets elsewhere in the world could have a negative impact on the markets in which we operate. For example, any adverse economic developments in China may have a significant impact on economies elsewhere in the world. Due to our geographic mix, these factors could affect us more than certain of our competitors, and any general decline in developing markets as a whole could impact us disproportionately compared to our competitors with less exposure to developing markets.

***Competition and changing consumer preferences could lead to a reduction in our margins, increase costs and adversely affect our profitability.***

We compete with both brewers and other drinks companies and our products compete with other beverages. Globally, brewers, as well as other players in the beverage industry, compete mainly on the basis of brand image, price, quality, distribution networks and customer service. Consolidation has significantly increased the capital base and geographic reach of our competitors in some of the markets in which we operate, and competition is expected to increase further as the trend towards consolidation among companies in the beverage industry continues.

Concurrently, competition in the beverage industry is expanding and the market is becoming more fragmented, complex and sophisticated as consumer preferences and tastes change. Such preferences can change rapidly and in unpredictable ways due to a variety of factors, including changes in prevailing economic conditions, changing social trends and attitudes regarding alcohol beverages, changes in leisure activity patterns or negative publicity resulting from regulatory action or litigation against us or comparable companies. Furthermore, developments in the regulatory frameworks governing the usage of cannabis could result in shifts in consumer preference and the impact that cannabis legalization could have on alcohol sales remains unclear.

Competition with brewers and producers of alternative beverages in our various markets and an increase in the purchasing power of players in our distribution channels could cause us to reduce pricing, increase capital investment, increase marketing and other expenditures and/or prevent us from increasing prices to recover higher costs, thereby causing us to reduce margins or lose market share. Further, we may not be able to anticipate or respond adequately either to changes in consumer preferences and tastes or to developments in new forms of media and marketing. Innovation faces inherent risks, and the new products we introduce may not be successful, while competitors may be able to respond more quickly than we can to emerging trends, such as the increasing consumer preference for “craft beers” produced by microbreweries and the growth of the hard seltzer category in certain markets. In recent years, many industries have seen disruption from non-traditional producers and distributors, in many cases, due to a rapidly evolving digital landscape. Our business could be negatively affected if we are unable to anticipate changing consumer preferences for digital platforms or fail to continuously strengthen and evolve our capabilities in digital commerce and marketing.

#### **5. Legal and Regulatory Risks**

***If any of our products is defective or found to contain contaminants, we may be subject to product recalls or other associated liabilities.***

Despite the precautions we take, in the event that any failure to comply with accepted food safety and regulatory standards (such as a contamination or a defect) does occur in the future, it may lead to business interruptions, product recalls or liability, each of which could have an adverse effect on our business, reputation, prospects, financial condition and results of operations.

Although we maintain insurance against certain product liability (but not product recall) risks in certain markets, we may not be able to enforce our rights in respect of these policies, and, in the event that contamination or a defect occurs, any amounts that we recover may not be sufficient to offset any damage we may suffer, which could adversely impact our business, results of operations and financial condition.

***Negative publicity regarding perceived health risks, failure to provide safe working environments and associated government regulation may harm our business.***

In recent years, there has been public and political attention directed at the soft drinks and alcohol beverage industries. This attention is the result of an increasing emphasis on health and well-being.

The global policy framework shaping the regulatory space for our products has evolved, and will likely continue to evolve, and the expectations of our stakeholders will continue to increase. We welcome the opportunity to reduce the harmful use of alcohol. Despite the progress made on our Smart Drinking Goals, we may be criticized and experience an increase in the number of publications and studies debating our efforts to reduce the harmful consumption of alcohol, as advocates try to shape the public discussions.

We may also be subject to laws and regulations aimed at reducing the affordability or availability of beer in some of our markets. Additional regulatory restrictions on our business, such as those on the legal minimum drinking age, product labeling, opening hours or marketing activities (including the marketing or selling of beer at sporting events), may cause the social acceptability of beer to decline significantly and consumption trends to shift away from it, which would have a material adverse effect on our business, financial condition and results of operations.

Our operations also subject us to risks arising from labor practices, work conditions and employee health and safety. Negative publicity and campaigns by activists, whether or not warranted, connecting us, our supply chain or our business partners with workplace and human rights issues, whether actual or perceived, could adversely impact our reputation and may cause our business to suffer. We have adopted policies making a number of commitments to respect human rights, including our commitment to the principles and guidance contained in the UN Guiding Principles on Business and Human Rights. Allegations, even if untrue, that we are not respecting our commitments or actual or perceived failure by our suppliers or other business partners to comply with applicable workplace and labor laws, including child labor laws, or their actual or perceived abuse or misuse of migrant workers could negatively affect our reputation and brand image and may adversely affect our business.

***We are exposed to the risk of litigation, claims and disputes, which may cause us to pay significant damage awards and incur other costs.***

We are now and may in the future be party to legal proceedings and claims and significant damages may be asserted against us. See “Item 8. Financial Information–A. Consolidated Financial Statements and Other Financial Information–Legal and Arbitration Proceedings” and “Item 5. Operating and Financial Review–G. Contractual Obligations and Contingencies–Contingencies” and note 29 to our audited consolidated financial statements as of 31 December 2022 and 2021, and for the three years ended 31 December 2022, for a description of certain material contingencies which we believe are reasonably possible (but not probable) to be realized. Given the inherent uncertainty of litigation, it is possible that we might incur liabilities as a consequence of the proceedings and claims brought against us, including those that are not currently believed by us to be reasonably possible.

Moreover, companies in the alcohol beverage industry and soft drink industry – including our operations – are, from time to time, exposed to collective suits (class actions) or other litigation relating to alcohol advertising, alcohol abuse problems or health consequences from the excessive consumption of beer, other alcohol beverages and soft drinks. As an illustration, we and certain other beer and other alcohol beverage producers from Brazil, Canada, Europe and the United States have been involved in class actions and other litigation seeking damages for, among other things, alleged marketing of alcohol beverages to underage consumers. If any of these types of litigation were to result in fines, damages or reputational damage to us or our brands, this could have a material adverse effect on our business, results of operations, cash flows or financial position. See “Item 8. Financial Information–A. Consolidated Financial Statements and Other Financial Information–Legal and Arbitration Proceedings.”

***We could incur significant costs as a result of compliance with, and/or violations of or liabilities under, various regulations that govern our operations.***

Our business is highly regulated in many of the countries in which we or our licensed third parties operate. The regulations adopted by the authorities in these countries govern many parts of our operations, including brewing, marketing and advertising (in particular to ensure our advertising is directed to individuals of legal drinking age), consumer promotions and rebates, environmental protection, workplace safety, transportation, distributor relationships, retail execution, sales and data privacy. We may be subject to claims that we have not complied with existing laws and regulations, which could result in fines and penalties or loss of operating licenses, which may have a material adverse impact on our ability to operate our businesses in these markets.

We are also routinely subject to new or modified laws and regulations with which we must comply in order to avoid claims, fines and other penalties, which could adversely impact our business, results of operations and financial condition. Breach of any of these laws or regulations can lead to significant fines and/or damage to our reputation, as well as significantly restrict our ability to deliver on our digital productivity and growth plans.

We may also be subject to laws and regulations aimed at reducing the availability of beer and other alcohol beverage products in some of our markets to address alcohol abuse and other social issues. See “–Negative publicity regarding perceived health risks, failure to provide safe working environments and associated government regulation may harm our business.” There can be no assurance that we will not incur material costs or liabilities in connection with compliance with applicable regulatory requirements, or that such regulation will not interfere with our beer, other alcohol beverage and soft drinks businesses.

For further detail regarding common regulations and restrictions on us, see “Item 4. Information on the Company–B. Business Overview–11. Regulations Affecting Our Business” and “Item 5. Operating and Financial Review–A. Key Factors Affecting Results of Operations–Governmental Regulations.”



***We may be subject to adverse changes in taxation and other tax-related risks.***

Taxation on our products in the countries in which we operate is comprised of different taxes specific to each jurisdiction, such as excise and other indirect taxes (such as value-added tax ("VAT")). In many jurisdictions, these taxes make up a large proportion of the cost of beer charged to consumers. Increases in excise and other indirect taxes applicable to our products either on an absolute basis or relative to the levels applicable to other beverages tend to adversely affect our revenue or margins. These increases also adversely affect the affordability of our products and our profitability. In recent years, South Africa, Brazil and India, among others, increased beer excise taxes. Tax increases can result in significant price increases and have a significant impact on our sales of beer. See "—Negative publicity regarding perceived health risks, failure to provide safe working environments and associated government regulation may harm our business."

In addition to excise taxes, additional charges may be levied in relation to tax stamps and other forms of fiscal marking. In recent years, we have seen a strong pressure to introduce costly and ineffective fiscal marking systems in several African markets. The cost of these marking schemes could adversely affect our businesses in the relevant countries (including their profitability).

In addition to excise and other indirect duties, we are subject to income and other taxes in the countries in which we operate. There can be no assurance that the operations of our breweries and other facilities will not become subject to increased taxation by local, national or foreign authorities or that we and our subsidiaries will not become subject to higher corporate income tax rates or to new or modified taxation regulations and requirements, including potential changes in Brazil. For example, in response to the increasing globalization and digitalization of trade and business operations, the Organization for Economic Co-operation and Development ("OECD") has been working on international tax reform as an extension of its Base Erosion and Profit Shifting project. The reform initiative incorporates a two-pillar approach: Pillar One, which is focused on the re-allocation of some of the taxable profits of multinational enterprises to the markets where consumers are located; and Pillar Two, which is focused on establishing a global minimum corporate taxation rate. In June 2021, the finance ministers of the G7 nations announced an agreement on the principles of the two pillar approach. Subsequently, in October 2021, the OECD/G20 Inclusive Framework announced that 136 countries and jurisdictions had joined an agreement on the two-pillar approach, including the establishment of a global minimum corporate tax rate of 15%. In December 2021, the OECD published detailed rules to assist in the implementation of Pillar Two. In December 2022 the EU Council announced that EU Member States had reached an agreement to implement the minimum tax component (Pillar Two) of OECD's global international tax reform initiative effective 1 January 2024. EU Member States are now obliged to adopt these new rules into their domestic legislation by no later than 31 December 2023.

Furthermore, on 16 August 2022, U.S. President Biden approved the Inflation Reduction Act (the "IRA"), whereunder US companies that report over USD 1 billion in profits to shareholders are subject to a 15% minimum tax based on book income. Changes in tax treaties, the introduction of new legislation or updates to existing legislation in countries in which we operate, or changes to regulatory interpretations of existing legislation as a result of the OECD tax reform initiatives, the IRA or similar proposals could impose additional taxes on businesses and increase the complexity, burden and cost of tax compliance in countries where we operate.

***We are exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws. In addition, in connection with our previous acquisitions, various regulatory authorities have previously imposed conditions with which we are required to comply.***

We are subject to antitrust and competition laws in the jurisdictions in which we operate. Consequently, we may be subject to regulatory scrutiny in certain of these jurisdictions. For instance, in June 2016, the European Commission announced an investigation into alleged abuse of a dominant position by us in Belgium, and on 13 May 2019 published a decision concluding that certain of our actions restricted competition. For more information regarding antitrust investigations involving the Company, please see "Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings—Anheuser-Busch InBev SA/NV—Antitrust Matters". In addition, our Brazilian subsidiary, Ambev, is subject to regulatory scrutiny from antitrust authorities in Brazil, Argentina, Bolivia, Uruguay, Panama, the Dominican Republic and other countries where it operates, and has been, and may in the future be, involved in proceedings

initiated by Brazilian antitrust authorities, clients, competitors and other third parties alleging violations of antitrust laws. The United States Department of Treasury has issued a report on the United States alcohol industry containing a variety of recommendations for regulatory or legislative action, some of which, if adopted, could have an adverse effect on our business in the United States. There can be no assurance that the introduction of new competition laws in the jurisdictions in which we operate, the interpretation of existing antitrust or competition laws or competition laws related to digital platforms, the enforcement of existing antitrust or competition laws or competition laws related to digital platforms by competent authorities or civil antitrust litigation by private parties, or any agreements with competent antitrust or competition authorities, against us or our subsidiaries, including Ambev, will not affect our business or the businesses of our subsidiaries in the future or have a financial impact.

In addition, divestitures and other commitments made in order to obtain regulatory approvals, or our failure to comply with such commitments, may have an adverse effect on our business, results of operations, financial condition and prospects. These or any conditions, remedies or changes also reduce the price we are able to obtain for such disposals or imposing additional costs on or limiting our revenues, any of which might have a material adverse effect on us and our results of operations.

***If we do not successfully comply with applicable anti-corruption laws, export control regulations and trade restrictions, we could become subject to fines, penalties or other regulatory sanctions, as well as to adverse press coverage, which could cause our reputation, our sales or our profitability to suffer.***

We operate our business and market our products in markets that, as a result of political, societal and economic instability, a lack of well-developed legal systems and potentially corrupt business environments, present us with political, economic and operational risks. Although we are committed to conducting business in a legal and ethical manner in compliance with local and international laws and regulations applicable to our business, there is a risk that management, employees or other representatives of our subsidiaries, affiliates, associates, joint ventures or other business interests may take actions that violate applicable anti-corruption laws and regulations, including applicable laws relating to the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the U.S. Foreign Corrupt Practices Act (the “FCPA”), the U.K. Bribery Act and Brazilian Federal Law No. 12,846/13 (an anti-bribery statute that took effect in January 2014). Such actions could expose us to potential liability and the costs associated with investigating potential misconduct. In addition, any press coverage associated with misconduct under these laws and regulations, even if unwarranted or baseless, could damage our reputation and sales.

Additionally, in the ordinary course of business, we regularly contract and deal with business partners and consulting firms. Some of these third parties have been managed or controlled by former government officials. Because Brazilian authorities are conducting ongoing investigations that target certain firms and business partners that Ambev previously engaged, Ambev has been cited as clients in connection with such investigations.

In the third quarter of 2019, there were news reports regarding alleged leaks of statements about Ambev by a former consultant, Mr. Antonio Palocci, in a legal procedure to which Ambev subsequently had access. In this regard, we have not identified evidence supporting Mr. Palocci’s claims of illegal conduct by Ambev and remain committed to monitoring this matter.

As a global brewer, we also operate our business and market our products in countries that may be subject to export control regulations, embargoes, economic sanctions and other forms of trade restrictions imposed by the United States, the European Union, the United Nations and other participants in the international community. In addition, certain of our associates also operate their business and market their products in countries subject to trade restrictions. For example, Anadolu Efes has an indirect interest in a Syrian soft drinks bottler. Furthermore, our subsidiary Ambev operates a joint venture in Cuba with the Government of Cuba. See “Our subsidiary Ambev operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States and Ambev’s operation in Cuba may adversely affect our reputation and the liquidity and value of our securities.”

In connection with the ongoing conflict between Russia and Ukraine, the U.S. government, the European Commission and the authorities of certain other jurisdictions in which we operate, have imposed sanctions and other restrictive measures against Russia. See “—Our business, financial performance and results of operations have been, and may continue to be, adversely affected by the continuation and consequences of the ongoing conflict between Russia and Ukraine” for more information regarding sanctions imposed against Russia and Russia’s response thereto. New or expanded export control regulations, economic sanctions, embargoes or other forms of trade restrictions imposed on Russia, Syria, Cuba, Iran or other countries in which we or our associates do business may curtail our existing business and may result in serious economic challenges in these geographies, which could have an adverse effect on our associates’ operations, and may result in impairment charges on goodwill, other intangible assets or investments in associates.

Additionally, the global reach of our operations exposes us to risks associated with doing business globally, including changes in tariffs. The Office of the United States Trade Representative has enacted tariffs on certain imports into the United States from China. Additionally, the U.S. federal government continues to signal that it may alter trade agreements and terms between China and the United States, including limiting trade with China, imposing additional tariffs on imports from China and potentially imposing other restrictions on exports from China to the United States. Consequently, it is possible that additional or higher tariffs will be imposed on products imported from foreign countries, including China, or that our business will be adversely impacted by retaliatory trade measures taken by China or other countries in response to existing or future tariffs. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global trade, which in turn could have a material adverse effect on our business in one or more of our key markets and results of operations.

***Our subsidiary Ambev operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States and Ambev’s operations in Cuba may adversely affect our reputation and the liquidity and value of our securities.***

Cerbucio Brewing Inc., (“Cerbucio”), a subsidiary of our subsidiary Ambev, owns a 50% equity interest in Cerveceria Bucanero S.A., a Cuban company in the business of producing and selling beer. Consequently, we indirectly own, through our subsidiary Ambev, a 50% equity interest in Cerveceria Bucanero S.A. The remaining 50% equity interest is owned by the Government of Cuba. Cerveceria Bucanero S.A. is operated as a joint venture in which Cerbucio appoints the general manager. In 2021, Cerbucio initiated arbitration proceedings regarding potential breach of certain obligations relating to the joint venture. For more information regarding the arbitration proceedings, please see “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings—Ambev and its Subsidiaries—Cerbucio Brewing Arbitration”.

Cerveceria Bucanero S.A.’s main brands are Bucanero and Cristal. In 2022, Cerveceria Bucanero S.A. sold 0.7 million hectoliters of beer, representing about 0.1% of our global volume of 595 million hectoliters for the year. Although Cerveceria Bucanero S.A.’s production is primarily sold in Cuba, a small portion of its production is exported to and sold by certain distributors in other countries outside Cuba (but not in the United States).

Based on U.S. foreign policy, the U.S. Treasury Department’s Office of Foreign Assets Control and the U.S. Commerce Department together administer and enforce broad and comprehensive economic and trade sanctions against Cuba. Although our operations in Cuba through our subsidiary Ambev are quantitatively immaterial, our overall business reputation may suffer or we may face additional regulatory scrutiny as a result of our activities in Cuba based on the identification of Cuba as a target of U.S. economic and trade sanctions. In addition, Title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (known as the “Helms-Burton Act”) authorizes private lawsuits for damages against anyone who traffics in property confiscated without compensation by the Government of Cuba from persons who at the time were, or have since become, nationals of the United States. Separately, Title IV of the Helms-Burton Act authorizes the U.S. Department of State to prohibit entry into the United States of non-U.S. persons who traffic in confiscated property, and corporate officers and principals of such persons, and their families. Since 2 May 2019, as a result of the activation of Title III of the Helms-Burton Act, we may be subject to potential U.S. litigation exposure, including claims accrued during the prior suspension of Title III of the Helms-Burton Act. It remains uncertain how the activation of Title III of the Helms-Burton Act will impact our U.S. litigation exposure. We have received notice of claims purporting to be made under the Helms-Burton Act.

## **6. Brand and Intellectual Property Risks**

***We rely on the reputation of our brands and our marketing efforts may be restricted by regulations.***

Our success depends on our ability to maintain and enhance the image and reputation of our existing products and to develop a favorable image and reputation for new products. The image and reputation of our products may be affected in the future and concerns about product quality, even when unfounded, could tarnish the image and reputation of our products. An event, or series of events, that materially damages the reputation of one or more of our brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business. Restoring the image and reputation of our products may be costly and may not be possible.

Moreover, our marketing efforts are subject to restrictions on the permissible advertising style, media channels and messages used. In a number of countries, for example, television is a prohibited medium for advertising beer and other alcohol beverage products, and in other countries, television and other forms of advertising, while permitted, are carefully regulated by a number of advertising codes and applicable laws. Any additional restrictions in such countries, or the introduction of similar restrictions in other countries, may constrain our marketing activities and thus reduce the value of our brands and related revenues.

Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

***We may not be able to protect our intellectual property rights, and our ability to compete effectively may be harmed if our intellectual property rights are infringed by third parties.***

Our future success depends significantly on our ability to protect our current and future brands and products and to defend our intellectual property rights, including trademarks, patents, domain names, trade secrets and know-how. We have been granted numerous trademark registrations and patents covering our brands and products and have filed, and expect to continue to file, trademark and patent applications seeking to protect newly developed brands and products. We cannot be sure that trademark and patent registrations will be issued with respect to any of our applications. There is also a risk that we could, by omission, fail to renew a trademark or patent on a timely basis or that our competitors will challenge, invalidate or circumvent any existing or future trademarks and patents issued to, or licensed by, us.

Although we have endeavored to take appropriate action to protect our portfolio of intellectual property rights (including patent applications, trademark registration, domain names and ongoing enforcement actions), we cannot be certain that the steps we have taken will be sufficient or that third parties will not infringe upon or misappropriate our proprietary rights. Moreover, some of the countries in which we operate offer less effective intellectual property protection than is available in Europe or the United States. If we are unable to protect our proprietary rights against infringement or misappropriation, it could have a material adverse effect on our business, results of operations, cash flows or financial condition and, in particular, on our ability to develop our business.

***An impairment of goodwill or other intangible assets would adversely affect our financial condition and results of operations.***

We have previously recognized significant goodwill on our balance sheet through acquisitions. For example, upon completion of the combination with SAB, we recognized USD 72.4 billion of incremental goodwill on our balance sheet.

Our accounting policy considers brands and distribution rights for our own products as intangible assets with indefinite useful lives, which are tested for impairment on an annual basis (or more often if an event or circumstance indicates that an impairment loss may have been incurred) and not amortized. As of 31 December 2022, our total goodwill amounted to USD 113.0 billion and our intangible assets with indefinite useful lives amounted to USD 37.7 billion. However, if our businesses do not develop as expected, we may be required to record future goodwill impairment charges which could have an adverse effect on our results of operations and financial conditions.

## 7. Other risks related to our business

***Climate change or other environmental concerns, or legal, regulatory or market measures to address climate change or other environmental concerns, may negatively affect our business or operations, including the availability of key production inputs.***

There is a growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather and precipitation patterns and the frequency and severity of extreme weather and natural disasters. In the event that such climate change has a negative effect on agricultural productivity, we may be subject to decreased availability or less favorable pricing for certain agricultural commodities necessary for our products, such as barley, hops and rice. In addition, social attitudes, customer preferences and investor sentiment are increasingly influenced by environmental, social and corporate governance (“ESG”) considerations, and as a result we may face pressure from our shareholders, regulators, suppliers, customers or consumers to further address ESG-related concerns which may require us to incur increased costs and expose us to regulatory inquiry or legal action.

Climate change may also subject us to water scarcity and quality risks due to the water required to produce our products, including water consumed in the agricultural supply chain. In the event that climate change leads to droughts or water over-exploitation or has a negative effect on water availability or quality, the price of water may increase in certain areas and certain jurisdictions may adopt regulations restricting the use of water or enact other unfavorable changes to applicable water-related taxes and regulations. Such measures, if adopted, could lead to increased regulatory pressures, production costs or capacity constraints. In addition, governmental authorities in various countries have proposed, and are likely to continue to propose, legislative and regulatory initiatives to reduce or mitigate the impacts of climate change on the environment. Public expectations for reductions in greenhouse gas emissions or adoption of legal and regulatory requirements designed to address climate change could result in increased energy, transportation and raw material costs and may require us to make additional investments in facilities and equipment. We have announced our 2025 Sustainability Goals focused on smart agriculture, water stewardship, circular packaging and climate action and our ambition to achieve net zero emissions across our value chain by 2040, which require ongoing investment, and there is no assurance that we will achieve any of these goals or that our initiatives will achieve their intended outcomes. If we fail to achieve these goals for any reason, there is a risk of reputational damage. As a result, the effects of climate change could have a long-term, material adverse impact on our business and results of operations.

Our ESG reporting considers key non-financial indicators and guidance from frameworks such as the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB), the United Nations (UN) Guiding Principles reporting framework, CDP Water and Climate, the Task Force on Climate-related Financial Disclosure (TCFD) and the relevant United Nations Sustainable Development Goals (SDGs). We are required to report greenhouse gas emissions, energy data and other related information to a variety of entities, and to comply with the wider obligations of the European Union Emissions Trading Scheme. In addition, regulators in various jurisdictions, including Europe and the U.S., have focused efforts on increased disclosures related to ESG matters, including climate change and mitigation efforts, and these regulations (if adopted) could expand the nature, scope and complexity of matters that we are required to control, assess and report and we may be required to make additional investments and implement new practices and reporting processes, all entailing additional compliance risk. Disparate and evolving standards for identifying, measuring, and reporting ESG metrics, including ESG-related disclosures that may be required by the SEC, European and other regulators, could significantly increase compliance burdens and associated regulatory and reporting costs and complexity. If we are unable to measure, track and disclose information accurately and in a timely manner, we could be subject to civil penalties for non-compliance in the various jurisdictions in which we operate. In addition, the need for us to comply with the European Union Emissions Trading Scheme could result in increased operational costs if we are unable to meet our compliance obligations and exceed our emission allocations.

Our operations are subject to environmental regulations by national, state and local agencies, including, in certain cases, regulations that impose liability without regard to fault. These regulations can result in liability that might adversely affect our operations. The environmental regulatory climate in the markets in which we operate is becoming stricter, with a greater emphasis on enforcement. While we have continuously invested in reducing our environmental risks and budgeted for future capital and operating expenditures to maintain compliance with environmental laws and regulations, there can be no assurance that we will not incur a substantial environmental liability or that applicable environmental laws and regulations will not change or become more stringent in the future.

***We are exposed to the risk of labor strikes and disputes that could lead to a negative impact on our costs and production level.***

Our success depends on maintaining good relations with our workforce. In several of our operations, a majority of our workforce is unionized. For instance, a majority of the hourly employees at our breweries in several key countries in different geographies are represented by unions. Our production may be affected by work stoppages or slowdowns as a result of disputes under existing collective labor agreements with labor unions. We may not be able to satisfactorily renegotiate our collective labor agreements when they expire and may face more difficult negotiations or higher wage and benefit demands. Furthermore, a work stoppage or slowdown at our facilities could interrupt the transport of raw materials from our suppliers or the transport of our products to our customers. Such disruptions could put a strain on our relationships with suppliers and customers and may have lasting effects on our business even after the disputes with our labor force have been resolved, including as a result of negative publicity.

Our production may also be affected by work stoppages or slowdowns that affect our suppliers, distributors and retail delivery/logistics providers as a result of disputes under existing collective labor agreements with labor unions, in connection with negotiations of new collective labor agreements, or as a result of financial distress of our suppliers.

A strike, work stoppage or slowdown within our operations or those of our suppliers, or an interruption or shortage of raw materials for any other reason (including, but not limited to, financial distress, natural disaster or difficulties affecting a supplier) could have a material adverse effect on our earnings, financial condition and ability to operate our business.

Our United States organization has approximately 5,766 hourly brewery workers represented by the International Brotherhood of Teamsters. Their compensation and other terms of employment are governed by collective bargaining agreements negotiated between us and the Teamsters. Our current agreement with Teamsters will expire on 29 February 2024.

***Cybersecurity incidents and other disruptions to our information and operational technology systems, or in our supply chain, could damage our reputation and we could suffer a loss of revenue, incur substantial additional costs and become subject to litigation and regulatory scrutiny.***

We rely on information and operational technology systems, networks and services (“**information systems**”) to support our business processes and activities, including procurement and supply chain, manufacturing, sales, human resources management, distribution and marketing. We rely on information systems, including through services operated or maintained by third parties, to collect, process, transmit and store large amounts of electronic data, including, but not limited to, sensitive, confidential or personal information of customers and consumers, to enable the operation and management of our business, including, but not limited to, internal and external communications, to provide services and to manufacture and distribute the products that we sell. E-commerce, including direct sales to customers and consumers, has become increasingly integrated in our operations and contributes significantly to our sales and revenues. For more information regarding our digital commerce activities, please see “Item 4. Information on the Company—B. Business Overview—2. Principal Activities and Products—Growth Business”. Like most major corporations, our information systems may be vulnerable to a variety of threats that can compromise the confidentiality, integrity or availability of our data or information systems, including, but not limited to, natural disasters, physical attacks, telecommunications failures, unintentional or malicious actions of employees or contractors, computer viruses, hackers, phishing attempts, cyber-attacks, malware and ransomware attacks. Additionally, digitization initiatives, such as those related to e-commerce, fintech and direct sales, that increase the amount of information that we process and maintain increase our potential exposure to a security incident impacting our information systems. Unauthorized or accidental access to, or destruction, loss, alteration, disclosure, misuse or unavailability of, information systems could result in operational and supply chain disruptions, violations of data privacy laws and regulations, legal claims or proceedings, regulatory penalties, damage to our reputation or our competitive advantage, inability to meet contractual obligations, loss of opportunities to acquire or divest businesses or brands and loss of ability to commercialize products developed through research and

development efforts and, therefore, could have a negative impact on net operating revenues. More generally, technology disruptions can have a material adverse effect on our business, results of operations, cash flows or financial condition. The risks associated with informational and operational technology incidents have increased in recent years given the increased prevalence of remote work arrangements, and may be further heightened by geopolitical tensions and conflicts, such as the ongoing conflict between Russia and Ukraine.

We rely on relationships with third parties, including suppliers, distributors, contractors, joint venture partners and other external business partners, for certain functions or for services in support of our operations. We have also entered into various information technology services agreements pursuant to which our information technology is partially outsourced to third-party vendors, and we may share information about our company, customers, operations and employees with vendors that assist with certain aspects of our business. Like us, these third parties are exposed to the risks related to cybersecurity attacks and other disruptions to information systems and are subject to a variety of threats that can compromise the confidentiality, integrity or availability of data or information systems, including their own and those of others on which they rely. Security processes, protocols and standards that we have implemented and contractual provisions requiring security measures that we may have sought to impose on such third parties may not be sufficient or effective at mitigating these threats, which could result in unauthorized access or disruptions to, or misuse of, information systems or data that are important to our business, including proprietary, sensitive or confidential data. More generally, disruptions to the information systems of our third party partners, and those of others on which they rely, may have an adverse effect on our business, results of operations, cash flows or financial condition.

In addition, our reliance on shared services centers for an increasing number of services important to conducting our business, including accounting, internal control, human resources and IT services, means that any technology disruption could impact a large portion of our business within the operating regions served. Any changes to or transitions of processes to, from or within shared services centers could lead to business disruptions, loss of sensitive or confidential data, and other harms. If we do not allocate and effectively manage the resources necessary to build and sustain the proper technology infrastructure, we could be subject to transaction errors, processing inefficiencies, the loss of, or failure to attract new customers, lost revenues resulting from the disruption or shutdown of computer systems, unexpected failure of devices and software in use by our IT platforms, operations or supply chain disruptions, alteration, corruption or loss of accounting financial or other data on which we rely for financial reporting and other purposes, which could cause errors or delays in our financial reporting, or the loss of or damage to intellectual property.

U.S. and foreign regulators have also increased their focus on cyber security vulnerabilities and risks. Compliance with, and changes to, laws and regulations concerning privacy, cybersecurity, and data protection, could result in significant expense, and we may be required to make additional investments in security technologies. Our third-party partners also increasingly demand rigorous contractual provisions regarding privacy, cyber security, data governance, data protection and confidentiality, which may also increase our overall compliance burden.

We take various actions with the aim of minimizing the likelihood and impact of cybersecurity attacks and other disruptions to our information systems, such as investing in modern cyber defense solutions, proceeding with internal and external assessments, building and implementing business continuity plans and reviewing risk management processes. Regardless of such measures, we may suffer financial and reputational damage because of the impact of any such incident, including business disruption, an inability to meet contractual obligations or lost or misappropriated confidential information belonging to us, our current or former employees, our customers or suppliers, or consumers or other data subjects. As a result of any such incident, we may also become exposed to legal action and increased regulatory oversight. We could also be required to spend significant financial and other resources to investigate and remedy the damage caused by a security breach or to repair or replace networks and information systems.

While we continue to invest in prevention, detection, and response systems, no information system can be entirely free of vulnerability to attack, failure, or compromise. During the normal course of business, we have experienced and continue to expect to experience attempted breaches of our information systems and other cybersecurity incidents from time to time. In 2022, as in previous years, we experienced several cybersecurity incidents and other disruptions to our information systems. None of these incidents and systems disruptions, including those reported to us by our third-party partners, had a material impact on our business or operations or resulted in material unauthorized access to our data or our customers' data.



***If we fail to comply with personal data protection laws, we could be subject to adverse publicity, government enforcement actions and/or private litigation, which could negatively affect our business and operating results.***

In the ordinary course of our business, we receive, process, transmit and store information relating to identifiable individuals ("**personal data**"), such as employees, customers and consumers. As a result, we are subject to various laws and regulations relating to personal data. These laws have been subject to frequent changes, and new legislation in this area may be enacted in other jurisdictions at any time. For example, we have data processing activities that are subject to the General Data Protection Regulation adopted in the EU, the California Consumer Privacy Act, the Personal Information Protection Law of the People's Republic of China and the General Personal Data Protection Law adopted in Brazil, among others. Any changes to existing personal data protection laws and the introduction of such laws in other jurisdictions, have subjected and may continue in the future to subject us to, among other things, additional costs and expenses and have required and may in the future require costly changes to our business practices and security systems, policies, procedures and practices. There is no assurance that our security and privacy controls over personal data, the training of employees and vendors on data privacy and data security, and the policies, procedures and practices we implemented or may implement in the future will prevent the improper disclosure of personal data. Improper disclosure of personal data and any other violations of personal data protection laws could harm our reputation, subject us to government enforcement actions (including fines and data processing restrictions) or result in private litigation against us, which could negatively affect our business and operating results.

## **8. General Risks**

***Natural and other disasters, including public health crises and global pandemics, could disrupt our operations.***

Our business and operating results could be negatively impacted by natural, social, technical or physical risks such as a widespread health emergency such as the COVID-19 pandemic (or concerns over the possibility of such an emergency), earthquakes, extreme weather conditions, hurricanes, typhoons, flooding, fire, water scarcity, power loss, loss of water supply, telecommunications and information technology system failures, cyberattacks, labor disputes, political instability, military conflict and uncertainties arising from terrorist attacks, including a global economic slowdown, the economic consequences of any military action and associated political instability.

In recent years, our business, financial condition, cash flows and operating results have been negatively impacted by the COVID-19 pandemic. While most countries around the world have removed or reduced the restrictions implemented in response to the COVID-19 pandemic, the extent to which the COVID-19 pandemic may continue to impact our financial condition and operations depends on factors beyond our control. The emergence of new variants may result in new restrictions in regions and countries where we operate, lead to further economic uncertainty and heighten many of the other risks described in this Form 20-F.

***We may not be able to recruit or retain key personnel.***

In order to develop, support and market our products, we must hire and retain skilled employees with particular expertise. The implementation of our strategic business plans could be undermined by a failure to recruit or retain key personnel or the unexpected loss of senior employees, including in acquired companies.

We face various challenges inherent in the management of a large number of employees across diverse geographical regions. It is not certain that we will be able to attract or retain key employees and successfully manage them, which could disrupt our business and have an unfavorable material effect on our financial position, income from operations and competitive position.



***Our insurance coverage may not be sufficient to protect us from material liabilities.***

We purchase insurance for director and officer liability and other coverage where required by law or contract or where considered to be in our best interest. Even though we maintain these insurance policies, we self-insure most of our insurable risk. Should an uninsured loss or a loss in excess of insured limits occur, this could adversely impact our business, results of operations and financial condition.

**Risks Related to Our Ordinary Shares and American Depositary Shares**

***The market price of our Ordinary Shares and ADSs may be volatile.***

The market price of our Ordinary Shares and ADSs may be volatile as a result of various factors, many of which are beyond our control. These factors include, but are not limited to, the following:

- market expectations for our financial performance;
- actual or anticipated fluctuations in our results of operations and financial condition;
- changes in the estimates of our results of operations by securities analysts;
- the conversion of Restricted Shares into Ordinary Shares, the Restricted Shares having become so convertible since 11 October 2021 (see “Item 10–Additional Information–B. Memorandum and Articles of Association and Other Share Information–Form and Transferability of Our Shares–Restricted Shares–Conversion into Ordinary Shares”);
- potential or actual sales of blocks of our Ordinary Shares (including those converted from Restricted Shares) or ADSs in the market by any shareholder or short selling of our Ordinary Shares or ADSs. Any such transaction could occur at any time or from time to time, with or without notice;
- the entry of new competitors or new products in the markets in which we operate;
- volatility in the market as a whole or investor perception of the beverage industry or of our competitors;
- investor perception of the impact of the combination with SAB on us and our shareholders; and
- the occurrence of any of the matters discussed in the risk factors mentioned in this section.

The market price of our Ordinary Shares and ADSs may be adversely affected by any of the preceding or other factors regardless of our actual results of operations and financial condition. See also “–Future equity issuances may dilute the holdings of current shareholders or ADS holders and any such offerings by us or any large sales by our shareholders could materially affect the market price of our Ordinary Shares or ADSs”.

Furthermore, we have entered into a series of derivative contracts on our own shares to hedge (1) the risk arising from certain share-based payment programs, (2) the deferred share instrument related to the Grupo Modelo combination and (3) some share-based payments in connection with the acquisition of SAB. Most of these derivative instruments could not qualify for hedge accounting and thus changes in the fair value of the hedges are recognized in our profit or loss account for the period. See “Item 11. Quantitative and Qualitative Disclosures About Market Risk – Market Risk, Hedging and Financial Instruments – Equity Price Risk”. As we currently hedge the exposure for an equivalent of 100.5 million of our shares, a significant change in our share price will have a significant impact on our profit or loss account.

***Our largest shareholder may use its significant interest to take actions not supported by our other shareholders.***

As of 31 December 2022, our largest shareholder, Stichting Anheuser-Busch InBev (the “Stichting”), owned 33.42% of our voting rights (and the Stichting and certain other entities acting in concert with it (within the meaning of the Belgian Law of 1 April 2007 on public takeover bids and/or the Belgian Law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market and containing various provisions, implementing into Belgian law Directive 2004/109/CE (the “Belgian Law of 2 May 2007 on the notification of significant shareholdings”)) held, in aggregate, 42.44% of our voting rights), based on the number of shares outstanding on 31 December 2022, excluding the 35,455,836 treasury shares held by us and certain of our subsidiaries (see “Item 7. Major Shareholders and Related Party Transactions–A. Major Shareholders” and “Item 5. Operating and Financial Review–G. Contractual Obligations and Contingencies”). In accordance with our articles of association, the Stichting has the ability to effectively control the election of a majority of our board of directors, as a result of which, under Belgian law, the Stichting has control of us. The Stichting is also able to have a significant influence on the outcome of corporate actions requiring shareholder approval, including mergers, share capital increases and other extraordinary items. See “Item 10. Additional Information–B. Memorandum and Articles of Association and Other Share Information–Description of the Rights and Benefits Attached to Our Shares” for further information in this respect.

The interests and time horizons of the Stichting may differ from those of other shareholders. As a result of its influence on our business, the Stichting could prevent us from making certain decisions or taking certain actions that would protect the interests of our other shareholders. For example, this concentration of ownership may delay or prevent a change of control of Anheuser-Busch InBev SA/NV, even in the event that this change of control may benefit other shareholders generally. Similarly, the Stichting could prevent us from taking certain actions that would dilute its percentage interest in our shares, even if such actions would generally be beneficial to us and/or to other shareholders. These and other factors related to the Stichting’s holding of a significant interest in our shares may reduce the liquidity of our shares and ADSs and their attractiveness to investors.

***We may be unable to pay dividends.***

As a general matter, we cannot guarantee that we will pay dividends in the future. The payment of dividends will depend on factors such as our business outlook, cash flow requirements and financial performance, the state of the market and the general economic climate and other factors, including tax and other regulatory considerations. In particular, in light of the increased debt that resulted from completion of the combination with SAB, deleveraging remains a priority and may restrict the amount of dividends we are able to pay. In line with our financial discipline and deleveraging objectives, any recommended dividends will balance our capital allocation priorities and dividend policy. In addition, we must, under Belgian law and our articles of association, before we proceed with any dividend payment, allocate an amount equal to 5% of our annual net profit on an unconsolidated basis to a legal reserve in our unconsolidated financial statements until the reserve reaches 10% of our share capital, in accordance with Belgian accounting principles.

***Fluctuations in the exchange rate between the Euro, the South African rand, the Mexican peso and the U.S. dollar may increase the risk of holding our ADSs and Ordinary Shares.***

Our Ordinary Shares currently trade on Euronext Brussels in Euro and we have secondary listings of our shares on the Johannesburg Stock Exchange in South African rand and on the Mexican Stock Exchange (*Bolsa Mexicana de Valores*) in Mexican peso. Our ADSs trade on the New York Stock Exchange (“NYSE”) in U.S. dollars. Fluctuations in the exchange rate between the Euro, the South African rand, the Mexican peso and the U.S. dollar may result in temporary differences between the value of our Ordinary Shares trading in different currencies and between the value of our Ordinary Shares and ADSs, which may result in heavy trading by investors seeking to exploit such differences. Similarly, uncertainty over fiscal and budgetary challenges in the United States, Mexico, South Africa and/or Europe may negatively impact global economic conditions, and could trigger sharply increased trading and consequent market fluctuations, which would increase the volatility of, and may have an adverse effect upon, the price of our Ordinary Shares or ADSs.

In addition, as a result of fluctuations in the exchange rate between the U.S. dollar, the Euro, the South African rand and the Mexican peso, the U.S. dollar equivalent of the proceeds that a holder of our ADSs would receive upon the sale in Belgium, South Africa or Mexico of any shares withdrawn from the American Depositary Receipt (“ADR”) depositary and the U.S. dollar equivalent of any cash dividends paid in Euro on our Ordinary Shares represented by the ADSs could also decline.

***Future equity issuances may dilute the holdings of current shareholders or ADS holders and any such offerings by us or any large sales by our shareholders could materially affect the market price of our Ordinary Shares or ADSs.***

We may in the future decide to offer additional equity to raise capital or for other purposes, in compliance with applicable Belgian legislation. Any such additional offering could reduce the proportionate ownership and voting interests of holders of our Ordinary Shares and ADSs, as well as our earnings per share or ADS and net asset value per share or ADS, and any offerings by us or our shareholders could have an adverse effect on the market price of our Ordinary Shares and ADSs.

We entered into a registration rights agreement requiring us to, in certain circumstances, register for resale under the Securities Act of 1933, as amended (the “Securities Act”), all registrable shares held by the holders of Restricted Shares (the “Restricted Shareholders”). As of 31 December 2022, Altria Group, Inc. and BEVCO Lux S.à R.L held 185,115,417 and 96,862,718 Restricted Shares, respectively, representing 9.33% and 4.88% of our outstanding shares as of 31 December 2022 (excluding treasury shares). Although the Restricted Shares were generally subject to certain holdback and suspension periods until 10 October 2021, the Restricted Shares, once they are converted to Ordinary Shares, are not subject to a “lock-up” or similar restriction under the registration rights agreement. As of 31 December 2022, 43,949,127 Restricted Shares have been converted into Ordinary Shares, on a one-for-one basis at the election of the holders.

Registration and sales of our Ordinary Shares will increase the number of shares being sold in the public market, could have an adverse effect on the market price of our Ordinary Shares and ADSs and may increase the volatility of the price of our Ordinary Shares and ADSs.

***Investors may suffer dilution if they are not able to participate in equity offerings, and our ADS holders may not receive any value for rights that we may grant.***

Our constitutional documents provide for preference rights to be granted to our existing shareholders unless such rights are disapplied by resolution of our shareholders’ meeting or the Board of Directors. Our shareholders’ meeting or our Board of Directors may disapply such rights in future equity offerings, while no preference rights apply to capital increases through contributions in kind. In addition, certain shareholders (including shareholders resident in, or citizens of, certain jurisdictions, such as the United States, Australia, Canada and Japan) may not be entitled to exercise such rights even if they are not disapplied unless the rights and related shares are registered or qualified for sale under the relevant legislative or regulatory framework. In particular, there can be no assurance that we will be able to establish an exemption from registration under the Securities Act and we are under no obligation to file a registration statement with respect to any such preferential subscription rights or underlying securities or to endeavor to have a registration statement declared effective under the Securities Act (other than as set out in the Registration Rights Agreement) (see “Item 10. Additional Information—C. Material Contracts—Material Contracts Related to the Acquisition of SAB – Registration Rights Agreement” for more information on the Registration Rights Agreement). As a result, there is the risk that investors may suffer dilution of their shareholding should they not be permitted to participate in preference right equity or other offerings that we may conduct in the future.

If rights are granted to our shareholders, but the ADR depositary is unable to sell rights corresponding to shares represented by ADSs that are not exercised by, or distributed to, our ADS holders, or if the sale of such rights is not lawful or reasonably practicable, the ADR depositary will allow the rights to lapse, in which case ADS holders will receive no value for such rights.

***ADS holders may not be able to exercise their right to vote the shares underlying our ADSs.***

Holders of ADSs may be entitled to exercise voting rights with respect to the Ordinary Shares represented by our ADSs only in accordance with the provisions of the deposit agreement (as amended from time to time, the “**Deposit Agreement**”), dated 30 June 2009, as amended from time to time, among AB InBev, The Bank of New York Mellon, as depositary, and the owners and holders of American Depositary Shares from time to time under the Deposit Agreement. The Deposit Agreement provides that, upon receipt of a notice of any meeting of holders of our Ordinary Shares, the depositary will, if we so request, distribute to the ADS holders a notice which shall contain (i) such information as is contained in the notice of the meeting sent by us, (ii) a statement that the ADS holder as of the specified record date shall be entitled to instruct the ADR depositary as to the exercise of voting rights and (iii) a statement as to the manner in which instructions may be given by the holders.

Under the Deposit Agreement, holders of ADSs may instruct the depositary to vote the shares underlying their ADSs, but they will only receive the notice described above if we ask the depositary to ask for their instructions. Otherwise, ADS holders will not be able to exercise their right to vote, unless they withdraw the Ordinary Shares underlying the ADSs they hold. However, ADS holders may not know about the meeting far enough in advance to withdraw those shares. If we ask for the instructions of ADS holders, the depositary, upon timely notice from us, will notify ADS holders of the upcoming vote and arrange to deliver our voting materials to them. We cannot guarantee ADS holders that they will receive the voting materials in time to ensure that they can instruct the depositary to vote their shares. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that ADS holders may not be able to exercise their right to vote, and there may be nothing they can do if the shares underlying their ADSs are not voted as requested.

***ADS holders may be subject to limitations on the transfer of their ADSs or the withdrawal of the underlying Ordinary Shares from the deposit facility.***

ADSs are transferable on the books of the ADR depositary. However, the ADR depositary may refuse to deliver, transfer or register transfers of ADSs generally when the books of the depositary are closed or if such action is deemed necessary or advisable by the depositary or by us because of any requirement of law or of any government or governmental body or commission or under any provision of the Deposit Agreement. Moreover, the surrender of ADSs and withdrawal of Ordinary Shares may be suspended subject to the payment of fees, taxes and similar charges or if we direct the depositary at any time to cease new issuances and withdrawals of our Ordinary Shares during periods specified by us in connection with shareholders’ meetings, the payment of dividends or as otherwise reasonably necessary for compliance with any applicable laws or government regulations.

***Shareholders may not enjoy under Belgian corporate law and our articles of association certain of the rights and protections generally afforded to shareholders of U.S. companies under U.S. federal and state laws and the NYSE rules.***

We are a public limited liability company incorporated under the laws of Belgium. Shareholders may not enjoy under Belgian corporate law and our articles of association certain of the rights and protections generally afforded to shareholders of U.S. companies under U.S. federal and state laws and the NYSE rules. The rights provided to our shareholders under Belgian corporate law and our articles of association differ in certain respects from the rights that you would typically enjoy as a shareholder of a U.S. company under applicable U.S. federal and/or state laws. In general, the Belgian Corporate Governance Code is a code of best practice applying to Belgian-listed companies on a non-binding basis. The Belgian Corporate Governance Code applies a “comply or explain” approach, i.e., companies may depart from the Belgian Corporate Governance Code’s provisions if, as required by law, they give a reasoned explanation of the reasons for doing so.

We rely on a provision in the NYSE Listed Company Manual that allows us to follow Belgian corporate law and the Belgian Corporate Governance Code with regard to certain aspects of corporate governance. This allows us to follow certain corporate governance practices that differ in significant respects from the corporate governance requirements applicable to U.S. companies listed on the NYSE. See “Item 16G. Corporate Governance” for additional information on these differences. In particular, the NYSE rules require a majority of the directors of a U.S.-listed company to be independent while, in Belgium, only three directors need be independent. Our board

currently comprises three independent directors and 12 directors not deemed to be “independent” under the NYSE listing standards. See “Item 6. Directors, Senior Management and Employees–A. Directors and Senior Management–Board of Directors.” The NYSE rules further require that each of the nomination, compensation and audit committees of a listed U.S. company be comprised entirely of independent directors. However, the Belgian Corporate Governance Code recommends only that a majority of the directors on each of these committees meet the technical requirements for independence under Belgian corporate law. All voting members of our Audit Committee are independent for purposes of Rule 10A-3 under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). Our Audit Committee, Nomination Committee and Remuneration Committee have members who would not be considered independent under NYSE rules, and, therefore, our Audit Committee, Nomination Committee and Remuneration Committee would not be in compliance with the NYSE Corporate Governance Standards for domestic issuers in respect of the independence of these committees. However, our Audit Committee, Nomination Committee and Remuneration Committee are composed exclusively of non-executive directors who are independent of management and whom we consider to be free of any business or other relationship which could materially interfere with the exercise of their independent judgment. See “Item 6. Directors, Senior Management and Employees–C. Board Practices–Information about Our Committees–General.”

Under Belgian corporate law, other than certain limited information that we must make public, our shareholders may not ask for an inspection of our corporate records, while under Delaware corporate law, any shareholder, irrespective of the size of his or her shareholdings, may do so. Shareholders of a Belgian corporation are also unable to initiate a derivative action, a remedy typically available to shareholders of U.S. companies, in order to enforce a right of AB InBev, in case we fail to enforce such right ourselves, other than in certain cases of director liability under limited circumstances. In addition, a majority of our shareholders may release a director from any claim of liability we may have, including if he or she has acted in bad faith or has breached his or her duty of loyalty, provided, in some cases, that the relevant acts were specifically mentioned in the convening notice to the shareholders’ meeting deliberating on the discharge. In contrast, most U.S. federal and state laws prohibit a company or its shareholders from releasing a director from liability altogether if he or she has acted in bad faith or has breached his or her duty of loyalty to the company. Finally, Belgian corporate law does not provide any form of appraisal rights in the case of a business combination.

For additional information on these and other aspects of Belgian corporate law and our articles of association, see “Item 10. Additional Information–B. Memorandum and Articles of Association and Other Share Information.” As a result of these differences between Belgian corporate law and our articles of association, on the one hand, and U.S. federal and state laws, on the other hand, in certain instances, you could receive less protection as a shareholder of our company than you would as a shareholder of a U.S. company.

***As a “foreign private issuer” in the United States, we are exempt from a number of rules under U.S. securities laws and are permitted to file less information with the SEC than domestic issuers.***

As a “foreign private issuer,” we are exempt from certain rules under the Exchange Act that impose certain disclosure obligations and procedural requirements for proxy solicitations under Section 14 of the Exchange Act. In addition, our officers, directors and principal shareholders are exempt from the reporting and “short-swing” profit recovery provisions under Section 16 of the Exchange Act. Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. Accordingly, there may be less publicly available information concerning us than there is for U.S. public companies.

***It may be difficult for investors outside Belgium to serve process on or enforce foreign judgments against us.***

We are a Belgian public limited liability company. Certain of the members of our Board of Directors and the Executive Committee and certain of the persons named herein are non-residents of the United States. All or a substantial portion of the assets of such non-resident persons and certain of our assets are located outside the United States. As a result, it may not be possible for investors to effect service of process upon such persons or on us or to enforce against them or us a judgment obtained in U.S. courts. Original actions or actions for the enforcement of judgments of U.S. courts relating to the civil liability provisions of the federal or state securities laws of the United States are not directly enforceable in Belgium. The United States and Belgium do not currently have a multilateral or