



We launched our Global Smart Drinking Goals — a set of programs and initiatives focused on shifting social norms, consumer behaviors, and our own business practices — in order to make a tangible contribution to prevent and reduce the harmful use of alcohol globally.

Developed alongside public health officials, these goals reflect our belief in evidence-based solutions and that independent, rigorous, and transparent evaluation are key to progress. Our goals are also designed to be collaborative and evolving. Working in partnership with public health bodies, civil society, and governments, we aim to implement evidence-based approaches, uncover new ways to reduce the harmful use of alcohol, and act upon them. Our intent is not only to use the knowledge generated by this work to improve our own efforts and business practices, but also to share what we learn with others.

Goal 1: Reduce the harmful use of alcohol by at least 10% in six cities by the end of 2020. Implement the best practices globally by the end of 2025.

Our six City Pilots aim to reduce harmful alcohol use by 10% in their locations by the end of 2020. We received guidance from experts to identify the cities where we could best make an impact and selected Leuven, Belgium; Johannesburg, South Africa; Brasília, Brazil; Jiangshan, China; Zacatecas, Mexico; and Columbus, Ohio, USA.

These City Pilots serve as laboratories for testing and evaluating evidence-based initiatives to reduce harmful drinking and identifying promising ones worth scaling. The interventions within the pilots focus on addressing drinking and driving, underage drinking, binge drinking and other issues of local relevance. By 2025 we hope to take successful interventions global.

Local knowledge and leadership are critical components of the City Pilot approach. In each region a Steering Committee of local stakeholders, including government, universities, and nongovernmental organizations, is charged with setting the direction of their city pilot, selecting and managing execution of programs, and coordinating partners.

The AB InBev Foundation has contracted HBSA to independently measure and evaluate the interventions within the City Pilots.

Goal 2: Invest \$1 billion USD across our markets in dedicated social marketing campaigns and related programs by the end of 2025.

We've committed to investing at least \$1 billion USD across our markets in dedicated social marketing campaigns and programs to influence social norms and individual behaviors to reduce the harmful use of alcohol. This goal is not just about spending a specific amount, but rather spending with impact. This requires the implementation of evidence-based campaigns and programs grounded in social norms and social marketing theory.

In 2022 we invested a total of 207.39 million USD across our markets in dedicated social marketing campaigns and programs to influence social norms and individual behaviors to reduce the harmful use of alcohol, and in accordance with the reporting criteria highlighted and disclosed here below on our website.

From 2016 to 2022 cumulatively 679.47 million USD was invested as follows:

- 2016: USD 64.21 million
- 2017: USD 71.66 million
- 2018: USD 61.24 million
- 2019: USD 58.20 million
- 2020: USD 76.03 million
- 2021: USD 140.74 million
- 2022: USD 207.39 million



The 2016-2025 target amount of 1 billion USD, the reported actual amount of 207.39 million USD for 2022 and the reported cumulative actual amount of 679.47 million USD for 2016-2022 are comprised of the amounts actually invested or spent in USD by AB InBev, and of the USD amount estimated by AB InBev to represent the opportunity cost of smart drinking packaging, in accordance with the AB-InBev smart drinking categories and reporting criteria of which the latest version can be consulted here on our website.

Goal 3: Ensure No- or Lower- Alcohol beer products represent at least 20% of AB InBev's global beer volume by the end of 2025.

One important way we can help reduce harmful drinking is by providing consumers with lower- and non-alcoholic beer options. As a result, one of our Global Smart Drinking Goals is to ensure that low- or no-alcohol beer products make up at least 20% of our global beer volume by 2025.

Our ambition is for existing drinkers to integrate no-alcohol beers and beer with 3.5% ABV or lower into their current drink choices, reducing their overall total alcohol intake.

We are already making encouraging progress toward our goal. We have launched no-alcohol beers in many of our key markets, including Brazil, Mexico, South Africa, Canada, Belgium, China and the UK, and have introduced new low-alcohol beer products in a number of countries including Canada, South Africa, South Korea and multiple European markets.

Goal 4: Place a Guidance Label on all of our beer products in all of our markets by the end of 2020. Increase alcohol health literacy by the end of 2025.

We believe in helping consumers understand why and how alcohol should be consumed within limits. That's why we're collaborating with partners to identify and implement evidence-based ways to increase alcohol literacy among consumers.

The AB InBev Foundation is supporting public health researchers at Tufts University School of Medicine to develop a consumer guidance labeling strategy for beer to promote alcohol health literacy and reflect the current evidence base for consumer labeling. As part of this work, Tufts has conducted a literature review and hosted a consensus conference to review the evidence in January 2018.

Alcohol literacy is critical to every job function within our company. In 2016, we launched a compulsory Alcohol Literacy Training program to better educate our colleagues. Understanding the risks of harmful consumption and the best practices of smart drinking is a responsibility every one of our colleagues shares.

Supporting the UN Sustainable Development Goals

We take seriously our responsibility to help reduce and prevent the harmful use of alcohol throughout the world. We believe in and share the World Health Organization's (WHO) ambition to reduce the harmful use of alcohol and the United Nations' (UN) Sustainable Development Goal (SDG) 3 to ensure healthy lives and promote well-being for all. Through our efforts we aim to contribute to UN SDG target

3.5 – to strengthen the prevention and treatment of substance abuse, including harmful use of alcohol; target 3.6 – to halve the number of global deaths and injuries from road traffic accidents; and Goal 17 – to strengthen the means of implementation and revitalize the global partnership for sustainable development.



Scope of the Reporting for \$1 Billion US Social Norms and Marketing Commitment

As part of our Global Smart Drinking Goals (GSDG), AB InBev has committed to investing at least \$1 billion USD across our markets in dedicated social marketing campaigns and related programs to influence social norms and individual behaviors to reduce harmful use of alcohol.

AB InBev has established a uniform structure for the annual planning, tracking, reporting and evidence collection for all investments related to the company's Social Norms US \$1 billion GSDG commitment for the time period 2016-2025. The investments included in this commitment refer to all investments made by AB InBev in the form of social norms campaigns or related programs, directed at individual or multiple target audiences. Investments included in the US\$1B GSDG are to be accounted for during the calendar year for which the investment has been made.

For the purpose of the US\$1B GSDG, "AB InBev" is defined as the company as it existed on December 31st, 2016. The inclusion of any US\$1B GSDG investments in markets, in which business is added to AB InBev through an acquisition after December 31st, 2016 will be determined by an AB InBev committee following the acquisition. As a result, since 2017 following the combination with SABMiller the markets and entities in scope were those across AB InBev's newly established footprint. The markets and entities in scope are those across AB InBev's market list below. Also, in scope are relevant investments by the AB InBev Global Headquarter Office (GHQ) and the AB InBev Foundation (ABIF).

The markets in scope for this goal in 2016 only:

- Zone North America: United States, Canada
- Zone Mexico: Mexico
- Zone Latin America North: Brazil, Dominican Republic, Guatemala, Puerto Rico, Costa Rica, Cuba, Panama, Barbados, Saint Vincent, Dominica, Antigua, Aruba, Curaçao, Saint Martin, Bahamas, Trinidad
- Zone Latin America South: Argentina, Bolivia, Chile, Uruguay, Paraguay, Colombia, Peru, Ecuador
- Zone Europe: United Kingdom, France, Italy, Spain, Germany, Belgium, Luxembourg, Netherlands, Russia, Ukraine
- Zone Asia Pacific: China, South Korea, India, Vietnam

The markets in scope (post-SABMiller combination) for this goal from 2017-2025:

- Zone North America: United States, Canada
- Zone Middle Americas: Mexico, Honduras, El Salvador, Colombia, Peru, Ecuador, Barbados, Cuba, Dominica, Dominican Republic, Guatemala, Panama, Saint Vincent
- Zone South America: Brazil, Argentina, Bolivia, Chile, Uruguay, Paraguay
- Zone Europe: United Kingdom, Ireland, France, Italy, Spain, Germany, Belgium, Luxembourg, Netherlands, Russia, Ukraine
- Zone Asia Pacific: China, South Korea, Australia, India, Vietnam
- Zone Africa: South Africa, Botswana, Swaziland, Mozambique, Namibia, Zambia, Lesotho, Uganda, Ethiopia, Tanzania, South Sudan, Kenya, Nigeria, Ghana

To provide clarity as to the type of investments that can be counted towards the company's US\$1B GSDG commitment we include below a list of definitions and of the Investment Categories (1 -30) in-scope.



Definition of "Dedicated Social Marketing Campaigns":

Social Marketing seeks to develop and integrate marketing concepts with other approaches to influence behaviors that benefit individuals and communities for the greater social good. Social marketing practice is guided by ethical principles. It seeks to integrate research, best practice, theory, audience and partnership insight, to inform the delivery of competition-sensitive and segmented social change programs that are effective, efficient, equitable, and sustainable.

Social marketing campaigns may use social norms to encourage the positive behavior of the majority, rather than focusing on the negative behavior of the minority. In the case of alcohol-associated harm reduction, Social Norms Marketing is one type of social marketing that is evidence-based and supported by harm reduction experts. Social marketing campaigns include both "Above-The-Line" and "Below-The-Line" initiatives. Examples of above-the-line initiatives include TV, cinema, radio, print advertising, out-of-home advertising, and others. Examples of below-the-line initiatives include promotions, events, public relations, search engine marketing, and others.

Definition of "Harmful Use of Alcohol":

The World Health Organization (WHO) defines harmful use of alcohol as "a pattern of psychoactive substance use that is causing damage to health. The damage may be physical or mental." WHO-identified harm areas addressed by AB InBev's US\$1B GSDG include, but are not limited to, the following:

- Underage drinking
- Drink driving
- Binge drinking
- Fetal Alcohol Syndrome
- Road crashes
- Various other behavioral areas of harm

Definition of "Related Programs":

"Related Programs" are defined as any initiatives, which are designed for the purpose of addressing the harmful use of alcohol. "Related Programs" are:

- Aimed at multiple target audiences
- Funded and executed by a variety of program executioners, i.e. (i) AB InBev / GHQ (any department); (ii) AB InBev Zones (Any department); (iii) AB InBev Foundation (ABIF); as well as (iv) business entities that are in partnership with AB InBev in the addressing of harmful use of alcohol
- Comprised of a wide variety of programs and initiatives

"Multiple Target Audiences" may include, but are not limited to:

- Consumers of legal drinking age (LDA) and above
- Youth, i.e. persons aged 13 years or older, but below LDA (**only** in the context of campaigns and programs aimed at preventing underage drinking)
- Parents of children below the LDA



- Employees of retail accounts, both on-trade and off-trade
- Members of the media community (TV, Print, Social Media, etc.)
- Educators and teachers
- Government officials
- Law enforcement

"Program Executioners", which are funding and/or executing programs include, but are not limited to:

- AB InBev and its employees
- ABIF
- Local AB InBev-affiliated Foundations (e.g. Anheuser-Busch Foundation; Fundación Grupo Modelo, etc.)
- Wholesaler Operations that are committed to Smart Drinking
- Trade Associations

Investment Categories 1 – 4: Investments in Social Marketing Campaigns and Examples:

IC 1: Social Marketing Campaigns – Media

- Campaigns may be placed in various types of media, including TV, Print, Radio, OOH, and digital/social media, including the value of Bonus Media received via paid brand media buys.

IC 2: Social Marketing Campaigns – Agency Fees

- Related to the development and production of the Smart Drinking media campaign.

IC 3: Social Marketing Campaigns – Production Cost

- Production cost of the creative executions (e.g. Smart Drinking TV commercials, billboards etc.).

IC 4: Social Marketing Campaigns – Royalties

- To be paid for the right to use actors, music, etc. in the creative Smart Drinking media executions.

Investment Categories 5 – 12: Investments in programs to reduce the harmful use of alcohol by at least 10% in City Pilots and Examples:

IC 5: City Pilots - Toolkit Programs to reduce Underage Drinking

- Development of Programs to dissuade underage drinking

IC 6: City Pilots - Toolkit Programs to reduce Drink Driving

- Development of Programs to dissuade drink driving

IC 7: City Pilots - Toolkit Programs to reduce Binge Drinking

- Development of Programs to dissuade Binge Drinking

IC 8: City Pilots - Social Norms Toolkit for Programs and Social Marketing Campaigns

- Social Marketing Campaigns costs not funded by marketing team

IC 9: City Pilots - Screening & Brief Intervention (SBI)

- Development of Screening & Briefing Interventions for harmful use of alcohol

IC 10: City Pilots - Locally developed programs to reduce harmful use of alcohol

- Investments in local programs to reduce the harmful use of alcohol in the City Pilots with NGOs, Universities, Educators, Health Care Providers, etc.

IC 11: City Pilots - No-Alcohol Beer (NAB) product portfolio investments

- Includes initiatives, which aim to change consumer behavior through the availability of NAB products at the point of purchase or at the point of consumption

IC 12: City Pilots - Alcohol Health Literacy

- Internal and external Alcohol Health Literacy training and other programs aimed at increasing Alcohol Health Literacy in the City Pilots

Investment Categories 13 – 30: Investments in a wide variety of programs to reduce the harmful use of alcohol, and its effects, in all other markets and Examples:

IC 13: Toolkit Programs to reduce Underage Drinking - All other markets

- Development of Programs to dissuade underage drinking

IC 14: Toolkit Programs to reduce Drink Driving - All other markets

- Development of Programs to dissuade drink driving

IC 15: Toolkit Programs to reduce Binge Drinking - All other markets

- Development of Programs to dissuade Binge Drinking

IC 16: Social Norms Toolkit for Programs & Social Marketing Campaigns - All other markets

- Social Marketing Campaigns costs not funded by marketing team

IC 17: Screening & Brief Intervention (SBI) - All other market

- Development of Screening & Briefing Interventions for harmful use of alcohol

IC 18: No-Alcohol Beer (NAB) Product Portfolio Investments - All other markets

- Includes initiatives, which aim to change consumer behavior through the availability of NAB products at the point of purchase or at the point of consumption

IC 19: Alcohol Health Literacy: Guidance Label

- Expert fees funded by the AB InBev Foundation
- Design agency fees for the development of the Guidance Label.

IC 20: Investments in Research as it relates to the reduction of harmful alcohol use

- Measurement & Evaluation on the effectiveness of programs and actions to reduce the harmful use of alcohol

IC 21: Point-of-Connection Materials (POCMs)

- Promotional material encouraging smart drinking, increasing awareness of local alcohol regulation with Permanent (e.g. neon signs, mirrors, clocks, etc.) and Temporary (e.g. posters, coasters, table tents, lapel pins, etc.) POCMs.

IC 22: Training & Education

- Training Initiatives for Alcohol Health Literacy, Health Care Professional and retail employees in the on-premise and off-premise environment.

IC 23: Annual Global Be(er) Responsible Day (GBRD) Activation

- The main objective is to engage AB InBev employees worldwide in the company's Smart Drinking efforts, and to remind retailers of their duty to serve and sell alcohol in accordance with local laws and regulations, encouraging consumers to always enjoy alcohol in a responsible way

IC 24: Partnerships & Memberships

- Financial contributions to partners such as NGOs, Universities, Educators, Health Care Providers and thus prevent harmful use of alcohol
- Fees paid for membership in organizations with a single-minded focus on reducing the harmful use of alcohol

IC 25: Consultancy Fees

- Fees paid by AB InBev or by the AB InBev Foundation (ABIF) to independent experts and consultancies to provide guidance to the company and to develop intervention programs to reduce the harmful use of alcohol

IC 26: Road Safety

- Cost related to participations and consultancy fees related to advancing Road Safety interventions or initiatives and Road Safety events

IC 27: Event-related Smart Drinking investments

- Events organized for the sole purpose to promote smart drinking among a multitude of stakeholders. Including materials to educate and to promote the Global Smart Drinking Goals.

IC 28: Fetal Alcohol Syndrome (FAS)

- Development of interventions to prevent FAS. An example is the intervention at a South Africa clinic in partnership with KwaZulu Natal Liquor Authority to prevent FAS.

IC 29: Programs designed to reduce violence related to harmful use of alcohol

- Development of programs to reduce violence related to the harmful use of alcohol

IC 30: Investments in Public Relations efforts directly related to AB InBev's GSDG initiatives

- PR efforts aimed to inspire support from governments, law enforcement, NGOs, educators, and other stakeholders for AB InBev's effort to reduce alcohol-related harm globally.

REPORTING ESTIMATES

The applicable reporting framework for our investments in dedicated social norms and social marketing campaigns made across our zones is set forth in the above section summarizing our reporting categories and general criteria, as well as in this section summarizing our significant reporting estimates criteria. The investing or spending 2016-2025 target amount of 1 billion USD and the 2016-2022 investing or spending amounts of cumulatively 679.47 million USD are comprised of the USD amounts actually invested or spent in USD by AB InBev, and of the USD amounts estimated by AB InBev to represent the opportunity cost of smart drinking packaging.

PACKAGING OPPORTUNITY COST

In 2021 the Technical Advisory Group of the AB InBev Foundation confirmed to support the addition of the inclusion of both the design costs and the opportunity cost of a Smart Drinking label in primary, secondary or tertiary packaging, as well as the addition of no and low alcohol beer marketing campaigns as studies show these help to shift social norms in favor of No-and Low-alcohol beer products. In line with this confirmation, these additions have been reflected in the detailed descriptions of investment categories 1, 2, 3, 4 and 19 as of investment year 2021 and management has selected, identified and applied the relevant method, assumptions and sources of data within the applicable reporting framework, in summary as follows.

The method and assumption withheld and as confirmed is to add and estimate the marketing value cost of the visualized smart drinking labels in stores as an investment in dedicated social norms and social marketing campaigns. The sources of data used in the estimate consist of governmental and marketing bureaus statistical data in our markets in scope of this investment goal where said labeling and campaigns are applicable in the years of investment.

The application of this method, assumptions and data for 2021-2022 showed an estimated marketing investment value of 194,95 million USD which is 28.7% of our total 2016-2022 reported investment value of 679.47 million USD in dedicated social norms and social marketing campaigns.