

**SUSTAINABILITY
REPORT 2018**





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Our principles

GRI 102-16



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



We are a company of owners. Owners take results personally.



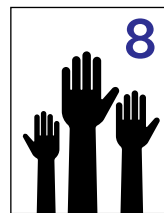
Our greatest strength is our people. Great people grow at the pace of their talent and are rewarded accordingly.



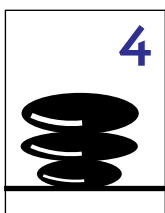
We believe common sense and simplicity are usually better guidelines than unnecessary sophistication and complexity.



We recruit, develop, and retain people who can be better than ourselves. We will be judged by the quality of our teams.



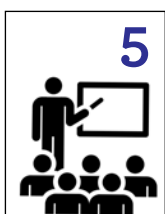
We manage our costs tightly, to free up resources that will support sustainable and profitable top-line growth.



We are never completely satisfied with our results, which are the fuel of our company. Focus and zero-complacency guarantee lasting competitive advantage.



Leadership by personal example is at the core of our culture. We do what we say.



The consumer is the boss. We serve our consumers by offering brand experiences that play a meaningful role in their lives, and always in a responsible way.



We never take shortcuts. Integrity, hard work, quality, and responsibility are key to building our Company.

At a glance

Our products come from

- Agricultural producers
- Farms
- Water from lakes, rivers and basins

They are made of

- Water, malt, hops, yeast and much more
- Raw materials for Guaraná and other soft drinks and nonalcoholic and non-carbonated soft drinks

CERVEJARIA
ambev

Production quality

- Technology
- Governance
- Process management
- Sustainability

How they reach you

- Logistics management

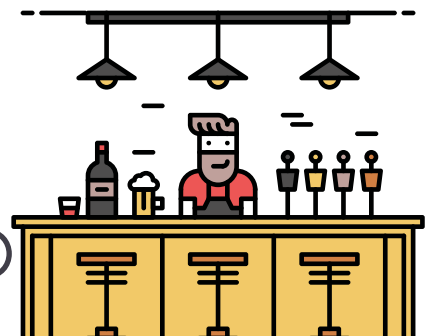
Products

- Beers
- Soft drinks
- Waters and teas
- Juices
- Isotonic drinks
- Energy drinks



- The customer finds them at points of sale such as bars, restaurants, supermarkets, bakeries, stores, etc.
- Distribution to the franchise network
- Direct delivery to the end consumer

Consumers



Letter from our Board of Directors

GRI 102-16 | 103-1 | 103-2 | 103-3 | 201-1



The year of 2018 was challenging in many ways, especially in the economic sphere. Even so, our Company was able to make impactful investments that enriched our portfolio and solidified our position as market leaders.

Over the year, our EBITDA grew by 9.4%, hitting R\$ 21.099 billion, and our net revenue increased by 6.9%, adding up to R\$ 50.23 billion. Brazil, our largest market, has shown it is recovering, albeit slowly, from the recession it went through between 2015 and 2016. In order to inspire Brazilian consumers, we focused heavily on innovation, launching new products and packaging, especially in the Premium category, in which our global brand portfolio grew over 30% during the year. Such performance was driven by Corona beer, one of the fastest growing brands in the country, followed by Stella Artois, which got several new packages, and Budweiser, which sponsored the 2018 Fifa World Cup. Domestic brands Serramalte and Original have also grown accordingly.

Among our launches is Skol Puro Malte, which was announced in December and hit the market in early 2019, reinforcing the brand's innovation DNA. Additionally, we are also very proud of having introduced beer brands "Nossa", in Pernambuco, and "Magnífica", in Maranhão, both of which are made of locally-sourced cassava. These initiatives provide consumers with products that strengthen the regional culture and promote the growth of local economies.

Our focus on quality has been acknowledged. We have earned more than double the number of medals in the 2018 World Beer Awards in comparison with the previous year. Overall, we got 63 awards, against 27 awards earned in 2017. Among the winners was Skol Hops, elected the best Hoppy Pilsner in Brazil.

In Argentina, a challenging consumption environment complete with high inflation rates and currency devaluation had its impact on the Company's results. Rising to the challenge, we promoted packaging innovation and expanded our portfolio in the country, adding Budweiser and

new brand Andes Origen to it. The highlight of 2018 was our performance in the Dominican Republic and in Panama, which contributed to the 12.6% increase in net revenue in our operations in Central America and the Caribbean (CAC).

The performances of Bud Light, Michelob Ultra, Stella Artois and Corona, on top of our range of special beers, mixed drinks and ciders, sustained our leadership in Canada's mature market.

Our efforts to make our dream of a better world come true include our commitment to responsible consumption, as we want people to ingest our drinks with moderation, joy and satisfaction.

Our prospects for 2019 are positive. As for Brazil, if the first steps toward a positive solidification of the economy are taken, we will have a great year in business and as a society.

Victorio Carlos De Marchi

Co-Chairman of the Board of Directors



Letter from Our CEO

GRI 102-14 | 102-16 | 102-2 | 103-2 | 103-3



Our Company devotes itself to providing consumers with the best experiences and the best products in the most sustainable way possible. Social environmental accountability has always been a concern of ours: it started with the awareness of the responsible use of water and of the quality of water, the main ingredient in products manufactured in our breweries and soft drink factories.

As the years went by, we realized our environmental commitment could branch out to spaces other than our Company, thus contributing to building a better world. The 2018 Sustainability Report shows just how much progress we have already made – and how much more we can still learn in this journey.

We participate in the United Nations Global Compact, which represents a commitment made by corporate leaders to incorporating fundamental and internationally ratified human rights, labor relations, environmental and anti-corruption principles into their business practices.. Sustainable growth is our ever-constant goal. With that in mind, in 2018 we launched a new set of goals to be reached by 2025, which were broken down into five pillars: Water, Agriculture, Climate & Energy, Packaging and Entrepreneurship.

One of the Company's proudest moments in 2018 was the birth of the Ambev Accelerator, a pillar of the 100+ Platform which was introduced by AB InBev and is present in every country where we have operations. Its purpose is to bring together actions whose impact goes beyond the walls of the brewery. With the Accelerator, we support concepts and technologies created by entrepreneurs that are in line with our goals and can make the world a better place

We know that, in addition to being a strategic resource for the Company, water is an invaluable asset for the future of the human race. Launched in 2017, AMA water donates 100% of its profits to projects that bring drinking water to poverty-stricken communities. The whole process is audited by KPMG. In 2018, it made R\$ 2.9 million and benefited more than 26,000 people. The AMA water initiative shows that being close to consumers and to the communities in which we operate is part of our es-

sence as a company. We make sure that everything we learn from investing in our business is given back to the society in several ways.

One example of this is that, over the past 16 years, the Company reduced its average water consumption for producing drinks by 46%, and our learnings were shared with other companies through the SAVEh Platform. Another knowledge-sharing initiative of ours is the Voa Program, through which we support the management of civil society organizations such as NGOs and social enterprises.

In this ever-changing world, we at Ambev Brewery, want to be the leaders of change, be it by empowering diversity inside and outside of the Company or by promoting innovations that allow for sustainable growth, always in close contact with consumers.

Bernardo Pinto Paiva

CEO



The brewery in 2018

In 2018, we launched new brands, won awards that attest to the quality of our products, came up with innovations in sustainable packaging and created programs to support entrepreneurship and social projects.

- **9.4%** growth in EBITDA
- **6.9%** increase in net revenue
- Growth of global **Premium** brands by more than **30%**
- We launched beer brands “**Nossa**”, in Pernambuco, and “**Magnífica**”, in Maranhão, both of which are made of locally-sourced cassava
- We introduced **Skol Puro Malte** and **Skol Hops** under parent brand **Skol**
- We operated in **18 countries**
- We innovated with the new Budweiser bottle, made of 45% recycled materials on average
- Budweiser sponsored the 2018 Fifa World Cup
- **63** medals won in the **2018** World Beer Awards, more than double than in the previous year
- We created the **Ambev Accelerator** to foster sustainability innovation
- **26,000** people benefited from projects run on water **AMA's profits**
- We employed more than **50,000** people in the Americas, 30,000 of which are in Brazil de produtos e serviços no Brasil



- **8,650 active suppliers** of products and services in Brazil
- **35 breweries**, soda manufacturers, verticalized operations, malt houses, and **104** direct distribution centers in Brazil
- We inaugurated the **Center for Innovation and Technology (CIT)**, in Rio de Janeiro
- We reduced the water use for producing beverages by **46%** over the last 16 years
- We reduced direct and indirect **CO2 emissions by 13.65%**
- **56%** of Guaraná Antarctica **PET bottles** are made of **recycled materials**
- **185 NGOs** were aided by the **VOA Program**, through our sharing of managerial knowledge
- We launched the **Ambev Entrepreneurship Program**

Corporate profile




The leader in beer brewing

Ambev Brewery operates in 18 countries and remains the favorite brand of Brazilian and Latin American consumers. The year of 2018 was marked by new launches.





Highlights

 <p>35 Breweries and malt houses</p>	 <p>104 Direct distribution centers</p>	 <p>30,000 employees in Brazil, approximately</p>
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Corporate profile

AMBEV BREWERY

[GRI 102-1](#) | [102-2](#) | [102-3](#) | [102-4](#) | [102-6](#) | [102-7](#) | [102-9](#) | [103-1](#)

Ambev Brewery, which operates in 18 countries in the American continent, is still the leader in the Latin American beer market. The Company was created in 1999, upon the merger of breweries Brahma and Antarctica, and integrates the Anheuser-Busch InBev (AB InBev) group.

Our business consists in manufacturing and selling beers, soft drinks and other non-alcohol, non-carbonated beverages.

The Company's main brands in Brazil are Skol (the seventh most consumed beer in the world), Brahma, Antarctica, Bohemia, Original and Guaraná Antarctica, and, in other countries in the continent, the list is comprised of Quilmes, Presidente, Paceaña, Pilsen, Labatt Blue, Alexander Keith's and Kokanee. Ambev Brewery is also one of the most prominent PepsiCo bottlers in the world. We produce, sell and distribute products such as Pepsi, H₂OH!, Lipton Ice Tea and sports drink Gatorade in Brazil and in other Latin American countries under a licensing agreement with PepsiCo. We also sell several

Anheuser-Busch Inbev S.A./N.V. ("AB InBev") products such as Budweiser, Bud Light, Stella Artois and Corona. By the end of 2018, we had almost 50,000 employees: around 30,000 in Brazil, 7,000 in the CAC region, 3,000 in Canada and 10,000 employees in Latin South American branches.

In 2018, we had 8,650 active service and product suppliers across all five regions of Brazil and in other countries, from different sectors such as raw materials, packaging, logistics and services in general.

In 2017, this number had hit 11,000. The decrease is due to a cross-checking of data that allowed us to discover that several suppliers had more than one CNPJ registered in our database. The consolidation of these data made it possible for us to optimize the relationship with suppliers, thus making internal processes more agile.

The Company's headquarters are located in the ão Paulo, but our intricate distribution system allows us to operate in a territory as vast as we do. In Brazil alone, we have about 1 million point of sales, including beverage distributors, franchises and stores.



A stylized map of the Americas, including North, Central, and South America, is rendered in a vibrant yellow color. The map is overlaid with numerous bubbles of varying sizes, some solid yellow and some white with yellow outlines, creating a bubbly, dynamic effect. The background is a light grey gradient. The map is divided into three main regions, each marked with a blue location pin icon and a text label: Canada in the north, Central America and the Caribbean (CAC) in the middle, and Latin America South (LAS) in the south. The text is in a bold, sans-serif font, with the region names in blue and the descriptions in black.

WHERE WE OPERATE

GRI 102-4 | 102-6

Our operations span **18 countries** in the American **continent and are grouped** into three categories, as follows:

Latin America North (LAN), which includes:

- **Brasil**, where we manufacture and sell beers, soft drinks, non-alcohol and non-carbonated beverages;
- **Central America and the Caribbean (CAC)**, where we have operations in the Dominican Republic, Cuba, Saint Vincent and the Grenadines, Dominica, Antigua and Barbuda, Guatemala (which also supplies El Salvador, Honduras and Nicaragua), Barbados and Panama;

Latin America South (LAS), where we trade beers, soft drinks, non-alcohol and non-carbonated beverages in Argentina, Bolivia and Uruguay and also manufacture and sell beers in Chile and Paraguay.

Canada, where we manufacture and sell beers and a portfolio of mixed drinks and ciders and also export goods to the United States of America.

Canada

Central America
and the
Caribbean (CAC)

Brazil

Latin America South (LAS)

Corporate profile

MAIN LAUNCHES

GRI 102-2

In 2018, we launched two new products under the Skol umbrella brand: Skol Hops, an innovative beer made with aroma hops, and Skol Puro Malte (which was announced in December and hit the market in January 2019), a light and refreshing pure malt beer, reinforcing Skol's innovation DNA. The pure malt beer is lighter than the other options available on the market. Its recipe was developed by Brazilian and Belgian brewers over the course of five years and given the final touches at Ambev Brewery's Center for Innovation and Technology (CIT), in Rio de Janeiro.

Our portfolio of Premium brands grew as we started to market Beck's and launched new packages, such as Serramalte cans and Budweiser's new bottle, made of 45% recycled materials, on average.

The introduction of beers "Nossa", in Pernambuco, and "Magnífica", in Maranhão, gave us a unique opportunity for social engagement, fostering the development of local



economies and advancing the culture of these states. Both of them are made of locally-sourced cassava, with the support of our technical specialists. The passion for selecting the best ingredients inspires us to be relentless in the search for making things different, and this dynamic spirit gifts us with endless possibilities for our business. New beers "Nossa" and "Magnífica" allow for Ambev Brewery's Agri team to implement transformative initiatives in an ethical way, always with the goal of making the world a better place



CORPORATE GOVERNANCE

GRI 102-5 | 102-18 | 103-1 | 103-2 | 103-3

Ambev is controlled by Interbrew International B.V. (IIBV), AmBrew S.A. (AmBrew), both of which are subsidiaries of Anheuser-Busch InBev (AB InBev), and by Fundação Antonio e Helena Zerrenner Instituição Nacional de Beneficência. We are subject to regulation by the Brazilian Securities Commission and the Securities & Exchange Commission since we are a publicly-held company with common stock listed on the B3 Stock Exchange and on the New York Stock Exchange (NYSE). Our governance is guided by the utmost respect for transparency and the best corporate governance practices, and is enforced by the following bodies: the Shareholders General Meeting, the Board of Directors (aided by its advisory committees), the Fiscal Council and the Executive Board.

The Shareholders General Meeting is the highest body in the Company, where the shareholders, convened in a general meeting, have the power to decide on the Company's business and pass resolutions they deem appropriate to safeguard its interests and drive its development, always in compliance with bylaws and the applicable legislation.

The Board of Directors is made up of 11 sitting members and 2 alternate members, who are elected at a general meeting for a three-year mandate and have the possibility of being reelected. Some of the responsibilities of the Board are to make decisions related to the Company's short- and long-term strategy and to ensure that our ethical values and culture are upheld and disseminated among our employees. The directors appoint the members of the Executive Board and do not hold executive positions themselves. It is also forbidden for the same person to serve as Co-chairman of the Board of Directors and as the CEO of the company.

We also have two corporate advisory committees that assist the Board of Directors.

We also have an Operations, Finance and Compensation Committee (COF), elected by the Board of Directors. The purpose of this Committee is to provide advice to the Board of Directors on the annual and triennial planning, manage-

ment and employee compensation policies, mergers and acquisitions, capital structure and cash flow, corporate restructuring etc. The COF submits its considerations to the Board.

The Competition Compliance and Related Parties Committee has up to five members, who are elected by the Board of Directors. This committee advises the Board of Directors to ensure the standards governing the Company's conduct in relation to competitors and transactions with related parties are being complied with. It is the Committee's duty to act in situations where there are conflicts of interest between Ambev and its related parties, as well as in relation to other matters deemed relevant by the Board to defend the Company's interests.

The Fiscal Council is made up of members who do not serve on the Executive Board, the Board of Directors, or on any advisory committee. Its members are elected at the Shareholders General Meeting for a one-year mandate, with re-election permitted. The Fiscal Council operates on a permanent basis, overseeing management and issuing assessments on Ambev's financial statements. In addition to performing the duties of an Audit Committee pursuant to the Sarbanes-Oxley Act, it also carries out the duties provided for in Brazilian corporation law and in the Company's bylaws.

The Executive Board, which is responsible for managing Ambev's business and submitting proposals addressing medium- and long-term planning to the Board of Directors, is made up of the CEO and ten executives. The executives serve a three-year mandate, with re-election permitted. Bernardo Pinto Paiva has been the CEO since 2015, and his mandate runs until December 2021, with reelection permitted.





ETHICS AND ANTICORRUPTION EFFORTS

GRI 102-16 | 103-1 | 103-2 | 103-3 | 205-2

Among other matters, our Compliance Policy, Code of Conduct, Anti-Corruption Policy and Government Relations Policy guide our relationship with government agencies and public officials. Although we are not linked to any political organization whatsoever, we acknowledge our employees have the legitimate right to participate in the political parties or entities of their choice. However, any exchanges, donations or favors that constitute an undue advantage under the terms of the anti-corruption legislation in force, or that are not in accordance with the Company's policies. Both our Compliance and Legal departments, which set the rules for payments, are available for providing clarifications on these subjects.

All of the Company's employees receive communications on compliance and anti-corruption rules throughout the year. The communications are made via e-mail, posters, posts on the corporate social network and videos that are showed in our facilities. Furthermore, all employees in strategic and/or leadership positions undergo online compliance training every year and report having abided by anti-corruption rules.

Lastly, employees in strategic areas, including members of the executive board, have to undergo annual in-person compliance training on a broad range of ethical issues, including anti-corruption, that are tailored to the target audience according to the field they work in.

Ambev Brewery's Code of Conduct and Global Responsibility Policy for Supplies, which include anti-corruption provisions, are available to all partners

on its website. Some of our strategic partners also have to undergo anti-corruption compliance training.

OMBUDSMAN

GRI 102-2 | 103-2

Our Ombudsman channel is operated by an external company and managed by our compliance team. Its activities are periodically reported to the Board of Directors and to the Fiscal Council, according to the competence of each body. Employees, customers, consumers and suppliers are able to make confidential reports regarding any violations of our Code of Conduct by calling 0800-250011 or by accessing ouvidoriaambev.com.br.

RISK MANAGEMENT

GRI 102-11 | 103-2 | 103-3

Our risk management strategy, which also encompasses the enforcement of financial discipline and the limiting of exposure to risk aimed at avoiding market fluctuations, is conducted by the Board of Directors (BD), by the advisory committees to the BD, by the Fiscal Council and by the Executive Board. These bodies monitor the trends and development of the market to ensure the quality and effectiveness of our process.



Every supplier or contractor hired by Ambev Brewery must undergo risk analysis.

After the analysis, some of these partners are subjected to compliance due diligence. This procedure includes reputation lists, media coverage analysis, and an anti-corruption questionnaire. In this questionnaire, in addition to having to review Ambev Brewery's Code of Conduct, the partner must state their express agreement with anti-corruption rules. This procedure may also include anti-corruption compliance training, depending on each partner's degree of risk.

PROCESS MANAGEMENT

GRI 103-1 | 103-2 | 103-3 | 301-1

Our operational processes include the manufacturing of products based on the use of both renewable and non-renewable natural resources. Water is the main resource used in the production of soft drinks and beers, along with the ingredients that make up each of the products. Aiming to meet environmental impact reduction goals, we employ a standardized management process entitled Voyager Plant Optimization (VPO). We are constantly investing in the modernization and improvement of process control in our production system.

The VPO is important for the maintenance of manufacturing excellence and is supported by the following pillars, which are highlighted in standardized regulations in our plants, each matching a specific policy: People and Management, Logistics, Maintenance, Environment, Quality, Safety, and Finance. The Continuous VPO Improvement department at the Supply Engineering Center is responsible for these affairs. With the VPO, we are developing and maturing the Sales Distribution Process Optimization (SDPO), a management system focused on improving the quality of our sales, customer service, in line with the brewer's principle to treat the consumer as the boss.

Corporate profile

LOGISTICS MANAGEMENT

GRI 103-2 | 103-3

To ensure quality and sustainable results, the management of logistic processes is standardized and guided by the Distribution Process Optimisation (DPO) operations manual to make sure the same process is being followed every time.

We use the TecLog platform, a set of technology initiatives to optimize logistics operations. This work is based on drivers using smartphones with applications that have been specially developed for our distribution operation. The system makes it possible to design the best routes with the least traffic in order to serve points of sale with more agility, for example. TecLog also contributes to environmental gains, as the more agile routes allow for vehicles to spend less time traveling, which in turn results in less polluting gases being emitted and in a lower amount of trucks in the streets.

Another effort we can highlight is the Shared Fleet initiative, a project launched in 2012 which consists in establishing partnerships with other companies to optimize the logistic operations of each one of them. Vehicles that are used by Ambev Brewery and which would normally return to breweries empty after having restocked distribution centers will instead return with loads from partner companies. The group is already composed of 20 companies that share about 3,000 monthly trips nationwide.

PARTICIPATION IN ASSOCIATIONS

GRI 102-13

Ambev Brewery is a member of the following organizations: Brazilian Association of Advertisers (ABA), Brazilian Association of Food Industries (ABIA), Brazilian Association of Soft Drinks and Non-Alcoholic Beverages Industries (ABIR), Brazilian Association

of Publicly-Traded Companies (Abrasca), Brazilian Business Council for Sustainable Development (Cebds), Center for Fiscal Citizenship (CCiF), Economic and Social Law Studies Center (Cedes), Corporate Commitment to Recycling (Cempre), Center for Information on Health and Alcohol (CISA), Brazilian Institute for Ethical Competition (Etco), Federation of Industries of the State of Rio de Janeiro (Firjan), Group for Applied Tax Studies (Getap), Group of Business Leaders (Lide) and National Beer Industry Trade Union (Sindicerv).

ADVERTISING AND CONSUMER PROTECTION

GRI 102-16 | 103-1 | 103-2 | 103-3 | 416-1 | 416-2 | 417-2 | 417-3

Our guidelines make it clear that the promotion of our products must be done in an ethical and responsible manner. Likewise, marketing actions must be in line with the rules set by the regulatory agency, the National Council for Self-Regulation in Advertising (Conar), as well as with our internal code, and are approved by an internal committee that includes the Intelligent Consumption area.

In 2018, we had three cases of noncompliance with the Conar regarding information about and regulation of products and services or marketing communications. None of them resulted in fines or penalties.

The labels of our brands are reviewed by the legal department and all legal notices are also submitted to the area, which is aided by a specialized firm. We have not had any fines and / or irregular labeling warnings issued against us.

In 2018, we were fined by the Procon twice. One fine was worth R\$ 1,200 and issued by the regional Cachoeiro de Itapemirim (ES) Procon, as a result of an alleged problem with a promotional campaign ran during the

World Cup, and the other amounted to R\$ 2,837.32 and was issued by the regional Tocantins Procon. The latter was motivated by a failed delivery of products purchased on the Parceiro Ambev website. In both situations the problems were solved and the fines paid.

We have not received any notices from the Brazilian Association of Soft Drinks and Non-Alcoholic Beverages (Abir) for breaking the rules on advertising to children with which the Company voluntarily complies. As for cases involving irregularities regarding the health and safety impacts of products and services on customers, we have been subjected to 62 “faulty product” lawsuits of which 28 resulted in unfavorable rulings, with the rest being solved through settlements. There were two “bottle explosion” cases, both of which resulted in settlements. Altogether, the 34 settlements cost R\$ 219,784.06 and the unfavorable rulings cost R\$ 147,050.04. In total, R\$ 366,834.10 were paid in damages. There were no cases of non-compliance with economic or social laws and regulations. The area is the responsibility of a director in the headquarters and of the legal department.

CUSTOMER RELATIONS

GRI 103-2 | 103-3

Our portfolio includes clients ranging from beverage distributors, supermarkets, bars and restaurants to small warehouses, bakeries, snack bars, kiosks and

franchises. To uphold the highest quality customer relations and to contribute to their growth as points of sale is our main commitment.

In 2018, we noticed an improvement in customer service indicators across our four communication channels (see the table below). The Technical Support Center (TAC) received less repair calls, which points to preventive maintenance of draft beer towers/post mix dispensers and refrigerators having a positive effect. In turn, Retail Service (RS) calls - which deal with routine issues, like payment due dates, delivery dates, etc - increased, an expected effect of the intensification of interactions with customers. In March 2018, launched the mobile RS channel, which boosted our customer service calls. Finally, our Customer Service Department (CSD) indicator performed better, which shows our commitment to the quality of our products.

BREWERY TOURS

GRI 102-12 | 103-2 | 103-3 |

In order to delight consumers with a trip to the brewing universe, in 2018 we added seven breweries to our program of tours, where beer lovers have a lesson on the history of beer and get to know the production process, from the selection of the ingredients up to the bottling process. At the end of the tours, participants may take part in a tasting. In 2018, 373,737 free visits, which can be scheduled online, were made.

GRIEVANCES RELATED TO IMPACTS ON SOCIETY (TOTAL COMPLAINTS AND GRIEVANCES RECORDED) - GRI 103-3					
Channels	2014	2015	2016	2017	2018
CAT	403,731	359,320	211,317	214,148	187,824
SAV	301,319	268,173	129,430	122,792	258,679
SAC	103,265	91,906	89,147	54,135	51,277

Corporate profile

MAIN RESULTS

GRI 102-7 | 102-45 | 201-1

Ambev Brewery's consolidated Net Sales in 2018 amounted to R\$ 50,231,336,000. The regions accounted for in the Financial Statements are LAN (Latin America North, which includes Brazil and Central America and the Caribbean), LAS (Latin America South) and Canada. Our consolidated net revenue increased by 6.9% in 2018, due to growth in Brazil (+ 1.8%), LAS (+ 21.5%) and CAC (+ 12.6%), which balanced out a slight decrease in Canada (-0.9%). In Brazil, the 4.4% drop in volume was more than compensated for by a healthy growth in our net revenue per hectoliter (NR/ hl) of 6.5%, as well as in LAS, where volume decreased by 0.8%, while NR/hl increased 22.1%. In the CAC region, our volumes showed a solid growth of 8.3% and NR/hl increased by 4.0%. And in Canada, despite the 1.9% drop in volume, impacted by a weak industry, NR/ hl rose by 1.0%.

DIVIDENDS, SHARES AND FINANCIAL DISCIPLINE

GRI 103-2 | 103-3 | 201-1

Our bylaws provide for mandatory minimum dividends corresponding to 40% of the Company's adjusted annual net income, including amounts paid as interest on shareholders' equity. In 2018, the total amount of R\$ 8,645 million was paid between dividends and interest on shareholders' equity, of which R\$ 7,546 million were related to the profit for the year 2018 and R\$ 1,100 million to the income for the year 2017.

On B3 S.A. – Brasil, Bolsa, Balcão, we traded approximately R\$ 77.8 billion in common stock during 2018. In this period, the Bovespa Index appreciated 15.0%.

As of December 31, 2018, our net cash position was R\$ 9,054 million.

COST OF GOODS SOLD (COGS)

GRI 201-1

Our COGS increased by 6.1%. The COGS excluding depreciation and amortization increased by 5.9%. On a hecto-liter basis, COGS increased 8.9%, while COGS excluding depreciation and amortization increased by 8.7%, mainly impacted by the inflation in Argentina and higher commodity prices, especially that of aluminum, partially offset by the favorable exchange rate in Brazil and the LAS.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (SG&A)

GRI 201-1

SG&A increased by 2.1%. SG & A excluding depreciation and amortization increased by 2.0%, below the weighted average inflation rate in the countries where we have operations (around 8%).

EBITDA, GROSS MARGIN AND EBITDA MARGIN

GRI 201-1

Our adjusted EBITDA was R\$ 21,099 million (+ 9.4%), with gross margin and EBITDA margin having increased by 30 basis points and 100 basis points, respectively.

NET INCOME, ADJUSTED NET INCOME AND ACCOUNT PROFIT (LPA)

GRI 201-1

Our net income increased 44.9% to R\$ 11,377 million, while adjusted for non-recurring items, net income decreased 5.0% to R\$ 11,591 million, since the increase in the EBIT-



NET SALES WENT OVER **R\$ 50 BN** DURING THE YEAR

DA, along with a lower effective tax rate, was impacted by higher financial expenses. Earnings per share (EPS) was R\$ 0.70 and adjusted earnings per share was R\$ 0.72 in the year 2018.

OPERATING CASH FLOW AND CAPEX

GRI 201-1

Cash flow from operating activities reached R\$ 17,911 million over the year, representing a 0.2% growth. Capex investments totaled R\$ 3,571 million in 2018, growing 11.5% in comparison with 2017.

INCOME TAX AND SOCIAL CONTRIBUTION

GRI 201-1

The effective income tax rate in 2018 was 13.6%, against the previous year's 39.3% rate. The adjusted effective tax rate in the previous year was at 17.7%, and the disparity can be explained by non-recurring tax adjustments, the main one being related to the Special Tax Regularization Program (Pert), worth R\$ 2,784.7 million.

FINANCIAL HIGHLIGHTS - CONSOLIDATED (R\$ MILLIONS) - GRI 201-1

	12M17	12M18	Reported %	Organic %
Volume ('000 hl)	162,829.4	158,716.9	-2.5%	-2.5%
Net revenue	47,899.3	50,231.3	4.9%	6.9%
Gross profit	29,857.5	30,961.7	3.7%	7.4%
Gross margin (%)	62.3%	61.6%	-70 pb	30 pb
Adjusted EBITDA	20,147.6	21,098.9	4.7%	9.4%
Adjusted EBITDA margin (%)	42.1%	42.0%	-10 pb	100 pb
Net income	7,850.5	11,377.4	44.9%	
Adjusted net income	12,199.7	11,591.3	-5.0%	
Net income - AMBEV	7,332.0	11,024.7	50.4%	
Adjusted net income - AMBEV	11,678.1	11,249.1	-3.7%	
Number of outstanding shares (millions)	15,705.8	15,718.1		
EPS (R\$/share)	0.47	0.70	50.2%	
Adjusted EPS (R\$/share)	0.74	0.72	-3.7%	

Corporate profile

BRAZIL (R\$ MILLIONS) - GRI 201-1							
	2017	Scope	currency translation	organic growth	2018	% reported	% organic
Volume ('000 hl)	106,360.0			(4,717.1)	101,642.9	-4.4%	-4.4%
Net revenue	26,353.0			461.2	26,814.2	1.8%	1.8%
COGS	(9,889.5)			(135.3)	(10,024.8)	1.4%	1.4%
Gross profit	16,463.6			325.8	16,789.4	2.0%	2.0%
Gross margin (%)	62.5%				62.6%	10 pb	10 pb
Total SG&A	(8,473.4)			203.9	(8,269.5)	-2.4%	-2.4%
Net other operating income (expenses)	1,092.7			(127.7)	965.0	-11.7%	-11.7%
Adjusted EBIT	9,082.9			402.0	9,484.9	4.4%	4.4%
Adjusted EBIT margin (%)	34.5%				35.4%	90 pb	90 pb
Adjusted EBITDA	11,391.0			372.2	11,763.2	3.3%	3.3%
Adjusted EBITDA margin (%)	43.2%				43.9%	70 pb	70 pb

BRAZIL - BEER (R\$ MILLION) - GRI 201-1							
	2017	Scope	Currency translation	organic growth	2018	% reported	% organic
Volume ('000 hl)	80,233.6			(2,449.4)	77,784.2	-3.1%	-3.1%
Net revenue	22,509.3			499.2	23,008.5	2.2%	2.2%
COGS	(7,895.1)			(327.9)	(8,222.9)	4.2%	4.2%
Gross profit	14,614.3			171.3	14,785.6	1.2%	1.2%
Gross margin (%)	64.9%				64.3%	-60 pb	-60 pb
Total SG&A	(7,390.9)			217.7	(7,173.3)	-2.9%	-2.9%
Net other operating income (expenses)	825.0			(84.9)	740.1	-10.3%	-10.3%
Adjusted EBIT	8,048.3			304.1	8,352.4	3.8%	3.8%
Adjusted EBIT margin (%)	35.8%				36.3%	50 pb	50 pb
Adjusted EBITDA	10,046.4			303.6	10,350.0	3.0%	3.0%
Adjusted EBITDA margin (%)	44.6%				45.0%	40 pb	40 pb

BRAZIL - NAB (R\$ MILLION) - GRI 201-1							
	2017	Scope	Currency translation	o r g a n i c growth	2018	% reported	% organic
Volume ('000 hl)	26,126.4			(2,267,7)	23,858.8	-8.7%	-8.7%
Net revenue	3,843.7			(38,0)	3,805.7	-1.0%	-1.0%
COGS	(1,994.4)			192,5	(1,801.9)	-9.7%	-9.7%
Gross profit	1,849.3			154,5	2,003.9	8.4%	8.4%
Gross margin (%)	48.1%				52.7%	460 pb	460 pb
Total SG&A	(1,082.5)			(13,8)	(1,096.2)	1.3%	1.3%
Net other operating income (expenses)	267.7			(42,8)	224.9	-16.0%	-16.0%
Adjusted EBIT	1,034.6			98,0	1,132.6	9.5%	9.5%
Adjusted EBIT margin (%)	26.9%				29.8%	290 pb	290 pb
Adjusted EBITDA	1,344.6			68,6	1,413.2	5.1%	5.1%
Adjusted EBITDA margin (%)	35.0%				37.1%	210 pb	210 pb

CAC (R\$ MILLION) - GRI 201-1							
	2017	Scope	Currency translation	o r g a n i c growth	2018	% reported	% organic
Volume ('000 hl)	12,271.8	(125.6)		1,013.7	13,159.8	7.2%	8.3%
Net revenue	4,733.0	(50.7)	539.6	592.0	5,813.9	22.8%	12.6%
COGS	(2,045.6)	25.7	(237.5)	(302.8)	(2,560.2)	25.2%	15.0%
Gross profit	2,687.4	(25.0)	302.1	289.2	3,253.8	21.1%	10.9%
Gross margin (%)	56.8%				56.0%	-80 pb	-90 pb
Total SG&A	(1,330.0)	8.1	(141.0)	(8.0)	(1,470.9)	10.6%	0.6%
Net other operating income (expenses)	77.8		1,1	(58.9)	20.1	-74.2%	-75.7%
Adjusted EBIT	1,435.2	(16.9)	162.2	222.4	1,802.9	25.6%	15.7%
	30.3%				31.0%	70 pb	80 pb
Adjusted EBIT margin (%)	1,842.9	(16.9)	206.7	257.3	2,290.0	24.3%	14.1%
Adjusted EBITDA	38.9%				39.4%	50 pb	50 pb

Corporate profile

LAS (R\$ MILLION) - GRI 201-1								
	2017	Scope	Currency translation	o r g a n i c growth	Argentinian Hyperinflation	2018	% reported	% organic
Volume ('000 hl)	34,062.0	194.5		(285.3)		33,971.2	-0.3%	-0.8%
Net revenue	10,769.7	112.4	(1,854.0)	2,283.5	(55.8)	10,753.9	-0.1%	21.5%
COGS	(4,122.6)	(53.7)	475.9	(532.1)	(37.2)	(4,269.7)	3.6%	13.0%
Gross profit	6,647.2	58.7	(1,378.1)	1,751.4	(595.0)	6,484.2	-2.5%	26.8%
Gross margin (%)	61.7%				-230 pb	60.3%	-140 pb	270 pb
Total SG&A	(2,483.7)	(55.5)	482.5	(546.1)	25.1	(2,577.7)	3.8%	22.2%
Net other operating income (expenses)	41.2		(10.9)	(2.0)	(52.9)	(24.6)	-159.8%	-4.9%
Adjusted EBIT	4,204.6	3.2	(906.5)	1,203.3	(622.8)	3,881.9	-7.7%	29.3%
Adjusted EBIT margin (%)	39.0%				-370 pb	36.1%	-290 pb	250 pb
Adjusted EBITDA	4,866.7	3.2	(1,041.9)	1,419.2	(353.5)	4,893.7	0.6%	29.8%
Adjusted EBITDA margin (%)	45.2%				- 90 pb	45.5%	30 pb	310 pb

CANADA (R \$ MILLION) - GRI 201-1							
	2017	Scope	Currency translation	o r g a n i c growth	2018	% reported	% organic
Volume ('000 hl)	10,135.7			(192.7)	9,942.9	-1.9%	-1.9%
Net revenue	6,043.5		859.5	(53.8)	6,849.3	13.3%	-0.9%
COGS	(1,984.2)		(303.1)	(127.8)	(2,415.0)	21.7%	6.4%
Gross profit	4,059.4		556.5	(181.5)	4,434.3	9.2%	-4.5%
Gross margin (%)	67.2%				64.7%	-250 pb	-250 pb
Total SG&A	(2,252.2)		(315.6)	52.7	(2,515.1)	11.7%	-2.3%
Net other operating income (expenses)	5.6		(1.6)	(17.1)	(13.1)	ns	ns
Adjusted EBIT	1,812.8		239.2	(145.8)	1,906.2	5.2%	-8.0%
Adjusted EBIT margin (%)	30.0%				27.8%	-220 pb	-220 pb
Adjusted EBITDA	2,047.1		270.1	(165.2)	2,152.0	5.1%	-8.1%
Adjusted EBITDA margin (%)	33.9%				31.4%	-250 pb	-250 pb

VALUE ADDED STATEMENT
FINANCIAL YEARS LEADING UP TO DECEMBER 31 IN 2018 AND 2017 (IN THOUSANDS OF REAIS) - GRI 201-1

	Consolidated	
	2018	2017
Revenues	76,976,596	73,758,033
Sales of goods, products and services	76,727,601	73,674,539
Net other operating income (expenses)	298,778	166,599
Allowance for Loan and Lease Losses	(49,783)	(83,105)
Inputs acquired from third parties	(28,417,380)	(27,140,996)
Cost of products, goods and services sold	(18,955,201)	(17,766,004)
Materials, electricity, outsourced services and others	(9,282,669)	(9,248,933)
Impairment of assets	(179,510)	(126,059)
Gross value added	48,559,216	46,617,037
Retentions	(3,843,544)	(3,486,022)
Depreciation and amortization	(3,843,544)	(3,486,022)
Net value added generated by the Company	44,715,672	43,131,015
Value added received via transfer	385,228	468,016
Share of profit (loss) of joint ventures	1,040	(3,115)
Financial income	738,815	774,398
Other	(354,627)	(303,267)
Total value added left for distribution	45,100,900	43,599,031
Distribution of value added	45,100,900	43,599,031
Personnel	4,464,939	4,315,914
Direct compensation	3,949,345	3,832,371
Benefits	248,894	239,407
Government Severance Indemnity Fund for Employees (FGTS)	118,113	116,078
Other	148,587	128,058
Taxes, fees and contributions	24,700,335	27,050,929
Federal	9,621,961	12,947,689
State	15,049,487	14,075,274
Municipal	28,887	27,966
Remuneration of third-party capital	4,558,199	4,381,684
Cost of finances, excluding Financial Transaction Tax	4,224,625	4,088,605
Rentals	333,574	293,079
Remuneration of Own Capital	11,377,427	7,850,504
Payment of Interest on Own Capital	5,030,507	2,277,495
Dividends	2,515,101	3,612,792
Retained earnings	3,479,070	1,441,681
Non-controlling interests	352,749	518,536

A better world

We dream together

In 2018, we started a new cycle of sustainability goals, broken down into five pillars: Water, Agriculture, Climate Change, Packaging and Entrepreneurship. The concern with Intelligent Consumption is among these pillars.





Highlights



46%

reduction in the amount of water used to produce beverages over 16 years



26,000

people benefited by the projects funded by profits generated by water brand AMA



1,000

barley producers assisted by the SmartBarley program

THE FIVE PILLARS

GRI 102-12 | 103-1 | 103-2 | 103-3

Our dream is to bring people together in the name of making the world a better place. The realization of this dream depends on all of us and both our grand acts and the small changes we make in our daily lives. Therefore, socio-environmental sustainability cannot be separated from our business strategy, for it is our very business.

We publicly commit to sustainability through the goals that we set and periodically disseminate. In 2013, we committed to achieving eight global goals by December 2017. We have successfully completed this cycle.

For the new cycle, to take place between 2018 and 2025, our goals will be based on five pillars: Water Management, Sustainable Agriculture, Climate Change, Circular Packaging and Entrepreneurship. To them we added a sixth pillar, Intelligent Consumption. The goals were announced in the wake of the launch of the 100+ sustainability platform and are in line with the commitments we made when we joined the UN Global Compact Brazil Network, an initiative that brings together companies willing to work with the international community to manage sustainable businesses. The future we dream of is being built through a joint effort.

SUSTAINABLE AGRICULTURE

GRI 102-9 | 102-10

Our Ambev Brewery, our attention to detail helps us provide consumers with the best products and the best experiences with our brands. We monitor the commodity chain and instruct all those involved to

have the same level of commitment to the quality of



ingredients and to environmental concerns. In keeping with these principles, we have set the goal of having 100% our agricultural suppliers capable, connected and financially structured to develop increasingly sustainable farming by 2025.

To ensure our partner farmers are able to do so, we have divided our activities into three approaches:

1) Giving producers access to the best grains developed by our research team or by partner companies. We have been working with Embrapa (Brazilian Agricultural Research Company) for over 30 years to support



barley cultivation in Brazil. With these varieties, we intend to improve barley farming by 7% by 2025, aiming to produce higher quality ingredients with minimal impact on the environment.

2) We have developed a technical protocol comprised of the best practices, such as the recommendation of optimal dates for planting and harvesting, better recommendations for fertilization and disease control, thus helping with the better management of barley crops and optimizing farming outcomes.

3) We have a dedicated field team that monitors and ad-

vises producers through recurrent technical support visits.

In order to connect with our partner producers, we created the SmartBarley program. SmartBarley is a digital initiative aimed at providing analyses on crops and gathering information on farming practices, regional particularities and crop performance. More than 1,000 malt barley farmers are involved in this project, which means higher profits for the producers and more productivity per hectare.

In 2018, we launched the SmartBarley 2.0 update, which focused on making the application even more



intuitive with the goal of enhancing the monitoring of and communication with our producers. Throughout the year, the program promoted 480 interactions in Brazil aimed developing more efficient barley crops.

Lastly, to ensure our producers have the financial structure for their sustainable development, we have devised some regional policies to incentivize barley farming. We offer seed subsidies, fertilizer funding, guaranteed purchases for brewing barley before seeds are planted, and the option to sell feed barley. In other words, we guarantee the purchase of barley that is not qualified for beverage production and we sell it to companies from other sectors for other purposes, such as the manufacture of animal feed. Our incentive policies includes a price list in which the purchase of the brewing barley is linked to the cost of planting and subsidies for

the purchase of seeds. Additionally, we are developing an agricultural insurance project to ensure the reduction of financial risks of farming for our partner producers.

Barley production supplies the Company's six malt houses in Latin America, which have the capacity to produce 78,000 tons of malt per month. Two of them are in Brazil - Maltaria Navegantes, located in Porto Alegre (RS), and the newly-launched Malaria Passo Fundo (RS), located in the city of the same name. Uruguay and Argentina have two of our malt houses apiece.

GUARANA FARMING

GRI 102-9 | 103-2 | 414-2

The Maués municipality in Amazonas is known worldwide as the guarana city and the birthplace of Guaraná

Antarctica. It all started at Fazenda Santa Helena. There, we launched our fruit-growing activities in 1972, and there was also where we developed research and the best techniques for the cultivation of guaraná, as well as the annual distribution of over 40,000 seedlings aimed at training producers and increasing local productivity.

In order to promote the sustainable development of this region, we have fostered the exchange of knowledge by providing advisory, training and technical assistance to local farmers.

Respecting the traditional guaraná cultivation process is one of our secrets to increasing production. Being aware of this, we developed a work similar to the one we carry out with barley producers, while keeping in mind that these are smaller farmers. We offer free booklets, seedlings and technical training on farming

focused on environmental management and productivity. A technician visits each of the agricultural hubs and gives support to the producers. Together, guaraná production and trade in Maués benefit up to 10,000

WE HAVE DISTRIBUTED MORE THAN 40,000 GUARANÁ SEEDLINGS TO FARMERS

people, considering that at the first level of production there are 2,000 farmers and their families.

The social assessment of suppliers is carried out by the People and Management director at the supplies department within the Main Administration



At Ambev, being agri is to feel constantly challenged to come up with solutions that make the lives of producers better, fostering the development of long-lasting partnerships that ensure we'll have high-quality raw materials at competitive prices. Our team of researchers goes out of its way to test and validate new technologies, thus providing us with sustainable solutions”

Vitor Antunes Monteiro
Ag Manager Brazil - Maltaria Passo Fundo



WATER MANAGEMENT

[GRI 103-2](#) | [103-3](#) | [102-11](#) | [303-1](#) | [303-2](#) | [303-4](#)

Water is our main raw material and, therefore, it is at the top of our list of socio-environmental concerns. The preservation of this natural resource and the promotion of access to it are one of the pillars of our corporate sustainability vision. We strive to reduce the impact of our operations on the environment with actions that also contribute to the sustainability of our business, aiming to create a win-win situation. For more than 20 years, we have been working to preserve water and reduce the consumption rate in our breweries. For this, we have the help of a team of technicians, managers and specialists.

Thanks to these efforts, in the last 15 years, the Company reduced the average volume of water needed to produce beverages by 46%. Currently, we use 2.92 liters of water to produce 1 liter of beverage. One of the environmental goals we announced in 2013, stated that the rate in 2017 should be at 3.2 liters – the goal was met in as early as 2016 and surpassed in the following year. This made us a reference in water resources management.

The Company uses water from three sources in its industrial (supply) operations: surface water, groundwater and utility water. Our water use stays within the variable thresholds set down by the competent authorities, aimed at limiting the impact on water resources.

Disposal is done according to the rules and guidelines set down by these authorities.

The Company respects the local effluent release guidelines in each state and country in which it operates as well as the legal obligations established by the competent environmental agencies which are specific to each plant and locality. All items are listed in a corporate monitoring standard. Every production plant has an effluent release standard in place. In 2018, 21,481 megalitres were into surface fresh water sources and 7,182 megaliters into the sea. Another 4,004.39 megaliters were sent to third parties.

Water consumption is measured daily in every plant with calibrated meters, and there are monthly goals to be met. Overall water consumption for all plants was 38,631.74 megaliters. Despite droughts having taken place in other years, in 2018 none of the basins we use as sources were considered at high risk of drought.

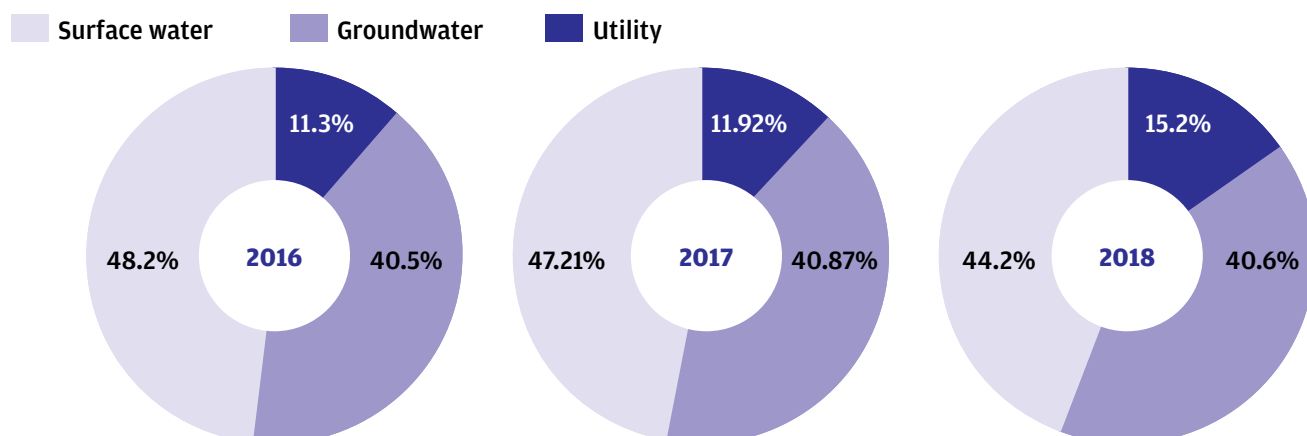
There are still more challenges to be overcome. One of our five new environmental goals announced in 2018 states that, by 2025, 100% of our communities in areas that are at a high risk of drought should have measurably improved access to better quality water.

Our efforts to face this challenge, include the following programs:

WE USE ONLY **2.92 L** OF WATER TO PRODUCE 1 L OF BEVERAGE

- 1) We maintain the Projeto Bacias, aimed at recovering and preserving important Brazilian drainage basins;
- 2) We participate in and are the largest sponsors of the Cities for Water Coalition, led by NGO The Nature Conservancy (TNC).
- 3) We share our knowledge and experience in saving water with other companies through the SAVEh Platform.
- 4) In 2017, we launched water brand AMA, which donates 100% of its profits to access-to-water projects in the Brazilian semi-arid region.

PERCENTAGE OF WATER WITHDRAWN PER SOURCE - GRI 303-3



We do not disclose the volume of water used, only the percentages, due to the internal guidelines of Ambev Brewery.

CITIES FOR WATER

GRI 102-11 | 103-2 | 303-1

The Cities for Water Coalition is a collective action led by TNC, in partnership with Ambev Brewery, other private, public and third sector players. Its main goal is to increase water security through nature-based solutions, such as forest conservation or restoration, which have a positive impact on the quality and quantity of water.

To do so, the Coalition promotes initiatives for the conservation of springs and rivers in critical areas for the production and conservation of water. The project currently operates in 243 municipalities, incorporating water resource management to the preservation of rivers and springs, with the goal of increasing access to water for more than 60 million Brazilians in 21 drainage basins located in 12 metropolitan areas which encompass 35% of the Brazilian population and represent almost 40% of the country's GDP.

In 2018, the Coalition developed other important initiatives in the areas of fundraising, training of rural producers to preserve environmentally protected areas, and of research for the implementation of new initiatives in Belo Horizonte, Curitiba and Espírito Santo. By the end of the year, 33,000 hectares in six metropolitan areas of Brazil had been conserved and restored, which correspond to more than 100 municipalities.

Overall, more than R\$ 200 million were invested in these actions. More than 2,600 families were benefited, which included payments for environmental services (PSA) of about R\$ 20 million.

BASINS PROJECT

GRI 102-12 | 303-1

The Projeto Bacias (Basins Project) was created in 2010, in Gama (DF), as the result of a partnership with the

2,600 FAMILIES BENEFITTED FROM THE COALITION

WWF. It later branched out into other municipalities with the support of The Nature Conservancy (TNC). The project is aimed at recovering

the soil and riparian forests in Permanent Preservation Areas (PPAs) along riverbanks and other bodies of water. Among the initiatives of this project are partnerships with farmers who live around important water sources or springs.

This is what happened in 2018 in the Jaguari River in Jaguariúna (SP), where the impressive milestone of benefiting 1,600 hectares with water conservation practices was reached thanks to the commitment of rural landowners in the region and to joint action with the PCJ Basin Agency, Embrapa, ANA (National Water Agency) and the Municipality of Jaguariúna (SP). Farmers received financial incentives equivalent to what they would have earned with cultivation activities to conserve and restore conservation areas on their properties.

The initiatives in Jundiá and Jaguariúna - in countryside São Paulo - alone have already managed to recover 185 ecological restoration hectares along the Jundiá and Jaguari river basins. In November 2018, sustainability leaders from AB InBev, Ambev Brewery directors and the TNC met to discuss the conservation measures necessary for the sustainable management of water resources and the preservation of rivers and springs in the world. The meeting took place in Jaguariúna due to the work developed on the Jaguari



2018 AMA FIGURES

Profit: R\$ 2,900,000

Total investments: over
R\$ 2,000,000

Benefited people: 26,000

Benefited projects: 29 projects across
nine states (Alagoas, Bahia, Ceará,
Minas Gerais, Paraíba, Pernambuco,
Piauí, Rio Grande do Norte and Sergipe)

Bottles sold: 5.6 million

River, which yielded the best results of the AB InBev basin conservation program in the whole world.

AMA

GRI 103-2 | 103-3 | 303-1

In 2018, we increased investments in projects supported by mineral water brand AMA, the first social business maintained by a large corporation in Brazil, which was launched in 2017 with the goal of having a positive and lasting impact on the lives of people who face the harsh reality of water scarcity. All profits generated by the product are donated to projects that bring water to communities that need it. Every time a consumer drinks AMA, he or she is helping us bring clean water to those who do not have it. Additionally, we work to ensure that the recipient communities are able to manage the projects themselves, thus ensuring long-term sustainability. The

initiative encompasses all states in the semi-arid region and benefits 26,000 people. This number is expected to rise to 35,000 in 2019.

Some examples of projects aided by AMA are the drilling of deep wells to capture water in areas where the resource is scarce; the installation of solar panels to reduce the distribution costs and ensure environmental sustainability; the revitalization of distribution systems which used to be out of service and the building of cisterns in schools.

AMA water creation is aligned with the Sustainable Development Goals (SDGs) set down by the UN, especially SDG no.6: Ensure availability and sustainable management of water and sanitation for all. Ambev is also part of the UN's CEO Water Mandate, which brings together a group of companies committed to addressing the issue of water scarcity around the world.

AMA also aims to make consumers aware of the issue of drought and water scarcity in other regions of the country.

A better world | WATER

With this project, we contribute to social development and bridge the gap between consumers and communities, which are often distant from each other, gathering them around a shared cause, which is to promote the common good.

SAVEH

GRI 303-1

We understand that sustainable management is only possible when partners are gathered in a network, which is why we mobilize efforts inside and outside our walls. Through the SAVEh Platform, we share our knowledge on water usage reduction with other companies that use the resource in their production process.

By encouraging other companies to increase their water efficiency, SAVEh complements Ambev's efforts linked to the CEO Water Mandate, an initiative established by the UN Global Compact, which brings together companies committed to solving water scarcity and lack of proper sanitation all around the world. About 160 companies and industries are registered on the platform. Last year, they reduced their water consumption by 18%, on average.

The tool also makes it possible for companies to generate custom reports so they can monitor indicators and disseminate the results to their internal audiences, as well as to clients and suppliers, among others.

In addition to helping to preserve water, the platform also provides companies with benefits such as lowering production costs, increasing competitiveness, increasing water security in the industry and its supply chain, as well as maintaining jobs.

PARTNERSHIP WITH CEBDS

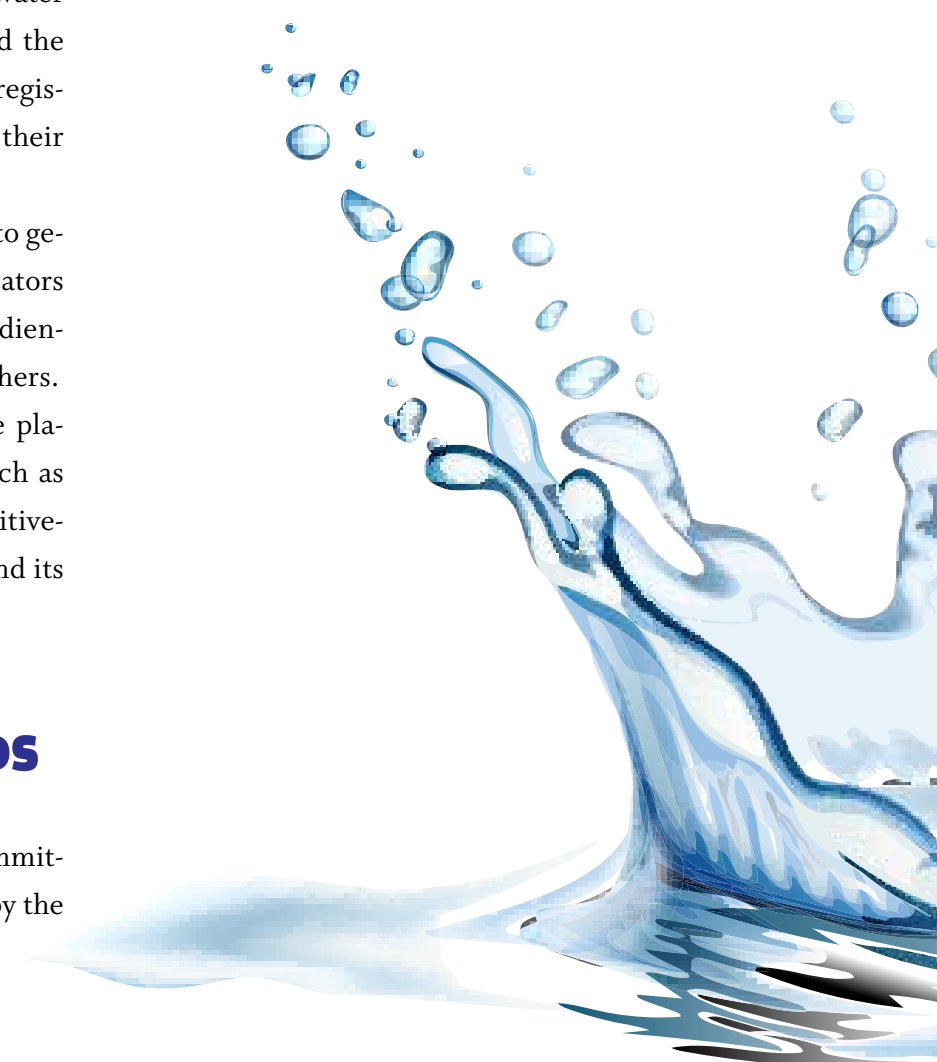
GRI 303-1 | 102-16

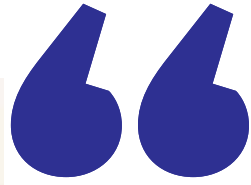
We also subscribe to the Brazilian Business Commitment to Water Security, an initiative promoted by the

CEBDS (Brazilian Business Council for Sustainable Development) that cements the effective contribution of Brazilian businesspeople to water security in the country. The Commitment aims to become a national reference point in its field.

The Commitment set the following goals:

- 1) Expand the presence of water-related concerns in business strategy.
- 2) Mitigate water risks for business
- 3) Measure and publicly communicate the company's water management initiatives and encourage the promotion of joint projects for water security
- 4) Promote engagement throughout the chain
- 5) Contribute with technology, knowledge, processes and human resources

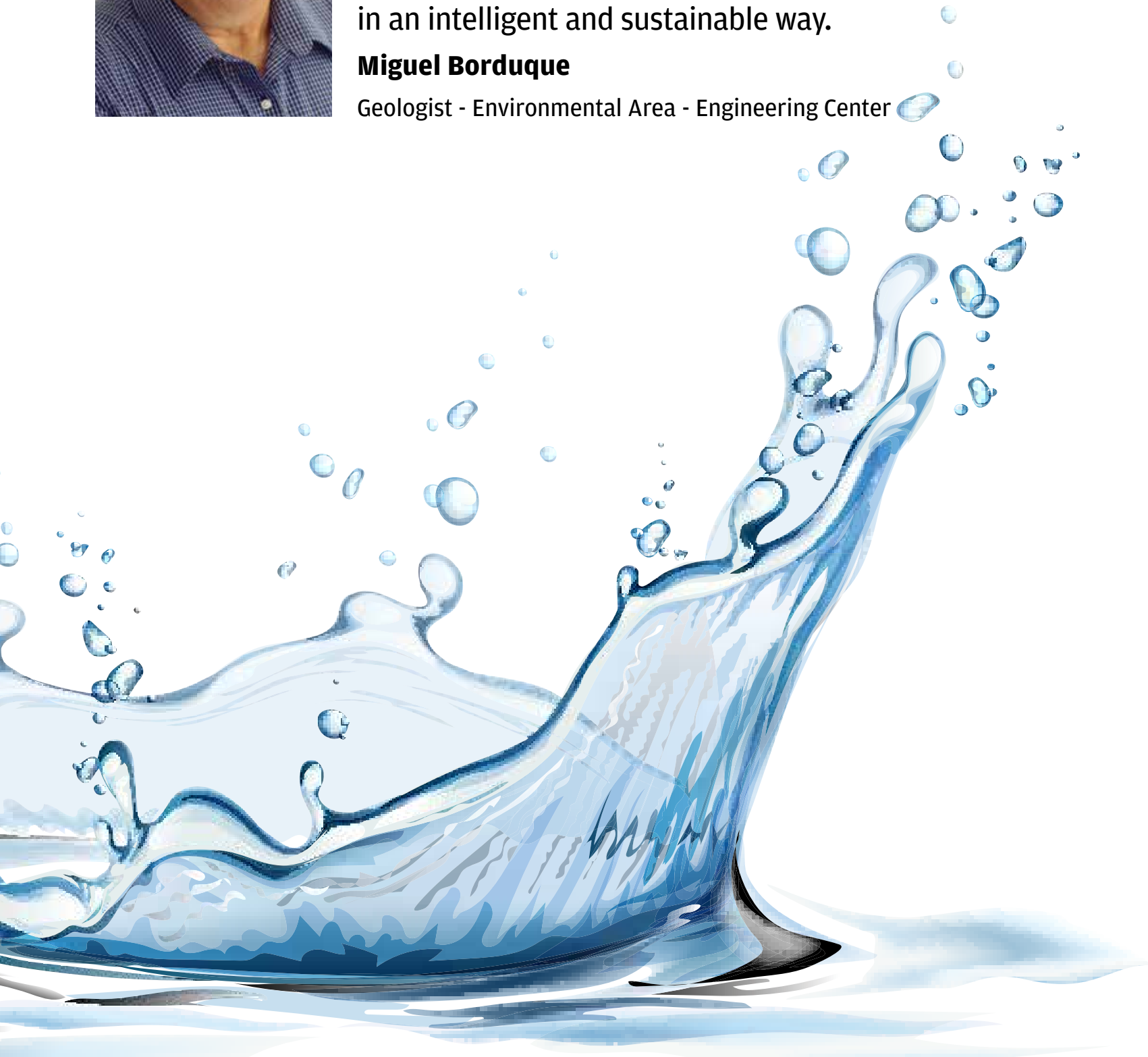




The fact that I've studied geology is very helpful in my work at Ambev's environmental department, for example when it comes to finding good water sources, both superficial and underground ones. Here, we understand that knowing how the planet works is critical to leveraging its resources in an intelligent and sustainable way.

Miguel Borduque

Geologist - Environmental Area - Engineering Center



ENERGY AND EMISSIONS

GRI 103-2 | 102-11

In order to boost the sustainable development of our business, we have developed actions to reduce the impact of factors that contribute to climate change. One of our goals for 2025 is to have 100% of the energy purchased by the brewery coming from renewable sources. Furthermore, we will reduce the carbon footprint throughout our value chain by 25%.

ENERGY CONSUMPTION

GRI 103-1 | 103-2 | 103-3 | 302-1 | 302-3 | 302-4

In 2018, we launched a new project toward that goal: the construction of a distributed power grid based on solar panels installed in our Uberlândia brewery. The installation is capable of supplying 100% of the distribution centers in Minas Gerais. In 2019, we aim to

consolidate this project.

In 2018, we used about 7.84 billion megajoules (MJ) of energy from non-renewable sources. This means we have reduced our consumption by more than 300 million MJ in comparison to 2017. Part of the electricity we use is generated internally, with biogas, mainly to reduce the cost of electricity purchasing and to the reliability it lends to the operation. Besides that, we purchase energy on the market. We have replaced fossil fuels and electricity with renewable sources such as vegetable oil, biomass and biogas.

Over the years, we have increased our biomass and biogas energy mix through the acquisition of new boilers and new steam technologies. We have also stopped using fuel oil and replaced it with vegetable oil, which comes from renewable sources. In 2018, we consumed more than 3.71 billion MJ of renewable energy a 210 million MJ increase in comparison to 2017.

CONSUMPTION OF FUEL FROM NON-RENEWABLE SOURCES (IN MJ) - GRI 302-1

Type of fuel	Total Consumption		
	2016	2017	2018
Electricity purchased	3,588,756,340.8	3,404,771,453.8	3,516,378,809.56
Electricity generated internally (source: natural gas)	284,707,360.2	371,279,180.3	271,146,614.47
Natural gas purchased - electricity generated (source: natural gas)	3,955,568,480.8	3,758,560,867.6	3,470,470,946.37
Steam purchased (source: natural gas)	737,840,700.3	610,889,852.5	585,166,793.98
Total	8,566,872,882.1	8,145,501,354.2	7,843,163,164.38

CONSUMPTION OF FUEL FROM RENEWABLE SOURCES (IN MJ) - GRI 302-1

Type of fuel	Total Consumption		
	2016	2017	2018
Biogas	60,975,379.1	76,145,299.4	84,107,440.1
Vegetable oil purchased	699,527,193.8	638,993,471.1	821,626,188.16
Biomass purchased	2,122,256,676.5	2,152,764,110.8	2,163,562,703.78
Steam purchased (source: biomass)	713,728,805.4	637,055,951.8	645,671,394.91
Total	3,596,488,054.8	3,504,958,833.1	3,714,967,726.96



From 2017 to 2018, we were able to reduce total energy consumption of 125,555 gigajoules (GJ) in total energy consumption per hectoliter (both electricity and produced from biomass, natural gas, biogas and vegetable oil). The number is lower than that achieved in 2017 (when we reduced energy consumption by 444,853.4 GJ in comparison to 2016). The parameters adopted by the Company to measure the intensity of energy were: MJ/hln (standardized hectoliter); production volume in standardized hectoliters; fuel (biomass, natural gas, vegetable oil, biogas) and electricity; restricted to the organization's own facilities (breweries and soft drink factories). This matter is overseen by a corporate supply manager who works at the engineering center of excellence.

**WE REDUCED
BY OUR
CONSUMPTION
OF NON-
RENEWABLE
ENERGY BY
300 MILLION
MEGAJOULES**

ENERGY CONSUMPTION REDUCTION IN GJ - GRI 302-4





EMISSIONS

[GRI 103-2](#) | [103-3](#) | [305-1](#) | [305-2](#) | [305-4](#) | [305-5](#)

Each of our breweries, soft drink factories and vertically integrated operations submits an annual GHG emissions inventory to the Company's Engineering Center. To build the inventory, we use a spreadsheet that subscribes to the ISO 14064 standard and to the Brazil GHG Protocol Program. The global inventory (AB InBev), which consolidates the data and information from our units, is audited by KPMG. The following gases are part of the emissions inventory: CO₂, SF₆, CH₄, N₂O, HFCs, PFCs and NF₃.

In 2018, we emitted about 411,000 metric tons of CO₂, including Scope 1 (direct) and Scope 2 (indirect) emissions. In 2017, we emitted a total of 476,000 me-

tric tons of gas - which represented a 65,000 metric-ton reduction in CO₂ emissions in comparison to the previous year, or a 13.65% decrease.

Regarding direct Scope 1 emissions, we emitted less than 275,000 metric tons of equivalent CO₂ (CO₂e), a reduction of over 76,000 metric tons of CO₂ in comparison with 2017. Indirect emissions (Scope 2) were over 136,000 metric tons of equivalent CO₂ (CO₂e), an increase of approximately 11,000 CO₂e in comparison to 2017.

However, even with the increase in indirect emissions, we managed to reduce the total amount of emissions, as well as their intensity. During 2018, emission intensity stood at 3.63 (kgCO₂e/hl). This means that, for every hectoliter of beverage produced

by Ambev, we issued 4.22 kilograms of CO₂e. In 2017, this number was 4.22 kgCO₂e / hl.

We are always looking for partners who are engaged in the same causes as we are, since the better world we want to build depends on joint efforts toward this common goal. Therefore, in addition to projects to reduce internal emissions, in 2018 we launched a partnership with Volkswagen Trucks and Buses to put the first 100% electric truck in Latin America on the road to carry out city deliveries. It emits zero greenhouse gases and particulate matter and helps reduce noise in the cities. The model is 100% powered by electricity from clean sources, like solar and wind.

The first stage of the model truck tests took 30 days. The electric vehicle traveled a total of 915 kilometers. The tests were done in the most common beverage de-

livery and distribution routes in São Paulo

and the vehicle worked well. The electric truck tested was recharged with 100% solar energy from panels installed in our distribution center in the Mooca neighborhood. Developed in Brazil, the vehicle is equipped with the latest green logistics solutions, which include intelligent systems that optimize battery usage during the routes and perform regenerative braking.

Until 2023, we intend to buy 1,600 of these trucks, thus helping to reduce the consumption of fossil fuels and subsequent greenhouse gas emissions. This is a pioneering initiative because it will be the first in the world to use 100% electric vehicles on a large scale. This greatly benefits the society, as it will prevent the annual emission of more than 30,400 tons of carbon.

**DIRECT GREENHOUSE GASES EMISSIONS
SCOPE 1 - GRI 305-1
IN METRIC TONS OF EQUIVALENT CO₂**



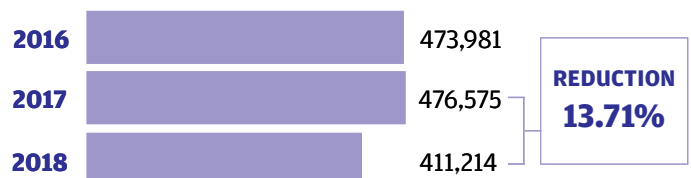
**INDIRECT GREENHOUSE GASES EMISSIONS
SCOPE 2 - GRI 305-2
IN METRIC TONS OF EQUIVALENT CO₂**



**EMISSION INTENSITY - GRI 305-4
IN KGCO₂E/HL**



**REDUCTION OF GREENHOUSE GAS EMISSIONS- GRI 305-5
TOTAL EMISSIONS INCLUDING SCOPES 1 AND 2, IN METRIC TONS OF EQUIVALENT CO₂**





WASTE

GRI 103-2 | 103- 3 | 306-2

In 2018, we were able to reduce the average waste generated per hectoliter (hl) produced. In 2017 our waste generation rate was at 15.13 kg / hl, while in 2018 it dropped to 14.70 kg / hl.

Overall, we used 3,303.70 tons of waste (both hazardous and non-hazardous) in co-processing and energy recycling, and 1,478,196.31 tons of recyclable waste, in the production of animal feed (malt residue, wet and dry yeast, etc.) and composting. Further waste (cans, PET bottles, glass, etc.) was recycled by third-party companies. Non-recyclable waste represents less than 1% of the total waste generated and is sent to licensed and controlled landfills.

CIRCULAR PACKAGING

GRI 103-1 | 103-2 | 103-3 | 301-1 | 301-3

Among the environmental goals we plan to meet by 2025 is the use of returnable packages (or packaging that is made chiefly of recycled materials) in 100% of our products. Effluents and waste are the responsibility of a corporate supply manager who works at our engineering center of excellence.

Our efforts to increase the reusing of our packages have been going on for some years now. Back in 2012, Ambev Brewery became a pioneer in Brazil by creating the first PET bottle made exclusively from recycled materials, starting with the 2-liter Guarana Antarctica bottle. Today, 100% recycled material bottles make up 56% of Guarana Antarctic PET bottles. The manufacturing of this bottle consumes 70% less energy and 20% less

water in comparison with the ones made of virgin resin. Since the following year of 2013, we have also reduced the weight of our packaging and labels. With this change, we avoided creating more than 25,000 tons of waste. By recycling PET bottles, we also managed to avoid producing more than 1.9 billion bottles over the last 6 years. This means that more than 94,000 tons of virgin resin were not added to the market in this period, which is equivalent to the waste generated by more than 245,000 people in a year. It is also worth noting that, in 2018, 33% of our total PET bottle production was made with recycled materials (a number that grew 725% over the last 6 years).

We also invested in returnable glass bottle, which can be reused up to 23 times. Furthermore, they have a longer lifecycle and take longer to become waste. Today, we have more than 1,000 machines to collect these bottles, in which we invested R\$ 1.5 million. To increase this number even more, we also invested in expanding the portfolio of returnable glass bottles, which started to include 300 ml Skol, Brahma and Antarctica bottles. Since 2014, this initiative was able to

33% OF PET BOTTLES MADE OF RECYCLED MATERIALS

remove more than 12 million tons of glass (the equivalent to more than 32 Morumbi stadiums filled with the material) from the market.

In Rio de Janeiro, Ambev's glass container factory produces glasses bottles by recycling glass shards and using them as a raw material in 50% of its production. With this, we managed to save more than 127,000 tons of virgin material. The factory also has an equipment capable of purifying the gas generated in the oven, which removes up to 99.95% of pollutants. Glass recycling saves 35% of energy and preserves about 75 000 tons of virgin material every year. The proportion of recy-

WEIGHT OF NON-HAZARDOUS WASTE BY DISPOSAL METHOD (TONS) • GRI 306-2

	2016	2017	2018	Type of waste
Total Weight	1,511,192	1,514,943	1,464,892.54	We considered the total weight of recyclable waste, which makes up almost all of the non-hazardous waste generated in 2018. We generate recyclable waste such as paper, cardboard, plastic, metal, aluminum, glass, wood, sludge, ash, filtration earth, beer residues, among others. Such waste is used in recycling, composting and energy generation.

TWEIGHT OF NON-HAZARDOUS WASTE BY DISPOSAL METHOD (TONS) • GRI 306-2) • GRI 306-2

	2016	2017	2018	Type of waste
Total Weight	2,571	1,143	513,508.00	Some of the hazardous waste is used in co-processing (recovery, including energy recovery) and some is incinerated.

"Only hazardous waste whose final product can be recycled (as per the global definition) was considered for recovery. This includes waste that is used in cement kilns, which means the energy reuse happens outside of the Company.

pled glass was 47%, according to 2011 Cempre data. To amplify these efforts, at the end of 2018 we launched a project for collecting bottles at points-of-sales along with startup Tampec. With this partnership, we plan to identify collection spots where there are large amounts of post-consumption waste and recycle this material. In addition to relieving landfills, the project formalizes the labor of people who collect the bottles and ensure the traceability of the raw materials.

In 2018, we used over 10 billion aluminum cans from non-renewable sources in the production of beer and soft drinks cans. The containers made of recovered aluminum represent 97.7% of total sales. The recovery rate for cardboard was 66.2% and for plastic, 56.8%. These data were taken from the 2019 CEMPRE Review report.

RECYCLING FOR BRAZIL

GRI 103-1 | 103-2 | 103-3 | 414-2 | 301-3

The Recycling for Brazil platform is the result of a partnership between the Brewery and Coca-Cola Brazil. The initiative was established in 2017 and aims to invest in the development of recycling cooperatives in Brazil. With the project, we promote improvements in the management and infrastructure of cooperatives, as well as in equipment donations and also promote a coordinated operation with other cooperatives. Another important quality of the platform is that it makes access to the recycling industry easier in order to increase the income of waste collectors.

During the year of 2018 we worked in the development of this project. We were able to expand our partnerships and now we also have the support of brands Vigor, Dr. Oetker and Nestlé. The program currently supports 160 cooperatives and more than 3,000 cooperative members throughout Brazil. With the new partners, Recycling for Brazil became the most comprehensive recycling program in the country. According to data obtained from the monitoring conducted along with the member cooperati-

THE AVERAGE INCOME OF COLLECTORS GREW **25%** OVER 11 MONTHS

ves, as of November 2018 the average monthly income of collectors had increased almost 25% over their average income in January of that year. This meant we reinforced our commitment to not only increasing the volume of waste collected but also the revenues of cooperatives and collectors - thus uniting environmental development with social development.

We subscribe to the Brazilian Business Commitment for Recycling (Cempre) a nonprofit association dedicated to promoting recycling within the concept of integrated waste management.

ENTREPRENEURS

GRI 102-9 | 102-16 | 103-1 | 103-2 | 103-3 | 205-2 | 414-2

In 2018, we had 8,650 active product and service suppliers across the five regions of Brazil and in other countries, working in different areas, such as raw materials, packaging, logistics and general services. We know that the sustainable development of suppliers' businesses directly impacts the evolution of our business. And, during a challenging economic period, we are seeking alternatives to help with that. We make an effort to integrate small and medium entrepreneurs to



our chain in order to stimulate entrepreneurship and the development of the communities that surround us. As part of our sustainability goals announced in 2018, we are working toward provide 100% of our small suppliers with the tools they need to develop until 2025.

Throughout our history, several small partners embraced our management model and grew alongside the Company, becoming great businesspeople. Thus, we decided to share our management knowledge in an organized way, promoting the development of small and medium suppliers.

A starting point for this was the satisfaction survey we conducted with suppliers in every country in Latin America where we operate. This survey is carried out by the relationship with suppliers team and ensures the anonymity of respondents. Its results inform the actions that are taken in order to increasingly improve the satisfaction levels of our suppliers regarding both the relationship with Ambev teams and our processes. In 2018, 78% of entrepreneurs said they were satisfied with the Company, 84% said they were willing to recommend Ambev Brewery and 92% said they intended to continue working with us.

The survey showed that one of the points that we could improve was our communication with suppliers.

So, in 2018, we launched Connect, a communication channel for suppliers only, where each company had its own password. There, we made all relevant information available, including our policies, flows, payment terms, the Company's systems and institutional matters.

As for the standards and ethical principles that must be observed by Ambev Brewery and its partners, the survey revealed that 60% of suppliers say they are aware of our Global Anti-Corruption and Supply Responsibility Policies, which are available on www.ambev.com.br/sobre/etica and provides for issues such as observing working hours, accident prevention, use of personal protective equipment, anti-corruption, environmental management, waste management, among others. Regarding the dissemination of our policies, 53% of suppliers say they inform their internal audiences about them. We also identified the positive impact of our suppliers on our supply chain, as 74% of them said they use recyclable materials.

To meet the goal of integrating small- and medium-sized entrepreneurs into our value chain, we promote events and regional fairs in order to create opportunities for new suppliers with different profiles, impacting more and more areas of our operations in Brazil. We have held events across eight states in total.



VOA

GRI 102-12 | 103-2 | 103-3 | 414-2

In 2018, with our commitment to creating a better world in mind, we launched VOA, a project aimed at sharing our management knowledge with non-governmental organizations. Through classes voluntarily given by Ambev's employees, we share our techniques and management tools with institutions that aim to make the world a more inclusive and sustainable place.

The first NGO aided by the VOA, in a pilot project implemented in 2017, was Gerando Falcões (GF). Headquartered in Poá, São Paulo, the project offers sports and cultural activities for children and teenagers as well as vocational training for youths and adults who live in the suburbs. The results were encouraging: after participating in the VOA, the NGO was able to

achieve a financial result equivalent to that of the year 2017 in the first quarter of 2018 alone.

Our employees were originally supposed to help 25 NGOs optimize their results. The first edition of our project focused mainly on institutions that generate opportunities for socially vulnerable children and youths. The selection of these NGOs took into account the potential social impact, growth projection, initiatives and the commitment of the organizations. However, the demand exceeded expectations and in the first year we ended up taking in more organizations and assisted 185 of them. Over six months, these institutions had classes on budget, goal setting, human resources management and career planning.

After the course, the NGOs produced projects based on the knowledge they acquired with the classes. The project took nearly 12,000 hours from approximately 200 volunteers

from Ambev - including our CEO Bernardo Paiva, who gave the first class of the program. We estimate that, to carry out a project such as this one, a consulting firm would charge about R\$ 12 million, considering the average price of a consultant.

During the first year of the VOA, the participating institutions had a positive impact on the lives of about 2 million people across the country. Pro-Saber SP's final project, for example, aims to reach 50% of children between 4 and 8 years old living in Paraisópolis (where the NGO operates), in São Paulo, within three years. The initiative seeks to implement the Pro Read & Play initiative, which consists in offering a leisure room, book lending and reading groups for children, in 80% of public schools in Paraisópolis.

To celebrate the first-year anniversary of this project, we conducted the VOA Day. We chose the International Volunteer Day, December 5, to gather about 1,000 Ambev Brewery employees who conducted activities in ten NGOs around Brazil. Throughout the day, our team organized management workshops, assisted in the collection of books, food and toys, and provided small renovation and painting services for the institutes.

AMBEV ENTREPRENEURSHIP PROGRAM

GRI 102-12 | 414-2

In addition to providing NGOs with better management tools, we also developed spin-off of VOA exclusively for training entrepreneurs in order to promote economic development and innovation. The Ambev Entrepreneurship Program was launched in October 2018 and offered entrepreneurship classes based on the Company's management model. The program provides management guides, action plans and diagnostics through our Connect portal. We conducted 10 pilot programs in 2018. Our plan for 2019 is to expand the initiative and make it reach 300 of our suppliers. By 2025, our entire partner base will have access to the program.



THE ACCELERATOR RECEIVED 400 PROJECTS

100+ ACCELERATOR

GRI 102-12 | 414-2

Em In 2018, as part of the 100+ Platform, which aims to promote actions that have a positive impact on the world for the next 100 years and beyond, we created the 100+ Accelerator to identify innovative ideas and companies that can help us build a sustainable legacy. Through the Accelerator, we select and support projects that can provide solutions to the environmental challenges we face today.

Over the Accelerator's first year in existence, we received over 650 applications from 20 countries - 400 of which were in Brazil, which shows the country's potential for innovation. A better world I Entrepreneurship

Thanks to the Accelerator, 21 startups from around the world were selected and have projects underway. The companies had access to courses taught by Conquer (which draws its inspiration from Silicon Valley), and to mentorships with specialists and managers from inside and outside of Ambev. To date, we have invested approximately R\$ 1 million in the project. By 2019, our goal is to run the pilot projects and expand them. Due to the success of the project, the Accelerator is scheduled to take in a new



batch of companies in 2020.

Applicants had to work on ten challenges related to our sustainability goals. The challenges stimulated projects aimed at preserving drainage basins, creating affordable financial products for small farmers, producing green fertilizers, stimulating the consumption of returnable packages and proposing renewable energy strategies, among several others. All of those are in line with the 2030 UN Agenda for Sustainable Development.

STARTUPS AND INNOVATION

GRI 414-2 | 102-16

Just as the relentless pursuit of quality products and processes is part of our DNA, innovation is a key pillar of our culture. This is why we have partnered with startups and young entrepreneurs to create opportunities in order to associate ourselves with innovative minds.

By connecting with entrepreneurs and startups, we stimulate the innovation environment. Among the actions we promoted with that audience in mind are the investment in hackathons, or innovation marathons. In 2018, we held a six-day hackathon in Rio de Janeiro which gathered 50 participants around the challenge of finding innovative solutions to improve the beer consumer's experience and brewing processes and solve some of the major environmental issues we currently face.

Besides startups, we encourage the presentation of new ideas by micro and small businesses, and we invest in fairs and actions in partnership with universities. To contribute to promoting micro and small entrepreneurs in Brazil and Latin America, we have created a specific supply policy for startups with special conditions. We mapped entrepreneurship centers, accelerators and incubators in the region to establish a closer relationship with potential future entrepreneurs.

INTELLIGENT CONSUMPTION



In August 2018, we inaugurated the Center for Innovation and Technology, in which we invested R\$ 180 million, at the Technology Park of the Federal University of Rio de Janeiro. This is the sixth and largest research center owned by the AB InBev group in the world. The center has equipment for testing, researching and producing different types of beverages and was responsible for developing Skol Hops (before it was launched, during the testing phase), which was launched in 2018.

FOCUS ON RESPONSIBILITY

GRI 102-12 | 103-1 | 103-2 | 103-3 | 416-1

Intelligent consumption is one of the pillars of Ambev Brewery's sustainability strategy. We have a clear focus: reducing the levels of inappropriate use of alcohol, be it when associated to driving, where there is the excessive intake of the substance or when it is sold to underage peo-

WE INVESTED R\$ 180 MILLION IN AN INNOVATION CENTER

ple. We are not interested in the profit that arises from the improper use of our products. What we want is to have a lasting and healthy relationship with consumers. We believe that only a joint and permanent effort from all walks of society is able to tackle the challenge of creating a culture of responsible use of alcohol in Brazil.

The Smart Consumption program, which is based on guidelines set by the World Health Organization, encompasses numerous social initiatives to engage as many people as possible in this cause. We conducted studies in 2018 to understand the reality of university students and build strategies to encourage a moderated use of alcohol in these environments. This matter is the responsibility of the areas of Corporate Relations, in the Central Administration, and of External Quality, in the Supply Department. In 2018, Skol Beats launched an advertising campaign targeting the young audience, which encouraged moderation when consuming alcohol by associating it with better sexual performance. The campaign, which used "Those who drink less have more fun" as a catchphrase was part of the Smart Consumption program by influencing social norms.

BE(ER) RESPONSIBLE DAY

GRI 102-12

To encourage responsible drinking habits, 9 years ago Ambev Brewery created the Be(er) Responsible Day. Celebrated in September every year, the date was adopted in all other countries where we operate. In 2018, the national



celebration deployed 30,000 employees to disseminate messages in bars, restaurants and supermarkets about the importance of not selling and not serving alcohol to persons under 18 years old, not making excessive use of it and not associating drinking with driving.

We also placed stickers on more than 100 trucks that are part of our distribution grid containing smart consumption messages and reinforcing the importance of making a moderate use of alcohol, not associating it with driving and not consuming it while under 18 years old. The vehicles drove around in São Paulo and Belo Horizonte.

ROAD SAFETY

GRI 102-12 | 103-2

Among the several initiatives taken by Ambev Brewery in order to promote what we call smart consumption, some programs stand out for being very efficient in promoting a safer traffic environment for people.

Road safety programs encompass all aspects of mobility and have mainly a managing role. Beyond the campaigns starred by our brands warning of the dangers of driving after drinking, we took on a leading role in creating partnerships between public, private and civil society actors around the goal of improving the management

of road safety in the country.

In 2018, we made a partnership with the Ministry of Cities - through the National Traffic Department-, non-governmental organization Tellus Institute and Falconi Consulting to implement the National Action Plan for Reducing Deaths and Injuries in Traffic (Pnatrans). To this end, the National Road Safety Movement was created, which allowed for a national diagnosis of data from municipal, state and federal agencies to be made. Thus, efforts to improve traffic safety management became more efficient. The project's goal is to at least halve the national rate of deaths per 10,000 vehicles and the national rate of deaths per 100 000 inhabitants in traffic within ten years, until 2028.

Also in 2018, as part of this initiative, in partnership with Falconi Consulting, we published and disseminated the fourth annual edition of the Road Safety Snapshot, containing annually updated data on traffic deaths and injuries in Brazil, contextualized according to the total amount of vehicles in the country, its GDP, Human Development Index (HDI) and road conditions. The survey, which considers the latest data available, also contains a summary with all the key indicators for each region and state in Brazil.

BRASILIA SAFE LIFE PROGRAM

GRI 102-12 | 103-3

Due to the success of the Paulista Movement, in 2016 we launched a partnership with the state government of the Federal District to carry out a similar project. This is how Brasilia Safe Life came about, a program that, in addition to reducing the number of deaths and injuries in traffic accidents, also aims to reduce the harmful use of alcohol by 10% until 2020 through a partnership with the departments of Health and Education – a goal that is aligned with that of the World Health Organization. In two years, Brasilia Safe Life managed to reduce the number of deaths caused by traffic accidents in the Federal District by 28%. In the health front, primary care social workers interview local families about alcohol use patterns and intervene to make sure that consumption is always moderate and not harmful to health. In the education front, we work with Federal District public schools so that young people do not consume alcohol and understand the risks and the consequences of this behavior.



PAULISTA ROAD SAFETY MOVEMENT

GRI 102-12 | 103-3

Ambev Brewery's road safety work began in 2014, when we led the creation of a coalition of public, private and civil society actors to improve road safety management in Brazil.

The Paulista Road Safety Movement, which was born in 2015 in partnership with the government of the state of São Paulo, is still active and has reduced traffic deaths in the state by more than 15%. More than 1,000 lives have been saved since beginning of the program. The goal is to reduce deaths caused by traffic accidents in the state of São Paulo by 50% until 2020.

SUSTAINABILITY IN OTHER COUNTRIES

In Argentina, we have created a collaborative group involving Quilmes, the TNC, the Provincial Government and other companies to establish a water fund, implementing a Basin Project in the city of Mendoza in order to contribute to the conservation, protection and recovery of the drainage basin.

In the Dominican Republic, the CND (the Dominican National Brewery) organized a national waste management plan in partnership with local government, entitled *Dominicana Limpia*, which invested in education, infrastructure, equipment and communication in order to manage post-consumer waste in the country.

Focusing on the consumer

Our employees are immersed in a culture aimed at providing the best experience for those who love our beverages. This is why we invest in their training and in an environment where there is respect for diversity.





Highlights

 <p>250,000 resumes received in Brazil every year</p>	 <p>4,792 Newly hired employees</p>	 <p>46 Women in management positions, 5 more than in 2017</p>
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People



PEOPLE

GRI 102-7 | 102-8 | 102-10 | 102-16 | 103-2 | 103-3

We often say that Ambev People are our brewery's main assets. Our nearly 30,000 employees (24,899 men and 4,614 women in 2018) are, without a doubt, the main ingredient that allows us to bring our drinks to consumers. We work to provide an increasingly better work environment for our people, with equal opportunity and respect for the authenticity of each of our employees. This commitment was recognized again in 2018 when the company was chosen as one of the three Best Places to Work in the Consumer Goods category, in a survey with employees carried out by

magazine *Você S/A*. This matter is overseen by the Personnel and Management area, which distributes its responsibilities to a director in the Central Administration headquarters and a corporate manager in the shared services center. In 2018, we changed the hierarchical structure of the company to boost its organic growth. The initiative was named Organizing for Growth. Independent business units were created for each of the six countries in which we operate in the region. This change is rooted in the ownership value, one of the pillars that supports Ambev's culture. That means the President of each of these business units becomes the "owner" of the operation in that country,

including sales, marketing and all the local operation. In the previous structure, each area had its own vice president who answered to the CEO, in Brazil. The new model streamlines decisions, stimulates a close relationship with local markets, gives autonomy to country teams and reduces internal bureaucracy.

Another highlight in 2018 was the People Committee, an initiative that began seven years ago in the supply department and generated great results and has now been expanded to include the sales area. It consists in collecting detailed information on the needs of the teams and evaluate the way with which such needs are addressed.

The goal is to complete a two-year data collection and self-assessment cycle in the sales department, which encompasses about 30% of our employees, similarly to what was done in the supply area, which concentrates 40% of our staff. The goal is to increase engagement and knowledge retention.

The committees found that the most productive teams were those which had employees who had worked at the Company for a longer time. Thus, we created strategies to address the specific needs of each area, ensuring greater autonomy to and caring for our people.

IN 2018, THERE WERE **46 WOMEN** IN MANAGEMENT POSITIONS

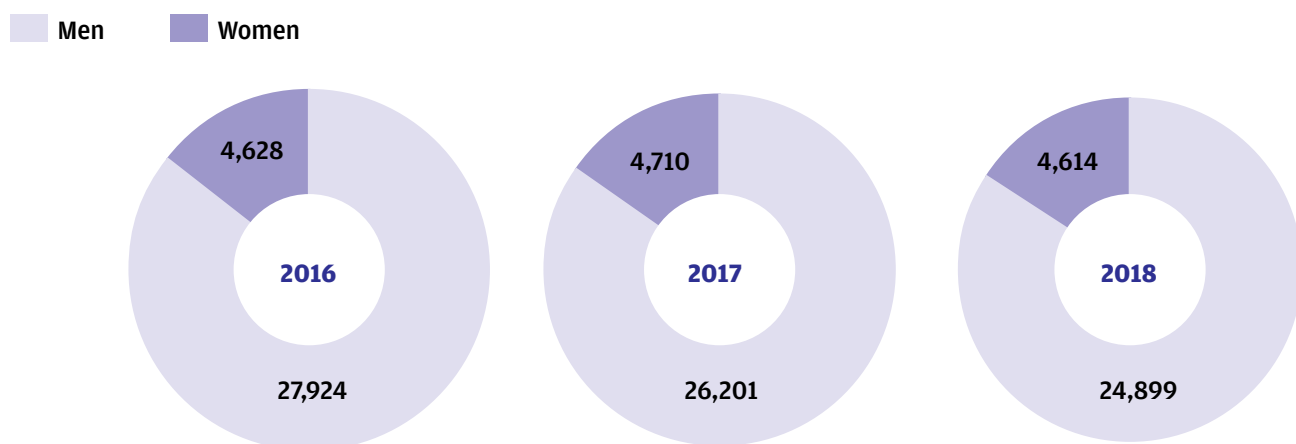
COMPENSATION AND BENEFITS

GRI 103-1 | 103-2 | 103-3 | 201-1 | 401-3

In 2018, accrued employee and management profit sharing totaled R\$ 286 million. This amount is part of the Company's variable compensation policy.

As far as benefits are concerned, it is important to note that we offer maternity and paternity leave to all employees. In 2018, 195 women went away on maternity leave. In 2017, this number was 193 and in 2016, 185. Out of the total of 195 women who took their ma-

TOTAL NUMBER OF EMPLOYEES BY GENDER (BRAZIL) - (GRI 102-8)



*Only apprentices and trainees are temporary or part-time hires. All other employees are hired for an indefinite period and work full-time jobs. All metrics related to employees in this report refer to active employees.

People

ternity leaves in 2018, 170 continued to work for the Company for at least 12 months after their return. In 2017, 142 remained in the Company and in 2016 the number was 115. It appears, therefore, that the permanence rate soared from 68% in 2016 to 87% in 2018. We attribute this to the initiatives taken to prepare the environment for the arrival of workers who have become mothers, providing spaces for nursing or lactating mothers and allowing for flexible schedules and functions in the first months after they return.

As of June 2018, we also implemented the extended parental leave, following the lead of the AB InBev group. The new standard extends parental leave to 20 days and offers a 180-day license to the person who generated or will look after the child most of the time. Thus, we attend to all kinds of family structures. In practice, it works like this: the primary caregiver of the child is entitled to 180 days of paid leave; the secondary caregiver, i.e., the person who will take care of the child for less than 50% of

the time, is entitled to a 20-day leave.

At Ambev Brewery, we dream of uniting people around the goal of building a better world, and we believe that our people are our main asset. Therefore, we know that our dream is only achievable when our employees know they will find support in the workplace and that they will have time and room to care for their families. With the new parental leave, we took another step to celebrate inclusiveness and diversity. Parents who wish to make use of the benefit must take the parental guidance course and officially apply for the leave via the Ambev People web portal.

COLLECTIVE AGREEMENT

GRI 102-41

All employees are covered by collective bargaining. In our People & Management area, there is an em-

TOTAL NUMBER OF EMPLOYEES BY CONTRACT TYPE, GENDER AND REGION (BRAZIL) - GRI 102-8

Region	2016				2017				2018			
	Men		Women		Men		Women		Men		Women	
	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent
South	140	3,826	81	508	103	3,599	108	511	111	3,740	131	535
Southeast	484	15,029	390	2,416	427	14,457	414	2,468	490	13,059	456	2,308
Midwest	69	1,738	50	208	51	1,293	56	199	92	2,457	98	316
North	59	1,363	35	205	166	4,456	153	537	37	765	36	126
Northeast	236	4,980	159	576	58	1,591	55	209	176	3,972	157	451
Total per gender	27,924		4,628		26,201		4,710		24,899		4,614	
Total	32,552				30,911				29,513			

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT AND BY GENDER (BRAZIL) - GRI 102-8

Type of contract	2016		2017		2018	
	Men	Women	Men	Women	Men	Women
Permanent	26,936	3,913	25,396	3,924	23,993	3,736
Temporary	988	715	805	786	906	878
Total	27,924	4,628	26,201	4,710	24,899	4,614

RATES OF RETURN TO WORK AND RETENTION AFTER MATERNITY / PATERNITY LEAVE - GRI 401-3				
		2016	2017	2018
Total number of employees who were entitled to take maternity/paternity leaves	Men	27,924	26,201	26,003
	Women	4,628	4,710	4,507
Total number of employee who took maternity/paternity leaves	Men	0	0	435
	Women	185	193	183
Total number of employees who returned to work after the end of their maternity/paternity leaves	Men	0	0	435
	Women	185	193	183
Return-to-work rates of employees who took maternity / paternity leaves	Men	0	0	413
	Women	115	142	150
Return-to-work rates of employees who took maternity / paternity leave	Men	0	0	95%
	Women	68%	70%	82%

ployee in charge of overseeing the collective labor agreements involving the Company. Our system also has resources such a collective agreement dashboard and correct payment goals. We also have experts in this process who, along with trade unions, treat and define employee information.

TOTAL EMPLOYEES THAT REMAINED IN THE COMPANY FOR LESS THAN 12 MONTHS AFTER RETURNING - GRI 401-3		
2018	Men	Women
1 month	4	4
2 months	5	6
3 months	4	9
4 months	3	9
5 months	4	2
6 months	1	3
7 months	0	0
8 months	0	0
9 months	1	0
10 months	0	0
11 months	0	0
TOTAL	22	33

INTERNAL COMMUNICATIONS

GRI 103-2 | 102-16

In terms of internal communications, our main channel is an open and informal environment that encourages people to be who they are and express their ideas. This is part of our culture.

We have gradually started to adopt more technological tools in our internal communication strategy.

The Shared Services Center concentrates all People and Management data in the Company, which can be freely accessed. Our Engineering Center gathers all data on production performance and environmental results, which are also compiled by computer systems.

We have two internal communication tools: Ambev TV, which is broadcast weekly to the sales departments and airs shows on the major challenges faced by the teams, latest releases and campaigns, and Workplace, a Facebook platform that quickly and informally connects employees across the country.

People



PEOPLE 360

GRI 103-1 | 403-6

In 2018, we created an Employee Support Program, whose pilot was implemented in the state of Rio de Janeiro and which will be adopted across Brazil in 2019. The program is a way to ensure better health and well-being to employees and their families through psychological, legal, financial and social aid. The goal is to prevent the onset or worsening of emotional/ psychosomatic disorders and stimulate early treatment.

Via a Monday-through-Friday, 8AM-8PM telephone service, our experts provide civil, criminal, tax and pension legal advice (except for labor matters); financial advisory by assisting with planning, stock purchasing, estimates and deadlines; and social services, by giving family guidance and support in critical situations (if necessary, the service can be provided in person).

RECRUITMENT

GRI 103-1 | 103-2 | 401-1

We receive over 250,000 resumes on average in Brazil every year. Technology helps us pre-assess each candidate to a job at Ambev Brewery.

In 2018, 4,792 employees (29.42% women and 70.58% men) were hired in five regions of Brazil.

We encourage people management that is focused on professional growth, which has contributed to the Company's talent retention.

INTERNSHIP PROGRAM

GRI 103-1 | 103-2 | 103-3 | 401-1

Our Internship Program focuses on attracting young talent, training them, engaging them and encouraging them to pursue growth at Ambev Brewery.

In the recruiting front, we also have programs Next and the Interns' League, which are based on junior company

**TOTAL NUMBER OF EMPLOYEE TERMINATIONS AND TURNOVER RATE BY REGION,
AGE GROUP AND GENDER (BRAZIL) - GRI 401-1**

Region	Age group	2016				2017				2018			
		Total number of terminations		Turnover rate		Total number terminations		Turnover rate		Total number terminations		Turnover rate	
		Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
North	Below 30	54	133	0.17%	0.41%	65	158	0.21%	0.51%	53	143	0.18%	0.48%
	From 30 to 50	8	54	0.02%	0.17%	5	44	0.02%	0.14%	2	33	0.01%	0.11%
	ABOVE 50	0	0	0.00%	0.00%	0	0	0.00%	0.00%	0	0	0.00%	0.00%
Northeast	Below 30	185	492	0.57%	1.51%	209	418	0.68%	1.35%	177	402	0.60%	1.36%
	From 30 to 50	13	160	0.04%	0.49%	14	108	0.05%	0.35%	10	157	0.03%	0.53%
	ABOVE 50	0	0	0.00%	0.00%	0	2	0.00%	0.01%	0	2	0.00%	0.01%
Midwest	Below 30	113	318	0.35%	0.98%	79	148	0.26%	0.48%	125	263	0.42%	0.89%
	From 30 to 50	21	109	0.06%	0.33%	4	56	0.01%	0.18%	11	114	0.04%	0.39%
	ABOVE 50	0	2	0.00%	0.01%	0	4	0.00%	0.01%	0	1	0.00%	0.00%
Southeast	Below 30	749	1.716	2.30%	5.27%	794	1.489	2.57%	4.82%	744	1.377	2.52%	4.67%
	From 30 to 50	76	616	0.23%	1.89%	87	418	0.28%	1.35%	88	480	0.30%	1.63%
	ABOVE 50	1	10	0.00%	0.03%	0	12	0.00%	0.04%	0	11	0.00%	0.04%
South	Below 30	181	445	0.56%	1.37%	165	308	0.53%	1.00%	178	287	0.60%	0.97%
	From 30 to 50	15	122	0.05%	0.37%	21	110	0.07%	0.36%	21	110	0.07%	0.37%
	ABOVE 50	1	4	0.00%	0.01%	0	4	0.00%	0.01%	1	2	0.00%	0.01%

structures for young people to have autonomy to improve their own careers, in addition to being advised, in a process that generates knowledge. With Next, trainees have unique opportunities, such as chatting with our President and Board of Directors as well as having the autonomy to lead an area of the project. In 2018, 62 young people partic-

ipated in the Next program. The Interns' League, in turn, is an initiative managed by students themselves aimed at developing them to their full potential by engaging in projects that have an impact on the business.

With the goal of identifying young talents who are qualified to join our team of interns, in 2018 we held the fourth

TOTAL NUMBER OF EMPLOYEES DISENGAGED AND TURNOVER RATE BY REGION, AGE AND GENDER (BRAZIL) - GRI 401-1

Region	Age group	2016				2017				2018			
		Total number of terminations		Turnover rate		Total number of terminations		Turnover rate		Total number of terminations		Turnover rate	
		Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
North	Below 30	83	199	0.25%	0.61%	57	193	0.18%	0.62%	29	72	0.23%	0.19%
	From 30 to 50	12	127	0.04%	0.39%	18	174	0.06%	0.56%	18	131	0.14%	0.34%
	ABOVE 50	0	11	0.00%	0.03%	1	17	0.00%	0.05%	0	3	0.00%	0.01%
Northeast	Below 30	222	575	0.68%	1.77%	210	554	0.68%	1.79%	74	219	0.59%	0.57%
	From 30 to 50	37	433	0.11%	1.33%	55	518	0.18%	1.68%	40	398	0.32%	1.04%
	ABOVE 50	2	39	0.01%	0.12%	1	36	0.00%	0.12%	2	33	0.02%	0.09%
Midwest	Below 30	37	156	0.11%	0.48%	42	141	0.14%	0.46%	32	130	0.25%	0.34%
	From 30 to 50	16	133	0.05%	0.41%	16	126	0.05%	0.41%	26	210	0.21%	0.55%
	ABOVE 50	1	9	0.00%	0.03%	0	5	0.00%	0.02%	0	17	0.00%	0.04%
Southeast	Below 30	653	1,615	2.01%	4.96%	636	1,453	2.06%	4.70%	363	875	2.88%	2.28%
	From 30 to 50	210	1,266	0.65%	3.89%	176	1,028	0.57%	3.33%	288	1,383	2.29%	3.61%
	ABOVE 50	12	114	0.04%	0.35%	8	106	0.03%	0.34%	7	166	0.06%	0.43%
South	Below 30	218	532	0.67%	1.63%	127	426	0.41%	1.38%	58	276	0.46%	0.72%
	From 30 to 50	45	351	0.14%	1.08%	37	267	0.12%	0.86%	56	363	0.44%	0.95%
	ABOVE 50	2	28	0.01%	0.09%	3	25	0.01%	0.08%	0	45	0.00%	0.12%

edition of the Marketing Challenge, in which candidates undergo an experience exchange program at our headquarters in the city of São Paulo. Eight participants were hired for internship positions.

TRAINEES

GRI 103-1 | 103-2 | 103-3 | 401-1

In our Industrial and Business Trainee Program (Global Management Trainee - GMT), selected candidates receive guidance from top executives and undergo specific training in order to increase their professional and personal knowledge. In addition to immersing themselves in Ambev Brewery's culture, trainees are introduced to our factories' processes and to our commercial operations and participate in courses in the Company's



strategic areas, in São Paulo. In the second stage, advisory starts to focus on the young worker's area of choice. At the end of this process, those who are approved are either allocated in projects in Brazil or sent abroad to complete their training. In 2018, 27 candidates were admitted to the Company's trainee program.

DIVERSITY

GRI 103-1 | 103-2 | 103-3 | 405-1

In our Company, we observe the principles of respect and diversity, two pillars that are overseen by our Authenticity Project. Both are essential for retaining talent regardless of race, gender or sexual orientation. This matter has become a focus of our people management activities.

Since 2016, we have endorsed United Nations Wom-

en's Empowerment Principles, the LGBT Commitment and members of the Forum of LGBT Companies and Rights, which has connected us with other companies with whom we can exchange information and experiences on the subject. We have discussion groups to address diversity at Ambev Brewery: Lager (Lesbian and Gay and Everyone Respected), Weiss (Women Empowered Interested in Successful Sinergies) and Bock (Building Opportunities for Colleagues of all Kinds).

These reflections have allowed us to mature our vision - the result can be seen in the increase in the number of women in management positions, as mentioned below-, reinforced our commitment with diversity and even inspired our marketing campaigns. In 2018, for example, Skol sponsored the São Paulo LGBT Pride Parade for the third year in a row.

Over the last few years, we developed a series of ini-

TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES BY JOB TYPE AND GENDER (BRAZIL) - GRI 405-1

	2016					2017					2018				
	Total	Men	%	Women	%	Total	Men	%	Women	%	Total	Men	%	Women	%
Board of directors	298	262	0.78%	36	0.11%	291	250	0.81%	41	0.13%	291	245	0.83%	46	0.16%
Management	3,052	2,124	6.33%	928	2.77%	3,145	2,155	6.97%	990	3.20%	3,322	2,252	7.63%	1,070	3.63%
Leadership	4,732	3,451	10.29%	1,281	3.82%	4,636	3,326	10.76%	1,310	4.24%	4,441	3,162	10.71%	1,279	4.33%
Operational	22,767	21,099	62.88%	1,668	4.97%	21,248	19,665	63.62%	1,583	5.12%	19,675	18,334	62.12%	1,341	4.54%
Apprentices and	1,703	988	2.94%	715	2.13%	1,591	805	2.60%	786	2.54%	1,784	906	3.07%	878	2.97%
Total	32,552	27,924	83.23%	4,628	13.79%	30,911	26,201	84.76%	4,710	15.24%	29,513	24,899	84.37%	4,614	15.63%

People

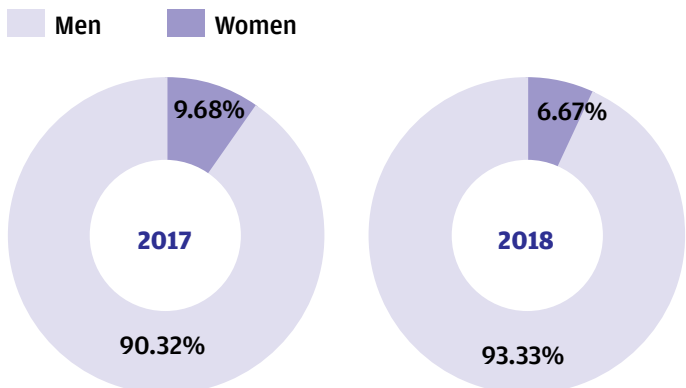
tiatives aimed at promoting representation. For this, we conducted a detailed diagnosis of the careers of women in our Company and created a plan to tackle different issues, such as hiring, career and development.

Based on this information, we implemented an action plan to ensure that they have the opportunity to get to these positions. One of the measures we adopted was expanding the participation of women in mentoring programs, which boost engagement and give employees who have the potential to be leaders a more systemic view. In 2018, 29.74% of our leaders were women. The biggest increase was precisely in executive positions, where the presence of women increased from 41 in 2017 to 46 in 2018. In 2016, this number was 36. Diversity

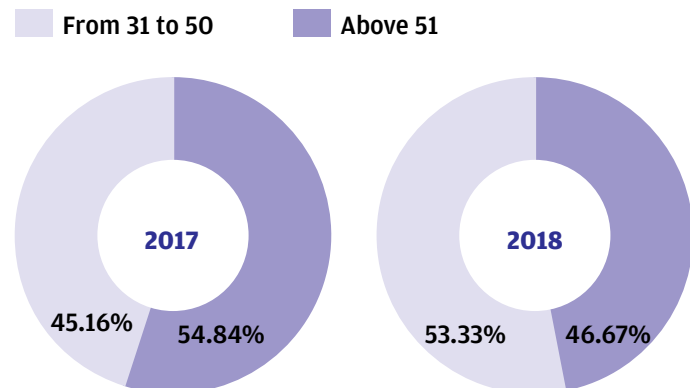


TOTAL NUMBER OF EMPLOYEES AND PERCENTAGE OF PEOPLE WITH DISABILITIES BY JOB TYPE (BRAZIL) - GRI 405-1									
Job type	2016			2017			2018		
	Total	People with disabilities		Total	People with disabilities		Total	People with disabilities	
	Ambev	Total	%	Ambev	Total	%	Ambev	Total	%
Board of directors	298	0	0.00%	290	0	0.00%	291	1	0.34%
Management	3,052	33	1.08%	3,145	28	0.90%	3,322	53	1.60%
Leadership	4,732	70	1.48%	4,636	62	1.36%	4,441	99	2.23%
Operational	22,767	846	3.72%	21,249	765	3.73%	19,675	1,228	6.24%
Apprentices and	1,703	457	26.83%	1,591	140	9.65%	1,784	39	2.19%
Total	32,552	1,406	4.32%	30,911	995	3.33%	29,513	1,420	4.81%

INDIVIDUALS WHO ARE PART OF GOVERNANCE BODIES BY GENDER - GRI 405-1



PEOPLE WHO ARE PART OF GOVERNANCE BODIES BY AGE GROUP - GRI 405-1



TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES BY JOB TYPE AND AGE (BRAZIL) - GRI 405-1							
Job type	Age group	2016		2017		2018	
		Total	%	Total	%	Total	%
Board of directors	Below30	20	0.06%	10	0.03%	23	0.08%
	From 31	250	0.77%	250	0.81%	245	0.83%
	to 50	28	0.09%	31	0.10%	23	0.08%
Management	Above 51	1,112	3.42%	957	3.10%	1,299	4.40%
	Below30	1,796	5.52%	2,028	6.56%	1,853	6.28%
	From 31	144	0.44%	160	0.52%	170	0.58%
Leadership	to 50	2,393	7.35%	2,154	6.97%	2,250	7.62%
	Above 51	2,181	6.70%	2,285	7.39%	1,973	6.69%
	Below30	158	0.49%	197	0.64%	218	0.74%
Operational	From 31	9,385	28.83%	7,039	22.77%	6,807	23.06%
	to 50	12,137	37.28%	12,898	41.73%	11,533	39.08%
	Above 51	1,245	3.82%	1,311	4.24%	1,335	4.52%
Apprentices and interns	Below30	1,628	5.00%	1,554	5.03%	1,769	5.99%
	From 31	71	0.22%	35	0.11%	15	0.05%
	to 50	4	0.01%	2	0.01%	0	0.00%
Total		32,552	100.00%	30,911	100.00%	29,513	100.00%

matters are the responsibility of our People and Management Department, overseen by a director in the Central Administration headquarters.

HEALTH AND SAFETY MANAGEMENT

GRI 103-1 | 103-2 | 103-3 | 403-1 | 403-2 | 403-6 | 403-7 | 403-8 | 403-9

The rate of injuries associated with working at Ambev Brewery dropped slightly from 2.5 to 2.45 in 2018 in comparison to 2017. Injury rate indicators, working days lost and fatalities are monitored monthly through Occupational Health and Safety

(OSH) reports which are made available to each unit's safety technicians. In addition, we employ a system that helps prevent work accidents which follows the NBR 14280, in accordance with our corporate policy, which

People

INJURY RATE OF EMPLOYEES BY REGION (BRAZIL) - GRI: 403-9*			
	2016	2017	2018
South	8.8	4.5	2.09
Southeast	4.3	2.5	2.25
Midwest	4.9	2.4	1.64
North	5.4	2.2	4.16
Northeast	3	1.4	2.62
Total	4.7	2.5	2.45

EMPLOYEE ABSENTEEISM RATE BY REGION (BRAZIL) - GRI: 403-9 *			
	2016	2017	2018
South	1.3	1.4	1.7
Southeast	1.3	1.2	1.7
Midwest	1.6	1.4	1.9
North	1.2	1.1	1.5
Northeast	1.1	1.1	1.8
Total	1.3	1.2	1.7

WORK-RELATED FATALITIES AMONG THE COMPANY'S EMPLOYEES - GRI: 403-9



WORK-RELATED FATALITIES AMONG OUTSOURCED WORKERS - GRI: 403-9



*We have no information on the rate of injury among employees, by gender

treats the issue as a priority and aims to reduce injuries to zero. In 2018, there were no work-related deaths among employees, after five fatalities were registered in 2016 and four in 2017. The number of deaths of outsourced workers, i.e., excluding our own employees, dropped from 3 to 2 between 2017 and 2018. The company's absenteeism rate was 1.6 across our operations in five regions of Brazil, an increase from 1.2 in 2017.

Accidents are recorded and monitored by a computerized system called Credit 360, which ensures the standardization of items related to the events, and its use is mandatory for professionals in the work safety departments of each business unit. Credit 360 allows the recording and detailed description of the management of accidents.

By the time the event is recorded in the computerized system, a "safety warning" is sent to SESMT (Safety Engineering and Occupational Medicine Service)

professionals, through a group in our e-mail delivery system. Its purpose is to ensure that all of our business units can analyze incidents in order to learn from them and thus take preventive measures or corrective actions in similar situations.

Each work accident is classified according to its severity level as per our corporate guidelines. Thus, it is possible to prioritize cases that require urgent action. Ambev Brewery follows the legal guidelines set by the SESMT and the generally accepted practices described in their Occupational Risk Prevention Programs, described in the corporate guidelines of each area. In addition to all the procedures described above, we make a smartphone application for the reporting of exposure to risk and accidents available to all our employees. Our goal is to ensure that these data are used along with other reports and thus enable the adoption or correction of occupational safety measures.

AVERAGE HOURS OF TRAINING BY JOB TYPE AND GENDER (BRAZIL) - GRI 404-1

	2016			2017			2018		
	Participants	Hours	Hours per employee	Participants	Hours	Hours per employee	Participants	Hours	Hours per employee
AC Legal ops	1,891	1,891	1	2,070	2,834	1.37	2,173	3,174.08	1.46
Men	1,309	1,309	1	1,469	2,021	1.38	1,542	2,263.52	1.47
Women	582	582	1	601	813	1.35	631	910.56	1.44
Financial ops	83	705	8.49	285	1,649	5.79	40	640	16.00
Men	55	448	8.15	143	889	6.22	23	368	16.00
Women	28	257	9.18	142	760	5.35	17	272	16.00
People and management ops	6,050	2,720,774	0.45	11,873	16,021.9	1.35	12,371	18,585,404	1.50
Men	4,763	1,303	0.27	8,387	11,458	1.37	8,739	13,291.28	1.52
Women	1,287	1,417	1.1	3,486	4,564	1.31	3,632	5,294.24	1.46
Factories ops	4,238	57,324.2	13.53	8,019	292,309.5	36.45	8,468	342,002,115	40.39
Men	3,375	49,670	14.72	6,579	267,018.5	40.59	6,947	312,411,645	44.97
Women	863	7,654.2	8.87	1,440	25,291	17.56	1,521	29,590.47	19.47
Leadership	8,358	235,614	28.19	6,557	113,667	17.34	6,639	117,077.01	17.63
Men	5,963	147,704	24.77	5,437	75,661	13.92	5,505	77,930.83	14.16
Women	2,395	87,910	36.71	1,120	38,006	33.93	1,134	39,146.18	34.52
Logistics ops	1,421	24,594.9	17.31	449	2,922.35	6.51	468	3252,57555	6.95
Men	1,084	18,671.3	17.22	370	2,389.4	6.46	386	2659,4022	6.91
Women	337	5,923.6	17.58	79	532.95	6.75	82	593,17335	7.23
Marketing ops	583	3,139	5.38	357	3,296	9.23	370	3698,112	9.99
Men	385	1,846	4.79	237	2,116	8.93	246	2374,152	9.65
Women	198	1,293	6.53	120	1,180	9.83	124	1323.96	10.68
Method	1,293	5,037	3.9	1,306	18,178	13.92	1,349	19359.57	14.35
Men	929	3,232	3.48	780	11,758	15.07	806	12522.27	15.54
Women	364	1,805	4.96	526	6,420	12.21	543	6837.3	12.59
Supplies ops	2,914	4,345.5	1.49	1,236	4,226	3.42	1,272	5197.98	4.09
Men	1,889	2,819	1.49	828	2,393	2.89	852	2943.39	3.45
Women	1,025	1,526.5	1.49	408	1,833	4.49	420	2254.59	5.37
IT ops	0	0		54	1,256	0	0	0	0.00
Men	0	0		36	824	0	0	0	0.00
Women	0	0		18	432	0	0	0	0.00
Sales	10,224	15,149.5	1.48	10,131	169,631,662	16.74	10,698	195076,4113	18.23
Men	7,284	10,767.4	1.48	8,861	147,398.98	16.63	9,357	169508,827	18.12
Women	2,940	4,382.1	1.49	1,270	22,232.26	17.51	1,341	25567,099	19.07
Total	37,055	350,520,874	9.46	42,337	625,991,412	14.79	43,848	708063,2579	16.15
Men	27,036	237,770	8.79	33,127	523,926.88	15.82	34,402	596273,3162	17.33
Women	10,019	112,751	11.25	9,210	102,064.11	11.08	9,444	111789,5724	11.84



TRAININGS

GRI 103-1 | 103-2 | 103-3 | 404-1

In 2018, we continued the development of a complete training and career advisory track for sales managers and supervisors and invested in new technologies such as online classrooms where content is broadcast live, which helps to impact a greater number of people with quality knowledge.

Overall, the number of participants in training increased 3.45% in comparison to 2017, and the number of hours of training per participant increased 8.4%. This subject is the responsibility of the People and Management area in the Central Administration.

AMBEV UNIVERSITY

GRI 103-1 | 103-2 | 103-3

Education and training essential to make sure employees are increasingly qualified. In order to contribute effectively to the education of our People, we created the Ambev University, which received an investment of just over R\$ 40 million in 2018.

In 2018, the Ambev University solidified and expanded its top performing courses, such as the Belts programs, through which we certified more than 600 employees, the leadership courses, where we developed approximately 1,000 company leaders, and technical courses, which benefited about 1,600 leaders and 1,700 operators. For our senior leadership, the Ambev University prepares personalized courses which in-

clude immersive programs in universities abroad and in Brazil aimed at upgrading their knowledge of operational

BEER ACADEMY

GRI 103-1 | 103-2

Knowledge about brewing is inherent to our business. In order to increasingly disseminate it among employees from all areas of the Company, we have created the Beer Academy, which address the history and the manufacturing process of our beers. In total, 8,328 employees underwent training in 2018 in comparison to the 2,003 people who took the course in 2017.

SENAI

GRI 103-1 | 103-2

We are one of the main partners of the National Industrial Training Service (Senai) in Brazil. Since we will started offering Senai technical courses for our employees in 2013, we have trained 4,342 people, 484 of them in 2018 alone.

ZERRENNER FOUNDATION

GRI 103-1 | 103-2 | 102-12 | 403-6

The Antonio e Helena Zerrenner Foundation (FAHZ) was established in 1936 to provide education and healthcare for Companhia Antarctica Paulista's and the Foundation's employees and their families, as well as for the communities in which the Company is present.

The institution is one of the controlling shareholders of Ambev Brewery, with 10.2% of its total share capital. In Brazil, the Foundation provides undergraduate, postgraduate and vocational courses scholarships, as well as school supplies aid, for employees and their families. In the healthcare area, the Zerrenner Foundation provides medical, hospital and dental care to employees of our breweries and distribution centers across the country and their families.

FAHZ PROVIDES SCHOLARSHIPS AND SCHOOL SUPPLY AID TO EMPLOYEES

In 2018, 67,200 people were benefited by the Foundation.

FAHZ also has two education institutes of its, which take in the children of the Brewery's employees and of the communities in which they operate. The first of them is Dr. Walter Belian School in São Paulo (SP). The school has 1,500 primary, secondary and technical (from a course created in partnership with Senai) students.

The courses are free, and about 88% of the vacancies are for the community's youths, and the rest are for our employees' children. The School has always had good scores in the Enem, being ranked among the top 10 schools in the central region of São Paulo. The other institution maintained by the Zerrenner Foundation is the Prof. Roberto Herbster Gusmão School, in Sete Lagoas (MG), which serves about 1,400 primary, secondary and vocational (also from a course created in partnership with the Senai) students. The Foundation pioneered industrial-technical education in Brazil, and stills offer it in its two educational institutions.

Both schools use the Khan Academy platform, in partnership with the Lemann Foundation, which offers video lessons and seeks to integrate mathematics and computer science, thus contributing to the subject being learned in a rich and meaningful way.

For senior high school students, the Foundation also offers pre-university preparatory courses, which seeks to help them join renowned colleges.

Preparation and disclosure

The reporting process

This report was prepared according to the 2018 version of the “GRI Standards: Core option” and our materiality matrix, developed in 2015, is reviewed annually.



REPORT CONTENT

GRI 102-46

This 2018 Ambev Brewery (Ambev S.A.) Report covers the Company's guidelines and protocols in Brazil, Central America and the Caribbean, Latin America South and Canada. With regard to operations, however, the information reported refers mainly to Brazil.

GENERAL INFORMATION

GRI 102-47 | 102-50 | 102-54 | 102-51 | 102-52 | 103-1

This report is prepared and disclosed annually and covers the period from January 1 to December 31, 2018.

Before the issuance of this report, the most recent report issued by the Company is the 2017 report, released in the first half of 2018. This document comprises financial and nonfinancial information about our co economically and environmental performance. This document comprises financial and non-financial information on our economic and socio-environmental performance. We have prepared this report in accordance with the Core option of the 2018 version of the GRI Standards.

This report has been prepared for the following primary purposes:

1) To present, in an organized and integrated manner, Ambev's guidelines, strategies, mode of operation and operations, with emphasis on:

2) Our practices and initiatives aimed at the fulfillment of our dream to build a better world, which is based on six pillars: Water, Agriculture, Climate and Energy, Packaging and Entrepreneurship, as well as Smart Consumption.

- Our profile and corporate performance
- Our strategies
- Our businesses, products and services
- Our results
- Our governance and management
- Market context

WE KEEP OUR CHANNELS OPEN TO DISCUSS WITH STAKEHOLDERS

- Our People
- 3) Knowledge sharing and stakeholder engagement.
- 4) Accountability to the market and society in general regarding the development, impacts and results associated with our businesses and initiatives.

MATERIALITY AND ENGAGEMENT PROCESS

GRI 102-40 | 102-42 | 102-43 | 102-44 | 102-48

Our materiality matrix was created in 2015 and continues to include the topics selected on this occasion. In 2018, we revised the publics impacted by our topics and corresponding actions and included certain indicators that had not been disclosed in the previous report.

In the materiality review, we identified the topics which are the top priorities for our sustainability management - Water, Agriculture, Climate and Energy, Packaging and Entrepreneurship, as well as Smart Consumption - as well as opportunities to evolve with regards to our practices and strategies.

At the time, the process involved individual in-depth interviews with representatives from the government, the

Preparation and disclosure

academia, investors, suppliers, the press, civil society, the healthcare industry and companies. These stakeholders identified opportunities for the improvement of our internal sustainability management, relationships with suppliers and customers, communication and marketing practices for our products.

Our engagement process considers the principles of the AA1000 Assurance Standard – completeness, materiality and responsiveness – in the identification and selection of stakeholders, and provides for a revision of the materiality matrix from time to time. Every year, we engage the aforementioned stakeholders and keep an open channel for discussions with them.

PREPARATION AND DISCLOSURE

GRI 102-46 | 102-56

Ambev Brewery follows GRI guidelines for producing sustainability reports, always seeking to stay up to date with the best international reporting standard practices, respecting the protocols established by the agency. This year, we updated the our reporting process to match the standards released in June 2018, increasing the number of reported items from 103 to 119.

The main raw material for the preparation of this report are still the stakeholder engagement activities carried out in 2015, which are expected to be reviewed over 2019. The list of material topics was updated by the Brewery following two main steps recommended by the GRI: (1) Sustainability context and (2) Prioritization of the material topics and validation.

The whole approach of the report is based on the impacts of our business on natural, economic and human resources, with the goal understanding and measuring how our actions can enhance the sustainability of economic activities in the environments in which we operate in the most thorough way possible.

Each year, the areas responsible for the data are invited to provide information and develop their abilities to draw comparisons with previous results in order to increasingly adhere to the reporting quality principles established by the GRI: accuracy, balance, clarity, comparability,

reliability and timeliness. GRI guidelines, the support of reporting professionals and limited assurance provided by a third-party actor contribute to the reporting process becoming more natural, accurate, reliable and verifiable.

The content of this report was based on interviews with key executives in the Company, institutional materials, news about Ambev Brewery and complementary documents and data collected by our areas.

References to GRI items are indicated in certain excerpts of the text, in tables and in the GRI Indicators table. We engaged KPMG to provide auditing and assurance services with respect to this report.

This document is published in Portuguese, both in hard copy and PDF versions. The PDF version is available on www.ambev.com.br/sustentabilidade.

Hard copies are provided to representatives of some publics with whom we relate, such as investors, economic and/or market analysts, representatives from government bodies, trade associations, regulatory agencies, the press etc.

WE WANT YOUR OPINION

GRI 102-2|102-53

Throughout our history, we have been constantly striving to improve our reporting process. We understand that, by reporting on our activities and initiatives, we are not only providing accountability to the market and society, but also disseminating beliefs in sustainable development and sharing good practices.

This is why your opinion is so important to us. Please send your feedback, comments, questions or requests for additional information on this report to our Investor Relations department: ri@ambev.com.br

Table of material themes

LIST OF MATERIAL TOPICS - GRI 102-47			LIMITS - GRI 102-46	GRI 103-1
Material topic	GRI Aspect	Reported indicators	Main impacted audiences and suggested audiences	Material aspect within/ outside the organization
Responsible Consumption/ Communication and Responsible Marketing/ Consumer Health	Product and Service Labeling/ Marketing Communications	GRI 417-2 417-3	Executives, managers, customers and society	Inside and outside operations
Water	Water	GRI 303-1 303-2	Executives, managers, suppliers and society	Inside and outside operations
Governance and transparency	Governance/Anticorruption and Compliance	GRI 102-16 102-18 419-1	Executives, managers and customers	Inside and outside operations
Product Safety and Quality	Customer Health and Safety	GRI 416-2	Executives, other employees and society	Inside and outside operations
Economic Performance	Economic performance	GRI 103-1 201-1	Managers and other employees	Inside and outside operations
Human Capital Development	Training and Education/ Diversity and Equal Opportunity	GRI 404-1 405-1	Executives, managers and society	Inside and outside operations
Energy Efficiency	Energy	GRI 302-4	Executives, managers and society	Inside and outside operations
Waste Management	Effluents and Waste	GRI - 306-2	Executives, managers and society	Dentro e fora das operações
Environmental Impact of Packaging	Materials/Products and Services	GRI 301-1 301-3	Executives, managers and society	Inside and outside operations
Work Conditions	Employment, Occupational Health and Safety	GRI 401-3 403-2	Executives, managers and society	Inside and outside operations
Socioeconomic Impact on Surrounding Communities	-	Own indicators	-	-
Customer Service and Satisfaction/ Responsible Supply Chain/Sustainable Agriculture	Product and Service Labeling/Supplier Assessment for Impacts on Society	GRI 102-43 102-44 414-2 103-2	Executives, managers, customers, suppliers and society	Inside and outside operations
Air emissions	Emissions/Products and Services	GRI 305-5	Executives, managers and society	Inside and outside operations
Job creation	Employment	GRI 401-1	Executives, managers and society	Inside and outside operations

GRI Standards content index

GRI 102-55

GRI Standards	Item	Pages	Omission
GRI 101 Fundamentals			
GRI 102: General disclosure	Organization profile		
	102-1: Name of organization	14	
	102-2 Main activities, brands, products and services	9, 14, 16,19, 72	
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	102-9 Organization's supply chain	14, 30, 33, 46	
	102-10 Significant changes to the organization and its supply chain	30, 56	
	102-11 Precautionary principle or approachn	19, 34, 36, 40	
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	Strategy		
	102-14 Statement from the CEO	9	
	Ethics and integrity		
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	102-18 Governance structurea	17	
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102-40: List of stakeholder groups	71		
102-41: Collective bargaining agreements	58		

GRI Standard	Item	Pages	Omission	
GRI 102: General disclosure	102-42: Identification and selection of stakeholders	71		
	102-43: Approach to stakeholder engagement	71		
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	REPORTING PRACTICES			
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ECONOMIC PERFORMANCE				
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose goals (103-2) and no adjustments were made (103-3)	
	103-2: The management approach and its components			
	103-3: Evaluation of the management approach			
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GRI 201: Economic performance				

GRI Standards content index

GRI Standard	Item	Pages	Omission
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose goals (103-2) and no adjustments were made (103-3)
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
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300 SERIES (ENVIRONMENTAL TOPICS)			
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GRI 103: Management approach	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose goals (103-2) and no adjustments were made (103-3)
	103-2: The management approach and its components		
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Energy			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose goals (103-2) and no adjustments were made (103-3)
	103-2: The management approach and its components		
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GRI 302: Energy	302-1 Energy consumption within the organization	40	
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GRI Standard	Item	Pages	Omission
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	103-2: The management approach and its components		
	103-3: Evaluation of the management approach	30, 42	
GRI 305: Emissions	305-1: Direct (Scope 1) GHG emissions	42, 43	
	305-2: Indirect (Scope 2) GHG emissions	42, 43	
	305-3: Other indirect (Scope 3) GHG emissions	Undisclosed	
	305-4: GHG emissions intensity	42, 43	
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GRI 103: Management approach	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization nor specific policies regarding the matter(103-2). Monitoring carried out by Corporate Relations area alongside Ancat (103-3)
	103-2: The management approach and its components		
	103-3: Evaluation of the management approach		
GRI 306: Efluentes e resíduos	306-2: Total weight of waste, with a breakdown by the following disposal methods where applicable	44, 45	
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GRI 103: Management approach”	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose goals (103-2) nor evaluates management of the issue(103-3)
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GRI 103: Management approach”	103-1: Explanation of the material topic and its boundary	65	
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	103-3: Evaluation of the management approach		No adjustments were made

GRI Standards content index

GRI Standard	Item	Pages	Omission
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GRI 103: Management approach	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose goals or policies related to the management of the issue(103-2) and no adjustments were made
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GRI 103: Management approach	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose goals and resources or evaluation results(103-2) and no adjustments were made (103-3)
	103-2: The management approach and its components		
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GRI Standard	Item	Pages	Omission
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	103-2: The management approach and its components	19, 46, 72	
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GRI 414: Supplier Social Assessment	414-2: Negative social impacts in the supply chain and actions taken	46, 48, 49, 50	
Customer Health and Safety			
GRI 103: Management approach”	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose evaluation processes or results(103-2) and no adjustments were made (103-3)
	103-2: The management approach and its components	19, 20, 51, 72	
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	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	20	
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GRI 103: Management approach”	103-1: Explanation of the material topic and its boundary		No specific limitation regarding the Aspect Boundary (103-1) within the organization, does not disclose goals and resources or evaluation results(103-2) and no adjustments were made (103-3)
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Limited assurance report issued by independent auditors

To the Board of Directors, Management and Stakeholders
Ambev S.A.
São Paulo - SP

Introduction

We have been engaged by Ambev S.A. ("Ambev" or "Company") to apply limited assurance procedures on the sustainability information disclosed in Ambev's Annual Sustainability Report 2018, related to December 31st, 2018.

Responsibilities of Ambev's Management

The Management of Ambev is responsible for adequately preparing and presenting the sustainability information in the Annual Sustainability Report 2018 in accordance with the *Standards for Sustainability Report of Global Reporting Initiative -GRI*, as well as the internal controls determined necessary to ensure this information is free from material misstatement, resulting from fraud or error.

Independent auditors' responsibility

Our responsibility is to express a conclusion about the information in the Annual Sustainability Report 2018 based on a limited assurance engagement conducted in accordance with Technical Communication (TC) 07/2012, which was prepared based on NBC TO 3000 (Assurance Engagements Other Than Audits and Reviews), both issued by the Brazilian Federal Accounting Council - CFC and equivalent to international standard ISAE 3000, issued by the International Federation of Accountants and applicable to Non-Financial Historical Information. These standards require compliance with ethical requirements, including independence ones, and the engagement is also conducted to provide limited assurance that the information disclosed in the Ambev's Annual Sustainability Report 2018, taken as a whole, is free from material misstatement.



A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) consists mainly of questions and interviews with the Management of Ambev and other professionals of the Company involved in the preparation of the information disclosed in the Annual Sustainability Report 2018 and use of analytical procedures to obtain evidence that enables us to reach a limited assurance conclusion about the sustainability information taken as a whole. A limited assurance engagement also requires additional procedures when the independent auditor acknowledges issues which may lead them to believe that the information disclosed in the Annual Sustainability Report 2018 taken as a whole could present material misstatement.

The selected procedures were based on our understanding of the issues related to the compilation, materiality and presentation of the information disclosed in the Annual Sustainability Report 2018, on other engagement circumstances and also on our considerations regarding areas and processes associated with material sustainability information disclosed where relevant misstatement could exist. The procedures consisted of:

- (a) Engagement planning: considering the material aspects for Ambev's activities, the relevance of the information disclosed, the amount of quantitative and qualitative information and the operational systems and internal controls that served as a basis for preparation of the information in the Ambev's Annual Sustainability Report 2018. This analysis defined the indicators to be checked in details;
- (b) Understanding and analysis of disclosed information related to material aspects management;
- (c) Analysis of preparation processes of the Annual Sustainability Report 2018 and its structure and content, based on the Principles for Defining Report Content and Quality of the Standards for sustainability report of the Global Reporting Initiative - GRI (GRI-Standards);
- (d) Evaluation of non financial indicators selected:
 - Understanding of the calculation methodology and procedures for the compilation of indicators through interviews with management responsible for data preparation;
 - Application of analytical procedures regarding data and interviews for qualitative information and their correlation with indicators disclosed in the Annual Sustainability Report 2018;
 - Analysis of evidence supporting the disclosed information;
 - Visits to Ambev's offices and sites for application of these procedures, and items (b) and (c);
- (e) Analysis of whether the performance indicators omission and justification are reasonable to be accepted associated to aspects and topics defined as material in the materiality analysis of the Company;
- (f) Comparison of financial indicators with the financial statements and/or accounting records.

We believe that the information, evidence and results we have obtained are sufficient and appropriate to provide a basis for our limited assurance conclusion.



Scope and limitations

The procedures applied to a limited assurance engagement are substantially less extensive than those applied to a reasonable assurance engagement. Therefore, we cannot provide assurance that we are aware of all the issues that would have been identified in a reasonable assurance engagement, which aims to issue an opinion. If we had conducted a reasonable assurance engagement, we may have identified other issues and possible misstatements within the information presented in the Annual Sustainability Report 2018.

Nonfinancial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate or estimate these data. Qualitative interpretation of the data's materiality, relevance and accuracy are subject to individual assumptions and judgments. Additionally, we have not examined data related to prior periods, evaluated the adequacy of the company's policies, practices and sustainability performance, nor future projections.

Conclusion

Based on the procedures carried out, described earlier in this report, we have not identified any relevant information that leads us to believe that the information in Ambev's Annual Sustainability Report 2018 is not fairly stated in all material aspects in accordance with the *Standards for Sustainability Report of Global Reporting Initiative - GRI (GRI- Standards)*, as well as its source records and files.

São Paulo, April 26th, 2019

KPMG Assessores Ltda.
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CERVEJARIA
ambev