

AB InBev testimonial about XBRL filings in the US



ESEF, inline XBRL, roadmap 2020
10 October 2018

ABInBev

KING OF BEERS
Brewed by our original process from the

Contents

- Objective
- AB InBev presentation
- What is XBRL?
- What are the SEC requirements applicable for AB InBev?
- How we made it happen?
- What did we learn?
- What are our next steps?



Objective

Objective: what's our purpose today?

The main objective of this presentation is to answer the following questions:

- What does XBRL stand for?
- Why has XBRL been incorporated into the SEC requirements?
- How is AB InBev impacted by those new requirements?
- What was our approach to meet those requirements?
- What are the lessons we learned after two XBRL filings in FY17 and HY18?
- What are the next steps for us?

AB InBev presentation

About AB InBev

+600
years of brewing
heritage

over 400
beer brands

7 of the 10
most valuable beer
brands
(according to BrandZ)

1 Dream:
Bringing people
together
for a better world

around **185 k**
colleagues in over
50 countries

**Beers sold
in more than
100
countries**

We strive for a better world

We strive to make the world a better place by combining our scale, resources and energy with the needs of our communities

A growing world



We want a growing world where everyone has the opportunity to improve their livelihood.

A cleaner world



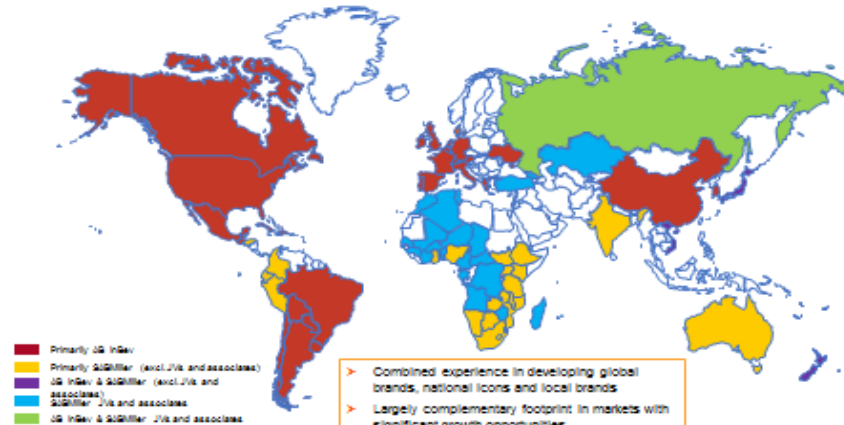
We want a cleaner world where natural resources are accessible and safe for all.

A healthier world



We want a healthier world where every experience with beer is a positive one, for lives well lived.

With operations in virtually every major beer market, we offer more choices for consumers



Source: Company Information, PwC, Logic
Note: The geographic footprint represented takes into account the divestitures required in relation to completion of the transaction.

Listed on 4 stock exchanges



AB InBev is a US dollar company with main quotation in Euro. Present on 4 stock exchanges : Belgium (Euronext Brussels, primary listing), Mexico, South Africa and United States (NYSE)

What is XBRL?

What is XBRL?

- XBRL stands for Extensible Business Reporting Language.
- Technology for tagging data to identify and describe information in a company's financial statements, using standard set of identifiers ("tags").
- XBRL standard includes numerous sets (or "taxonomies") of standard tags, with a particular accounting regime ("IFRS" is one taxonomy).
- XBRL is "extensible", meaning that a filer can define its own tag, if a standard tag is not available ("custom tag").
- Each element of the financial statements must be mapped to the appropriate XBRL standard tags.
- Each line item and figure in the financial statements is assigned its own tag.
- Standard tags permit any user of the software to do quantitative analysis of those financial statements, and facilitate the quantitative comparison of financial data of a large number of companies.
- The SEC intends for XBRL to provide all investors with access to enhanced electronic analyses of filers' financial statements and is part of a broader SEC initiative to improve investors' ability to interact with and manipulate data filed with the SEC.

XBRL – the barcoding of financial information



Who uses XBRL?

Standard setters

- IASB and FASB
- Set external financial reporting standards and create a standard taxonomy of XBRL elements available for use

Companies

- Use the standards and XBRL taxonomy to create and submit financial reports

Data Aggregators

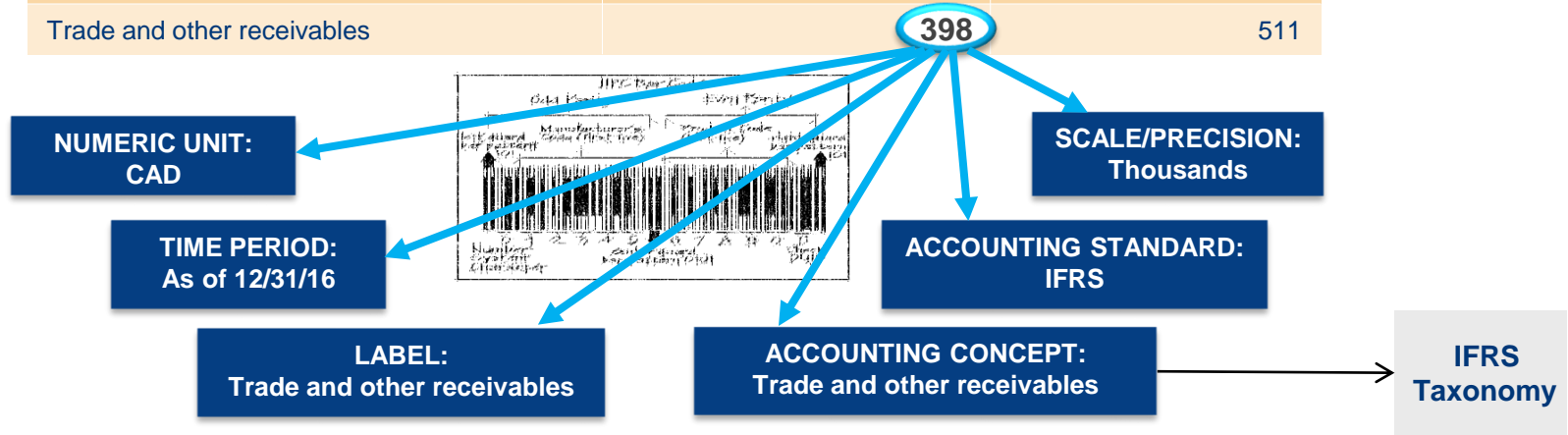
- Operate in taking the XBRL information companies prepare, put it together to make it comparable in their own proprietary way, and then sell the information to analysts and investors.

Investors and Analysts

- Includes regulators, lenders, suppliers, customers, potential investors and others
- XBRL provides automated analysis, less re-keying of info, ability to receive info in preferred format for one's specific style of analysis

XBRL defined

Balance Sheets (CAD\$, in thousands)	As of December 31, 2016	As of December 31, 2015
Cash and cash equivalents	1,019	991
Trade and other receivables	398	511



```
<ifrs-full:TradeAndOtherReceivables contextRef="BalanceAsOf_31Dec2016" unitRef="CAD" decimals="-3">398000</ifrs-full:TradeAndOtherReceivables>
```

What are the SEC requirements applicable for AB InBev?

Background

- Further to the New York Stock Exchange listing of ADS's representing ordinary shares of Anheuser-Busch InBev, the NYSE Corporate Governance rules for Foreign Private Issuers ("FPIs") are applicable to AB InBev.
- On March 1, 2017, the US Securities and Exchange Commission ("SEC") announced that FPIs that report under IFRS are required to exhibit Interactive Data Files for fiscal periods ending on or after 15 December 2017.
- As a result, AB InBev is obligated to file with the SEC an exhibit containing XBRL data for its financial statements, including detailed tags for the face of the consolidated financial statements and all the notes thereto.
- For this first XBRL filing, the SEC allowed for a 30 days grace period.



SEC filing requirements for FPIs

- Interactive Data Files are required to be submitted by AB InBev with each Annual Report on Form 20-F and Half Year Report on Form 6-K (in order to keep AB InBev's U.S. debt shelf registration statement current)
- Only financial statements, financial statement footnotes and financial statement schedules are permitted to be included in Interactive Data Files
- Interactive Data Files must cover all periods covered in the filed financial statements, including prior-year comparative periods
- Failure to file an Interactive Data File when required will result in an FPI being ineligible to use a Shelf Registration Statement on Form F-3 for so long as the failure continues

- **AB InBev submitted its first interactive data files to the SEC for its Form 20-F for the year ended 31 December 2017.**
- **AB InBev took advantage of the 30-days grace period for the initial filing and submitted an amended 20-F incorporating the XBRL exhibit after the initial 20-F was filed.**
- **The second XBRL filing was done for the half-year 2018 6-K report, which is required to be filed by September 30 each year.**
- **Next XBRL filing will be for the 20-F for the year ended 31 December 2018.**

Summary of XBRL filing requirements

Document & Entity Information (DEI)

- Registrant information
- Facts about the document that the HTML reflects
- Number of shares outstanding on cover page

Core Financial Statements

- Each reported amount
- Parenthetical data is also required to be tagged (*)

Notes to the Financial Statements

- Level 1: Block tag for each note
- Level 2: Block tag for each significant accounting policy
- Level 3: Block tag for each table
- Level 4: One tag for each amount (monetary, percent, number)

(*) Numerical values that appear within the line item verbiage must be separately tagged and also mapped to the most appropriate element.

How we made it happen?

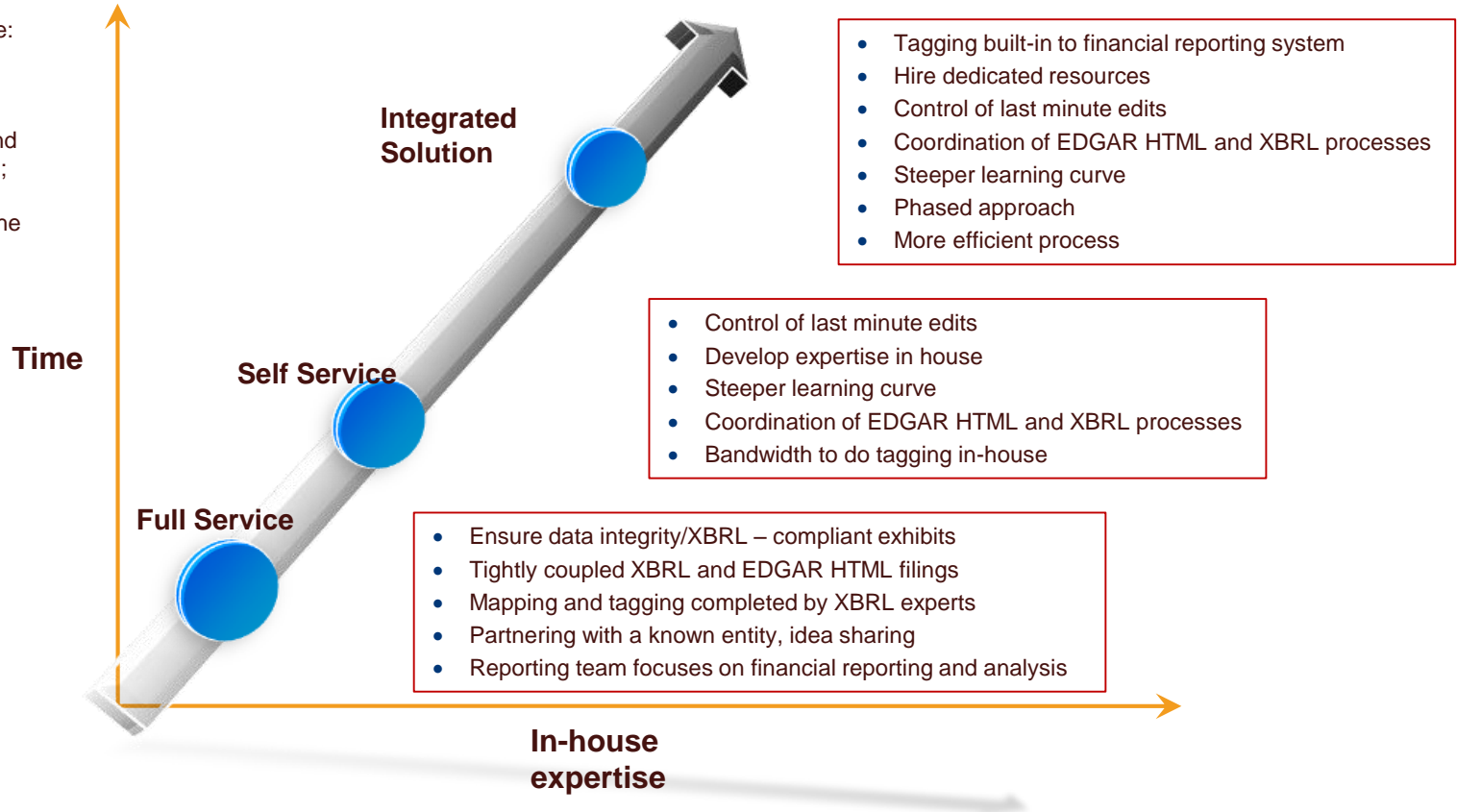
Issuer's roles and responsibilities

- Get educated and utilize XBRL resources
- Decide on XBRL solution
- Internal process vs outsourcing via a service provider
- Identify XBRL stakeholders and owners of XBRL process
- Review, finalize and approve XBRL mapping template
- Understand XBRL filing requirements and guidance
- Incorporate XBRL controls and procedures into filing process
- Outline XBRL concurrent filing schedule and game-plan

Internal process vs outsourcing

Cost considerations include:

- Consulting or service fees;
- Training of internal reviewers in XBRL and the selected software;
- Time taken by personnel to review the prepared interactive data files.



Our approach

What we did:

- Service provider selection: we held several calls and meetings with different service providers, including demos of their IT solutions. We selected our service provider based on several criteria, including knowledge of IFRS, expertise in XBRL and fees.
- We selected Donnelley Financial Solutions (“DFS”) as our service provider, including their online IT solution called the Donnelley Online Reviewer Guide (discussed in the next slides).
- We prepared a mock exercise based on Form 20-F for the year ended 31 December 2016 in order to (i) get more practical experience on XBRL and the IT solutions selected and (ii) have already a solid template to start with for the Form 20-F for the year ended 31 December 2017 (incl. comparatives) for our first XBRL filing.
- We held several calls and reviews with our service provider during the whole process for the FY16, FY17 and HY18 XBRL filings, enabling us to build a deeper XBRL knowledge and for our service provider to get a strong understanding of our financials.

Challenges faced:

- Limited resources and initial XBRL knowledge, as well as time constraints (even though the SEC granted a grace period of 30-days for the first XBRL filing after the Form 20-F publication).
- The mock exercise prepared based on 31 December 2016 figures was complex as it was the first time we reported combined figures with SAB.
- Prior year figures were restated in FY17 to reflect the latest updates to the opening balance sheet of SAB.
- XBRL tagging is not (yet) a fully integrated process. Once changes are made to our financials (20-F or 6-K), it requires us to send a revised version to our service provider that needs then to re-input the updated version into the tool. In case of late changes, this could delay the whole process and in the worst case scenario preventing us to file on time.
- Lots of comments and reviews with our service provider during the first FY16 and FY17 XBRL exercises.

XBRL process – Phase 1: template build

Education & Training

Initial Tagging / Mapping

XBRL Onboarding call with service provider

Issuer Comments / Questions

Service provider Responds

Issuer Responds

Call with Specialist (as necessary)

Service provider Responds

Issuer Responds / Approval

Service provider Responds

Template Approved (move into Phase 2)

* Dependent on concept count; 6 weeks is an average based on most 20-F filers (based on IFRS experience)
** Comments that require extensive taxonomy research may take longer

Starting Point – As-Filed 20-F

Approx. 4-6 Weeks (variable*)

2-3 Weeks

2 Weeks**

2 Weeks

1 Week

1 Week

1 Week

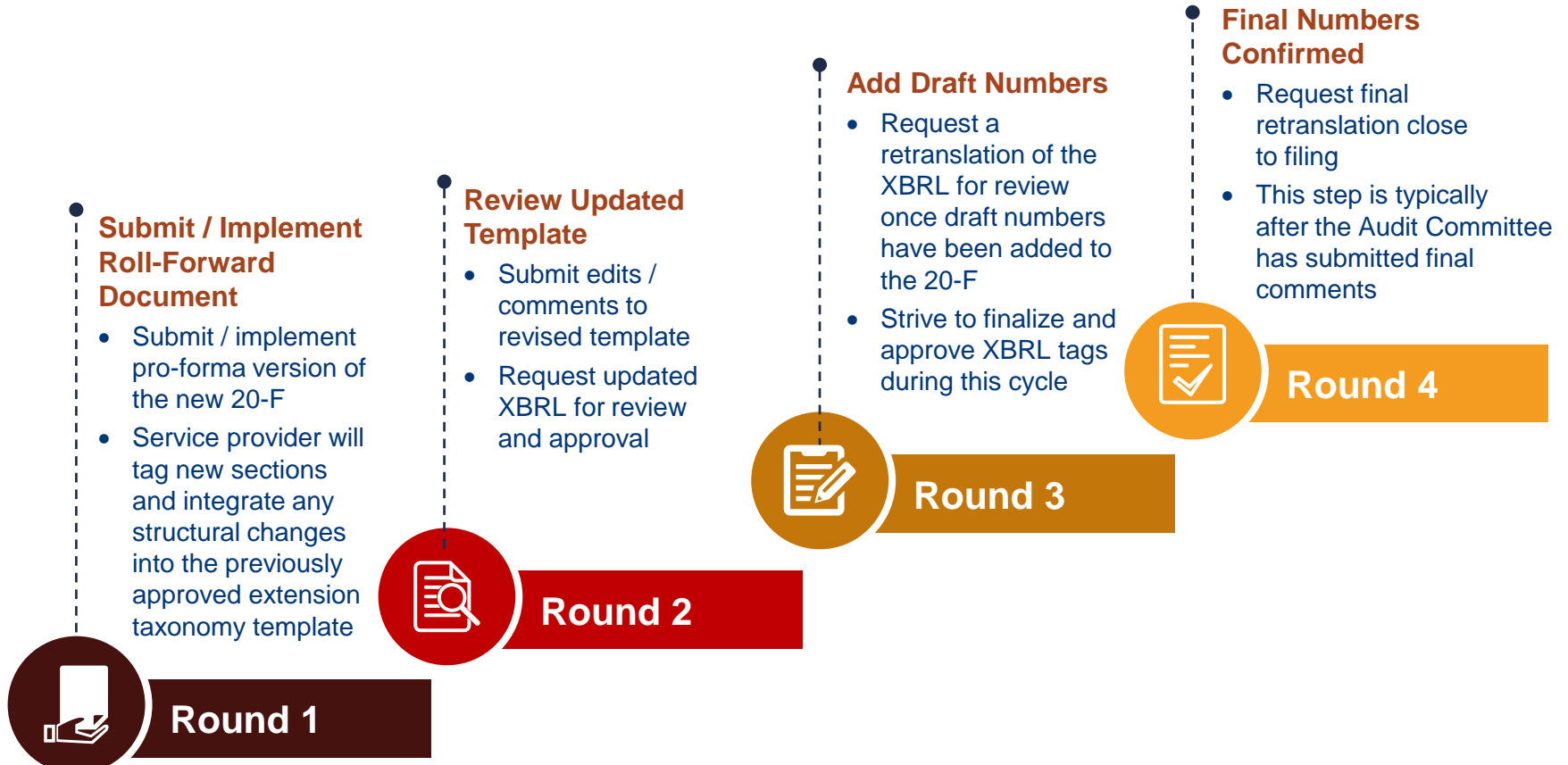
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ROUND 1

ROUND 2

ROUND 3

XBRL process – Phase 2: live 20-F



XBRL online review tool

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Online Reviewer's Guide Statements Disclosures Tables Details Documents Round 6

Consolidated Statement of Financial Position - USD (\$)

\$ in Millions	Jun. 30, 2018	Dec. 31, 2017		
Non-current assets				
Property, plant and equipment	\$ 25,451	\$ 27,184		
Goodwill	136,752	140,940		
Intangible assets	45,392	45,874		
Investments in associates and joint ventures	6,319	5,263		
Investment securities	112	100		
Deferred tax assets	1,601	1,216		
Employee benefits	19	22		
Income tax receivables	524	708		
Derivatives	29	25		
Trade and other receivables	756	834		
Non-current assets		22,166		
Current assets				
Investment securities		1,304		
Inventories		4,119		
Income tax receivable		908		
Derivatives		458		
Trade and other receivables		6,566		
Cash and cash equivalents		10,472		
Assets classified as held for sale		133		

XBRL Properties

Label	Non-current assets		
Tag	ifrs-full:NoncurrentAssets		
Rendered Value	222,166	Decimal Precision	-6
Instance Value	222166000000	Negated Label	False
Date	12/31/2017	Data Type	xbri:monetaryItemType
Balance	debit	Units	USD

[Explore using Tag Finder](#)


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Consolidated Income Statement - USD (\$)

\$ in Millions	6 Months Ended			
	Jun. 30, 2018	Jun. 30, 2017		
Profit or loss [abstract]				
Revenue	\$ 27,087	\$ 27,104		
Cost of sales	(10,184)	(10,674)		
Gross profit	16,903	16,430		
Distribution expenses	(2,925)	(2,840)		
Sales and marketing expenses	(4,095)	(4,082)		
Administrative expenses	(1,771)	(1,857)		
Other operating income/(expenses)	332	408		
Restructuring	(137)	(288)		
Business and asset disposal	(21)	26		
Acquisition costs business combinations	(38)	(25)		
Profit from operations	8,248	7,773		
Finance cost	(3,534)	(3,459)		
Finance income	224	128		
Net finance income/(cost)	(3,310)	(3,331)		
Share of result of associates and joint ventures	93	124		
Profit before tax	5,031	4,566		
Income tax expense	(1,436)	(994)		
Profit from continuing operations	3,595	3,572		
Profit from discontinued operations	0	28		

XBRL online review tool


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 Financial Solutions (BUD) Form 6-K for Period Ending Jun

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Online Reviewer's Guide

Statements ▾ Disclosures ▾ Tables ▾ Details ▾ Documents ▾ ← → Round 6 ▾ ! 🔍 🏠 📄 ⓘ

Goodwill - Reconciliation of Goodwill (Detail) - USD (\$)

\$ in Millions	6 Months Ended	12 Months Ended		
	Jun. 30, 2018	Dec. 31, 2017		
Disclosure of reconciliation of changes in goodwill [line items]				
Goodwill beginning balance	\$ 140,940	\$ 140,940		
Goodwill ending balance	136,752	140,940		
Gross carrying amount [member]				
Disclosure of reconciliation of changes in goodwill [line items]				
Goodwill beginning balance	140,980	135,897		
Effect of movements in foreign exchange	(3,696)	4,684		
Disposals through the sale of subsidiaries	(514)			
Acquisitions through business combinations	0	398		
Reclassified as held for sale	(13)			
Goodwill ending balance	136,757	140,980		
Impairment losses [member]				
Disclosure of reconciliation of changes in goodwill [line items]				
Goodwill beginning balance	(40)	(34)		
Impairment losses	0	(6)		
Disposals through the sale of subsidiaries	35			
Goodwill ending balance	\$ (5)	\$ (40)		

XBRL Properties

Label	Goodwill ending balance		
Tag	ifrs-full:Goodwill		
Rendered Value	140,940	Decimal Precision	-6
Instance Value	140940000000	Negated Label	False
Date	12/31/2017	Data Type	xbri:monetaryItemType
Balance	debit	Units	USD

[Explore using Tag Finder](#)

XBRL Properties

Label	Effect of movements in foreign exchange		
Tag	ifrs-full:IncreaseDecreaseThroughNetExchangeDifferencesGoodwill		
Dimension	ifrs-full:CarryingAmountAccumulatedDepreciationAmortisationAndImpairmentAndGrossCarryingAmount Axis => ifrs-full:GrossCarryingAmountMember		
Rendered Value	(3,696)	Decimal Precision	-6
Instance Value	-3696000000	Negated Label	False
Date	1/1/2018 - 6/30/2018	Data Type	xbri:monetaryItemType
Balance	debit	Units	USD

[Explore using Tag Finder](#)

XBRL online review tool

Property, Plant and Equipment - Detailed Information About Property, Plant and Equipment (Detail) - USD (\$)	6 Months Ended		12 Months Ended	
	Jun. 30, 2018	Dec. 31, 2017		
\$ in Millions				
Disclosure of detailed information about property, plant and equipment [line items]				
Beginning balance	\$ 27,184			
Ending balance	25,451	\$ 27,184		
Acquisition cost [member]				
Disclosure of detailed information about property, plant and equipment [line items]				
Beginning balance	48,724	44,352		
Effect of movements in foreign exchange	(2,246)	1,431		
Acquisitions	1,638	4,221		
Acquisitions through business combinations	0	169		
Disposals	(439)	(1,586)		
Disposals through the sale of subsidiaries	(1,049)	(60)		
Transfer (to)/from other asset categories and other movements ¹	135	177		
Ending balance	46,761	48,724		
Depreciation and impairment losses [member]				
Disclosure of detailed information about property, plant and equipment [line items]				
Beginning balance	(21,540)	(18,133)		
Effect of movements in foreign exchange	1,107	(697)		
Depreciation	(1,831)	(3,567)		
Disposals	365	1,161		
Disposals through the sale of subsidiaries	800	48		
Impairment losses	(39)	(85)		
Transfer (to)/from other asset categories and other movements ¹	(173)	(267)		

10. PROPERTY, PLANT AND EQUIPMENT

Million US dollar	30 June 2018			31 December 2017	
	Land and buildings	Plant and equipment, fixtures and fittings	Under construction	Total	Total
Acquisition cost					
Balance at end of previous year	12 742	33 717	2 265	48 724	44 352
Effect of movements in foreign exchange	(518)	(1 655)	(73)	(2 246)	1 431
Acquisitions	44	625	969	1 638	4 221
Acquisitions through business combinations	0	0	0	0	169
Disposals	(10)	(423)	(6)	(439)	(1 566)
Disposals through the sale of subsidiaries	(241)	(782)	(26)	(1 049)	(60)
Transfer (to)/from other asset categories and other movements ¹	244	950	(1 059)	135	177
Balance at end of the period	12 261	32 430	2 070	46 761	48 724
Depreciation and impairment losses					
Balance at end of previous year	(3 514)	(18 026)	0	(21 540)	(18 133)
Effect of movements in foreign exchange	150	957	0	1 107	(697)
Depreciation	(241)	(1 590)	0	(1 831)	(3 567)
Disposals	3	362	0	365	1 161
Disposals through the sale of subsidiaries	174	626	0	800	48
Impairment losses	0	(39)	0	(39)	(85)
Transfer to (from) other asset categories and other movements ¹	(30)	(143)	0	(173)	(267)
Balance at end of the period	(3 458)	(17 852)	0	(21 310)	(21 540)
Carrying amount					
at 31 December 2017	9 228	15 691	2 265	27 184	27 184
at 30 June 2018	8 803	14 578	2 070	25 451	—

XBRL online review tool

On 2 May 2018, AB InBev recovered the Budweiser distribution rights in Argentina from CCU. The transaction involved the transfer of the Isenbeck, Iguana, Diosa, Norte and Baltica brands, along with a cash payment of 306m US dollar and other commitments, to CCU Argentina. The Budweiser distribution rights have been assigned an indefinite useful life.

The screenshot shows the Donnelley ANHEUSER-BUSCH INBEV Online Reviewer's Guide interface. The page title is "SA/NV (BUD) Form 6-K for". The navigation menu includes "Statements", "Disclosures", "Tables", "Details", and "Documents". The current view is "Round 6". The table displays "Intangible Assets - Additional Information (Detail)" for "May 02, 2018 USD (\$)". A row is highlighted for "Payment for recovery of distribution rights" with a value of "\$ 306". A tooltip titled "XBRL Properties" is open over this row, showing the following details:

XBRL Properties			
Label	Payment for recovery of distribution rights		
Tag	bud:PaymentForRecoveryOfDistributionRights		
Rendered Value	\$ 306	Decimal Precision	-6
Instance Value	306000000	Negated Label	False
Date	5/2/2018 - 5/2/2018	Data Type	xbrli:monetaryItemType
Balance	credit	Units	USD

A red arrow points from the tag "bud:PaymentForRecoveryOfDistributionRights" in the tooltip to the text "Custom tag ('bud')".

What did we learn?

Lessons learned: usual common mistakes

- Incorrect mapping to XBRL (selecting inappropriate elements from the taxonomy) or inconsistent tagging between different sections.
- Inconsistent data between XBRL and the financial statements (data entry error, incorrect time period, incorrect sign or rounding).
- Incomplete tagging: all values, including percentages and parenthetical information, must be tagged.
- Creation of extension elements (i.e. custom tags) when an appropriate element existed in the standard taxonomy.
- Selection of elements that were either too narrow or too broad for the associated financial reporting concept.
- Efforts to make a rendered version of the interactive data file “look like” the traditional financial statements.
- Calculation inconsistencies not addressed before submission of the interactive data file.
- Outdated data from prior year (e.g. in case of restatements or reclassifications in current year financial statements).

Our advices after two XBRL filings

- Engage in adequate training: review the rules as well as educational and supporting materials well in advance, including the IFRS taxonomy.
- Make clear assignment of responsibilities: assemble an XBRL reporting team.
- Establish process and ownership, and communicate with all stakeholders on the new XBRL requirements.
- Consider whether the process will be internally managed or outsourced.
- Have more than one internal expert involved in the mapping and review processes.
- Do not rely solely on software validation.
- Start early and consider tagging a mock filing as practice before the requirements are effective.
- Prepare a detailed plan and establish controls at key stages of the process, create a formal mapping review process, e.g. progressive review by peers, IFRS and XBRL experts.
- Document the XBRL process & choices, especially the basis for mapping specific accounting concepts to particular elements.
- Allow adequate time for final changes and reviews.
- Reduce as much as possible the use of custom tags (i.e. tags not coming from the taxonomy).
- Engage and communicate with all stakeholders on the new XBRL requirements.
- Try to integrate as much as possible the XBRL process to the reporting process.
- Keep in mind that the XBRL tagging is a recurring process, i.e. it does not stop once you filed for the first time.
- Exercise the same diligence with XBRL filings that you would with other filings.

What are our next steps?

What are our next steps?

- Increase XBRL knowledge through educational materials, webcasts, meetings with our service provider, etc. and also through the learning curve.
- Integrate the XBRL process within the reporting process to reduce the time lag and efforts between financials readiness and XBRL readiness.
- Develop our Business Service Center to have them perform the first XBRL reviews.
- To be noted that in June 2018, the SEC announced that it would be requiring companies that submit financial statement information in XBRL to transition to Inline XBRL. Financial statements will no longer need to be copied and tagged with XBRL in separate exhibits. The rules will apply to AB InBev for the first time for its 2021 20-F annual report, published in early 2022.