

**ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**



**CORPORATE GOVERNANCE CHARTER**

**January 2011**

# ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

<b>Introduction</b>	<b>4</b>
<b>1. SIGNIFICANT SHAREHOLDERS AND SHAREHOLDERS ARRANGEMENTS</b>	<b>5</b>
<b>1.1. Controlling shareholder</b>	<b>5</b>
<b>1.2. Shareholders' arrangements</b>	<b>5</b>
<b>1.3. Shareholders' structure</b>	<b>6</b>
<b>2. SHARES AND SHAREHOLDERS</b>	<b>8</b>
<b>2.1. Capital and shares</b>	<b>8</b>
<i>2.1.1 Amount and value of share capital</i>	8
<i>2.1.2 Form of share capital</i>	8
<i>2.1.3 Changes in share capital – Authorised capital</i>	9
<i>2.1.4 Preferential subscription right in case of increase of capital</i>	9
<i>2.1.5 Acquisition and disposal of own shares</i>	9
<b>2.2. Shareholders' Meetings and voting rights</b>	<b>9</b>
<i>2.2.1 Annual Shareholders' Meetings</i>	10
<i>2.2.2 Extraordinary Shareholders Meetings</i>	10
<i>2.2.3 Notice</i>	10
<i>2.2.4 Admission to meetings</i>	10
<i>2.2.5 Votes, quorum and majority requirements</i>	11
<i>2.2.6 Minutes</i>	12
<b>2.3. Rights to dividends</b>	<b>12</b>
<b>2.4. Communication to shareholders</b>	<b>12</b>
<b>3. ANHEUSER-BUSCH INBEV'S BOARD</b>	<b>13</b>
<b>3.1. Powers and responsibilities of the Board</b>	<b>13</b>
<b>3.2 Composition of the Board</b>	<b>14</b>
<b>3.3 The functioning of the Board</b>	<b>16</b>
<b>3.4 Relationship with management</b>	<b>17</b>
<b>3.5 Access to advisors</b>	<b>17</b>
<b>3.6 Information for Directors</b>	<b>17</b>
<b>3.7 The remuneration of Directors</b>	<b>17</b>

# ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

<b>3.8 Chairman of the Board and Company Secretary</b>	<b>18</b>
3.8.1 <i>Appointment</i>	18
3.8.2 <i>Powers and responsibilities</i>	18
3.8.3 <i>Company Secretary</i>	19
<b>3.9. Authority</b>	<b>19</b>
<b>4. EXECUTIVE MANAGEMENT</b>	<b>19</b>
<b>4.1 Chief Executive Officer</b>	<b>19</b>
4.1.1 <i>Appointment</i>	19
4.1.2 <i>Powers and responsibilities</i>	19
<b>4.2 Executive Board of Management (“EBM”)</b>	<b>20</b>
4.2.1 <i>Composition and functioning</i>	20
4.2.2 <i>Role and responsibilities</i>	20
<b>4.3 Remuneration of Executive Management</b>	<b>20</b>
<b>5. BOARD COMMITTEES</b>	<b>20</b>
<b>5.1. Remuneration Committee</b>	<b>21</b>
<b>5.2 Nomination Committee</b>	<b>22</b>
<b>5.3. Finance Committee</b>	<b>25</b>
5.3.1 <i>Composition and functioning</i>	25
5.3.2 <i>Powers and responsibilities</i>	25
<b>5.4. Audit Committee</b>	<b>26</b>
5.4.1 <i>Composition and functioning</i>	26
5.4.2 <i>Powers and responsibilities</i>	27
With respect to the audit of the affairs of the company	27
With respect to the Compliance Program and the legal and regulatory affairs of the company	29
With respect to the risk management and internal controls within the company	30
With respect to procedures for complaints	30
<b>6. CODE OF CONDUCT AND CODE OF DEALING</b>	<b>30</b>
<b>6.1. Business integrity and ethics</b>	<b>30</b>
<b>6.2 Transactions in shares of the company</b>	<b>33</b>

# ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

## Introduction

Anheuser-Busch InBev is committed to achieving the highest standards of Corporate Governance. For Anheuser-Busch InBev, the issue is two-fold. Corporate Governance concerns both the effectiveness and the accountability of the Board of Directors.

Effectiveness, and therefore the quality of leadership and direction that the Board provides, is measured by performance which is ultimately reflected in enhanced shareholder value.

Accountability, including all the issues surrounding disclosure and transparency, is what provides legitimacy to the Board's actions. Shareholders elect directors to run the company on their behalf; the Board is accountable to shareholders for its actions.

As a company incorporated under Belgian law and listed on Euronext Brussels, Anheuser-Busch InBev adheres to most of the principles and provisions of the 2009 Belgian Corporate Governance Code, taking into account its specific status as a multinational group. Further to the New York Stock Exchange listing of ADS's representing ordinary shares of Anheuser-Busch InBev, the New York Stock Exchange Corporate Governance rules for Foreign Private Issuers are applicable to the company. According to these rules, the company discloses on its website [www.ab-inbev.com/corporate\\_governance](http://www.ab-inbev.com/corporate_governance) any significant ways in which its Corporate Governance practices differ from those followed by domestic companies listed on the NYSE. Anheuser-Busch InBev has also registered under the U.S. Securities Exchange Act of 1934, as amended. As a result, it is subject to the Sarbanes-Oxley Act of 2002 and to certain U.S. Securities laws and regulations relating to corporate governance.

The Anheuser-Busch InBev rules of Corporate Governance have been established by the Anheuser-Busch InBev Board of Directors to reinforce its standards for the company. As part of these rules, Anheuser-Busch InBev has adopted a Code of Business Conduct, including a Code of Share Dealing as a publicly traded company.

This Corporate Governance Charter aims at providing a comprehensive and transparent disclosure of the company's governance. It is posted on the Anheuser-Busch InBev website [www.ab-inbev.com/corporate\\_governance](http://www.ab-inbev.com/corporate_governance) and will be continuously reviewed and updated as required.

In addition, the company will include in its annual report a corporate governance statement with factual information with respect to its Corporate Governance and relevant modifications thereto, together with details of Executive Remuneration and of relevant events that took place during the year.

Anheuser-Busch InBev's ambition is to become the *Best Beer Company in a Better World*. In pursuing this dream, the company strives to strike a balance between generating great business results and managing its environmental and social responsibilities. Sustainability is central to the company's culture and embedded in the way the company does business.

Since 2005, Anheuser-Busch InBev has published its annual Global Citizenship Report which outlines its targets and progress made in the following areas:

- responsible drinking;
- environment; and
- community.

The Global Citizenship Report is available on the Anheuser-Busch InBev website, [www.ab-inbev.com/responsible\\_brewer](http://www.ab-inbev.com/responsible_brewer), which is a section of the website specifically dedicated to the company's initiatives and achievements related to corporate social responsibility.

# ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

## 1. Significant shareholders and shareholders arrangements

### 1.1. Controlling shareholder

The controlling shareholder of Anheuser-Busch InBev is Stichting Anheuser-Busch InBev ("the Stichting"), a foundation organized under the laws of The Netherlands, which represents an important part of the interests of the Belgian founding families of Anheuser-Busch InBev (mainly represented by Eugénie Patri Sébastien SA ("EPS")) and the interests of the Brazilian families, previously shareholders of AmBev (represented by BRC Sàrl ("BRC")).

The Stichting owns 663,074,830 Anheuser-Busch InBev shares, which represents a 41.31 % voting interest in Anheuser-Busch InBev as at 21 December 2010.

The Stichting is governed by its bylaws and its conditions of administration.

The objective of the Stichting is to participate in the continuing growth and development of a world leader in the brewing industry.

### 1.2. Shareholders' arrangements

In connection with the combination of Interbrew with AmBev, BRC, EPS, Rayvax Société d'investissements SA ("Rayvax") and the Stichting entered into a shareholders' agreement on 2 March 2004 which provides for BRC and EPS to hold their interests in Anheuser-Busch InBev through the Stichting (except for approximately 133 million shares that are held by EPS and except for approximately 33 million shares that are held by BRC as of 21 December 2010) and addresses, among other things, certain matters relating to the governance and management of the Stichting and Anheuser-Busch InBev as well as the transfer of the Stichting certificates. As of 21 December 2010, BRC held 331,537,415 class B Stichting certificates (indirectly representing 331,537,415 shares) and EPS held 331,537,415 class A Stichting certificates (indirectly representing 331,537,415 shares). The shareholders agreement was amended and restated on 9 September 2009.

Pursuant to the terms of the shareholders' agreement, BRC and EPS jointly and equally exercise control over the Stichting and the shares held by it. Among other things, BRC and EPS have agreed that the Stichting will be managed by an eight-member board of directors and that each of BRC and EPS will have the right to appoint four directors to the Stichting Board. At least seven of the eight Stichting directors must be present in order to constitute a quorum, and any action to be taken by the Stichting Board will, subject to certain qualified majority conditions, require the approval of a majority of the directors present, including at least two directors appointed by BRC and two appointed by EPS. Subject to certain exceptions, all decisions of the Stichting with respect to the shares it holds, including how its shares will be voted at all Shareholders' Meetings of Anheuser-Busch InBev will be made by the Stichting Board.

The shareholders' agreement requires the Stichting Board to meet prior to each Shareholders' Meeting of Anheuser-Busch InBev to determine how the Stichting's shares will be voted.

The shareholders' agreement, as amended, provides for restrictions on the ability of BRC and EPS to transfer their Stichting certificates (and consequently their shares held through the Stichting).

In addition, the shareholders' agreement requires EPS and BRC and their permitted transferees under the shareholders' agreement, whose shares are not held through the Stichting, to vote their shares in the same manner as the shares held by the Stichting and to effect any transfers of their shares in an orderly manner of disposal that does not disrupt the market for the shares and

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

in accordance with any conditions established by Anheuser-Busch InBev to ensure such orderly disposal. In addition, under the shareholders' agreement, EPS and BRC agree not to acquire any shares of capital stock of AmBev, subject to limited exceptions.

Pursuant to the shareholders' agreement, the Stichting Board proposes the nomination of eight directors at the Anheuser-Busch InBev Shareholders' Meeting, among which each of BRC and EPS have the right to nominate four directors. In addition, the Stichting Board proposes the nomination of four to six independent directors.

The shareholders' agreement will remain in effect for an initial term of 20 years commencing on 27 August 2004. Thereafter, it will be automatically renewed for successive terms of 10 years each unless, not later than two years prior to the expiration of the initial or any successive 10-year term, either BRC or EPS notifies the other of its intention to terminate the shareholders' agreement.

In addition, the Stichting has entered into a voting agreement with Fonds InBev-Baillet Latour SPRL and Fonds Voorzitter Verhelst SPRL. This agreement provides for consultations between the three bodies before any Shareholders' Meeting to decide how they will exercise the voting rights attached to the shares. This agreement will expire on 16 October 2016, but is renewable as well.

### 1.3. Shareholders' structure

The following table shows the shareholders' structure based on the notifications by the controlling shareholders made on 21 December 2010 according to article 6 of the Law of 2 May 2007 on the notification of significant shareholdings and made on 30 August 2010 according to article 74 of the Law of 1 April 2007 on Public Take-over Bids.

The first seven entities mentioned in the table act in concert and hold 842,558,773 ordinary shares of the company, representing 52.49% of the voting rights as of 21 December 2010, the date of the most recent notification.

*1. Stichting Anheuser-Busch InBev, stichting administratiekantoor under Dutch law*

Number of shares	663,074,830	41,31 %*
------------------	-------------	----------

*2. Fonds InBev – Baillet Latour sprl with a social purpose under Belgian law*

Number of shares	5,485,415	0.34 %
------------------	-----------	--------

*3. Fonds President Verhelst sprl with a social purpose under Belgian law*

Number of shares	6,997,665	0.44 %
------------------	-----------	--------

*4. Eugénie Patri Sébastien (EPS) SA under Luxembourg law, affiliated to Stichting Anheuser-Busch InBev that it jointly controls with BRC Sàrl under Luxembourg law*

Number of shares	133,467,609	8.31 %
------------------	-------------	--------

*5. Rayvax Société d'investissements SA under Belgian law*

Number of shares	0	0 %
------------------	---	-----

*6. Sébastien Holding SA under Belgian law, affiliated to Rayvax Société d'Investissements, its parent company*

Number of shares	484,794	0.03%
------------------	---------	-------

*7. BRC Sàrl under Luxembourg law, affiliated to Stichting Anheuser-Busch InBev that it jointly controls with EPS SA under Luxembourg law*

Number of shares	33,048,460	2.06 %
------------------	------------	--------



# ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

*4. Anheuser-Busch InBev and its indirect subsidiary, Brandbrew, together hold 0.78 % of Anheuser-Busch InBev shares as at 21 December 2010.*

## **2. Shares and shareholders**

### **2.1. Capital and shares**

#### ***2.1.1 Amount and value of share capital***

The detailed number of Anheuser-Busch InBev shares currently outstanding and the amount of Anheuser-Busch InBev's issued and paid-up capital can be found on [www.ab-inbev.com/investors](http://www.ab-inbev.com/investors). As of 31 December 2010, the issued, paid-up capital of Anheuser-Busch InBev is €1,236,253,528.58 and is represented by 1,605,183,954 fully paid up shares without nominal value, each share representing 1/1,605,183,954<sup>th</sup> of the total capital.

#### ***2.1.2 Form of share capital***

Anheuser-Busch InBev shares can be held as either bearer shares or registered shares at the discretion of the shareholder. As from 1 January, 2008 shares can also be held in dematerialized form within the limits provided for by Belgian law.

Dematerialized shares are represented by an entry in an account in the name of its owner with an authorized account holder or with a clearing institution. For registered shares, the names and addresses of all shareholders or holders of a right of usufruct or pledge are recorded in the electronic shareholder register. On request, holders of registered shares will be provided with an extract from the register.

Shareholders may elect to have their registered shares converted into dematerialized shares and vice versa at their own expense. As from 1 January 2008, bearer shares booked into a securities account have been automatically converted into dematerialized shares. As from 1 January 2008, bearer shares not yet booked in a securities account shall be automatically converted into dematerialized shares as from the time they are booked into a securities account.

#### *American Depositary Shares*

Anheuser-Busch InBev has registered American Depositary Shares ("ADSs") which are represented by American Depositary Receipts ("ADRs") in a sponsored facility. The ADSs are listed on the NYSE.

The deposit agreement is among Anheuser-Busch InBev, The Bank of New York Mellon, as ADR depository, and all holders of ADRs issued under the deposit agreement.

Each ADS represents one ordinary share (or a right to receive a share).

Investors may hold ADSs either (A) directly (i) by having an ADR, which is a certificate evidencing a specific number of ADSs, registered in their name or (ii) by having ADSs registered in their name in the Direct Registration System or (B) indirectly by holding a security entitlement in ADSs through their broker or other financial institution.

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

ADS holders are not treated as shareholders and have no shareholders' rights. The depositary is the holder of the shares underlying the ADSs. The deposit agreement sets out ADS holder rights as well as the rights and obligations of the depositary.

### ***2.1.3 Changes in share capital – Authorised capital***

Anheuser-Busch InBev may increase or decrease its share capital with the specific approval of shareholders at a Shareholders' Meeting.

The shareholders may also authorise the Board of Directors to increase the share capital as the Board may determine in the future. An authorisation must be limited in time and amount. In either case, the shareholders' approval or authorisation must satisfy the quorum and majority requirements applicable to amendments to the Articles of Association. On 28 April 2009, the shareholders authorised the Board of Directors to increase the share capital of Anheuser-Busch InBev to an amount not to exceed 3% of the total number of shares issued and outstanding on 28 April 2009 (i.e. 1,602,862,013). This authorisation has been granted for a period of 5 years. It can be used for several purposes, including when sound management of the company's business would call for a restructuring, an acquisition of shares or assets in one or more companies, or generally, an increase in Anheuser-Busch InBev's equity.

### ***2.1.4 Preferential subscription right in case of increase of capital***

In the case of an increase of capital, the new shares, the subscription price of which is to be paid in cash, shall first be offered to the existing shareholders in proportion to that share of the capital represented by their shares.

The Board of Directors may decide that preferential subscription rights, which were not exercised, or were only partly exercised, by any shareholders, shall accrue proportionally to the other shareholders who have already exercised their subscription rights, and shall fix the practical terms for such subscription.

The shareholders acting at the Shareholders' Meeting, in accordance with Article 596 of the Belgian Companies Code and in the interests of the company, may restrict or cancel the preferential subscription right. In the case of a capital increase pursuant to the authorised capital, the Board of Directors may likewise restrict or cancel the preferential subscription right, including in favour of one or more specific persons other than employees of the company or one of its subsidiaries.

### ***2.1.5 Acquisition and disposal of own shares***

Anheuser-Busch InBev's Board of Directors has been authorised by the Shareholders' Meeting to acquire, on or outside the stock exchange, Anheuser-Busch InBev shares for a price which will not be more than 10% below the lowest closing price in the last 20 days preceding the transaction and not more than 10% above the highest closing price in the last 20 days preceding the transaction.

The above authorisation is valid for a 5-year period commencing from 28 April 2009.

## **2.2. Shareholders' Meetings and voting rights**

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

Anheuser-Busch InBev encourages its shareholders to participate in Shareholders' Meetings. In order to facilitate this, voting in absentia may take the form of proxy voting and voting by mail. Agendas and all other relevant information are available on the company's website in advance of Shareholders' Meetings.

### **2.2.1 Annual Shareholders' Meetings**

The annual Shareholders' Meeting of Anheuser-Busch InBev is held on the last Tuesday of April. At this meeting, the Board of Directors and the statutory auditor present a report on the management and the financial situation of Anheuser-Busch InBev at the end of the previous fiscal year. The shareholders then vote on the approval of the annual accounts, the allocation of Anheuser-Busch InBev's profit or loss, the appointment or renewal, if necessary, of directors or statutory auditors, and the release from liability of the directors and the statutory auditor.

Prior to the annual Shareholders' Meeting, shareholders are invited to submit in writing any questions they have for the Chairman or the CEO for discussion during the meeting.

### **2.2.2 Extraordinary Shareholders Meetings**

The Board of Directors or the statutory auditor may convene an Extraordinary Shareholders' Meeting. Shareholders representing one-fifth of Anheuser-Busch InBev's capital may also ask the Board of Directors to convene an Extraordinary Shareholders' Meeting.

### **2.2.3 Notice**

Notices of all Shareholders' Meetings contain the agenda of the meeting and the Board's recommendations on the matters to be voted upon.

Anheuser-Busch InBev sends written notice of the meeting by mail to all holders of registered shares at least 15 days prior to the meeting. It also publishes a notice of the meeting in the Belgian State Gazette ("*Moniteur belge/Belgisch Staatsblad*"), and in at least one Belgian newspaper. The notices are published at least 24 days prior to the meeting.

Notices of all Shareholders' Meetings and all related documents, such as specific Board and auditor's reports, are also published on [www.ab-inbev.com/corporate\\_governance](http://www.ab-inbev.com/corporate_governance).

### **2.2.4 Admission to meetings**

To attend a Shareholders' Meeting, holders of printed bearer shares must first convert their shares into registered or dematerialized shares as specified in article 25 of the Articles of Association.

Holders of dematerialized shares must deposit with a branch of BNP Paribas Fortis Bank in Belgium, at least 3 business days prior to the Shareholders' Meeting, a certificate of no transferability until and including the day of the Shareholders' Meeting issued by an authorised account holder or by the clearing organisation approved in accordance with Article 468 of the Belgian Companies Code, with an indication of the quantity of shares so blocked.

Holders of registered shares must express, no later than 3 business days prior to the meeting, their intention to attend the meeting and the number of shares in respect of which they intend to exercise voting rights.

Any shareholder may attend Shareholders' Meetings in person or be represented by a proxy, who need not be a shareholder. All proxies must be in writing in accordance with the form prescribed

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

by the company and must be received by Anheuser-Busch InBev no later than the date upon which shareholders must deposit their shares.

### **2.2.5 Votes, quorum and majority requirements**

Each share is entitled to one vote.

Shareholders are allowed to vote in person, by proxy or by mail. Votes by mail must be cast using the form prepared by Anheuser-Busch InBev and must be received by the company no later than the date upon which the shareholders must deposit their shares.

Generally speaking, there is no quorum requirement for a Shareholders' Meeting and decisions are taken by a simple majority vote of shares present or represented.

Resolutions relating to amendments of the Articles of Association or the merger or division of Anheuser-Busch InBev are subject to special quorum and majority requirements. Specifically, any resolution on these matters requires the presence in person or by proxy of shareholders holding an aggregate of at least 50% of the issued share capital, and the approval of at least 75% of the share capital present or represented at the meeting. If a quorum is not present, a second meeting must be convened. At the second meeting, the quorum requirement does not apply. However, the special majority requirement continues to apply.

Any modification of Anheuser-Busch InBev's corporate purpose or legal form requires a quorum of shareholders holding an aggregate of at least 50% of the share capital and approval by a qualified majority of at least 80% of the share capital present or represented. If there is no quorum, a second meeting must be convened. At the second meeting, no quorum is required, but the relevant resolution must be approved by a qualified majority of at least 80% of the share capital present or represented.

The Extraordinary Shareholders' Meeting of 25 April 2006 approved an amendment to the Articles of Association. As a consequence, the following matters are now within the exclusive jurisdiction of the shareholders at a Shareholders' Meeting and shall be adopted by the approval of at least 75% of the shares attending or represented at the meeting, regardless of the number of shares attending or represented:

- any decision to apply for the delisting of the securities of Anheuser-Busch InBev from any stock market; and
- any acquisition or disposal of assets by Anheuser-Busch InBev having a book value exceeding 1/3 of Anheuser-Busch InBev's consolidated total assets as reported in Anheuser-Busch InBev's most recent audited financial statements.

As a result of the amendment approved by the Extraordinary Shareholders' Meeting of 25 April 2006, the following matters are also within the jurisdiction of the shareholders at a Shareholders' Meeting and shall be adopted with an affirmative vote of 75% of the shares attending or represented at the meeting, regardless of the number of shares attending or represented, if and only if any four directors of the company request that the matter be submitted to a shareholder vote at a Shareholders' Meeting:

- any matter relating to the company's dividend payout policy (except that the actual amount of any dividend remains subject to approval by the shareholders at a Shareholders' Meeting in accordance with the Belgian Companies Code).

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

The following matters shall be within the jurisdiction of the shareholders at a Shareholders' Meeting and shall be adopted with a positive vote of 50% plus one of the shares attending or represented at the meeting, regardless of the number of shares attending or represented, if and only if any four directors of the company request that the matter be submitted to a vote at the Shareholders' Meeting:

- the approval of the individual to whom the Board of Directors proposes to delegate authority for the day-to-day management of the company and appoint as Chief Executive Officer, and the ratification of any decision by the Board of directors to dismiss such individual;
- any modification of the company's executive remuneration and incentive compensation policy;
- the ratification of any transaction of the company or one of its direct or indirect subsidiaries with a controlling shareholder of the company or with a legal or natural person affiliated to or associated with such controlling shareholder within the meaning of Article 11 and 12 of the Belgian Companies Code, it being understood that, for the purposes of this provision of the Articles of Association, the direct or indirect subsidiaries of the company are not considered as affiliated to or associated with the controlling shareholders; and
- any modification of the company's target capital structure and the maximum level of net debt.

### **2.2.6 Minutes**

Minutes of the annual Shareholders' Meetings are drafted and adopted during the meeting itself. They are available to any shareholder on request and are published on [www.ab-inbev.com/corporate\\_governance](http://www.ab-inbev.com/corporate_governance).

Minutes of the extraordinary Shareholders' Meetings are drafted and adopted during the meeting itself. They are published on [www.ab-inbev.com/corporate\\_governance](http://www.ab-inbev.com/corporate_governance).

### **2.3. Rights to dividends**

The annual dividend payment is approved by the shareholders at the annual Shareholders' Meeting and is paid on the dates and at the places appointed by the Board of Directors. The Board of Directors may pay an interim dividend in accordance with the provisions of the Belgian Companies Code.

The current policy is to issue a dividend representing a minimum of 25% of the company's consolidated profit attributable to equity holders of the company, excluding non-recurring items, such as restructuring charges, gains or losses on business disposals and impairment charges, subject to applicable legal provisions relating to distributable profit. In accordance with the company's intention to deleverage after the closing of the Anheuser-Busch acquisition, the dividends that have been paid in the first two years after the closing of the Anheuser-Busch acquisition were lower than the 25% threshold referred to above.

### **2.4. Communication to shareholders**

Anheuser-Busch InBev encourages its shareholders to take an active interest in the company. In support of this objective, it provides quality information, in a timely fashion, through a variety of communication tools. These include Annual Reports, the Global Citizenship Report, financial

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

results announcements, briefings, and the section of the Anheuser-Busch InBev website which is dedicated to investors.

The company recognizes that high-quality disclosure builds trust and confidence with shareholders and the public in general. The company adopted a Disclosure Manual to demonstrate its commitment to best practices in transparency. This manual is designed to ensure that there is full, consistent and timely disclosure of company activities

### **3. Anheuser-Busch InBev's Board**

#### **3.1. Powers and responsibilities of the Board**

The company has historically opted for a "one-tier" governance structure. As a result, the Board of Directors is the ultimate decision-making body, except for the powers reserved to the shareholders at the Shareholders' Meeting by law, or as specified in the Articles of Association.

In addition to the powers granted to it by law and the Articles of Association, the Board has the following exclusive powers and responsibilities:

1. To approve the company's strategy, as recommended by the CEO and to oversee the company's principal objectives.
2. To appoint and dismiss the CEO and to appoint and remove the Company Secretary.
3. To appoint and dismiss members of the Board Committees; to appoint and dismiss the chairmen of all Board Committees. To monitor and review the effectiveness of the Board Committees.
4. To nominate Director candidates for approval by the shareholders at the Shareholders' Meeting, upon recommendation of the Nomination Committee.
5. To assume ultimate responsibility for the oversight of the company's activities. Work with the Audit Committee to ensure that the Executive Board of Management ("EBM") develops appropriate, adequate and cost-effective internal control and risk management mechanisms.
6. To review and approve the annual, six-monthly, and if required quarterly, financial and consolidated statements, examine the financial position of any subsidiary of the company if needed, and present at the annual Shareholders' Meeting a clear and complete evaluation of the company's financial condition as prepared by the CEO.
7. To review and approve all significant judgments concerning the application of International Financial Reporting Standards (IFRS) in the preparation of the company's financial statements upon the recommendation of the Audit Committee.
8. To convene the Shareholders' Meetings and determine any resolutions to be submitted for approval, including, among other matters, resolutions relating to the allocation of annual corporate financial results, and requests to discharge the Board.
9. To establish the company's policy with respect to corporate communications and to oversee all external means of communication, it being understood that communication on behalf of the company to the outside world (after Board approval) is reserved to the Chairman of the Board and CEO, with the right of delegation. The company's policy will ensure the integrity and timely disclosure of the company's financial statements and other material information.

The Board is also vested with the following powers and responsibilities that it exercises upon recommendation from the CEO:

1. To determine the general corporate structure of the company.

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

2. To appoint and dismiss the members of the EBM.
3. For key subsidiaries and affiliates, for strategic partnerships, and for companies in which the company holds a strategic minority interest, to nominate the statutory auditors and directors to represent the company, to be approved by the shareholders at the Shareholders' Meeting of the company concerned.
4. To approve the annual budget and investment plans, and approve the annual plan for capital expenditure. To approve all non-planned capital expenditure exceeding USD75 million, in the aggregate, in any year, it being understood that the Board may delegate this responsibility to the Finance Committee.
5. To approve the acquisition or disposal of trademarks other than in the ordinary course of business.
6. To approve finance transactions and financial commitments which exceed in the aggregate USD150 million, in notional amount, in any year and which are not intra-group transactions, it being understood that the Board may delegate this responsibility, in whole or in part, to the Finance Committee.
7. To approve the opening, closing or transfer of facilities, registered offices or operating sites, either in whole or in part, other than in the ordinary course of business.
8. To approve capital contributions, acquisitions, divestments, transfers/pledging of equity interests, or related guarantees, which exceed USD75 million in value.
9. To approve acquisitions, divestitures, transfers or mortgaging of rights in real property, or long-term leases (*baux emphytéotiques/erfpachten*), which exceed USD75 million in value.
10. To approve all political contributions and gifts having a value exceeding €10,000 to the extent permitted by law.

### 3.2 Composition of the Board

#### ***Composition***

The Board of Directors is currently composed of a maximum of 14 members, all of which are non-executives.

Pursuant to the Anheuser-Busch InBev Shareholders' Agreement, the holder of the class A Stichting Certificates and the holder of the class B Stichting Certificates each have the right to nominate four Directors.

The Stichting Board (which consists of eight Directors, four of which are appointed by the holder of class A Certificates and four of which are appointed by the holder of class B Certificates) nominates 4 to 6 independent Directors who are independent of shareholders exercising a decisive or significant influence over Anheuser-Busch InBev's policy, based on recommendations of our Nomination Committee. Independence will be assessed taking into consideration the following criteria:

- not being an executive or managing director of the company or an associated company, and not having been in such a position for the previous five years;
- not having served for more than three terms as a non-executive director of the Board, without exceeding a total term of more than twelve years;

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

- not being an employee of the company or an associated company and not having been in such a position for the previous three years;
- not receiving significant additional remuneration or benefits from the company or an associated company apart from a fee received as non-executive director;
- not being the representative of a controlling shareholder or a shareholder with a shareholding of more than 10%, or a director or executive officer of such a shareholder;
- not having or having had within the financial reported year, a significant business relationship with the company or an associated company, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship;
- not being or having been within the last three years, a partner or an employee of the external auditor of the company or an associated company; and
- not being a close family member of an executive or managing director or of persons in the situations described above.

When an independent Director has served on the Board for three terms, the proposal to renew his mandate as independent Director will expressly indicate why the Board considers that his independence as a Director is preserved.

Yet, when legally required, the company shall apply the criteria of independence set forth in article 526ter of the Belgian Companies Code as modified by the law of 17 December 2008 (e.g. according to article 526bis of the Belgian Companies Code, at least one member of the Audit Committee shall be independent according to the criteria of article 526ter).

### ***Appointment***

The nomination of a director is based on a recommendation of the Nomination Committee, and is subject to approval by the shareholders at the Shareholders' Meeting.

The composition of the Board will be balanced primarily considering the respective skills, education, experience and background, but also gender, nationality and age of each of the Board members. Adequacy of size and composition will be regularly assessed by the Board upon the initiative of the Nomination Committee.

Board members undertake that they have sufficient time to exercise their duties, taking into consideration the number and importance of their other commitments.

### ***Term***

Directors are appointed for four years. Except as approved by the Board in special cases, the term of office of Directors shall end immediately after the Annual Shareholders' Meeting following their 70th birthday.

In case a Board member resigns before the end of his term, the remaining Directors may appoint a new Board member until the next Shareholders' Meeting, at which time the appointment will be

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

confirmed.

### 3.3 The functioning of the Board

The Board of Directors shall meet as frequently as the interests of the company shall require. If an urgent issue arises between two meetings, the Board can meet by a conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. Moreover, where duly justified by emergency and by the corporate interest of the company, decisions may be adopted, without a meeting, by the unanimous written consent of the Directors. However, this procedure may not be used for the approval of the annual accounts and the use of the authorized capital. The majority of physical Board meetings in any one year will take place in Belgium.

In addition, special meetings of the Board of Directors may be called and held at any time upon the call of either the Chairman or at least two Directors, by notice to each Director at least three business days before the meeting. Where duly justified by emergency and by the corporate interest of the company, the above notice period of three business days may be waived by the unanimous consent of the Directors expressed in writing.

Reasonable efforts shall be made to ensure that each Director actually receives timely notice of any such special meeting. Convening notices may validly be made in writing, or sent by electronic mail, provided that no notice (other than the resolution fixing their time) need be given as to regularly scheduled meetings.

A detailed agenda specifying the topics for decision and those for information shall be provided to Board members prior to the meeting. Board members have the power to raise any question which they consider appropriate concerning the company and its operations.

The Board of Directors can only deliberate if a majority of its members are present or represented. Each Director can appoint another member of the Board to represent him and vote in his name. One Director cannot represent more than one other Director. Decisions are made by a simple majority of the votes cast.

At the CEO's request, any member of the EBM may be invited to attend the whole or any part of a Board meeting.

The Company Secretary drafts minutes of each meeting reflecting the issues which were discussed, the decisions which were taken and, if any, the reservations which were voiced by dissenting Directors. The minutes will be approved by the Chairman and subsequently by the Board during its next regularly scheduled meeting.

Directors should arrange their personal and business affairs so as to avoid conflicts of interest with the company. Any Director with a conflicting financial interest on any matter before the Board must bring it to the attention of both the Statutory Auditor and fellow Directors, and take no part in any deliberations related thereto. Any abstention from voting as a result of a conflict of interest, shall be disclosed in accordance with the relevant legal provisions.

At the request of the CEO provided to the Chairman of the Board or by decision of the Board, a Board Director may be given a particular mandate to act on behalf of the company.

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

The mandate may only be granted once the Board has decided on its objective and duration. The mandated Director will report to the Board on progress regularly, and also on completion of the mission.

Periodically, the Board will undertake a formal evaluation of its own performance and that of its Committees in order to assess whether (i) the Board operates efficiently, (ii) important issues are debated and presented properly, (iii) each Director makes a constructive contribution to the decision making. Such evaluation will be done at the initiative of the Nomination Committee and, if required, with the assistance of external advisors.

### **3.4 Relationship with management**

The Chairman of the Board will establish a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO.

Members of the Board shall not intervene directly in the operations of the company other than in exceptional circumstances and on a "needs only" basis.

Members of the Board ordinarily shall not give instructions to, or interfere with the activities of company management and employees. By exception to this principle, members of the Audit Committee and the Finance Committee shall at all times have full and free access to the CFO, the VP Audit and any other officers or employees to whom they may require access in order to carry out their responsibilities.

### **3.5 Access to advisors**

The Board and its Committees shall have the authority, at the expense of the company, to retain such independent accounting, financial, legal and other advisors as they deem necessary or appropriate without management approval or consultation.

### **3.6 Information for Directors**

Directors have access to all corporate information needed to fulfill their fiduciary duties. This right of access is subject, in the case of personal information concerning employees of the company, to applicable privacy laws. The Company Secretary is available to supply the requested information.

Directors will only use the information they receive for the purpose of exercising their duties and must preserve the confidentiality of such information.

### **3.7 The remuneration of Directors**

The Remuneration Committee recommends the level of remuneration for Directors, including the Chairman of the Board, subject to approval by the Board and, subsequently, by the shareholders at the Shareholders' Meeting when it approves the annual accounts.

The Remuneration Committee regularly benchmarks Directors' compensation against peer companies to ensure that it is competitive. Remuneration is linked to the time committed to the Board and its various Committees. Currently, a fixed annual fee of 67,000 € is based on ten physical Board meetings a year. The fee is supplemented with an amount of 1,500 € for each additional physical meeting and for each Committee meeting. The Chairman's fee is twice that of other directors. The Chairman of the Audit Committee is granted a fee which is 30% higher than the fee of the other Directors. Changes to these fees will be submitted to the shareholders for approval.

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

In addition, Board members are granted a limited number of stock options under the long-term incentive plan. LTI warrants may be granted upon the recommendation of the Remuneration Committee and will be subject to approval by the Board and, subsequently, the shareholders at the Shareholders' Meeting.

The remuneration of the Board members is thus composed of a fixed fee and a fixed number of LTI warrants, which makes Board compensation simple, transparent and easy for shareholders to understand. The issuance of the long-term incentive deviates from the 2009 Belgian Code on Corporate Governance as it provides for share-based payments to non-executive directors. The Board of Directors is of the opinion that the company's share-based incentive compensation is in line with compensation practices of directors at peer companies.

The successful strategy and sustainable development of the company over the past 10 years demonstrates that the compensation of Directors, which includes a fixed number of LTI warrants, does ensure that the independence of the Directors in their role of guidance and control of the company is preserved, and that the Directors' interests remain fully aligned with the long-term interests of the shareholders. In particular, the 3-year vesting period of the LTI warrants should foster a sustainable and long-term commitment of the Directors to pursue the company's interests.

The company is prohibited from making loans to Directors or executive officers, whether for the purpose of exercising options or for any other purpose (except for routine advances for business-related expenses in accordance with the company's rules for reimbursement of expenses).

The Board sets and revises, from time to time, the rules and level of compensation for Directors carrying out a special mandate or sitting on one of the Board Committees and the rules for reimbursement of Directors' business-related out-of-pocket expenses. Remuneration for Directors will be disclosed to shareholders in accordance with applicable laws and stock exchange rules.

### **3.8 Chairman of the Board and Company Secretary**

#### ***3.8.1 Appointment***

The Board of Directors elects the Chairman of the Board from amongst its members who meet the criteria for an independent Director. For the appointment of the Chairman of the Board, the Nomination Committee will prepare a job description, including an assessment of the time commitment expected, recognizing the need for availability in the event of crises. The CEO will not be the Chairman of the Board.

#### ***3.8.2 Powers and responsibilities***

The Chairman of the Board is responsible for the proper and efficient functioning of the Board.

He determines the calendar of the Board and Committee meetings and the agenda of the Board meetings after consultation with the CEO and chairs Board meetings. The Chairman of the Board will ensure that the agenda of the Board meetings will include when appropriate, the following topics:

1. Establishment of targets and review of proposed budget for the following fiscal year, including the targets and proposed budget for each of the Zones and each major subsidiary of the company;

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

2. Review of the achievement of the targets for all key officers of the company;
3. Review of the marketing plan for the following fiscal year;
4. Review of the capital expenditure plan for the following fiscal year;
5. Review of Zero Base Budget and headcount for the year.

He ensures that Directors receive, prior to each meeting, complete and accurate information, and to the extent appropriate, a copy of any management presentation to be made at the Board meeting. The Chairman of the Board will also make sure that there is sufficient time for making decisions.

The Chairman of the Board will ensure that new Directors receive a complete and tailored induction to the Company prior to joining the Board and that existing Directors continually update their skills and the knowledge and familiarity with the company required to fulfill their role both on the Board and on Board Committees.

The Chairman of the Board represents the Board from a public relations standpoint to shareholders and the public at large and chairs the Shareholders' Meetings. The Chairman of the Board will serve as interface between the Board and major shareholders of the company on matters of corporate governance.

### ***3.8.3 Company Secretary***

The Company Secretary shall ensure that Board procedures are complied with and that the Board acts in accordance with its statutory obligations and its obligations under the Articles of Association. He/she shall advise the Board on all governance matters and assist the Chairman of the Board in fulfilling his duties as detailed above, as well as in the logistics associated with the affairs of the Board (information, agenda, etc.).

### **3.9. Authority**

The company is validly represented by any two of its Directors acting jointly. Moreover, the Board may delegate to such members of the management as it determines, the power to represent the company on a permanent basis. In such case, the representation powers and list of authorized signatories will be clearly defined and published. These powers do not prevent the Board from granting from time to time, at its entire discretion, a specific power to represent the company in view of a specific transaction or operation.

## **4. Executive Management**

### **4.1 Chief Executive Officer**

#### ***4.1.1 Appointment***

The Board of Directors appoints and removes the CEO.

#### ***4.1.2 Powers and responsibilities***

The CEO reports directly to the Board of Directors.

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

The CEO is entrusted by the Board with the day-to-day management of the company. He oversees the organization and efficient day-to-day management of subsidiaries, affiliates and joint ventures.

The CEO is responsible for the execution and management of all Board decisions.

The CEO can delegate authority for daily management to executives at corporate, at zone, at regional or at country level. Notwithstanding this delegation, the CEO will retain ultimate accountability to the Board of Directors for his actions and actions of his delegates.

### **4.2 Executive Board of Management ("EBM")**

#### ***4.2.1 Composition and functioning***

Members include the CEO, who will act as Chairman of the EBM, the Chief Financial Officer, the Chief Marketing Officer, the Chief Supply Officer, the Chief People and Information Technology Officer, the Chief Legal and Corporate Affairs Officer, the Chief Procurement Officer and the Zone Presidents for Asia, Central and Eastern Europe, North America, Latin America North, Latin America South and Western Europe (who is also the Chief Strategy Officer).

Except as approved by the Board in special cases, each member's appointment to the EBM will expire at the end of the calendar year in which he or she turns 65, unless the terms of his or her employment contract provide otherwise.

The EBM shall meet regularly, and at least once a month. Minutes of the meetings shall be sent promptly to the Chairman.

#### ***4.2.2 Role and responsibilities***

The EBM reports to the CEO and enables the CEO to properly perform his duties of daily management. The EBM shall perform such duties as may be assigned to it from time to time by the CEO or the Board.

Without prejudice to the internal decision-making process, the EBM, acting through any two of its members (except the CEOs of Latin America), acting jointly, has the authority to represent the company in dealings with third parties relating to the implementation of all decisions taken by the Board or the CEO.

### **4.3 Remuneration of Executive Management**

The company's annual report includes a separate Remuneration Report which provides full details with respect to (i) the procedure for determining the Executive Remuneration Policy, (ii) the Executive remuneration principles and (iii) the components and amount of the remuneration and other benefits granted to Executive Management during the reporting year.

## **5. Board Committees**

The Board is assisted by four Board Committees, *i.e.*, the Finance Committee (FC), the Audit Committee (AC), the Remuneration Committee (RC) and the Nomination Committee (NC).

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

The existence of the Committees does not decrease the responsibility of the Board as a whole. Board Committees meet to prepare matters for consideration by the Board of Directors. By exception to this principle, (1) the RC may make decisions on individual remuneration packages, other than with respect to the CEO and the EBM, and on performance against targets and (2) the FC may make decisions on matters specifically delegated to it hereunder, in each case without having to refer to an additional Board decision.

### **5.1 Remuneration Committee**

#### ***5.1.1 Mission***

The Remuneration Committee's principle role is to guide the Board with respect to all its decisions relating to the remuneration policies for the Board, the CEO and the EBM and on individual remuneration packages of Directors, the CEO and members of the EBM. It ensures :

- That the CEO and members of the EBM are incentivized to achieve, and are compensated for, exceptional performance;
- The maintenance and continuous improvement of the company's compensation policy which will be based on meritocracy with a view to aligning the interests of its employees with the interests of all shareholders.

#### ***5.1.2 Composition and functioning***

The Remuneration Committee shall consist of three members appointed by the Board, all of whom will be non-executive directors. The Chairman of the Committee will be a representative of the controlling shareholders and the two other members will meet the requirements of "independence" as established in the AB InBev Corporate Governance Charter and by the Belgian Company Law.

The Chairman of the Remuneration Committee also chairs the Nomination Committee. The Committee decides by simple majority.

The CEO and the Chief People and Technology Officer are invited ex officio to the Committee meetings unless explicitly decided otherwise. The Chief People and Technology Officer will act as secretary to the Committee.

The Committee shall meet four times a year and more often if required and is convoked by its Chairman or at the request of at least 2 of its members. The Committee shall hold the majority of its physical meetings in Belgium. The secretary to the Committee drafts minutes of each meeting reflecting the issues which were discussed, the decisions which were taken and, if any, the reservations which were voiced by dissenting Directors. The minutes will be approved by the Chairman and subsequently by the Committee during its next regularly scheduled meeting.

The Chairman of the Committee shall report to the Board following each meeting of the Committee on the principal matters reviewed or approved by the Committee and its recommendations regarding actions to be taken by or decisions to be approved by the Board.

The Committee has the authority to retain and terminate any consultancy firm to be used in assisting with its missions, including authority to approve the firm's fees and other terms of retention. It is also authorized to obtain independent advice, including legal advice, from internal or external advisers.

# ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

## **5.1.3 Powers and responsibilities**

The responsibilities of the Committee include the following:

1. Monitor the performance of the CEO, the members of the EBM and key officers of the company, zones and business units and evaluate results vs. stated targets;
2. Ensure that all relevant information on compensation at all levels of the company will be made available to the Board;
3. Evaluate and benchmark compensation in the different functions, zones and business units. This exercise should be done internally and against other similar corporations using a.o. the Hay methodology;
4. Submit for approval to the Board the company's overall remuneration policies for non-executive Directors and management, including variable remuneration and long-term incentives, whether or not stock-related, as well as, where appropriate, on the relevant proposals to be submitted to the Shareholders Meeting;
5. Submit for approval to the Board the individual remuneration packages of non-executive Directors, the CEO and the EBM (upon the recommendation of the CEO), including but not limited to salary, variable remuneration and long-term incentives, as well as any arrangements relating to severance payable upon termination of the CEO and of the members of the EBM (upon the recommendation of the CEO);
6. Prepare and submit for approval to the Board the annual remuneration report, to be included in the Annual Report and submitted for approval to the Annual Shareholders Meeting.

## **5.2 Nomination Committee**

### **5.2.1 Mission**

The Nomination Committee's principle role is to guide the Board succession process and assist the Board in safeguarding the enduring greatness of Anheuser-Busch InBev. It ensures that the Board is comprised of Directors that are able and determined to (i) pick the best possible leaders for the company and (ii) put the right people in the appropriate managerial positions.

The Committee identifies persons qualified to become Board members, consistent with the succession criteria below, and recommends Director candidates for nomination by the Board and appointment by the Shareholders' Meeting. The Board succession process should see to it that the Directors 10 or 20 years hence will be able to fulfill their duties at least as well as or better than the current Directors.

The Committee will also guide the Board with respect to all its decisions relating to the appointment and retention of key talent within the company, ensuring that:

1. The company has exceptional people who occupy appropriate positions and who are incentivized to achieve exceptional performance;
2. The company develops successors for all key positions;
3. The company nurtures a culture of ownership, simplicity, efficiency, high ethical standards and the permanent quest to improve results;
4. Individual targets are established to align the interests of all employees with the company's goals and objectives set by the Board.

# ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

## **5.2.2 Nomination Criteria for Board members**

As the gatekeeper to the Board, the Nomination Committee will ensure that Directors joining the Board share the company's dream not only in its current interpretation (Best Beer Company in a Better World), but also in its underlying vision of enduring greatness and of building the preeminent consumer goods company of the 21<sup>st</sup> century.

All active and prospective Directors must live by the following five Board principles:

- (1) Ensuring the company's enduring greatness is the Board's overarching purpose.
- (2) The Board is the guardian of the company's culture that manifests itself in Anheuser-Busch InBev's 10 principles. The Board itself adheres to the 10 principles.
- (3) The company's executives are partners of the shareholders and the Board. They are not merely employees.
- (4) Anheuser-Busch InBev has a culture of mutual respect and trust. Directors speak up, listen and come back constructively. They are transparent, honest and candid. They hold no grudges. There is no room for politics or hidden agendas around the Board table.
- (5) The Board nominates successors that are as good as or better than the outgoing Directors.

The Board member's must have the right mix of skill and experience. Therefore, more conventional recruitment criteria for Directors such as experience, executive position, functional expertise, reputation and public visibility are also relevant.

## **5.2.3 Composition and functioning**

The Nomination Committee shall consist of five members appointed by the Board. The five members shall include the Chairman of the Board and the Chairman of the Remuneration Committee. Four of the five Committee members shall be representatives of the controlling shareholders.

Although the 2009 Belgian Code on Corporate Governance recommends that the Committee should consist of a majority of independent directors, the Board considers that the composition of the Committee - exclusively comprising non-executive Directors who are independent of management and free of any business or other relationship which could materially interfere with the exercise of their independent judgment - is appropriate given the specificities of the company, including its shareholders structure.

The Nomination Committee will be chaired by the Chairman of the Remuneration Committee. It decides by simple majority.

The Chief Executive Officer, the Chief People & Technology Officer and the Chief Legal & Corporate Affairs Officer shall be invited ex officio to the Committee meetings unless explicitly decided otherwise. The Chief People & Technology Officer will act as secretary to the Committee.

The Committee shall meet at least 2 times per year and more if required and is convoked by its Chairman or at the request of at least 2 of its members. The Committee shall hold the majority of its physical meetings in Belgium. The secretary to the Committee drafts minutes of each meeting reflecting the issues which were discussed, the decisions which were taken and, if any, the reservations which were voiced by dissenting directors. The minutes will be approved by the Chairman and subsequently by the Committee during its next regularly scheduled meeting.

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

The Chairman of the Committee shall report to the Board following each meeting of the Committee on the principal matters reviewed or approved by the Committee and its recommendations regarding actions to be taken by or decisions to be approved by the Board.

The Committee has the authority to retain and terminate any search firm to be used in assisting with the identification of Director candidates or executives, including authority to approve the search firm's fees and other retention terms. It is also authorized to obtain independent advice, including legal advice, from internal or external advisers.

### ***5.2.4 Powers and responsibilities***

With respect to the composition and functioning of the Board and its Committees, in addition to guiding the Board succession process, the responsibilities of the Committee include the following:

1. make recommendations regarding the overall composition, organization, structure and operations of the Board and its Committees;
2. recommend to the Board from time to time updated criteria for the selection of new Directors;
3. recommend ongoing qualification standards for Directors, including standards for determining Director independence and criteria for the evaluation of Director performance;
4. develop, recommend and implement the processes for the annual evaluation of the performance and effectiveness of the Board, its Committees and each individual Director;
5. annually assess the contribution and performance of all Directors;
6. recommend the functions and monitor the operations of the Board Committees;
7. recommend criteria for Committee membership and the appointment and removal of Committee members and Chairs;
8. recommend candidates for the position of Chairman of the Board, and investigate, review and evaluate the qualifications of candidates for Chairman;
9. oversee and make recommendations regarding matters of Corporate Governance, including induction of new Directors and continuing education of Directors.

With respect to appointment and retention of key talent within the company, the responsibilities of the Committee include the following:

1. Submit for approval to the Board the appointment of the CEO and of the members of the EBM (upon the recommendation of the CEO);
2. Monitor the careers and succession planning of the members of the EBM and of high-potential executives;
3. Monitor the global trainee program results in terms of recruiting during the year, career progress of global trainees recruited in previous years and overall assessment of the program results vs. stated objectives;
4. Discuss culture, quality of the employees, and training needs;
5. Review the annual performance of the top 100 to 150 executives of the company and their successors;

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

6. Review the company's needs for employees and guarantee the existence of management depth for expansion and succession;
7. Approve all external hiring of key executives;

### **5.3. Finance Committee**

#### ***5.3.1 Composition and functioning***

The Finance Committee shall consist of at least three but not more than six members appointed by the Board. The Board shall appoint a Chairman and if deemed appropriate, a vice-chairman from among the Committee members.

The Chairman of the Board is a permanent invitee to the Finance Committee meetings. The CEO and CFO are also invited ex officio to the Committee meetings unless specifically decided otherwise. Other company employees are invited on an ad hoc basis as appropriate.

The Finance Committee shall meet at least four times a year and as often as otherwise deemed necessary by its Chairman or at least two of its members. In case of urgency meetings can take place by means of a conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. A summary of the Committee's deliberations and its recommendations shall be transmitted promptly to the Board. The CFO will act as secretary to the Committee. The Committee will hold the majority of its physical meetings each year in Belgium.

#### ***5.3.2 Powers and responsibilities***

The Committee assists the Board in fulfilling its oversight responsibilities in the areas of corporate finance, risk management, corporate controls, mergers and acquisitions, tax and legal, pension plans, financial communication and stock market policies and all other related areas as deemed appropriate.

The members of the Committee, individually or collectively, are entitled to receive all information needed to accomplish their tasks as defined hereunder and are authorized to request such information from any company employee. They are also, authorized after having informed the Chairman of the Committee, to obtain independent professional advice including legal counsel. They are entitled to request the necessary financial resources needed to obtain such advice.

In particular the Committee will focus its attention on the following responsibilities:

1. To maintain an optimal capital structure resulting in a combination of the lowest possible cost of capital and maximum flexibility to support the company's strategic objectives as set by the Board, whilst assuring that the financial independence of the company is at no point put into jeopardy;
2. To review the underlying assumptions behind the budget, long range plans and capital expenditure;
3. To review the company's borrowing policies and monitor their implementation;
4. To review and monitor the company's treasury management system and policies with a

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

- particular emphasis on working capital management;
5. To review and monitor the company's mergers and acquisitions process (*e.g.* internal organization, hiring of external advisors) and to undertake the appropriate financial impact analyses of transactions which are to be brought to the attention of the Board;
  6. To periodically review the company's policies, systems and procedures in relation to currencies, interest rates, derivatives, hedging, commodities, credit limits, bank guarantees;
  7. To periodically review and improve the company's tax structure;
  8. To assist the Board in ensuring that the company communicates effectively with the financial community;
  9. To approve unplanned capital expenditures to the extent delegated by the Board; and
  10. To approve financial transactions and financial commitments to the extent delegated by the Board..

### **5.4. Audit Committee**

#### ***5.4.1 Composition and functioning***

The Board shall appoint the Audit Committee's Chairman and the Committee members from among the non-executive Directors. The Committee shall have at least three voting members. With effect from September 2010, all voting members of the Committee are independent directors as defined in Anheuser-Busch InBev's Corporate Governance Charter and as defined in Rule 10A-3(b)(1)(ii) under the Exchange Act; provided however, that the Board may appoint a non-executive Director who is an affiliate of the company or a representative of an affiliate of the company to the position of non-voting observer on the Committee. Any such non-voting observer shall not be eligible to serve as Chairman of the Committee. The Chairman of the Committee will not be the Chairman of the Board. All members of the Committee will have sufficient financial expertise to fulfill their role effectively. At least one member will have extensive experience in accounting and audit matters and be independent within the meaning of article 526ter of the Belgian Companies Code. The CEO, CFO and Chief Legal & Corporate Affairs Officer will be invited to the meetings of the Committee, unless the Chairman or a majority of the members decide to meet in closed session.

The Committee shall hold as many meetings as necessary, with a minimum of four a year. In case of urgency, or other reasons, meetings can take place by conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. The Committee will hold a majority of the physical meetings each year in Belgium. The Committee meets separately periodically with management, the Head of Corporate Audit and the Statutory Auditor to discuss matters that the Committee or any of these persons or firms believe should be discussed privately.

The Head of Corporate Audit will act as secretary, within the rules the Committee has established. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. A summary of the Committee's deliberations and recommendations shall be transmitted promptly to the Board, and will be documented in the minutes.

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

### ***5.4.2 Powers and responsibilities***

The Committee shall assist the Board in its responsibility for oversight of (1) the integrity of the company's financial statements, (2) the company's compliance with legal and regulatory requirements, (3) the Statutory Auditor's qualification and independence, and (4) the performance of the Statutory Auditor and the company's internal audit function. The Committee is entitled to review information on any point it wishes to verify, and is authorized to acquire such information from any company employee. It is also authorized to obtain independent advice, including legal advice, if this is necessary for an inquiry into any matter under its responsibility. It is entitled to call on the resources that will be needed for this task. It is entitled to receive reports directly from the Statutory Auditor, including reports with recommendations on how to improve the company's control processes.

The Audit Committee does not have direct responsibility for financial reporting by AmBev and other consolidated subsidiaries where, from a corporate governance perspective, financial oversight is provided by independent corporate bodies that do not report directly to Anheuser-Busch InBev or Anheuser-Busch InBev's Board of directors.

The policies and procedures of the Committee shall remain flexible to allow it to respond in a timely way to the needs of a professional environment in constant change.

In particular the Committee is responsible for the following:

#### **With respect to the audit of the affairs of the company**

##### *In relation to the Statutory Auditors*

To present recommendations to the Board and (to the fullest extent permitted by law) exercise delegated authority on behalf of the Board with respect to:

- the appointment of the Statutory (or any other) Auditor, and the scope of his mandate (while subsequently authorizing the fee, and supervising all matters relating to the assessment and rotation of audit partners and any change of auditor);

To discuss:

- significant adjustments after audit; and
- any questions that the Statutory Auditor wishes to raise in the absence of members of management.

To oversee the work of the Statutory Auditor (including the resolution of disagreements between management and the Statutory Auditor regarding financial reporting).

To ensure that the Statutory Auditor prepares and delivers annually an audit report (it being understood that the Statutory Auditor is responsible for the accuracy and completeness of this report), and to discuss with the Statutory Auditor any relationships or services disclosed in this report that may impact the quality of audit services or the objectivity and independence of the company's Statutory Auditor.

To obtain from the Statutory Auditor in connection with any audit a timely report relating to the company's annual audited financial statements describing all critical accounting policies and practices used, all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of

## ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

such alternative disclosures and treatments, and the treatment preferred by the Statutory Auditor and management, and any material written communications between the Statutory Auditor and management.

To review and monitor the Statutory Auditor's independence particularly with respect to assignments for non-audit services, and to establish clear policies in relation to the hiring of persons who are employees or former employees of the Statutory Auditor.

To obtain and review, at least annually, a report from the Statutory Auditor describing (i) the Statutory Auditor's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review or peer review of the Statutory Auditor or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more statutory or other independent audits carried out by the Statutory Auditor, and any steps taken to deal with such issues, and (iii) all relationships between the Statutory Auditor and the company.

### *In relation to the Internal Auditors*

To review the appointment and replacement of the Head of Corporate Audit.

To ensure the independence within the company of the Head of Corporate Audit and his or her team.

To define, subject to the Board's approval, the structure of the internal audit team, its operating budget and the annual scheduling of audits.

To analyze the comments and proposals of the Head of Corporate Audit relating to the internal audit program, as well as management feedback on how the program is working.

To analyze the difficulties met by the Head of Corporate Audit and his or her team in executing their mandate, including any sustained obstruction or problem in accessing the information required.

To analyze, together with the Head of Corporate Audit, the way the company's auditors, both internal and external, work together so as to cover all alternatives, avoid redundant tasks and make an efficient use of auditing resources.

### *In relation to both Internal Auditors and Statutory Auditor*

To analyze and discuss with them:

- the scope of the annual audit;
- any significant matters arising from any audit, including any audit problems or difficulties relating to the company's financial statements or internal control over financial reporting;
- any difficulties the Statutory Auditor encountered in the course of the audit, including any restrictions on its activities or access to information requested by it and any significant disagreements with management;
- any "management" or "internal control" letter issued, or proposed to be issued, by the Statutory Auditors to the company;

To review all significant reports to management prepared by the external or internal auditors and management's responses thereto.

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

To make recommendations to the Board with regard to the carrying out of specific audits or studies.

### **With respect to the Financial Reporting**

To monitor, discuss and review:

- the integrity of the financial information provided by the company, in particular by reviewing the relevance and consistency of the accounting principles used;
- legal and regulatory issues that could have an impact on the annual financial statements;
- all financial information about to be published. The review involves assessing the correctness, completeness and consistency of financial information;
- any major issues regarding accounting principles and financial statement presentation, including any significant changes in the company's selection or application of accounting principles, and major issues as to the adequacy of the company's internal controls and any special audit steps adopted in light of material control deficiencies;
- analyses prepared by management and/or the Statutory Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative methods permitted by IFRS on the financial statements;
- methods used to account for significant and unusual transactions where the accounting treatment may be open to different approaches. Particular attention should be paid to both the existence of and the justification for any activity carried out by the company by offshore centers and or through special purpose vehicles; and
- the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the company.

To review related party transactions of the company within the meaning of Article 524 of the Belgian Companies Code (e.g transactions with a controlling shareholder of the company) and to prepare a report to the Board of Directors in accordance with this provision.

To (i) meet periodically with management and with the Statutory Auditor to review and discuss, prior to publication, the company's annual audited financial statements and any interim financial statements, including the company's specific disclosures in its operating and financial review and (ii) discuss generally the company's earnings press releases, as well as financial information and earnings guidance, if any, provided to analysts and rating agencies.

### **With respect to the Compliance Program and the legal and regulatory affairs of the company**

To discuss with the Chief Legal & Corporate Affairs Officer and the Head of Corporate Audit

- the operation of Anheuser-Busch InBev's Global Compliance Program - in particular compliance with the company's Code of Conduct , including the Code of Dealing, and the results of any compliance reviews or reports submitted through the whistle-blowing platform;

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

- any significant legal, compliance or regulatory matters that may have a material effect on the financial statements or the company's business, financial statements or compliance policies, including material notices to or inquiries received from governmental agencies;
- any violation of law.

### **With respect to the risk management and internal controls within the company**

To analyze business risks;

To review with the company's CEO and CFO as to the existence of any significant deficiencies or material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information, and as to the existence of any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting; and

To discuss guidelines and policies governing the process by which senior management of the company and the relevant departments of the company assess and manage the company's exposure to risk, and to discuss the company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

### **With respect to procedures for complaints**

To ensure procedures are established for the receipt, retention and treatment of complaints received by the company regarding general compliance, accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by company employees of concerns regarding questionable compliance issues, accounting or auditing matters.

## **6. Code of Conduct and Code of Dealing**

### **6.1. Business integrity and ethics**

The location of Anheuser-Busch InBev's affiliates in countries having a broad range of cultures and business practices necessitates a clear set of guidelines for all Anheuser-Busch InBev employees across the world, in terms of their ethical behavior.

In achieving its business objectives, Anheuser-Busch InBev emphasizes the adherence to the highest standards of business integrity and ethics, as well as the respect of and compliance with all applicable national and supra-national laws and regulations.

At the core of Anheuser-Busch InBev's Company Policy in this respect is the Code of Conduct. Its precepts should be self-evident to anyone with an understanding of right and wrong and must be the context in which all business decisions are made.

#### **1. *Statement of Policy***

It is Anheuser-Busch InBev's Policy that its directors, officers and employees strictly comply with all applicable laws and regulations.

No company official has the authority to require any action that would violate this Policy.

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

This Policy and the Code of Conduct are not subject to any waivers or exceptions because of competitive or commercial demands, industry customs or other exigencies.

### **2. Compliance with Laws**

Relationships with customers, suppliers, competitors, employees and governmental bodies and officials are to be based on compliance with all applicable laws and regulations.

In particular, all Anheuser-Busch InBev employees must understand the extent to which anti-trust and competition laws affect their daily work. All affected employees must fully comply at all times with all applicable anti-trust and competition laws.

### **3. Honest and Ethical Conduct**

All Anheuser-Busch InBev employees must be honest, objective and diligent in the performance of their duties and responsibilities. They are trusted by the company to exhibit loyalty in all matters pertaining to Anheuser-Busch InBev's affairs and not to partake knowingly in any illegal or improper activity.

Every Anheuser-Busch InBev employee shall encourage consumers to drink responsibly.

### **4. Books, Records and Controls**

It is essential that the integrity, accuracy and reliability of Anheuser-Busch InBev's books, records and financial statements be maintained.

No transaction shall be entered into with the intention of it being documented or recorded in a deceptive manner. No false or artificial documentation or book entry shall be made for any transaction.

Similarly, all funds, assets and transactions must be disclosed and recorded in the appropriate books and accounted for properly and punctually.

In addition to being elements of Anheuser-Busch InBev's Code of Conduct, these principles are also elements of the United States Foreign Corrupt Practices Act (the "FCPA"). The FCPA requires Anheuser-Busch InBev, its employees and majority-owned subsidiaries to keep accurate books, records and accounts, which in reasonable detail, accurately and fairly reflect the transactions and dispositions of Anheuser-Busch InBev's assets, and to maintain a system of effective internal controls.

### **5. Gifts & political contributions**

The giving of gifts or favors in an effort to sell products or services or to influence business, labour or governmental decision-making is strictly prohibited. Small amounts for entertainment, gifts or gratuities consistent with applicable laws and accepted business

## **ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER**

practices in the country where they are given are not affected by the above-mentioned principle, provided they are recorded accurately in the company's books.

Any direct or indirect contribution by Anheuser-Busch InBev to any political party, committee or candidate for public office is strictly forbidden, even if permitted by local regulations, unless the formal approval of Anheuser-Busch InBev's Board of Directors has been obtained in advance.

Among other things, these policies support Anheuser-Busch InBev's compliance with the anti-bribery provision of the FCPA, which prohibits any promise, offer or payment of anything of value to any official or employee of a non-U.S. government or governmental entity for the purpose of obtaining or retaining business or otherwise obtaining favorable treatment in commercial matters. This provision of the FCPA applies to the worldwide operations of Anheuser-Busch InBev and its subsidiaries and affiliates and their officers, directors, employees and agents, wherever located.

### **6. Commercial communication**

Anheuser-Busch InBev has adopted a code aimed at ensuring that all marketing and commercial communications are responsible and do not contribute to the misuse of our products nor are directed at persons below the legal drinking age in the relevant jurisdiction to which they apply.

The code is to be used as a reference for responsible marketing and commercial communication and regarded as a minimum standard. In markets where national mandatory or self regulatory rules already exist and if those requirements are more stringent, then clearly these requirements have to be met in addition to those of the code.

All Managers are responsible for the enforcement of and compliance with the Code of Conduct, including its distribution and for ensuring that the Company's employees have sufficient knowledge thereof and comply with it adequately. Designated employees will be required periodically to certify compliance with the Code.

No Manager or individual has the authority to permit any exceptions to this Code.

Anheuser-Busch InBev employees are encouraged to report any activity that they believe is or might be a violation of laws/regulations or the Code of Conduct. The usual person to whom to report such compliance offenses is a person's direct line manager. However, in circumstances where the employee believes that reporting suspected violations or raising compliance questions with a direct supervisor is inappropriate, Anheuser-Busch InBev has made available a whistle-blowing system, which is administered by an independent third party and allows employees to voice concerns or complaints confidentially, and if so desired anonymously, via a secure internet site ("AB-InBevtalkopenly") or via a 24/7 available toll free hotline.

A comprehensive whistle-blowing policy sets out the process for treatment of complaints and the rights and obligations of reporting or accused employees. Employees will not be subject to retaliation or penalties of any kind for reporting in good faith a suspected violation to the company.

# ANHEUSER-BUSCH INBEV CORPORATE GOVERNANCE CHARTER

## 6.2 Transactions in shares of the company

A Code of Dealing ensures that all employees, and particularly the members of the Board or of the EBM maintain the confidentiality of inside information that they may have or be thought to have and do not abuse, nor place themselves under suspicion of abusing such insider knowledge, especially in periods leading up to an announcement of financial results or of price-sensitive events or decisions.

The Code prohibits dealing in any shares of the company on considerations of a short-term nature. Any purchase or sale within a period of six months after having sold or purchased shares will be considered a deal on considerations of a short-term nature.

The Code also prohibits dealing in any shares during a Close Period, i.e., each period of 15 calendar days preceding any results announcement of the Company.

Before dealing in any share of the company, a member of the Board of Directors shall obtain clearance from the Chairman of the Board or, in the case of the Chairman, from at least two Directors of the company. Members of the EBM shall obtain clearance from a Clearance Committee which is composed of the CFO, the Company Secretary and the CPO. In cases in which the Clearance Committee is dealing with a request by one of its members, such member shall be substituted by any other member of the EBM or by a Board Member.

In accordance with the Belgian regulation on the prevention of market abuse, Anheuser-Busch InBev establishes and maintains lists of insiders. In addition, members of the Executive Board of Management and of the Board of Directors notify all their trades to the Banking, Finance & Insurance Commission, which publishes these notifications on its website.

\*

\*

\*