

POLICY ON REMUNERATION AND CONCESSION OF OPTIONS TO THE EXECUTIVE BOARD

SUMMARY

1.	PURPOSE	2
2.	PRINCIPLES	2
3.	FUNCTIONS	2
4.	FIXED REMUNERATION AND BENEFITS	3
5.	INDIVIDUAL PROMOTIONS	3
6.	VARIABLE REMUNERATION - BONUS	4
7.	PAYMENT PLAN BASED ON SHARES	6
8.	STOCK OPTION PLAN	6
9.	TERM OF EFFECTIVENESS AND RESPONSIBILITY	6

POLICY ON REMUNERATION AND CONCESSION OF OPTIONS TO THE EXECUTIVE BOARD

1. PURPOSE

- 1.1.** This policy establishes the guidelines to determine the remuneration of the Executive Board members appointed pursuant to the bylaws of Ambev S.A. ("Company"), as well as the possibility to grant Company's stock options to such members, aiming the development of the Company's executives in conformity with the long-term generation of value, with focus on results and based upon meritocracy ("Policy").
- 1.2.** Every financial year, the Board of Directors shall break down the total remuneration of the Company's management as approved by the General Meeting for the Executive Board, with due regard for the provisions of this Policy.

2. PRINCIPLES

- 2.1.** The remuneration of the executive officers appointed pursuant to the bylaws of the Company shall be determined according to the following principles:
 - (i)** the remuneration constitutes instrument of attraction and retention of talents;
 - (ii)** the remuneration shall be competitive in relation to the companies operating in the market in which the Company operates (market of high consumption goods);
 - (iii)** the remuneration shall be aligned with the Company's performance culture, attributing greater emphasis to its variable component, based upon results and exceptional performance;
 - (iv)** the remuneration shall provide long-term generation of value;
 - (v)** the remuneration shall take organizational performance and individual performance into account;
 - (vi)** the remuneration shall involve cascading goals in the sense of creating alignment in the entire organization; and
 - (vii)** the remuneration shall be in conformity with the company's success in the medium and long term.

3. FUNCTIONS

- 3.1.** According to the organization of the Company's functions in ranges and grades, defined based on the Hay function assessment methodology, the members of the Executive Board of the Company are categorized in ranges 0 (grades 25 and 24), I (grades 23 and 22) and II (grades 21 and 20), with exception of the Chief

POLICY ON REMUNERATION AND CONCESSION OF OPTIONS TO THE EXECUTIVE BOARD

Executive Officer, which is at the top of the hierarchical structure of the Executive Board.

4. FIXED REMUNERATION AND BENEFITS

- 4.1. Remuneration Brackets.** The ranges of remuneration of the executive officers of the Company are established by the People and Management Area, annually, based upon market research, taking as a parameter the average identified in the market for each grade (market reference remuneration or average point). Each remuneration range shall vary from 80% (lower limit) to 120% (upper limit) of the average point related to the relevant grade.
- 4.2. Pro labore Admission.** In the events of admission for the function of executive officer appointed by the bylaws of the Company, the recommended remuneration is 80% of the average point of the respective remuneration range (lower limit). In relation to professional with low and difficult offer on the market and with evidenced skills and experience, the remuneration of admission may reach the average point of the remuneration range, provided it was previously approved by the Chief Executive Officer, in case of a member of the Executive Board, or by the Board of Directors, in case of the Chief Executive Officer.
- 4.3. Promotion.** In the event of internal promotion of an employee to the executive board, appointed pursuant to the bylaws of the Company, section 5 of this Policy shall be observed.
- 4.4. Fixed Remuneration.** The executive officers shall be entitled to a fixed remuneration, paid in the form of "*pro-labore*", in 12 monthly installments, with due regard for the provisions of item 1.2 above.
- 4.5. Benefits.** The executive officers shall be entitled to receive the benefits provided in the Company's benefit policy, which shall be prepared and reviewed by the People and Management Area. Furthermore, the executive officers may opt for participating on the private pension plan of the Company, to which the Company shall further make partial contributions.

5. INDIVIDUAL PROMOTIONS

- 5.1.** Individual promotions may be classified as follows:

POLICY ON REMUNERATION AND CONCESSION OF OPTIONS TO THE EXECUTIVE BOARD

- 5.1.1.** Vertical Promotion. Vertical promotion means functional rise in the Company's functions structure, including change of function and grade. The new remuneration range shall be placed, preferably, at the lower limit, and all promotions shall observe the budget approved, representing the maximum raise of 25%.
- 5.1.2.** Horizontal Movement. Horizontal Movement means changing function, including raise of remuneration per merit, with no change of grade, maintaining the remuneration range. The horizontal movement shall be defined annually and the raise on remuneration resulting therefrom shall not exceed 15% and shall not result in placement above the upper limit of the remuneration range.
- 5.1.3.** Any exceptions to the rules provided in this section 5 shall be approved by the Chief Executive Officer in the event of movement of the other members of the Executive Board or by the Board of Directors in the event of movement of the Chief Executive Officer.

6. VARIABLE REMUNERATION - BONUS

- 6.1.** The members of the Executive Board of the Company are eligible for receiving a bonus, with due regard for the admission and promotion rules, and shall be awarded without needing any ranking. The amount of the bonus to be paid shall be affected according to the area and the grade of the relevant executive, always with due regard for the elimination rules established by the Company.
- 6.2.** The bonus of the members of the Executive Board of the Company shall be calculated based upon: **(i)** achievement of the financial indicators established by the Company; **(ii)** achievement of the operational performance goals of the Company; and **(iii)** achievement of individual performance goals of the relevant executive.
 - 6.2.1.** The components of the financial and operational goals of the Company shall be aligned with the annual budget approved by the Board of Directors and with the purposes of the Company for a certain fiscal year.
 - 6.2.2.** The result of the individual goals of the executive officers shall be obtained according to the score achieved in their assessment of goals and, to be entitled to such bonus, the executive officers shall compulsorily achieve, at least, 35% of their individual goals.

**POLICY ON REMUNERATION AND CONCESSION OF OPTIONS TO THE EXECUTIVE
BOARD**

6.2.3. The grounds to establish the multipliers of the calculation model described above, as well as the other rules of ascertainment of goals, shall be included in the goals deployment standards of the Chief Executive Officer and of ranges 0 to IV, which shall be prepared and reviewed by the People and Management Area of the Company.

6.2.4. The bonus calculation formula may include a discretionary additional individual premium of 20% for up to 15% of the top performers of the group composed of individuals from ranges 0 to III. To be eligible for such a premium, the executive officers shall have reached, at least, 35% of their individual performance goals, and the Chief Executive Officer shall be responsible for determining which executive officers shall receive the individual discretionary premium. One of the Co-Chairmen of the Board of Directors of the Company shall decide upon the attribution of individual discretionary premium to the Chief Executive Officer.

6.3. The bonus shall be calculated based upon the position occupied by the executive officer on September 30 of the relevant year, using the target bonus of the range and the average point of the remuneration range applicable to the grade.

6.4. All executive officers admitted in their positions up to September 30 and active up to December 31 shall be entitled to receive bonus, with due regard for the following rules:

- (i) executive officers admitted up to March 31 (inclusive) are eligible for 100% of the bonus;
- (ii) executive officers admitted subsequently to October 1st (inclusive) are not eligible in such year; and
- (iii) executive officers admitted between April 1st and September 30 receive bonus proportional to the number of months worked.

6.4.1. In events of (i) forced termination, without good cause, subsequently to May 1st (inclusive) up to December 31 of the relevant year; or (ii) termination resulting from retirement subsequently to May 1st (inclusive) up to December 31 of the relevant year, subsequently to achieving 70 years cumulated (*i.e.*, sum of the age plus employment period in the Company on the termination date), the bonus shall be calculated proportionately to the period worked during the relevant year.

**POLICY ON REMUNERATION AND CONCESSION OF OPTIONS TO THE EXECUTIVE
BOARD**

6.4.2. Executive officers in leave of absence for a period exceeding 120 days in the year are not eligible for bonus in the respective year, except in events of leave of absence resulting from pregnancy, paternity leave or occupational accident.

6.4.3. Any exceptions to the rules provided in this item 6.4 shall be approved by the Chief Executive Officer in relation to the other members of the Executive Board or by the Board of Directors in relation to the Chief Executive Officer.

7. PAYMENT PLAN BASED ON SHARES

7.1. The Board of Directors may further grant to the executive officers shares of the Company, the delivery of which is subject to permanency in the Company and to the elapse of grace periods, as established by the Board of Directors. The concession of the Company's shares under such terms shall observe the provisions of the payment plan based upon shares approved by the General Meeting of the Company and upon the program approved within the scope of such plan by the Board of Directors.

8. STOCK OPTION PLAN

8.1. The Board of Directors may further grant to the executive officers stock options, exercisable subsequently to the grace period established by the Board of Directors and provided that the executive remains in the Company during such period. The concession of stock options under such terms shall observe the provisions of the stock option plan approved by the General Meeting of the Company as well as by the program approved within the scope of such plan by the Board of Directors.

9. TERM OF EFFECTIVENESS AND RESPONSIBILITY

9.1. This Policy shall become effective on the date of its approval by the Board of Directors of the Company and may solely be amended upon resolution and approval by the Board of Directors.

9.1.1. The Board of Directors may, whenever deemed necessary thereby, review and approve the amendment to this Policy, according to amendments to the bylaws, legislations or regulations to which the Company is subject.

9.2. Any omissions in this Policy shall be resolved by the Board of Directors.

**POLICY ON REMUNERATION AND CONCESSION OF OPTIONS TO THE EXECUTIVE
BOARD**

- 9.3.** Subsequently to the approval by the Board of Directors, this Policy shall be internally disclosed by the Company to those responsible for its implementation and one copy hereof shall be filed with the Legal Executive Board of the Company.
- 9.4.** The People and Management Executive Board of the Company shall be responsible for implementing procedures and standards necessary to guarantee compliance with this Policy.
