

REPORTING PROCEDURE

THIS IS HOW WE DO BUSINESS

Bavaria places great store in how we do business responsibly: prudently, with integrity, honesty and loyalty. We pride ourselves on our professionalism and integrity in everything we do. Whether it is how we interact with colleagues, or in our external contacts. We always act according 'to the letter and spirit' of the Code of Conduct. That also means that you ask questions if you do not know what to do in a certain situation. You are solely responsible for compliance with our Code of Conduct.

WHAT TO DO IF PRACTICE RAISES QUESTIONS?

At work there are questions and dilemmas. Sometimes things also go wrong. We can avoid actual accidents and (criminal) incidents or at least limit them if they are visible and can be discussed. That is why we encourage all Bavaria employees to keep asking questions and talk about dilemmas. In addition, we believe it is important that they report incidents or suspicions of violations.

WHY DOES Bavaria THINK IT IS IMPORTANT FOR EMPLOYEES TO REPORT?

Reporting incidents or suspicions makes it possible to resolve internal issues before they get out of hand. By making internal matters discussable, you take your responsibility as an employee. You contribute towards a fair, open and honest way of working so that we can improve things together. Sometimes it can be tricky to make a particular topic discussable. This reporting procedure can help you find the right way to do that.

HOW DO WE DO THIS?

We are open to suggestions, ideas and criticism - from our colleagues and others. We listen and know that we are listened to. We learn from this and we encourage each other. This means we feel comfortable to address each other in a suitable, respectful way. If the other person does not feel it applies to them, we inform our supervisor. If you keep quiet, the situation can only get worse: for Bavaria and possibly also for you personally.

WHEN IS REPORTING OBLIGATORY?

You are required to report situations as soon as possible when they are:

- (a) life-threatening or a hazard to the health of one or more persons; and
- (b) could affect Bavaria's integrity or reputation, result in sanctions for Bavaria or concern criminal acts such as corruption, fraud, theft, and violation of competition rules.

If you keep quiet or look the other way in such a serious situation, you are also responsible for the continuation of that situation. That means that disciplinary measures may be taken against you as well.

WHEN IS REPORTING AN OPTION?

In all other cases you are encouraged to speak up and raise possible violations of the Code of Conduct in an appropriate manner. If you are wondering whether specific actions are in line with the Code of Conduct, first speak to the relevant person. Or discuss it with your supervisor. Supervisors should ensure an open and transparent work atmosphere.

WHAT IF I HAVE DOUBTS, NEED ADVICE OR WOULD LIKE TO DISCUSS SOMETHING CONFIDENTIALLY?

In practice, it is not always clear whether certain behaviour is a breach of the Code of Conduct or not. In such cases we would like you to speak up anyway. You do not need to provide or look for evidence; we have experts to do that.

You can also first discuss your concerns on a confidential/anonymous basis with someone from HR or a Compliance Officer.

WHERE CAN I MAKE A REPORT?

If you feel uncomfortable discussing a specific topic directly with the person involved or your supervisor, you can ask an HR employee or a Compliance Officer to help you. If you wish to remain completely anonymous you can also send an anonymous letter to:

Code Of Conduct Bavaria N.V.

Postbus 1

NL-5737 ZG LIESHOUT

or email us at: CodeOfConduct@Bavaria.com.

A certain procedure must be followed for reporting some specific situations. These reports concern unsafe situations in, for example, the brewery, IT policy violations, undesirable behaviour, misconduct and the like. To make it easy for employees, you can choose how to make a report. The recipients of the reports review which procedure applies and ensure that the report ends up in the right place.

WHAT SHOULD I REPORT EXACTLY?

You are not required to use the form in the annex, but it can serve as a guideline. It contains the questions we would like to have answered. You may also write your own story with the following components: who did what, when and where, and why you think it potentially violates our Code of Conduct.

WHAT ABOUT CONFIDENTIALITY AND ANONYMITY?

We treat all reports with the utmost confidentiality. Where possible we protect our source: in principle, your name will only be passed on to those who you report to. In the examination of reports, we respect the rights and interests of all parties involved, including the accused.

Your identity is only given if required by law or if you have made a report in bad faith (see the paragraph in the Code of Conduct on “bad faith”).

Anonymous reports are often difficult to investigate, let alone taking adequate measures. Especially when reports contain few details. In such cases, it is possible that we will ask whether we are allowed to reveal your identity, for example, to the investigators. We only reveal your identity if you agree.,

NO REPRISALS (PUNITIVE MEASURES)

You help Bavaria by standing for our values and standards, by sharing your concerns and dilemmas and reporting potential violations of the Code of Conduct. This means we can continue to excel and hold our reputation high. Your contribution is essential. Reports in good faith cannot result in reprisals. If you still feel that you are experiencing negative consequences because of reporting, we ask you to report that directly to the Confidential Adviser (HR) and/or a Compliance Officer at Bavaria.

The Management Board will then personally or through the Compliance Officer give the local management instructions to remove and prevent further reprisals.

Reporting in good faith means that an average employee would also report a suspicion in similar circumstances. Reporting in bad faith means that you know the facts are different than you have indicated, or that you misuse this reporting procedure for private, personal goals (for example for revenge or harming someone). Disciplinary action will follow against the reporter who was acting in bad faith or provided false information.

WHAT CAN I EXPECT AFTER A REPORT?

If you decide to make your concerns discussable and report them, the Compliance Officer will confirm your report within five working days (unless you reported anonymously). He/she will review whether there is a reasonable suspicion of a violation of the Code of Conduct or whether some other procedure must be followed.

The Compliance Officer, after consultation with the head of Legal Affairs, HR and (a member of) the Management Board, will then have the possible violation investigated.

After consultation with and permission from the Management Board, the Compliance Officer has the authority to take temporary measures, to request and view all information and to interview people. Every employee is obliged to cooperate promptly, fully and honestly with such investigations.

WHEN WILL THE ACCUSED BE INFORMED?

The accused will be informed by the Compliance Officer or investigator about the ongoing investigation as soon as the investigation allows. The accused will always be interviewed in order to allow him/her to give his/her view of the events.

WHAT ABOUT PRIVACY?

Bavaria will process the personal data of all parties concerned carefully and fully in accordance with the locally applicable laws. Personal data collected in the scope of this reporting procedure will only be used in the context of the goals set out in this procedure. Such data will also only be provided to people who necessarily need the relevant information within the scope of this procedure.

WHAT ARE THE CONSEQUENCES OF AN INVESTIGATION AND SANCTIONS?

If an inquiry leads to the conclusion that a breach of the Code of Conduct has taken place, then the Compliance Officer will take a decision in consultation with HR and the Management Board. This may include:

- specific disciplinary instructions (for example, reprimand, demotion, dismissal),
- instructions for improving internal procedures and processes or
- both.

Employees should follow instructions and the Commission regularly monitors that this actually happens.

As the reporter you will – in principle - hear from the Compliance Officer after eight to ten weeks whether:

- the investigation has been completed,,
- the report has been declared well-founded in whole or in part, and
- if sanctions have been imposed.

Because of the legal status of the accused no further communications are made on this.

WHO CAN MAKE A REPORT?

This procedure gives any interested party the right to make a report. Three things are paramount:

1. integrity,
2. acting in accordance with the core values and
3. the intention of improving Bavaria as a company.

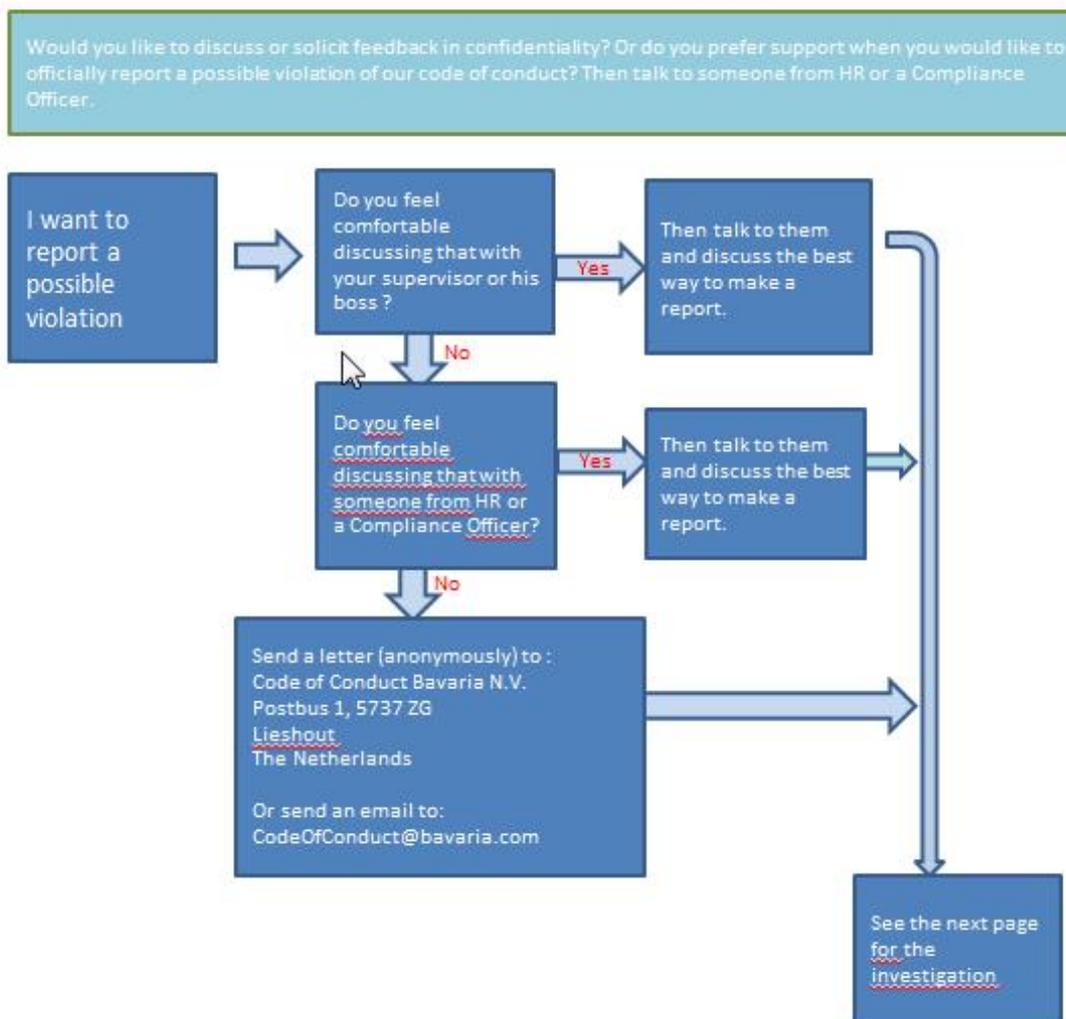
WHERE CAN I ASK QUESTIONS?

More information can be obtained from any colleague in HR, the Confidential Adviser (Ellen Kuhn) or one of the Compliance Officers of Bavaria NV:

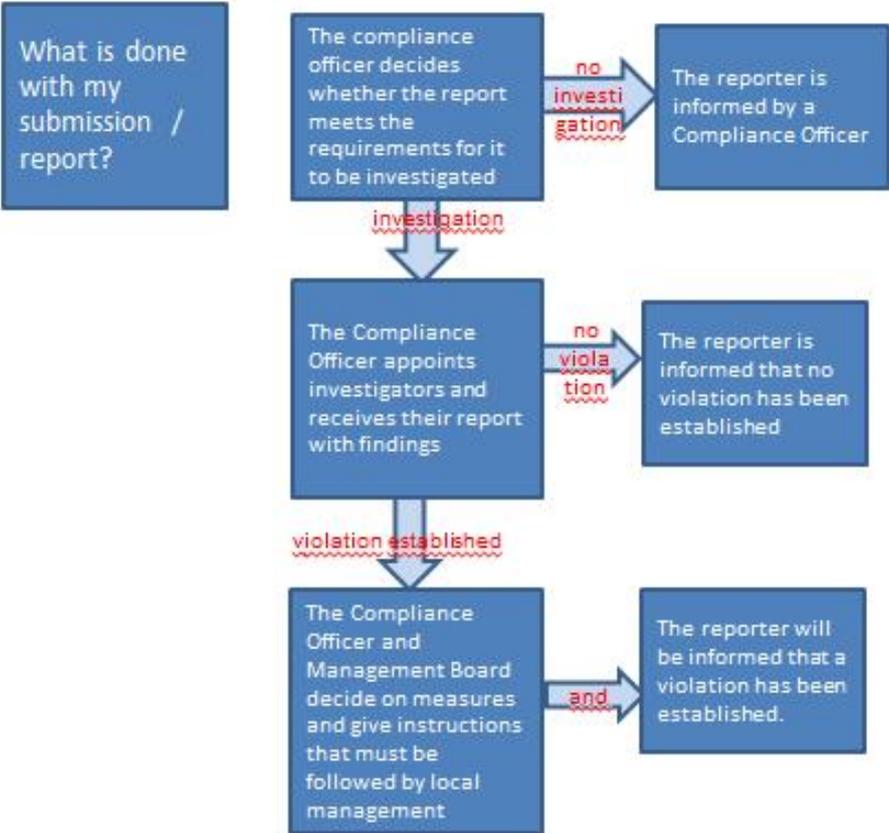
Ellen Kuhn	HR (is also Confidential Adviser)
Willianne Slegers	Legal Department
Daan Mommaal	Legal Department

P.S. This reporting procedure has been carefully compiled. If the law affords more rights to persons in some aspects these broader rights apply. If the law is less stringent in some aspects than this procedure then the stricter rules apply. This procedure is reviewed from time to time. The Dutch version of this procedure is leading as published on our intranet.

Bavaria Reporting Procedure -visualisation (1)



Bavaria Reporting Procedure - visualisation (2)



Annex

You can use this template to file a Report with your supervisor or manager (or his/her manager), with your (local) Human Resources representative, with your (local) Compliance Officer or via CodeOfConduct@Bavaria.com. Use of this template is optional; please feel free to use any format you feel comfortable with.

Do you want your identity to remain confidential?

Please note that the recipient of this Report (supervisor or manager, local Human Resources representative, or local Compliance Officer) will be aware of your identity. If you do not want this, you can send this form anonymously to CodeOfConduct@Bavaria.com

1. Personal information

Your name (first and last name):

Your preferred phone number (this may be your private phone number):

Your preferred email address (this may be your private email address):

Best time to communicate with you (including time zone you are in):

Best way of communicating with you:

*phone

*email

*in person

Name of your operating company / corporate department:

2. Report of possible violation

What is the possible violation of our Code of Conduct you want to report?

Do you have a serious suspicion or are you sure?

*serious suspicion

*I am sure

When did it occur? (Please estimate if exact dates are not known)

Where did it occur? (Please fill in the location, document or transaction, as applicable)

Who, in your opinion, are the persons involved? (Please fill in the first and last names and functions to the fullest extent possible)

First name - last name - function

1.

2.

3.

4.

*unknown

What, in your opinion, is the potential damage (financially or otherwise) to Bavaria? (To the extent you have visibility on this)

Do you think it will happen again?

*no

*yes

*not sure

3. Personal action

How did you become aware of the situation?

Have you reported the situation to anyone else within Bavaria first?

*no, why not?

*yes, the outcome was: (please include name(s) of person/people to the extent you feel comfortable with that)

Do you know of any other person(s) who is/are aware of the situation, but who is/are not personally involved?

*no

*yes: (please include name(s) of person/people to the extent you feel comfortable with that)

Do you have any physical evidence which you can share with the investigators? (Please only provide evidence you have readily available, please do not investigate yourself; we leave that to experienced investigators).

*no

*yes (please describe the physical evidence, such as documents, you may have):

Please provide any additional information you have which you believe may be relevant:

Thank you!