

## VIACOM INC.

### CORPORATE GOVERNANCE GUIDELINES

The Board of Directors has adopted these guidelines to reflect Viacom Inc.'s ("Viacom" or the "Company") commitment to the highest standards of corporate governance, and to comply with the NASDAQ Stock Market LLC ("NASDAQ") Marketplace Rules and other legal requirements. The Governance and Nominating Committee will review these Guidelines annually and in accordance with NASDAQ Marketplace Rules and other legal requirements, and propose modifications for the Board's consideration as appropriate.

#### *Director Responsibilities*

##### Basic Responsibilities

The business affairs of Viacom are managed under the direction of the Board, which represents and is accountable to Viacom's stockholders. The Board's responsibilities are active and not passive, and include the responsibility to regularly evaluate the strategic direction of Viacom, management policies and the effectiveness with which management implements its policies.

The responsibility of directors is to act in good faith and with due care so as to exercise their business judgment on an informed basis in what they reasonably and honestly believe to be in the best interests of Viacom and its stockholders.

##### Board and Committee Meetings

The Board of Directors will have at least six regularly scheduled meetings each year, and will have such additional meetings as it believes are necessary to properly discharge its responsibilities.

Each committee of the Board will meet as frequently as necessary to properly discharge its responsibilities. The Audit Committee's charter requires that it meet at least six times each year, the Compensation Committee's charter requires that it meet at least four times each year and the Governance and Nominating Committee's charter requires that it meet at least three times each year.

Directors are expected to prepare for and participate in all meetings of the Board and of committees on which they serve. Directors are encouraged to attend all Board and committee meetings in person, but may participate by telephone or videoconference as needed. Directors are also expected to attend Viacom's Annual Meeting of Stockholders.

Information and materials that are important to the directors' understanding of the business to be conducted at a Board or committee meeting shall, to the extent practical, be provided to the members of the Board or committee sufficiently in advance of each meeting to permit meaningful review. Directors are expected to review in detail the materials they are provided in advance of each meeting.

The Chairman of the Board, with the assistance of the Vice Chair of the Board, the Chair of the respective Board committee and/or, if applicable, the Lead Independent Director (as defined below), as appropriate, will develop and approve the agenda for each Board and committee meeting. Each member of the Board and members of management are free to suggest the inclusion of items on the agenda by communicating directly with the Chairman of the Board, the Vice Chair of the Board, the Chair of the respective Board committee and/or, if applicable, the Lead Independent Director.

#### *Meetings of Non-Management Directors and Independent Directors*

The non-management directors will meet separately, without directors who are employees of Viacom, at regularly scheduled sessions, and the independent directors will meet separately, without those directors who are not independent as determined by the Board, at least twice each year, and at such other times as they deem appropriate.

Each non-management director or independent director is free to suggest the inclusion of items for their respective sessions by communicating directly with the Chairman of the Board, Vice Chair of the Board or, if applicable, the Lead Independent Director.

#### *Communications with Directors*

In order to facilitate the ability of stockholders and other interested parties to communicate with and make their concerns known to the non-management directors, the non-management directors have established an electronic mailing address and a physical mailing address to which interested parties may send such communications. These addresses will be included in Viacom's annual proxy statement and on its website ([www.viacom.com](http://www.viacom.com)).

### ***Leadership of the Board***

#### *Chairman of the Board*

The office of the Chairman of the Board may be held by an independent director or a non-independent director (including the Chief Executive Officer of the Company).

### Vice Chair of the Board

If the Board has elected a Vice Chair of the Board, then subject to any applicable NASDAQ rules and other relevant laws and regulations, the responsibilities of the Vice Chair will include: (i) presiding over Board meetings when the Chairman is unavailable, (ii) participating in the preparation of agendas and development of a work plan for the Board and for Board committees, (iii) coordinating Board activities and meeting with the Chairman and members of management on key Board and Committee initiatives and (iv) any other matter as may be delegated by the Chairman.

### Lead Independent Director

If the offices of Chairman of the Board and Chief Executive Officer are held by the same person, or the office of the Chairman is otherwise held by a non-independent director, the independent members of the Board will annually elect an independent director to serve in a lead capacity (the “Lead Independent Director”). The Lead Independent Director should be an individual who has demonstrated skill at acting in an effective and independent manner as a director and leader, who is knowledgeable about the Company and its industry, who has strong communications skills and who possesses a temperament effective at building and achieving consensus. The Lead Independent Director shall be an individual who has the willingness and capacity to provide the necessary time to fulfill the duties and responsibilities attendant to the role, in light of other obligations, including commitments to other boards.

The Lead Independent Director coordinates the activities of the other non-management directors, and performs such other duties and responsibilities as the Board of Directors may determine.

The specific responsibilities of the Lead Independent Director are as follows:

- Presides at executive sessions of the independent and non-management directors;
- Seeks to ensure effective communication among the Board committees;
- Has the authority to call meetings of the independent or non-management directors and, with their input, set the agendas for such meetings;
- Leads the Board’s annual process of performance self-assessment;
- Provides feedback to individual directors as necessary;
- Leads the independent directors’ evaluation of the President and Chief Executive Officer’s effectiveness, including an annual evaluation of his or her

interactions with the directors, and leads the annual succession planning process;

- Serves as liaison between (1) executive management and (2) the independent and non-management directors as appropriate (however, each director is free to communicate directly with the Chairman);
- Maintains ongoing dialogue with the Chairman regarding substantive business matters and governance issues; and works with the Chairman to ensure periodic review by the Board of the Company's long-term strategy;
- Consults with respect to meeting agendas and has the authority to add items to the agenda of Board meetings; consults regarding information provided to the Board;
- Facilitates the Board's approval of the number and frequency of Board meetings, and approves meeting schedules to ensure that there is sufficient time for discussion of all agenda items;
- Authorizes the retention of outside advisors and consultants on behalf of and who report directly to the independent and/or non-management directors;
- Is regularly apprised of material shareholder inquiries and involved in responding to these inquiries when appropriate as determined by him/her in consultation with the Chairman; and
- Other duties as delegated from time to time by the independent directors.

#### Chairman Emeritus

The Board may, from time to time, designate a former Chairman of the Board to serve as a Chairman Emeritus ("Chairman Emeritus") until such Chairman Emeritus' earlier resignation or removal. The Chairman Emeritus may be invited to attend meetings of the Board or any committee of the Board and, if present, may participate in the discussions occurring at such meetings. The Chairman Emeritus shall not be counted for the purpose of determining whether a quorum of the Board or a committee of the Board is present and shall not have any of the responsibilities or liabilities of a director, nor any of a director's rights, powers or privileges, including the right to vote on matters before the Board or its Committees. The Chairman Emeritus shall not be considered to be a member of the Board or any of its Committees.

## ***Composition and Selection of the Board***

### ***Size of the Board***

The Board currently has 10 members. The Board will regularly evaluate its size in connection with the director nomination process and at such other times as it deems appropriate.

### ***Board Membership Criteria***

Directors of Viacom should be individuals with substantial accomplishments in their professional backgrounds, and should be current or former leaders in the important companies or institutions with which they are or have been affiliated. They should be able to make independent, analytical inquiries, should exhibit practical wisdom and mature judgment and must be able and willing to devote the necessary time to carrying out their duties and responsibilities as members of the Board. Directors of Viacom are expected to possess the highest personal and professional ethics, integrity and values, and should be committed to promoting the long-term interests of Viacom's stockholders.

*Independence.* A majority of Viacom's directors will meet the criteria for independence established by the NASDAQ corporate governance listing standards. Whether directors meet the criteria for independence will be determined annually prior to their standing for election to the Board and at such other times as the Board deems appropriate. The Board will determine which directors are independent, after taking into consideration the recommendations of the Governance and Nominating Committee. The independent directors will be identified in Viacom's annual proxy statement.

In accordance with the NASDAQ listing standards, a Viacom director will not be independent if any of the following relationships exist:

- (i) the director is, or has been within the last three years, an employee of Viacom;
- (ii) a family member of the director is, or has been within the last three years, an executive officer of Viacom;
- (iii) the director has received, or a family member of the director has received, during any twelve-month period within the last three years, more than \$120,000 in compensation from Viacom, other than compensation for board or board committee service, compensation paid to a family member of the director who is an employee (other than an executive officer) of Viacom, or benefits under a tax-qualified retirement plan, or non-discretionary compensation;
- (iv) the director is, or has a family member who is, a current partner of Viacom's outside auditor, or was a partner or employee of Viacom's outside

auditor who worked on Viacom's audit at any time during any of the past three years;

(v) the director is, or has a family member who is, employed as an executive officer of another entity where at any time during the past three years any of the executive officers of Viacom have served on the compensation committee of such other entity; or

(vi) the director is, or has a family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which Viacom made, or from which Viacom received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more, other than payments arising solely from investments in Viacom's securities or payments under non-discretionary charitable contribution matching programs.

For purposes of this analysis, "family member" means the director's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in the director's home.

In addition, for a director to be considered independent under the NASDAQ listing standards, the Board must determine that the director does not have a relationship with Viacom that would interfere with exercising independent judgment in carrying out the director's responsibilities (which we refer to as a "material relationship"). The Board has established the following standards to assist it in determining what constitutes a material relationship:

- If the types of relationships identified by NASDAQ as set forth above that have a look-back period of three years occurred more than three but less than five years ago, the Board will consider whether a material relationship exists; if the relationship occurred more than five years ago, it will not be considered a material relationship that would impair a director's independence. In addition, if a relationship of the type described in (iii) above exists and the amount involved is \$120,000 or less, it will not, absent other circumstances, be considered a material relationship that would impair a director's independence.
- The following relationships will not be considered material relationships that would impair a director's independence: (i) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a company that made payments to, or received payments from, Viacom for property or services in an amount which, in any of the last three fiscal years, is less than 1% of the annual consolidated gross revenues of such other company; (ii) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a company which is indebted to Viacom, or to which Viacom is

indebted, and the total amount of either company's indebtedness to the other is less than 1% of the total consolidated assets of such other company; and (iii) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a tax exempt organization, and Viacom's contributions to the organization in the prior fiscal year are less than the greater of \$500,000 or 1% of that organization's consolidated gross revenues.

For relationships that exceed the thresholds set forth above, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who are independent. For example, if a director is the CEO of a company that is indebted to Viacom in an amount in excess of 1% of that company's total consolidated assets, the independent directors could determine, after considering all of the relevant circumstances, that such a relationship was immaterial, and that director would therefore be considered independent for purposes of the NASDAQ listing standards.

Types of relationships not addressed by the NASDAQ listing standards or the additional categorical standards set forth above will not, by themselves, cause a director to be considered not independent. The Board may however, after considering relevant facts and circumstances, determine that a director is not independent for any reason it deems appropriate. To the extent required by law or the NASDAQ listing standards, Viacom would explain in the next proxy statement the basis for any Board determination that a director was independent despite the fact that he or she did not meet or fit within the categorical standards for a material relationship set forth herein. For purposes of this section, references to "Viacom" mean Viacom Inc. and its consolidated subsidiaries.

Each independent director is expected to notify the Chair of the Governance and Nominating Committee, as soon as reasonably practicable, in the event that his or her personal circumstances change in a manner that may affect the Board's evaluation of such director's independence.

*Other Directorships.* Each director is expected to notify the Chair of the Governance and Nominating Committee and the Corporate Secretary of his or her intention to become a member of the board of directors of another public or "for-profit" company in advance of accepting such new position. When the Governance and Nominating Committee recommends director candidates to the Board and recommends directors to serve on committees of the Board, it will consider the other demands on each director's time, including those arising from such service. The Board shall determine, acting on the recommendation of the Governance and Nominating Committee, whether a candidate's service on the boards of directors of more than three other public companies is consistent with service on Viacom's Board.

### Composition of the Board; Selection Process

The Governance and Nominating Committee is responsible for reviewing with the Board, on an annual basis after considering the Board's anticipated needs for the upcoming year, the composition of the Board in light of the characteristics of independence, diversity, age, skills, experience, availability of service to Viacom, tenure of incumbent directors on the Board, and such other attributes as the Governance and Nominating Committee shall deem relevant to an individual's qualification to serve on the Board. The Governance and Nominating Committee will recommend director candidates to the Board in accordance with the criteria, policies and principles set forth in its Charter and in these Guidelines. Qualified candidates for the Board recommended by stockholders shall be reviewed in accordance with the policies established by the Governance and Nominating Committee.

The Board has determined not to establish term limits to an individual's membership on the Board or a mandatory retirement age. The Company's policy regarding director tenure and retirement is to consider these on a case-by-case basis depending on various factors, including the age, experience, qualifications and performance of the director and his or her history of service on the Board. The Governance and Nominating Committee will, as part of its annual assessment of the composition of the Board, review the extent of a director's tenure on the Board, and directors should not expect that, once elected to the Board, they will necessarily be renominated thereafter.

### Changes in Personal Circumstances

Directors are expected to offer their resignation from the Board in the event of any significant change in personal circumstances (including a change in principal occupation), in the event a significant ongoing time commitment arises that may be inconsistent with the director's service to the Board or, in the case of an independent director, in the event of a change in circumstances that would result in the director no longer being considered independent. Such offers of resignation will give the Board, through the Governance and Nominating Committee, an opportunity to review whether it is appropriate for such director to continue to serve as a member of the Board.

## **Board Committees**

### Composition and Responsibilities

The Board will have an Audit Committee, a Compensation Committee and a Governance and Nominating Committee, and any other committees the Board deems appropriate. The Governance and Nominating Committee will review on an annual basis the Board's committee structure.



All of the members of the Audit Committee, Compensation Committee and Governance and Nominating Committee will be independent directors under the criteria for independence required by law or regulation and NASDAQ. The members and Chair of each of the committees will be appointed by the Board, taking into account the recommendations of the Governance and Nominating Committee.

### Charters

The Board has adopted written charters setting forth the purposes, goals and responsibilities of each of the Audit Committee, the Compensation Committee and the Governance and Nominating Committee, and will adopt such charters for any other committees the Board deems appropriate. Each such committee shall assess the adequacy of its charter annually and recommend any changes to the Board. The Governance and Nominating Committee shall review all proposed changes to each committee's charter.

The current charters of the Board's standing committees are available on Viacom's website ([www.viacom.com](http://www.viacom.com)) and will be mailed to stockholders on written request.

### ***Related Person Transactions***

The Governance and Nominating Committee shall review, approve and ratify, as appropriate, transactions involving Viacom or its subsidiaries and related persons (as such term is defined by the Securities and Exchange Commission) in accordance with written policies and procedures established by the Governance and Nominating Committee from time to time.

### ***Director Access to Management, Employees and Independent Advisors***

#### Access to Management and Employees

Directors have full and unrestricted access to management and other employees of Viacom.

#### Access to Independent Advisors

The Board (subject to the authorization of the Lead Independent Director, if applicable) and each committee have the power to hire independent legal, financial or other advisors as they may deem appropriate, without consulting or obtaining the approval of any officer of Viacom. Viacom shall provide the funding for any external advisors retained by the Board or a committee.

### Internal Reporting

The Audit Committee will encourage the submission of, and establish procedures for the confidential treatment of, complaints and concerns by officers and employees regarding accounting, internal accounting controls and auditing matters. The procedures for submitting any such complaints and concerns will be communicated to the officers and employees.

### ***Director Orientation and Continuing Education***

Each new director shall be provided with these Guidelines and will participate in Viacom's orientation initiatives as soon as practicable after his or her election. The orientation initiatives will include presentations by senior management and outside advisors, as appropriate, to familiarize new directors with Viacom's business, its strategic plans, its significant financial, accounting and risk management issues and its compliance programs, as well as their fiduciary duties and responsibilities as directors. All other directors will be invited to attend any orientation initiatives.

The Governance and Nominating Committee and members of senior management of Viacom, as well as appropriate outside advisors, will periodically report to the Board on any significant developments in the law and practice of corporate governance and other matters relating to the duties and responsibilities of directors in general.

Directors are encouraged to attend presentations, workshops and other programs held by third party organizations that are designed to educate and inform the director about topical issues affecting board members. Viacom will reimburse the director for the costs of attending a reasonable number of programs each year.

### ***Director Compensation and Benefits***

The Governance and Nominating Committee will, at least every other year, review and recommend to the Board for approval the form and amount of director compensation and benefits for which outside directors are eligible. The Governance and Nominating Committee and the Board will consider that a director's independence may be jeopardized if compensation and perquisites exceed customary levels, if Viacom makes substantial charitable contributions to organizations with which the director is affiliated, or if Viacom enters into consulting contracts with or provides other indirect forms of compensation to a director or an organization with which the director is affiliated.

The Governance and Nominating Committee shall be guided by three principles in its review of outside director compensation and benefits:

- directors should be fairly compensated for the services they provide to Viacom (taking into account, among other things, the size and

complexity of Viacom's business and compensation and benefits paid to directors of comparable companies);

- directors' interests should be aligned with the interests of stockholders; and
- directors' compensation should be easy for stockholders to understand.

The Board believes that director stock ownership helps to align the interests of directors with those of Viacom's stockholders. Within three years of becoming a director, each director is expected to own shares of Viacom common stock (including stock units under the Viacom Inc. Deferred Compensation Plan for Outside Directors) having a market value of at least three times the base cash annual retainer fee paid by Viacom to its outside directors. Once a director satisfies these stock ownership guidelines, the guidelines will continue to be deemed satisfied for such director, regardless of market fluctuation, so long as the director does not sell any stock (a) where the sale causes the value of his or her holdings to be less than the guideline amount or (b) at a time when the value of his or her holdings is less than the guideline amount. The Board recognizes that exceptions to this policy may be necessary or appropriate in individual cases, and may approve such exceptions from time to time as it deems appropriate in the interest of Viacom's stockholders.

#### ***President and Chief Executive Officer Evaluation and Management Succession***

The independent directors of the Board will, on an annual basis, evaluate the performance of the President and Chief Executive Officer and will report the results of this evaluation to the Compensation Committee.

The Compensation Committee will review and approve goals and objectives relevant to the compensation of the President and Chief Executive Officer and evaluate the performance of the President and Chief Executive Officer in light of those goals and objectives and after considering the report of the independent directors. The Compensation Committee will set the compensation level of the President and Chief Executive Officer based on this evaluation and will report to the Board on this process.

The non-management directors of the Board will review at least annually succession planning for the President and Chief Executive Officer. The President and Chief Executive Officer shall make available to the Board, and shall meet with the non-management directors at least once per year to discuss, his recommendations and evaluations of potential successors to his position, including in the event of an unexpected emergency, along with a review of any development plans recommended for such individuals. In addition, the President and Chief Executive Officer shall discuss with the Board, at least once per year, his succession plan for the Chief Operating Officer (if applicable), the Chief Financial Officer, the General Counsel and the operating managers who report to the President and Chief Executive Officer.

### ***Conflicts of Interest***

Directors are expected to comply with the policies on conflicts of interest set forth in Viacom's Global Business Practices Statement. Directors are expected to recuse themselves and not participate in the discussion and voting on any matter presented at a Board or committee meeting if they believe that they have a personal interest or any other conflict of interest.

### ***Annual Performance Self-Assessment***

The Governance and Nominating Committee will establish the criteria to be used by the Board and each committee in an annual performance self-assessment to assess their respective effectiveness. If applicable, the Lead Independent Director shall lead the Board in its annual performance self-assessment. Each committee of the Board shall also conduct an annual performance self-assessment.