

**THE BOSTON BEER COMPANY, INC.**  
**COMPENSATION COMMITTEE CHARTER**

**Purpose**

The Compensation Committee has been created by the Board of Directors to discharge the Board's responsibilities relating to compensation of the Company's officers and directors. The Compensation Committee shall exercise overall responsibility for evaluating and approving compensation programs and policies of the Company relating to officers and directors.

The Compensation Committee shall produce an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.

**Membership**

The Compensation Committee shall be appointed annually by the Board of Directors and shall consist of no fewer than three members. The members of the Compensation Committee shall meet the independence requirements prescribed by applicable statutes and regulations, including the requirements of the New York Stock Exchange (NYSE).

In appointing the Compensation Committee, the Board shall take into consideration the recommendation of the Nominating/Governance Committee. Members of the Compensation Committee may be removed and replaced by the Board.

**Committee Authority and Responsibilities**

1. The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant used to assist in the evaluation of director, Chairman, CEO, and other senior executive compensation and shall have sole authority to approve the consultant's fees and other retention terms.

2. The Compensation Committee shall have authority to obtain, in its discretion, advice and assistance from internal or external legal, accounting, or other advisers.

3. The Compensation Committee shall review and approve corporate goals and objectives relevant to the compensation of the Chairman, if a member of management, and of the CEO, evaluate the performance of the Chairman and of the CEO in light of those goals and objectives, and set the compensation level of the Chairman and of the CEO based on this evaluation. The Compensation Committee shall review and approve the compensation parameters of other senior executives of the Company. In discharging its responsibilities, the Compensation Committee shall endeavor to develop compensation structures for individual officers that reflect the responsibilities of their position and past achievements with the Company, compensation awarded to them in the past, compensation awarded to executives at companies considered comparable by the Compensation Committee, as well as the Company's performance and return to shareholders.

4. The Compensation Committee shall review and make recommendations to the full Board with respect to incentive-compensation plans and equity-based plans that may be adopted or maintained by the Company.

5. The Compensation Committee shall review and make recommendations to the Board concerning policies or guidelines with respect to employment agreements, severance arrangements, change-in-control agreements, or arrangements involving senior executive officers and directors of the Company.

6. The Compensation Committee shall review and discuss with management the Company's annual Compensation Discussion and Analysis and, based on the review and discussions, determine whether to recommend to the Board of Directors that the Compensation Committee Discussion and Analysis be included in the Company's annual report on Form 10-K and, as applicable, the Company's proxy or information statement.

7. The Compensation Committee may form and delegate authority to such subcommittees as it considers appropriate.

8. The Compensation Committee shall make reports to the Board of Directors on a regular basis.

9. The Compensation Committee shall at least bi-annually, or more frequently if necessary to comply with the regulations of the NYSE or any other statute or regulation applicable to this Committee, review its own performance, and review and reassess the adequacy of its Charter and recommend any proposed changes to the Board of Directors for its approval.

**Adopted by the Board of Directors on December 17, 2002; as amended November 9, 2006**