

**CORPORATE GOVERNANCE GUIDELINES  
ANHEUSER-BUSCH COMPANIES, INC.**

**Role of the Board of Directors**

The Board of Directors selects and supervises the officers of the Company in the interest and for the benefit of the stockholders. The Board of Directors has delegated to the Chief Executive Officer, together with the other officers of the Company, the authority and responsibility for managing the business of the Company under the direction of the Board. Each director is expected to spend the time and effort necessary to properly discharge the director's responsibilities.

**Composition of the Board of Directors**

*1. Size of Board of Directors*

The Corporate Governance Committee makes recommendations to the Board of Directors concerning the appropriate size of the Board of Directors. The Board of Directors believes that the quality of the individuals serving on the Board of Directors and the overall balance of the Board of Directors is more important than the number of members.

*2. Board Membership Criteria*

The Board of Directors is responsible for nominating individuals for election to the Board of Directors by the stockholders and for appointing individuals as directors between annual meetings of the stockholders. The Corporate Governance Committee identifies, reviews and makes recommendations concerning potential members of the Board of Directors.

The Board seeks members from diverse business and professional backgrounds with outstanding integrity, achievement and judgment and such other skills and experience as will enhance the Board's ability to serve the long-term interests of the stockholders. The Board will evaluate each individual in the context of the entire Board of Directors with the objective of assembling a Board of Directors that can best perpetuate the success of the Company and promote the interests of stockholders. Annually (or more often, if necessary), the Corporate Governance Committee reviews the qualifications and backgrounds of the directors and makes recommendations to the Board as to the directors to be nominated for election by the stockholders at the next annual meeting or to be appointed as directors between annual meetings of the stockholders.

*3. Selection of Chairman*

The Board of Directors annually selects a Chairman from among the directors. The Board of Directors has concluded that the decision as to whether the offices of the Chief Executive Officer and the Chairman should be separate should be based upon the determination of the Board of Directors as to which approach best serves the interests of the Company at the time.

*4. Term Limits*

The Board does not believe that it should establish term limits for directors. Term limits would deprive the Company of the knowledge and expertise developed by directors from extended service on the Board of Directors.

*5. Retirement of Board Members*

The policy of the Board of Directors is that it will not nominate any individual for election as a director by the stockholders or appoint any individual as a director if such person is 72 years or older, subject to the following exception. Individuals who have served as directors of the Company or its predecessor since 1971 may continue to be nominated until they reach the age of 75. August A. Busch III is the only remaining director to which this exception is applicable.

#### 6. *Directors Who Change Their Present Job Responsibility*

The Board of Directors does not generally believe that directors who retire or significantly change the position they held when they became a member of the Board should leave the Board of Directors. However, upon any such event, the Corporate Governance Committee will review the appropriateness of continued service on the Board of Directors by that director.

#### 7. *No Specific Limitation on Other Board Service*

The Board of Directors does not believe that its members should be prohibited from serving on boards and committees of other organizations, and the Board has not adopted any guidelines limiting such activities. Each director is expected to ensure that other commitments do not interfere with the director's discharge of his or her duties. Directors are expected to inform the Chairman of the Board and the Chairman of the Corporate Governance Committee upon becoming a director of any other public company or becoming a member of the audit committee of any other public company. The Corporate Governance Committee and the Board of Directors will take into account the nature and extent of an individual's other commitments when determining whether it is appropriate to nominate such individual for election or appoint such individual as a director.

#### 8. *Director Orientation and Continuing Education*

The Company shall conduct an orientation program for newly elected or appointed directors on subjects that will assist them in discharging their duties. The Board of Directors and the Company's management shall develop and implement a continuing education program for directors to assist them in discharging their duties.

### **Independence Criteria**

A director is determined to be independent if the Board of Directors has determined that the director has no material relationship with the Company.

The Board of Directors has established the following categorical standards in connection with determining the independence of directors:

- A director will not be considered to be independent if, during the past five years, the Company has employed the director or (except in a non-officer capacity) any of the director's immediate family.
- A director will not be considered to be independent if, during the past five years, the director has been employed by (or affiliated with) the Company's present or former independent accountants or any of the director's immediate family members have been so employed or affiliated (except in a non-partner capacity not involving the Company's business).
- A director will not be considered to be independent if, during the past five years, either the director, or any of the director's immediate family members, has been part of an "interlocking directorate" in which an executive officer of the Company serves on the compensation (or equivalent) committee of another company that employs the director.
- A director will not be considered to be independent if the director is a partner, stockholder, or officer of a company or firm that provides significant consulting, legal, or financial advisory services to the Company. For purposes of this categorical standard, a company or firm will be considered to provide non-significant services if the fees represent less than (i) 1% of the company's or firm's gross revenues for its last full fiscal year and (ii) 1% of the Company's gross revenues for its last full fiscal year.
- A director's independence will not be considered to be impaired if the director or any immediate family member of the director is employed by (or affiliated with) a non-significant supplier or customer of the Company. For the purposes of this categorical standard, a supplier or customer will be considered non-significant if its sales to, or purchases from, the Company represent less than (i) 1% of the gross revenues of the customer or supplier for its last full fiscal year and (ii) 1% of the Company's gross revenues, for its last full fiscal year.
- A director's independence will not be considered to be impaired if the director is an employee, officer, or director of a foundation, university or other non-profit organization to which the Company gives

directly, or indirectly through its foundation, no more than \$200,000 per annum or 5% of the organization's gross revenues for its last full fiscal year (whichever is greater).

- A director's independence will not be considered to be impaired if the director receives fees for service as the Company's representative on the board of directors of subsidiary or affiliated companies.

An individual will be considered to be affiliated with a corporation or other entity, if that individual controls, is controlled by or is under common control with the corporation or other entity.

The Board of Directors will determine the independence of any director with a relationship to the Company that is not covered by the above standards.

## **Board Meetings**

### *1. Frequency of Meetings*

The Board of Directors determines its schedule of board meetings each year. The current schedule is for nine regular meetings each year. A director is expected to regularly attend meetings of the Board and of the committees on which the director serves, and to review materials distributed in advance of meetings.

### *2. Selection of Agenda Items*

The Chairman of the Board of Directors establishes the agenda for each meeting. Each member of the Board may suggest additional items for the agenda.

### *3. Distribution of Materials*

The minutes of the prior Board meeting, an agenda for the forthcoming meeting, and selected Company financial information are distributed to Board members in advance of the meetings.

### *4. Attendance of Non-Directors*

From time to time the Company requests retired directors to continue to attend Board meetings as advisory directors for the two years following their retirement so that the Company can continue to benefit from their experience and advice. Advisory directors do not vote. The Board believes that attendance by senior management of the Company at Board meetings is beneficial.

### *5. Access to Management and Advisers*

Board members shall have unrestricted access to management of the Company. The Board of Directors shall have the authority to retain independent legal, accounting or other consultants to advise the Board.

### *6. Separate Sessions of Non-Management Directors*

The non-management directors of the Company shall meet in regularly scheduled executive sessions without management no fewer than four times a year. The position of lead director at these meetings shall rotate annually among the independent directors.

## **Director Compensation**

The Company believes that the compensation paid to directors should be competitive and should encourage ownership of the Company's stock by directors. The Corporate Governance Committee shall periodically review the compensation paid to directors by the Company and make recommendations to the Board of Directors concerning such compensation.

Employees of the Company serving as directors shall not receive any additional compensation for service on the Board of Directors.

## **Board Committees**

### *1. Number and Names of Board Committees*

The Board of Directors shall establish committees from time to time to assist it in discharging its obligations. There are currently seven standing committees:

- Audit Committee
- Conflict of Interest Committee
- Corporate Governance Committee
- Executive Committee
- Executive Salaries and Stock Option Plans Committee
- Finance Committee
- Pension Committee

Each committee shall have a written charter, adopted and periodically reviewed by the Board of Directors. The purpose and responsibility of each committee shall be described in its respective charter. After each of its meetings, the committee shall report on the meeting to the Board of Directors.

### *2. Independence of Committee Members*

The Audit, Corporate Governance, and Executive Salaries and Stock Option Plans Committees shall be composed entirely of independent directors. The membership of each committee and the compensation paid to the members of each committee will comply with the requirements of the law and the listing standards of the New York Stock Exchange.

### *3. Committee Agendas*

The Chairman of each committee, in consultation with appropriate members of management, establishes the agenda for each meeting. Each member of the committee may suggest additional items for the agenda.

### *4. Assignment of Committee Members*

The Chairman of the Board, after consideration of the desires, experience and expertise of individual directors and in consultation with the Chairman of the Corporate Governance Committee, recommends to the Board of Directors the assignment of directors to the committees of the Board of Directors, including the chairmen of the committees. The Board of Directors annually appoints the chairmen and members to each committee.

The Board of Directors does not favor mandatory rotation of committee assignments or chairmen. The Board of Directors believes that the knowledge and expertise developed by directors through extended service on a committee outweigh the benefits obtained through mandatory rotation.

## **Performance Evaluation; Succession Planning; Stock Ownership by Executive Officers**

### *1. Management Succession*

The Board of Directors plans for the succession to the position of Chief Executive Officer. To assist the Board of Directors, the Chief Executive Officer annually provides to the Board an assessment of the Company's executive officers and their potential to succeed him or her. The Chief Executive Officer also provides to the Board of Directors an assessment of persons considered potential successors to the other executive officers. In addition, the Chief Executive Officer prepares a short-term succession plan providing for temporary delegation of authority in the event the Chief Executive Officer becomes unexpectedly unable to perform his or her duties.

### *2. Evaluation*

Annually, the Corporate Governance Committee shall evaluate the performance of the Board of Directors and each committee thereof. Annually, the Executive Salaries and Stock Option Plans Committee shall evaluate the performance of the officers of the Company. The Corporate Governance Committee and the Executive Salaries and Stock Option Plans Committee shall discuss the results of their evaluations with the Board of Directors.