

**BROWN-FORMAN CORPORATION**  
*Audit Committee Charter*

**Purpose:**

The Committee's purpose is to assist the Board of Directors ("Board") of Brown-Forman Corporation ("Company") in the Board's oversight responsibilities regarding: (1) the qualifications, independence and performance of the independent auditor, (2) the performance of the Company's internal audit function, (3) the integrity of the Company's financial statements, (4) the Company's compliance with legal and regulatory requirements, and (5) the Company's assessment and management of its enterprise risk policies and processes.

The Committee's role is one of oversight. It is responsible for assisting the Board in the specified areas of the Board's own oversight responsibilities. In fulfilling its role, the Committee shall not be responsible for preparing the Company's financial statements, determining that the Company's financial statements and disclosures are complete and accurate, or that they comply with generally accepted accounting principles and applicable laws and regulations, nor for planning or conducting audits. These are responsibilities of Company management and the independent auditor. Company management is also responsible for managing its enterprise risk policies and processes and for reporting to the Committee on them.

**Committee Membership and Meetings:**

The Committee shall be composed of at least three directors, each of whom shall be independent from management and meet the applicable rules of the New York Stock Exchange (the "Exchange") and the Securities and Exchange Commission (the "Commission"), as determined by the Board. The Board shall appoint the members of the Committee and its Chairperson. The Committee will meet at least four times a year. The Committee will meet periodically with the independent auditor in separate executive sessions and separately with management and/or the Director of Internal Audit as appropriate. Committee members may not serve on the Audit Committee of more than three public companies, including the Company's, unless the Board has specifically determined that this service will not detract from the member's service on the Committee.

**Committee Authority and Responsibilities:**

Auditor Oversight: The Committee has sole authority to appoint or replace the independent auditor. The Committee shall be directly responsible for determining compensation and overseeing the work of the independent auditor for the purpose of preparing or issuing an audit report or related work, including resolution of any disagreements between management and the independent auditor regarding financial reporting. The independent auditor shall report directly to the Committee. The Committee shall pre-approve all auditing services and permitted non-audit services to be performed by the independent auditor, including fee estimates and fees. The Committee will also receive and review reports from the Company's internal audit function and review the scope of its activities.

Oversight of Financial Statement Integrity: The Committee is the Board's principal agent in the Board's oversight responsibility for the integrity of the Company's financial statements and financial reporting processes. The Committee may review any activity that may materially affect the integrity of the Company's financial statements.

Oversight of Strategic Enterprise Risk: The Board is responsible for the oversight of the Company's policies and practices regarding strategic enterprise risks. The Board has delegated to the Committee responsibility to assist it in overseeing the Company's policies and processes with respect to the most significant risks and management's monitoring and management of these risks. The Committee does not have primary responsibility to oversee specific risk policies or processes in areas that the Board has delegated to other Board Committees, such as oversight of compensation-related risks (delegated to the Compensation Committee) and oversight of risks related to Board and CEO succession planning (delegated to the Nominating and Governance Committee).

Right to Delegate and to Retain Advisers: The Audit Committee may delegate authority to one or more members when appropriate, including authority to pre-approve audit and permitted non-audit services, provided that decisions of its member(s) shall be presented to the full Committee at its next scheduled meeting. The Committee may retain persons having special competence as necessary to assist it in fulfilling its responsibilities.

Reports to Board and Stockholders: The Committee shall report its actions and determinations to the Board on a regular basis and make such recommendations as it may deem necessary or appropriate. The Committee shall review this Charter at least annually and recommend any changes to the Board for approval. The Committee shall annually review its own performance. The Committee shall provide to stockholders in the Company's proxy statement a Committee report that complies with the reporting requirements of the Commission and the Exchange.

In carrying out its oversight responsibilities, the Committee may, to the extent it deems necessary or appropriate, undertake the following activities:

1. With respect to the independent auditor:
  - Review and evaluate the lead partner of the independent auditor team.
  - Obtain and review a report from the independent auditor at least annually regarding: (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues in (a) or (b), and (d) all relationships between the independent auditor and the Company.

- Obtain from the independent auditor annually a formal written statement describing all relationships between the independent auditor and the Company and a written affirmation by the independent auditor that it is independent.
  - Evaluate the qualifications, performance, and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, and taking into account the opinions of management and Director of Internal Audit, and present its conclusions to the Board.
  - Ensure the rotation of the lead audit partner as required by law and that the independent auditor does not advise any of the Company's designated executive officers on personal financial or tax matters (unless specifically approved in advance by the Committee).
  - Review with the independent auditor any audit findings or difficulties and any material issues on which it consulted with the national office of the auditing firm.
2. With respect to oversight of the Company's internal audit function:
- Review with the Chief Financial Officer the appointment and replacement of the Director of Internal Audit.
  - Review the significant reports to management prepared by the internal audit department and management's responses.
  - Discuss with the independent auditor and management the internal audit department activities, budget and staffing and any recommended changes in the planned scope of the internal audit.
3. With respect to oversight of financial reporting and disclosure matters:
- Review with management and the independent auditor the annual audited financial statements and disclosures made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
  - Prior to the filing of the Company's Form 10-Q, review with management and the independent auditor the Company's quarterly financial statements, including the results of the independent auditor's review of these financial statements and disclosures made in management's discussion and analysis.
  - Discuss with management and the independent auditor any significant financial reporting issues and judgments made in connection with the Company's financial statements, including significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls, any

significant steps adopted in light of material control deficiencies, and disclosures about changes in internal control over financial reporting.

- Review and discuss with the independent auditor (a) critical accounting policies and practices used, (b) alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of their use, and the treatment preferred by the independent auditor, and (c) any other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
  - Discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided. This discussion may be done generally (by discussing the types of information to be disclosed and types of presentations to be made).
  - Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
  - Review and consider with the independent auditor the matters required to be discussed by Statement of Auditing Standards 61, relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, or any significant disagreements with management.
4. With respect to oversight of the Company's strategic enterprise risk management, internal controls, and legal and regulatory compliance:
- Obtain from the independent auditor assurance that, if it becomes aware of any illegal act, the Committee is adequately informed and obtain a report from the independent auditor if it has reached specified conclusions with respect to illegal act.
  - Obtain reports from management, the Company's General Counsel, the Director of Internal Audit, and the independent auditor that the Company is in conformity with applicable legal requirements and the Company's compliance program.
  - Discuss with management, the independent auditor, and the Director of Internal Audit the Company's major risk exposures and the steps management has taken to monitor and mitigate them.
  - Receive and review reports from the principal executive and financial officers of the Company for:
    - their evaluation of the effectiveness of the Company's disclosure controls and procedures and internal controls over financial reporting and procedures for financial reporting ("internal controls").

- all significant deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data.
- any material weaknesses in the internal controls.
- any fraud that involves management or other employees who have a significant role in the Company's internal controls.
- Establish procedures for receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submissions by employees of concerns regarding accounting or auditing matters.
- Review with the Company's General Counsel any legal matters that could have a significant impact on the Company's financial statements or compliance policies.
- Review and, if appropriate, approve or ratify, related-party transactions with the Company.

Amended: March 22, 2012