

Statement of Verification

Introduction

Stantec Consulting Ltd. (Stantec) was contracted by Brown-Forman Corporation (Brown-Forman) to conduct an independent third-party verification of their 2021 fiscal year greenhouse gas (GHG) assertions (the GHG Assertions) for their facilities located in North America and Europe.

In this work, Brown-Forman was responsible for the collection of activity data used in the calculations, data management, completion of the calculations, preparation of the report that contains the GHG Assertions, and quality assurance and control. Additionally, Brown-Forman retained Schneider Electric to assist with activity data management, quality assurance and control, and completion of the GHG calculations.

Stantec was responsible for planning and executing the verification to deliver an opinion to a limited level of assurance as to whether the GHG Assertions are presented fairly and in accordance with the verification criteria. Stantec is accredited with the ANSI National Accreditation Board (ANAB), a member of the International Accreditation Forum (IAF), in accordance with ISO 14065 (Accreditation ID #0805 issued to Stantec Consulting Ltd. for greenhouse gas verification and validation).

Intended User

The results of the verification will be used by Brown-Forman for internal and external sustainability reporting, and for reporting to CDP. The users of this statement are Brown-Forman, shareholders and the public.

Verification Objective

The objective of the verification is to assess whether the GHG Assertions (as presented in Table 1) for Brown-Forman's 2021 fiscal year are accurately prepared in accordance with appropriate criteria.

Verification Boundaries

The boundaries of the verification include Brown-Forman owned or leased operations in North America and Europe. The completeness of the boundary was evaluated as part of the verification and found to be appropriately complete and transparent. A list of Brown-Forman facilities within the boundary has been provided to Stantec and included in the detailed verification report for transparency.

Reporting Period

The verification was conducted for the 2021 fiscal year period of May 1, 2020 to April 30, 2021.

Materiality Threshold

Following best practice, the quantitative materiality threshold was set at 5%. The materiality was assessed for each Scope on its own. The aggregate total of individual discrepancies (with understatements as negative values and overstatements as positive values) was compared against the 5% materiality threshold. The materiality of qualitative discrepancies is at the discretion of the Verification Body.

GHG Assertions

The GHG Assertions are provided in Table 1.

Table 1: Brown-Forman – Fiscal Year 2021 GHG Assertions

Parameter	Assertion (tonnes carbon dioxide equivalent, tCO ₂ e)	Unresolved Immaterial Discrepancies
Total Scope 1 GHG Emissions	103,699	0.6% of Scope 1 emissions (over reported) 2 immaterial qualitative discrepancies
Total Scope 2 GHG Emissions (Location-Based)	52,823	0.002% of Location-Based Scope 2 emissions (under reported) 1 immaterial qualitative discrepancy
Total Scope 2 GHG Emissions (Market-Based)	8,578	2.4% of Market-Based Scope 2 emissions (under reported) 1 immaterial qualitative discrepancy
Total Scope 3 GHG Emissions	135	0.4% of Scope 3 emissions (under reported) No unresolved immaterial qualitative discrepancies

Verification Criteria

Stantec has conducted sufficient and appropriate procedures to express a **limited level of assurance** opinion as to whether the GHG Assertions for the 2021 fiscal year as quantified by Brown-Forman satisfy the requirements of the following criteria:

- ISO 14064-1 Greenhouses Gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals, 2006
- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD), The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), March 2004
- WRI/WBCSD, Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2011

- WRI/WBCSD, GHG Protocol Scope 2 Guidance: An Amendment to the GHG Corporate Standard, January 2015
- CDP Guidance for the 2021 reporting year (CDP Guidance)

Verification Standards

The verification was conducted in accordance with:

- ISO14064-3 Greenhouse Gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions
- ISO 14065: Greenhouse Gases – Requirements for Greenhouse Gas Validation and Verification Bodies for Use in Accreditation or Other Forms of Recognition
- International Accreditation Forum Mandatory Document for the Use of Information and Communication Technology for Auditing/Assessment Procedures: Issue 2 (IAF MD4:2018)
- ANSI National Accreditation Board (ANAB)'s Guidance and Expectations for the Increased Use of IAF MDF 4 During the COVID-19 Pandemic, March 23, 2020 (for virtual site visits and teleconferences)

Verification Opinion

Based on the processes and procedures completed, there is no evidence that Brown-Forman's stated GHG Assertions for the 2021 fiscal year are not, in all material respects, fairly stated in accordance with the criteria noted herein.

Verifier's Independence, Impartiality, and Competence

Stantec provides this conclusion as an independent third party verification body. Prior to entering into an assurance agreement Stantec assesses for any real, potential, or perceived conflict. Stantec continues to monitor for compromised impartiality throughout the engagement.

Stantec provides this statement to Brown-Forman in accordance with our terms of agreement. We consent to its public release. Because of the inherent limitations in any verification, Stantec accepts no responsibility by use of a third party. Stantec has undertaken all assignments in its role as an environmental engineering consulting firm using professional effort consistent with ISO 14064-3. Stantec has assessed the 2021 fiscal year GHG Assertions for Brown-Forman using reasonably ascertainable information. The assessment represents the conditions in the subject area at the time of the assessment. Stantec did not conduct direct GHG emissions monitoring or other environmental sampling and analysis in conjunction with this verification statement.

STANTEC CONSULTING LTD.

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