



## TAX STRATEGY - UNITED KINGDOM

During 2015, the government consulted on a package of measures aimed at improving tax compliance of large businesses. Following that consultation, HM Revenue & Customs (HMRC) introduced legislation requiring large businesses to publish their strategy in relation to UK taxes. The following tax policy sets out how the group manages risk in relation to tax, its dealing with HMRC, and its governing principles related to tax planning and relationships with professional advisors. The UK entities that are covered by this tax strategy are set out below in section 6.

### **Tax policy:**

Our tax policy comprises five key components:

#### **1. Commitment to compliance**

We are committed to compliance with tax law and practice in the UK. Compliance for us means paying the right amount of tax in the right place at the right time. It involves disclosing all relevant facts and circumstances to the tax authorities and claiming reliefs and incentives where available.

#### **2. Responsible attitude to arranging our tax affairs**

In structuring our commercial activities we will consider – among other factors – the tax laws of the countries in which we operate, with a view to maximising value on a sustainable basis. Any structuring that is undertaken will have commercial and economic substance and will have full regard to the potential impact on our reputation and broader goals.

#### **3. Effective risk management**

Given the scale of our business and volume of tax obligations, risks will inevitably arise from time to time in relation to the interpretation of complex tax law. We actively seek to identify, evaluate, monitor and manage these risks. In line with our strategy, we regularly seek external advice on tax matters in order to ensure we are and remain compliant.

#### **4. Constructive approach to engaging with HMRC**

We engage with HMRC with honesty, integrity, respect and fairness and in a spirit of co-operative compliance. We are transparent with HMRC and, in cases of interpretation or complexity, work with them to determine the amount of tax due.

Wherever possible, we do so on a real time basis with the aim to strive for early agreement on disputed matters, and to achieve certainty whenever possible.



## 5. Board ownership and oversight

Our published UK strategy, which has been approved by the Board, satisfies Paragraph 19(2) Schedule 19 of the Finance Act 2016 and Paragraph 22(2) Schedule 19 of the Finance Act 2016, in respect of our financial year ending April 30, 2025.

## 6. UK entities covered by this tax strategy

Brown-Forman's UK entities that are covered by this strategy are as follows:

	Entity	Tax Reference Number
1.	Brown-Forman Beverages, Europe, Limited	8018407100
2.	Brown-Forman Scotland Limited	3814127644
3.	The Benriach Distillery Company Limited	2775313159
4.	Glendronach Distillery Company Limited	8447021841
5.	The Glenglassaugh Distillery Company Limited	8284429806