



BROWN-FORMAN

## Modern Slavery Act Statement 2016

Guided by integrity, respect, trust, teamwork, and excellence, Brown-Forman Beverages Europe, Ltd. ("BFBE") is committed to ethical behavior in our operations. We apply our high ethical standards and core values to our commitment to human rights, including the prevention of modern slavery in our business and our supply chain.

### *DEFINITION AND SCOPE*

Modern slavery is a violation of fundamental human rights as it represents the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. Modern slavery takes various forms, including slavery, servitude, forced and bonded labor, and human trafficking.

We are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in our supply chain.

We expect the same high standards from all of our contractors, suppliers, and other business partners, and we include specific prohibitions in our [Supplier Guiding Principles with respect to Human Rights](#). We expect that our suppliers will in turn hold their own suppliers to the same high standards.

### *OUR BUSINESS*

BFBE is a UK subsidiary of Brown-Forman Corporation, one of the largest American-owned spirits and wine companies, whose portfolio of more than 30 brands is sold in approximately 160 countries across the globe. Below is a chart of Brown-Forman Corporation's most significant global operations facilities. More information about Brown-Forman Corporation, its business and organizational structure, can be found at [http://www.brown-forman.com/wp-content/uploads/2016/06/Brown-Forman\\_2016\\_10K.pdf](http://www.brown-forman.com/wp-content/uploads/2016/06/Brown-Forman_2016_10K.pdf).

## GLOBAL OPERATIONS

Our worldwide facilities include global offices, distilleries, a winery, bottling plants, warehouses, sawmills, and cooperages. This map shows the location of our most significant operations.



UNITED STATES		MEXICO	EUROPE	
Louisville, KY	Spencer, IN	Amatlán	Cour-Cheverny, France	Newbridge, Scotland
Lynchburg, TN	Jackson, OH	Guadalajara	Paris, France	Aberdeenshire, Scotland
Woodford County, KY	Irvine, CA	Mexico City	London, U.K.	Speyside, Scotland
Windsor, CA	Irving, TX	<b>SOUTH AMERICA</b>	Prague, Czech Republic	Amsterdam, Netherlands
Decatur, AL	Atlanta, GA		São Paulo, Brazil	Hamburg, Germany
Clifton, TN	Baltimore, MD	<b>CANADA</b>	<b>AUSTRALIA</b>	<b>ASIA</b>
Stevenson, AL		Collingwood	Sydney	Hong Kong

## SUPPLY CHAIN

The supply chain is a complex business process that incorporates the system-wide flows of material, information, and cash across the globe. It includes various operations such as stave mills, cooperages, distilleries, warehouses, bottling plants, etc., as well as over 5,000 external business partners (suppliers, distributors, agency partners, etc.). We strive to continuously improve how we plan, source, make, and deliver products, which are the primary activities.

The principal raw materials used to make the products we sell include water, corn, rye, malted barley, agave, grapes, sweeteners, flavorings, neutral spirits, whiskey, tequila, and malt. The main packaging materials include glass, PET (polyethylene containers), corks, cartons, labels, finished barrels, and wood to make barrels.

We systemically review our business partners, to look for alignment with our values, and appropriately address any gaps that are identified. We expect our partners to adhere to the same high standards of business conduct that we follow. We develop and implement best-fit partner strategies for various categories regularly, to ensure we align with the best partners in the market.

## RELEVANT POLICIES

We support and believe in the rights of all people and we outline specific guidelines reflecting this commitment in our [Global Human Rights Statement](#).

All of our contracts with suppliers require our suppliers to comply with all applicable laws. Our suppliers are also required to adhere to the [Supplier Guiding Principles with respect to Human Rights](#), which states the requirement of compliance with laws and ethical business conduct, including those laws and principles prohibiting involvement in modern slavery.

#### *DUE DILIGENCE*

In order to identify and mitigate modern slavery risks, we continuously screen all of our third parties against The Red Flag Group's IntegraWatch system that captures human rights abuses in credible media sources globally, as well as The Red Flag Group's ongoing due diligence projects. Our third parties that receive a "hit" based on screening are investigated and addressed.

In addition to this monitoring service, we are evaluating how to integrate modern slavery as a risk to be considered in our Risk Register, and evaluating changes or enhancements to our supply chain.

We offer an anonymous toll-free hotline to all employees and business partners which can be used to report suspected violations of human rights. The hotline is available in multiple languages and all reporters are protected from retaliation in any form. The prevention, detection and reporting of modern slavery in any part of our business or supply chains is the responsibility of all those working for us and our third parties.

#### *SUPPORT AND TRAINING*

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our business and supply chains, we provide training to relevant members of staff. Initial training included a two-day workshop run by a third party to educate a cross-functional team on modern slavery risks and remediation strategy.

Where appropriate, and with the welfare and safety of local workers as a priority, we will give support and guidance to our suppliers to help them address coercive, abusive, and exploitative work practices in their own business and supply chains.

#### *TRACKING PERFORMANCE*

We communicate any reports of human rights violations through our biennial responsibility report.

It is our intent to add any reports of modern slavery risk through our Red Flag monitoring service via future Modern Slavery Act statements and where appropriate, our biennial responsibility report.



Andrew Wilby  
Director, Brown-Forman Beverages Europe, Ltd.