make it a

DOUBLE

BROWN-FORMAN

2024 INVESTOR DAY

LOUISVILLE, KENTUCKY

MARCH 20, 2024

make it a



2024 Brown-Forman Investor Day

Presenter Biographies



Lawson Whiting

President and Chief Executive Officer

Prior to being appointed CEO, Lawson Whiting served as executive vice president and chief operating officer of Brown-Forman, where he oversaw regional operations, global production, and corporate responsibility. He has served on the company's Executive Leadership Team since 2013.

Lawson began his career at Brown-Forman in 1997 in the corporate development group and subsequently served as the director of investor relations, director of finance for wines, director of global business strategy for the Jack Daniel's family of brands, and director of finance, North America region. He was then promoted to senior vice president and managing director of Western Europe, based in London, before returning to the United States as chief brands officer.

He holds a Bachelor of Science degree in finance from Miami University and a Master of Business Administration from the University of Chicago's Booth School of Business.



Matias Bentel

EVP Chief Brands Officer

Matias Bentel is responsible for the global marketing function and a member of the corporation's Executive Leadership Team.

Matias joined Brown Forman in 2008 as Marketing Director for Latin America & Caribbean. He became Chief of Staff for Latin America in 2014 and Managing Director for Mexico two years later.

Prior to joining Brown-Forman, Matias held various marketing roles at Diageo and Allied Domecq based in São Paulo, Mexico City and Buenos Aires.

Matias holds a bachelor's degree in business management from the Argentine Catholic University in Buenos Aires, where he grew up.



Jeremy Shepherd

EVP President USA and Canada

Jeremy Shepherd began his career at Brown-Forman in 2005 as commercial manager for Canada, and over the last 17 years, he has held commercial leadership roles in New York City, Louisville, and most recently, London.

Prior to his current role, Jeremy served as vice president, general manager for the United Kingdom and Ireland, where he built and launched Brown-Forman's own distribution organization despite the COVID-19 pandemic and country-wide lockdowns.

While in the United Kingdom, Jeremy served on the Board of Directors for the Portman Group, an industry body that self-regulates the responsible consumption and marketing of alcohol throughout the UK.

Before joining Brown-Forman, Jeremy worked in various marketing and commercial roles for Coca-Cola Enterprises and Bacardi Canada. He graduated from the University of Alberta with a Bachelor of Commerce in marketing.



Thomas Hinrichs

EVP President Emerging International

Thomas Hinrichs oversees Latin America, Asia, Australia, and New Zealand, Emerging Asia (Russia, Turkey, Ukraine, and CIS), India, Middle East, and Africa, as well as Global Travel Retail.

He began his career at Brown-Forman in 1996 as marketing manager for Germany. Over the next two decades, Thomas' responsibilities expanded to include a larger geographic footprint including roles as vice president, regional director, northern Europe and vice president, managing director, greater Europe.

Prior to his current role, Thomas served as senior vice president, managing director, international based in Amsterdam, Brown-Forman's European and International headquarters. Under his leadership, Brown-Forman has moved to own distribution in France, Germany, Spain, Thailand, Turkey, and the United Kingdom.

Before joining Brown-Forman, Thomas was a marketing manager for Reemtsma GmbH & Co.

He earned a Master's degree in economics from the University of Hamburg.



Marshall Farrer

EVP Chief Strategic Growth Officer

Marshall Farrer is responsible for developing key partnerships and new growth opportunities to achieve the company's short-term objectives and long-term ambitions. He is also a member of the Board of Directors, joining in 2016, and a fifth-generation Brown family shareholder.

Marshall began his career at Brown-Forman in 1998, as a marketing manager in the Wine Division in California, where he held several sales and marketing management positions. In 2004, he was named vice president, chief of staff to the president of Brown-Forman's Spirits Americas. In 2006, he was appointed as director of Latin America and the Caribbean. In 2010, he relocated to Sydney, Australia, and was named the managing director, Australia, New Zealand, and South Pacific.

In 2014, he shifted to marketing as the managing director of Jack Daniel's Tennessee Honey, leading its global expansion. Shortly after in 2015, he was promoted to senior vice president, managing director of global travel retail, and in 2018 added the responsibility of Developed Asia Pacific, including North Asia, Australia, and New Zealand. In 2020, Marshall was named president of Europe and joined the Executive Leadership Team.

He graduated from Rollins College with a Bachelor of Arts and holds a Master of Business Administration degree from Tulane University.



Tim Nall

EVP Chief Global Supply Chain and Technology Officer

Tim Nall is responsible for global production operations, global supply chain, research & development, quality assurance, external manufacturing, and all facets of Brown-Forman information technology infrastructure including advanced analytics, applications, and cyber security.

Since 2000, he has held positions of increasing responsibility within Brown-Forman's Global Production group, including director of campus production operations, vice president and general manager of Brown-Forman Wines, vice president, director of technical services, and most recently, senior vice president, chief information and advanced analytics officer.

Prior to Brown-Forman, he was employed by Alcoa, American Air Filters, and S.S.T.I. (Ford Motor Company/Johnson Controls joint venture).

He earned a Bachelor of Science in Electrical Engineering from the University of Louisville JB Speed School of Engineering. He later earned a Master of Business Administration at University of Louisville with a concentration in operations management.



Matt Hamel

EVP General Counsel and Secretary

Matt Hamel leads Brown-Forman's legal, compliance, risk, and government relations teams, overseeing activities related to corporate governance, SEC and Sarbanes-Oxley compliance, regulatory compliance, trade practices, trademarks, litigation, acquisitions, enterprise risk management, and other matters. He founded and leads a nationwide organization for general counsel and other senior governance professionals at publicly listed family-controlled companies.

Matt has more than 35 years of international legal and corporate management experience in technology, consumer goods, and media firms. Prior to Brown-Forman, he was with Dow Jones & Company, Dow Jones Reuters Business Interactive LLC (Factiva), and Colgate-Palmolive Company. Matt started his career as an associate with the law firm of White & Case.

Matt holds a Bachelor of Arts in economics and political science from Yale University and a Juris Doctor degree from the University of Chicago Law School. In addition, he was a Fulbright Scholar in Sweden.



Kirsten Hawley

EVP Chief People, Places, & Communications Officer

Kirsten Hawley has worked at Brown-Forman for over two decades and has served in a variety of roles across human resources, marketing, and communications.

During her tenure in human resources, she led organizational and leadership development and served as a human resources generalist. She also spent seven years in the marketing organization as brand manager for a global liqueur brand. In 2015, Kirsten was named chief human resources officer, and in 2019, her role expanded to include responsibility for global communications. Kirsten recently assumed responsibility for Brown-Forman's global real estate portfolio and best practices in workspace solutions.

Before joining Brown-Forman, Kirsten worked as a research assistant for the Max Planck Institute in Berlin, Germany, and as an outplacement counselor for the Department of the Army. Kirsten graduated magna cum laude from James Madison University with a Bachelor of Arts in political science and communications and with a Master's Degree in counseling psychology from Boston University.



Crystal Peterson

EVP Chief Inclusion and Global Community Relations Officer

Crystal Peterson is responsible for stewarding the company's progress and performance against its diversity and inclusion ambitions and realizing the full value diversity creates for Brown-Forman's employees, partners, and communities. She also leads Brown-Forman's commitment to enriching its communities, especially its hometown of Louisville, Kentucky. Additionally, Crystal serves as president of the Brown-Forman Foundation.

Since joining Brown-Forman in 2012 she has held multiple human resources leadership roles at Brown-Forman, partnering with the global production organization and the North American and Latin American regions. Prior to joining Brown-Forman, she held senior human resources roles for Insight Communications and Doe-Anderson.

Crystal holds a Bachelor of Science in marketing from Xavier University, is a Senior Professional in Human Resources (SPHR), and holds an Executive Certification in Diversity, Equity, and Inclusion from Georgetown University.



Leanne Cunningham

EVP Chief Financial Officer

Leanne Cunningham has progressed through a series of roles including accounting and finance, corporate strategy, and production operations leadership since joining the organization in 1995. Most recently she served as senior vice president, shareholders relations officer, global commercial finance, and financial planning and analysis.

Leanne currently sits on the Board of Directors of Acushnet Holdings Corp. In addition, she served as a board member of the Kentucky Association of Manufacturers.

She holds a Bachelor of Science degree from the University of Indianapolis and an Executive Master of Business Administration degree from Washington University in St. Louis.



Campbell Brown

Chair of the Board

Campbell Brown is the Chair of the Board of Directors at Brown-Forman Corporation. A great-great grandson of Brown-Forman's founder, he was an employee of the company for over 27 years and has served on the Board for seven years.

Campbell started his career as part of Brown-Forman's march to globalization, leading business development efforts in critical emerging markets such as India and Turkey. Upon his return to the U.S., he progressively acquired more responsibility leading brand and commercial efforts and increasingly larger teams. In the U.S., Campbell was brand manager for Jack Daniel's Tennessee Whiskey and, most recently, stewarded the renaissance of the company's founding brand as President of Old Forester.

Campbell is also a founding member of the Brown-Forman/Brown Family Shareholders Committee and served on the board of Dendrifund.



Sue Perram

VP Director Investor Relations

Sue Perram started her career with Brown-Forman in 2009 as the Brand Analytics Manager for Southern Comfort and Finlandia in the North American region. Over the next decade, she held a variety of local, regional and global roles, including brand and commercial finance in the U.S., Chief of Staff for Brown-Forman's Chief Brands Officer, Director Strategy and Brand Analytics for the Jack Daniel's brand globally and the finance and integration leader for the newly acquired Fords Gin brand.

Prior to joining Brown-Forman, Sue worked for over 13 years as both a buy and sell side analyst for institutional investment management companies covering the Beverage Alcohol, Consumer Staples, and Restaurant sectors. In 2020, Perram brought her career experiences full circle as she was named Director Investor Relations.

Sue holds a bachelor's degree in finance from John Carroll University and a Master of Business Administration degree from Case Western Reserve University - Weatherhead School of Management.

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2024 Brown-Forman Investor Day

Presentation Slides

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BROWN-FORMAN

2024 INVESTOR DAY

LOUISVILLE, KENTUCKY

MARCH 20, 2024

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Welcome

Sue Perram, VP Director Investor Relations

IMPORTANT INFORMATION ON FORWARD LOOKING STATEMENTS

This presentation contains statements, estimates, and projections that are "forward-looking statements" as defined under U.S. federal securities laws. Words such as "aim," "ambition," "anticipate," "aspire," "believe," "can," "continue," "could," "envision," "estimate," "expect," "expectation," "intend," "may," "might," "plan," "potential," "project," "pursue," "see," "seek," "should," "will," "would," and similar words indicate forward-looking statements, which speak only as of the date we make them. Except as required by law, we do not intend to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. By their nature, forward-looking statements involve risks, uncertainties, and other factors (many beyond our control) that could cause our actual results to differ materially from our historical experience or from our current expectations or projections. These risks and uncertainties include, but are not limited to:

- Our substantial dependence upon the continued growth of the Jack Daniel's family of brands
- Substantial competition from new entrants, consolidations by competitors and retailers, and other competitive activities, such as pricing actions (including price reductions, promotions, discounting, couponing, or free goods), marketing, category expansion, product introductions, or entry or expansion in our geographic markets or distribution networks
- Route-to-consumer changes that affect the timing of our sales, temporarily disrupt the marketing or sale of our products, or result in higher fixed costs
- Disruption of our distribution network or inventory fluctuations in our products by distributors, wholesalers, or retailers
- Changes in consumer preferences, consumption, or purchase patterns – particularly away from larger producers in favor of small distilleries or local producers, or away from brown spirits, our premium products, or spirits generally, and our ability to anticipate or react to them; further legalization of marijuana; bar, restaurant, travel, or other on-premise declines; shifts in demographic or health and wellness trends; or unfavorable consumer reaction to new products, line extensions, package changes, product reformulations, or other product innovation
- Production facility, aging warehouse, or supply chain disruption
- Imprecision in supply/demand forecasting
- Higher costs, lower quality, or unavailability of energy, water, raw materials, product ingredients, or labor
- Risks associated with acquisitions, dispositions, business partnerships, or investments – such as acquisition integration, termination difficulties or costs, or impairment in recorded value
- Impact of health epidemics and pandemics, and the risk of the resulting negative economic impacts and related governmental actions
- Unfavorable global or regional economic conditions and related economic slowdowns or recessions, low consumer confidence, high unemployment, weak credit or capital markets, budget deficits, burdensome government debt, austerity measures, higher interest rates, higher taxes, political instability, higher inflation, deflation, lower returns on pension assets, or lower discount rates for pension obligations
- Product recalls or other product liability claims, product tampering, contamination, or quality issues
- Negative publicity related to our company, products, brands, marketing, executive leadership, employees, Board of Directors, family stockholders, operations, business performance, or prospects
- Failure to attract or retain key executive or employee talent
- Risks associated with being a U.S.-based company with a global business, including commercial, political, and financial risks; local labor policies and conditions; protectionist trade policies, or economic or trade sanctions, including additional retaliatory tariffs on American whiskeys and the effectiveness of our actions to mitigate the negative impact on our margins, sales, and distributors; compliance with local trade practices and other regulations; terrorism, kidnapping, extortion, or other types of violence; and health pandemics
- Failure to comply with anti-corruption laws, trade sanctions and restrictions, or similar laws or regulations
- Fluctuations in foreign currency exchange rates, particularly a stronger U.S. dollar
- Changes in laws, regulatory measures, or governmental policies, especially those affecting production, importation, marketing, labeling, pricing, distribution, sale, or consumption of our beverage alcohol products
- Tax rate changes (including excise, corporate, sales or value-added taxes, property taxes, payroll taxes, import and export duties, and tariffs) or changes in related reserves, changes in tax rules or accounting standards, and the unpredictability and suddenness with which they can occur
- Decline in the social acceptability of beverage alcohol in significant markets
- Significant additional labeling or warning requirements or limitations on availability of our beverage alcohol products
- Counterfeiting and inadequate protection of our intellectual property rights
- Significant legal disputes and proceedings, or government investigations
- Cyber breach or failure or corruption of our key information technology systems or those of our suppliers, customers, or direct and indirect business partners, or failure to comply with personal data protection laws
- Our status as a family "controlled company" under New York Stock Exchange rules, and our dual-class share structure

For further information on these and other risks, please refer to our public filings, including the "Risk Factors" section of our annual report on Form 10-K and quarterly reports on Form 10-Q filed with the Securities and Exchange Commission.

AGENDA

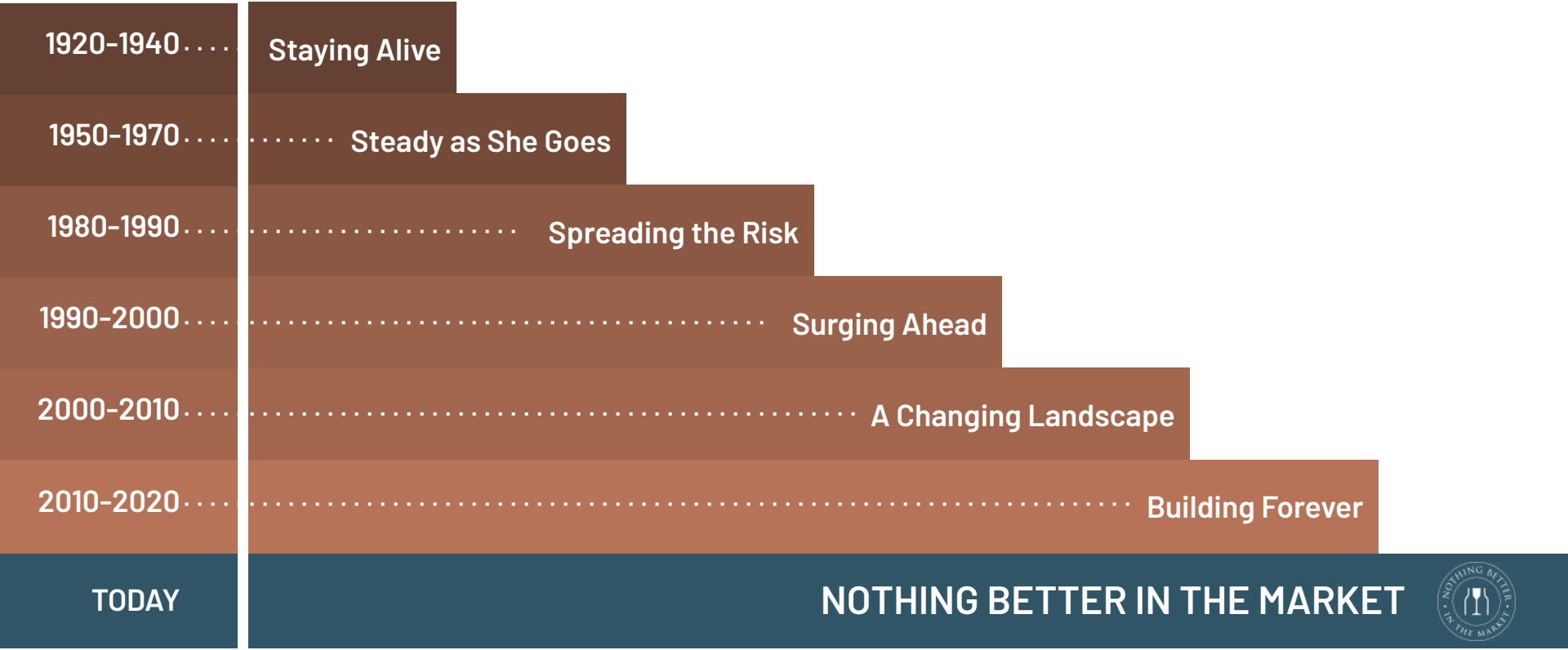
Sue Perram	VP Director Investor Relations	Welcome
Lawson Whiting	President and Chief Executive Officer	Make It A DOUBLE
Matias Bentel	EVP Chief Brands Officer	DOUBLE American Whiskey
Jeremy Shepherd	EVP President USA and Canada	DOUBLE American Whiskey
Thomas Hinrichs	EVP President Emerging International	TRIPLE Tequilas
Marshall Farrer	EVP Chief Strategic Growth Officer	BOLDER Emerging Brands + RTDs
Tim Nall	EVP Chief Global Supply Chain and Technology Officer	BETTER: Environmental Sustainability
Matt Hamel	EVP General Counsel and Secretary	BETTER: Alcohol Responsibility
Kirsten Hawley	EVP Chief People, Places, and Communications Officer	BETTER: Diversity & Inclusion
Crystal Peterson	EVP Chief Inclusion and Global Community Relations Officer	BETTER: Community Relations
Leanne Cunningham	EVP Chief Financial Officer	Make It A DOUBLE: Shape of the P&L
Campbell Brown	Chair of the Board	Board/Family: The Next Generation
Q&A	All	



Make It A Double Aspirations

Lawson Whiting, President and Chief Executive Officer

BROWN-FORMAN 100 Years of Agility



Strategic Pillars



VIDEO PLACEHOLDER

DOUBLE.
TRIPLE.
BOLDER.
BETTER.

DOUBLE.
American Whiskey

TRIPLE.
Tequilas

BOLDER.
Emerging Brands & RTDs

BETTER.
In All That We Do



DOUBLE.
American Whiskey

TRIPLE.
Tequilas

BOLDER.
Emerging Brands & RTDs

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DOUBLE.
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BETTER.
In All That We Do



make it a DOUBLE

2032 AMBITION

VIDEO PLACEHOLDER

make it a



DOUBLE American Whiskey

Matias Bentel, EVP Chief Brands Officer

Jeremy Shepherd, EVP President USA and Canada

DOUBLE.
American Whiskey

TRIPLE.
Tequilas

BOLDER.
Emerging Brands & RTDs

BETTER.
In All That We Do





No 7 BRAND

JACK DANIEL'S

Among the Best Global Brands

Interbrand Best Global Brands 2023



#1 +4%



#8 +1%



#11 +5%

LOUIS VUITTON #14 +5%



#7 +9%



#9 +7%



#13 -4%



#16 +8%



#23 +10%



#37 +8%



#48 +10%



#60 +12%



#35 +1%

JACK DANIEL'S #85 +6%

L'ORÉAL PARIS #57 +6%

Gillette #72 +2%

TIFFANY & CO. #89 +7%



#95 +5%



#99 +1%



#79 +1%

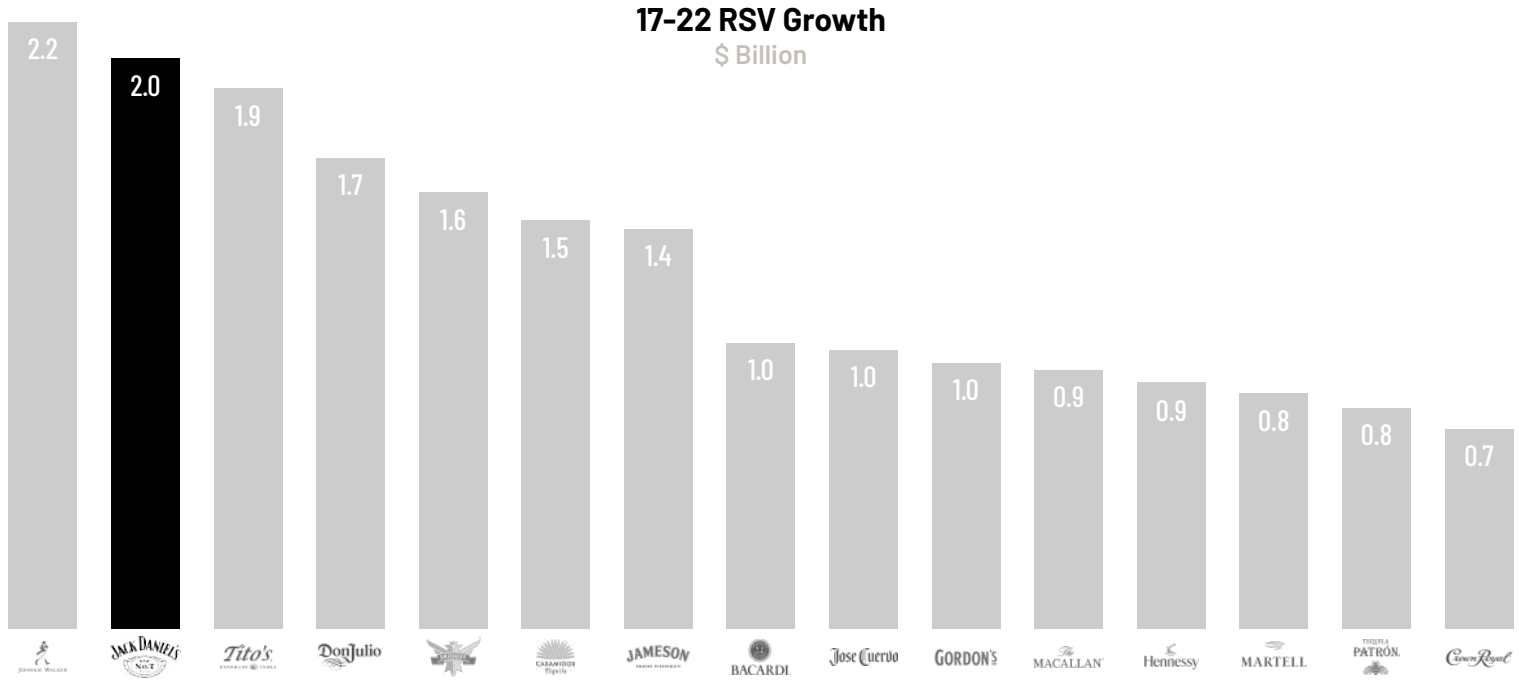


#93 +6%

NESPRESSO. #98 new

Source: Interbrand

Second-Largest Contributor to Growth in Spirits

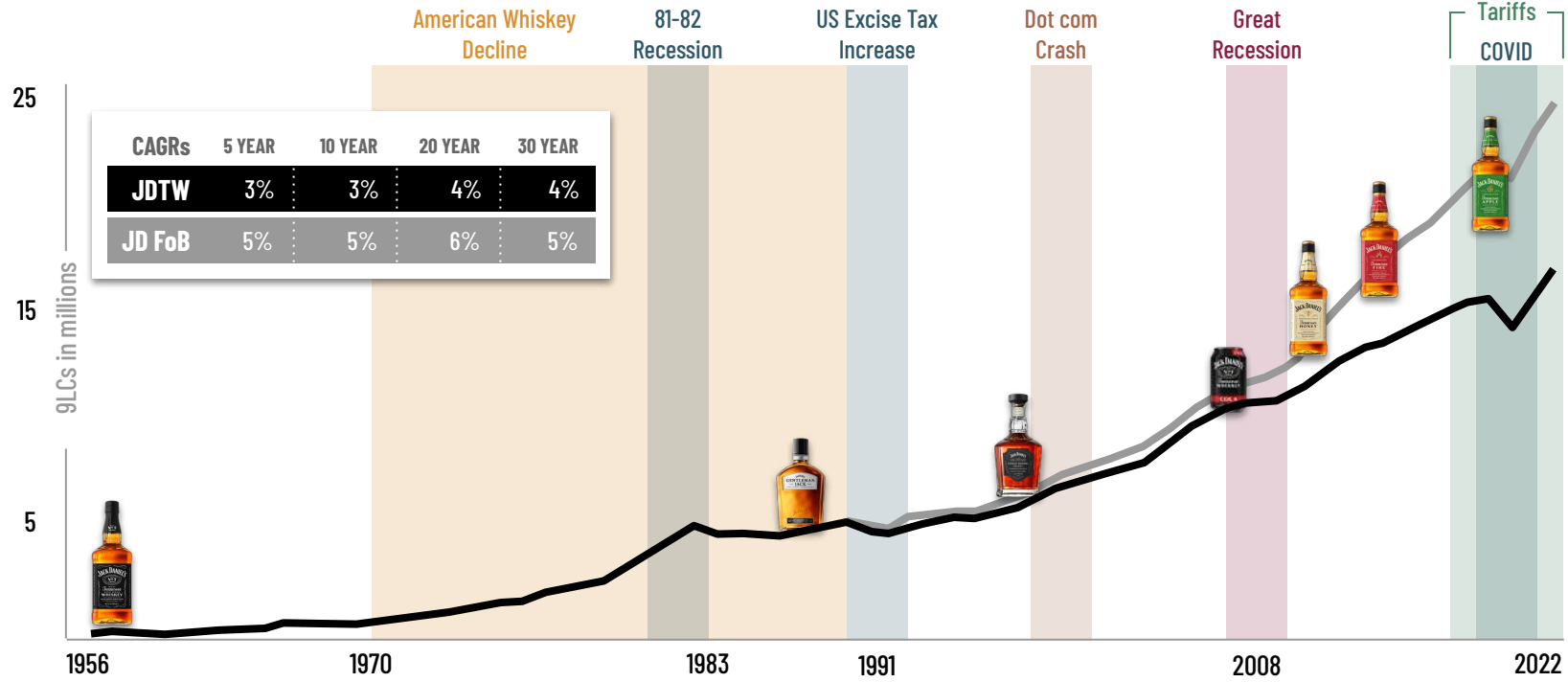


Source: IWSR, excludes national brands, baiju, includes spirit and RTDs brand lines

A True Mega-Brand Appealing to Multiple Consumer Price Points, Occasions, Needs, and Consumer Demographics



Track Record of Long-Term, Sustained Growth



Source: Internal (1956-1989) and IWSR (1990-2022) 9L case volumes, RTDs converted to 80 proof equivalents



STRATEGIC VISION

Jack Daniel's will be the most iconic and valuable premium spirits brand globally



2032 STRATEGIC PRIORITIES

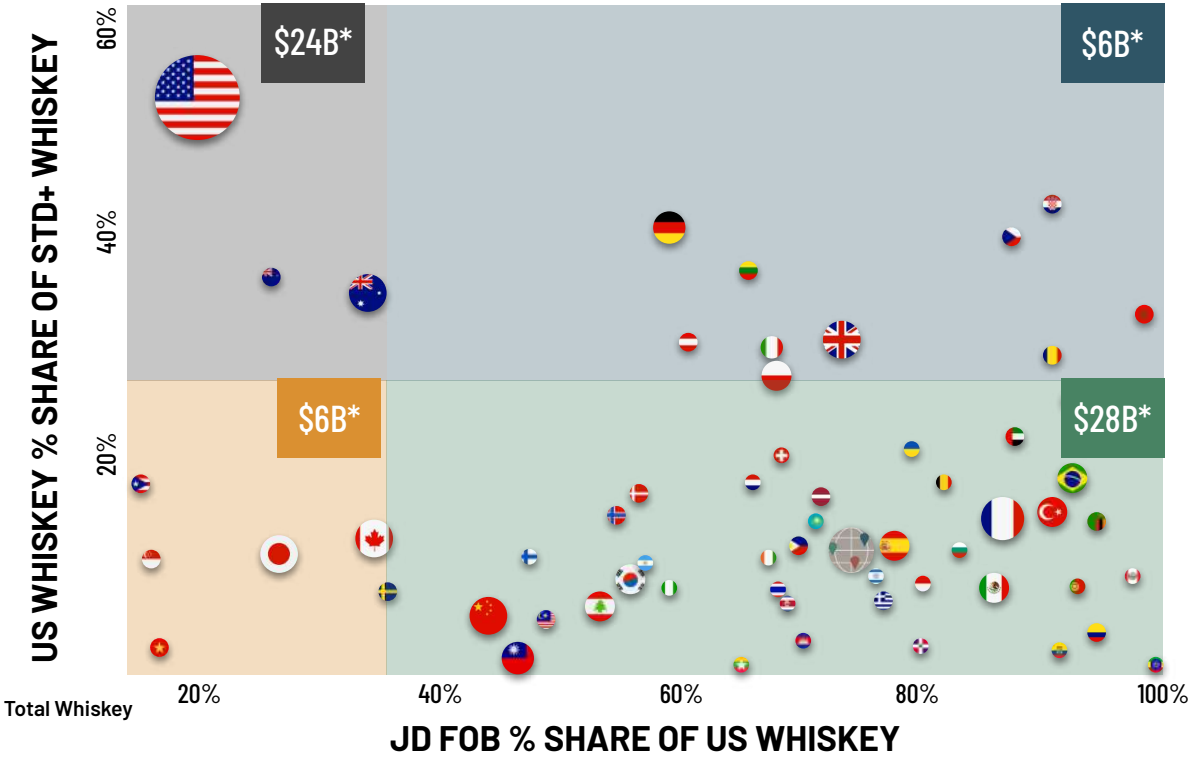
Accelerate geographic expansion while protecting key markets

Recruit the next generation of LDA drinkers while retaining the core

Capture the Super-Premium+ opportunity

Expand occasions and accessibility with Flavors and RTDs

Positioned to Capture Global Growth of American Whiskey



Source: IWSR, Standard+ US and Total Whiskey
* RSV Pool in each quadrant

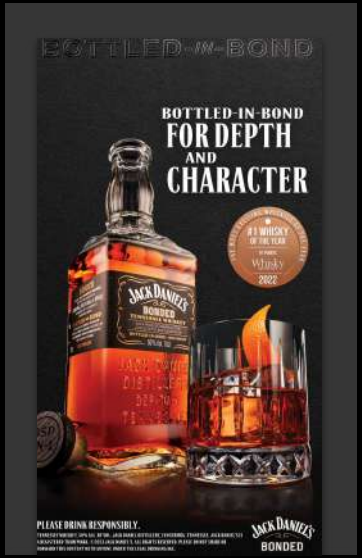
Recruiting the Next Generation of LDA Drinkers



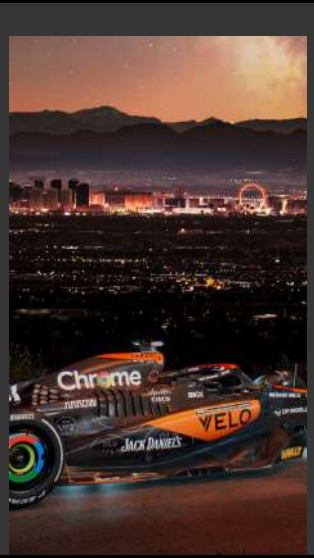
Building Relevance with Next Gen LDA



Adapting to Local Nuances



Leveraging AI to Customize Message at Scale



Reach New Fans With McLaren F1



Continued Influence In Music

VIDEO PLACEHOLDER

Winning the Hearts and Minds of Whiskey Experts



Bartender Spirit Awards Gold & Silver Medal - JD Bonded 2023

Whiskey Advocate - #1 Whiskies of the Year 2022



Ultimate Spirits Challenge Great Value Award - JD Bonded & Triple Mash 2023



Breaking Bourbon #1 Rye Whiskey of 2023



Double Gold Medal (2023 San Francisco World of Spirits)



Double Gold Medal (2023 San Francisco World of Spirits)



Double Gold Medal (2023 San Francisco World of Spirits)









Making New Friends in New Occasions with Flavors and RTDs













Confident on Achieving our Long-Term Ambitions



One of most iconic brands in the world, with solid brand health and long-term performance track record



With a robust portfolio that expands across multiple occasions, price points, and geographies



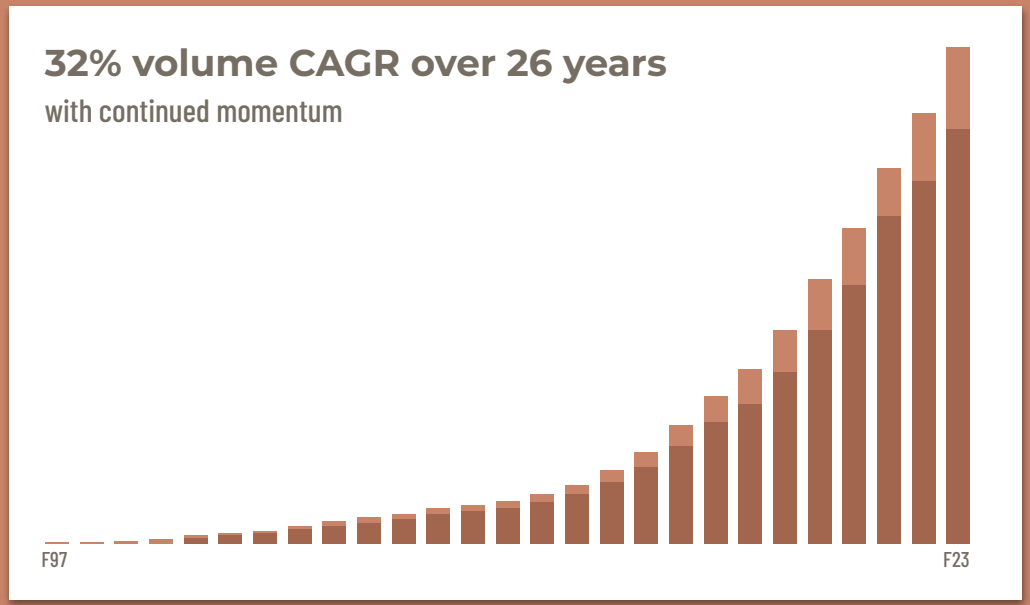
Engaging a new generation of LDA drinkers while retaining core consumers



WOODFORD RESERVE

VIDEO PLACEHOLDER

The Power of Woodford Reserve



Source: 9L Depletion Volume
12M April 2023



#1 Super-Premium American Whiskey in the world
Source: IWSR 2022



#4 Ultra-Premium American Whiskey in the world
Source: IWSR 2022



Industry recognition



Buzz-worthy Alliances
Kentucky Derby | Baccarat | Williams-Sonoma | NYFW

Woodford Reserve is Poised for Success



Super Premium+ category growth



Global premiumization consumer trends



Premium packaging meets consumer needs



WR follows similar growth trajectory as Jack Daniel's

Source: IWSR 2022

Our Ambition:

DOUBLE.

American Whiskey

PORTFOLIO

Leverage Premiumization & Pricing Leadership



INVEST

Elevate our Brand





GEOGRAPHY

Accelerate Distribution & Global Expansion



PEOPLE

Next Generation of Distillers

LEVERAGE Our Strong Premium Portfolio and Pricing Leadership



	Flagship Growth Driver	Ultra Premium Opportunity	Portfolio Expansion & Prominence	Craft, Innovation & Luxury
Retail Prices:	$33	$55	$33	$100 - $2,200

ACCELERATE Distribution and Geographic Expansion







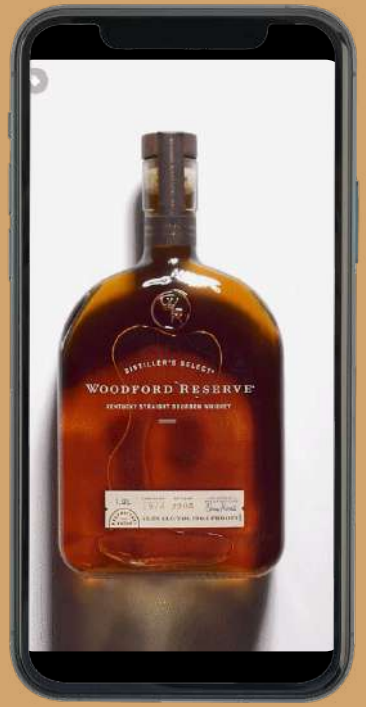


- USA & Canada
- Global Travel Retail
- Europe
- Emerging International

INVEST: Elevate our Brand

A SPECTACLE FOR THE SENSES

- Media
- Partnerships Generating Buzz
- Occasions
- Point of Purchase











VIDEO PLACEHOLDER

Woodford Reserve: From Humble Beginnings to Global Premium+ Brand

1996 Woodford Reserve Bourbon launched



2024 #1 Super-Premium American Whiskey in the world



2032 Top 10 Super-Premium spirit brand in the world

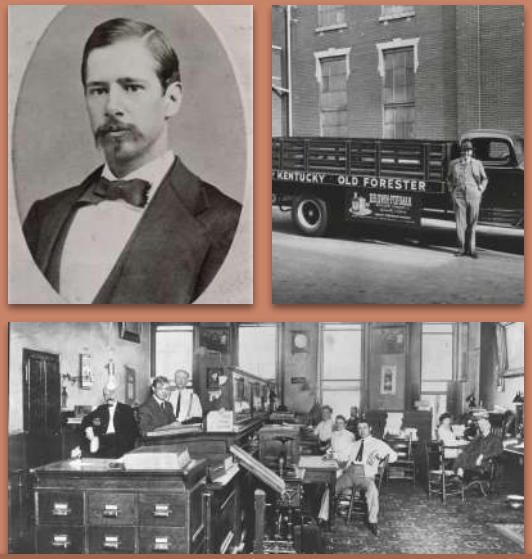


Source: IWSR 2022



OLD FORESTER

Old Forester Never Gets Old



Founding Brand



The First Bottled Bourbon



Credible Growth

The Old Forester Portfolio of Premium+ Offerings



	Core	Craft	Tribute	Lifestyle	Distillery Only
Price Segment:	Premium	Super Premium+	Ultra Premium+	Various	Super Premium+
	$24-27		$55 - $200+		

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TRIPLE Tequilas

Thomas Hinrichs, EVP President Emerging International

DOUBLE.
American Whiskey

TRIPLE.
Tequilas

BOLDER.
Emerging Brands & RTDs

BETTER.
In All That We Do



Tequila is the Fastest Growing Category in Full Strength Spirits



Fastest growing



Super Premium+ centric



Versatility & consumer tailwinds



Improving economics

Brown-Forman's Portfolio is Well Positioned to Seize the Opportunity





el Jimador TEQUILA

TEQUILA HERRADURA



New RTD occasions | Premium | Super/Ultra Premium | Prestige+

OUR AMBITION:

DOUBLE. TRIPLE. BOLDER. BETTER.

Tequilas



Our Roadmap for Sustainable Growth



PREMIUMIZE
Our portfolio



INVEST
Present & future



ACCELERATE
Broad-based geographic growth

PREMIUMIZE Our Portfolio



Premiumized el Jimador



Roll out world class creative



Elevate premium cues



Expand range with innovation

ACCELERATE Broad-Based Geographic Growth



Runway for growth in core market



Recruit new LDA+ consumers in home market



Fuel momentum



Fuel momentum



Fuel momentum

INVEST Present and Future





Capital investment and expanded water recycling & treatment plant









Brand building

DOUBLE. TRIPLE. BOLDER. BETTER.

Tequilas



Attractive category



Well-positioned portfolio

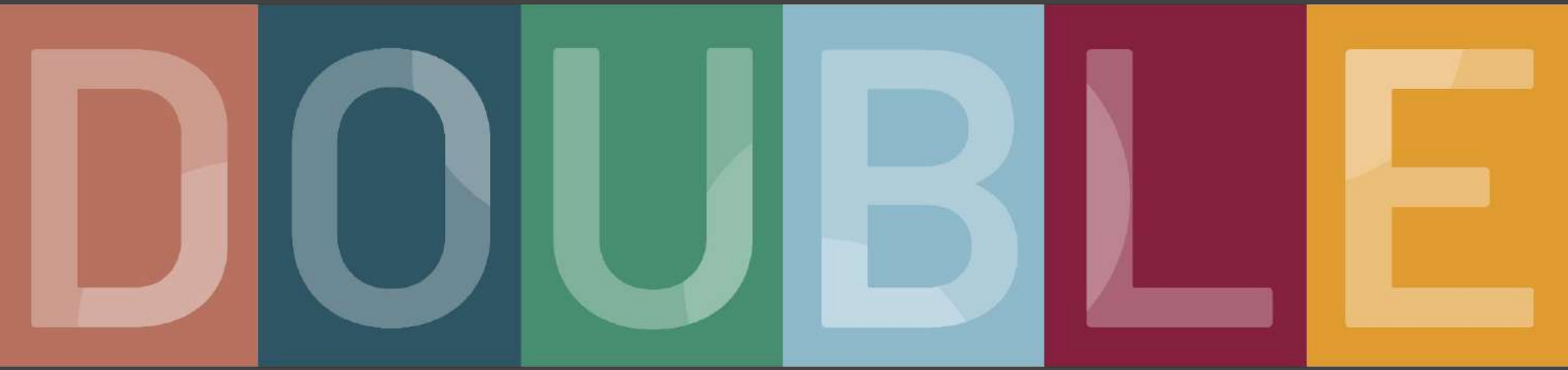


Clear roadmap for growth



On our way to triple tequilas

make it a



BOLDER: Emerging Brands & RTDs

Marshall Farrer, EVP Chief Strategic Growth Officer

DOUBLE.
American Whiskey

TRIPLE.
Tequilas

BOLDER.
Emerging Brands & RTDs

BETTER.
In All That We Do



VIDEO PLACEHOLDER

Emerging Brands & RTDs Unlock Incremental Sources of Growth



Unlock New Occasions



Access New Consumers



Premium Price Points



Highest Growth Categories

DOUBLE. TRIPLE. BOLDER. BETTER.

>3X → #1 →





NEW & ENHANCED CAPABILITIES WILL DRIVE ACCELERATED GROWTH GLOBALLY

PORTFOLIO RESHAPING



ROUTE-TO-CONSUMER



WORLD-CLASS ALLIANCES



Careful and Strategic Portfolio Reshaping



2014



2016



2022



2023

Advancing Existing and Establishing New RTC Capabilities

150+ dedicated employees
Focused brand spending















Investing in World-Class Alliances





Coca-Cola

New Geographies,
In-Market Scale,
Higher A&P

Pabst

Access to
210,000+ Malt-Only
Accounts





We Will Drive BOLDER Growth with Emerging Brands & RTDs

>3X  AND #1 

Portfolio Reshaping



Route-to-Consumer



World-Class Alliances



Get ready for a challenge!

make it a



BETTER: In All That We Do

Tim Nall, EVP Chief Global Supply Chain and Technology Officer
Matt Hamel, EVP General Counsel and Secretary
Kirsten Hawley, EVP Chief People, Places, and Communications Officer
Crystal Peterson, EVP Chief Inclusion and Global Community Relations Officer

DOUBLE.
American Whiskey

TRIPLE.
Tequilas

BOLDER.
Emerging Brands & RTDs

BETTER.
In All That We Do



We are Committed to:



Our Environment



Our Consumers



Our Employees



Our Communities


269347
Old Forester


NOTHING BETTER
IN THE MARKET
PORTFOLIO
ALCOHOL RESPONSIBILITY
GEOGRAPHY
DIVERSITY & INCLUSION
PEOPLE
COMMUNITY RELATIONS
INVESTMENT
ENVIRONMENTAL SUSTAINABILITY

Environmental Commitments

2004 Chairman's Conference of Sustainability

2005 Corporate Responsibility and Environmental Performance departments

2010 First set of public Environmental Sustainability targets

2013 Second set of public Environmental Sustainability targets

Many Spirits. One Earth.



2030

50% reduction in Operations & Supply Chain emissions

100% renewable electricity

Business Critical watersheds in water balance

Circular Economy principles integrated into organization

100% primary packaging recyclable or reusable

100% owned farming lands have regenerative land management practices

100% engagement with our direct farmers

2040

Net zero owned-fleet emissions

2045

Net zero GHG emissions

ALCOHOL responsibility

What it Means to Us



Marketing our brands responsibly to consumers of legal drinking age and empowering mindful choices around beverage alcohol.





Our Why: The Business Case

- Enables positive experiences with our brands
- Enhances relationships with our stakeholders
- Aligns with consumer trends
- Protects our rights to operate

Our Ambition



To scale up our global efforts by increasing brand engagement and strategic partnerships.

CULTURE
of inclusion





BF

Brown-Forman Distillers Corporation

AT LOUISVILLE IN KENTUCKY

COMPANY CREED

0, the Company that is today Brown-Forman Distillers Corporation was founded by George Garvin Brown. His precept and guiding principle in founding the new business was to produce and market products of the highest e label of the very first bottle of Old Forester ever produced, the founder, in his own hand, wrote a pledge:

"The company must provide a good place to work, fair treatment, opportunities for recognition and reward ... a favorable climate for individual growth and development ..."

TODAY, that pledge still appears on every bottle of Old Forester, and that heritage of quality still remains the one guiding





By better understanding each other, we'll better understand our consumers. OWSLEY BROWN II

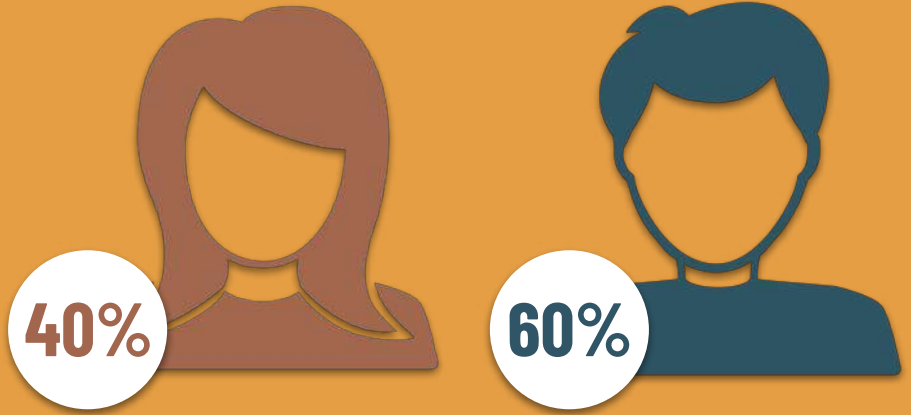
Where are the People of Brown-Forman?



33%
United States

66%
International Markets

Who are the People of Brown-Forman?



Senior Leadership Positions



Race & Ethnicity

Make Brown-Forman a Place Where People Want to Build Great Careers



TURNOVER RATE 5%
Benchmark 15%



LEADER RANKS
Less than 3% turnover



NEW HIRES
Best-in-class engagement scores

Instill Sense of Pride with Brown-Forman Brand



Great Places to Work



One of the World's Most Ethical Companies



Best Managed Company



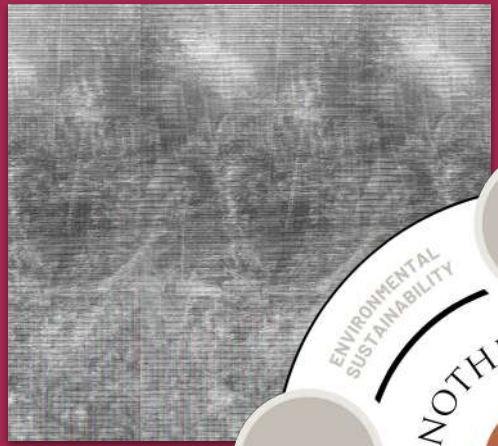
The Best Companies for Future Leaders

COMMUNITY relations










MAKE IT
COUNT




PORTFOLIO
ALCOHOL RESPONSIBILITY
GEOGRAPHY
DIVERSITY & INCLUSION
PEOPLE
COMMUNITY RELATIONS
INVESTMENT
ENVIRONMENTAL SUSTAINABILITY
NOTHING BETTER IN THE MARKET



Strategic Focus Areas

- Ensure essential living standards
- Promote responsible & sustainable living
- Enrich the arts in Louisville

Invest our Resources







Engage our Employees

- 36 offices identifying local opportunities
- 13,000+ hours volunteered

DOUBLE. TRIPLE. BOLDER. **BETTER.**

Fundamental to our business strategy



Our Environment



Our Consumers



Our Employees



Our Communities

make it a

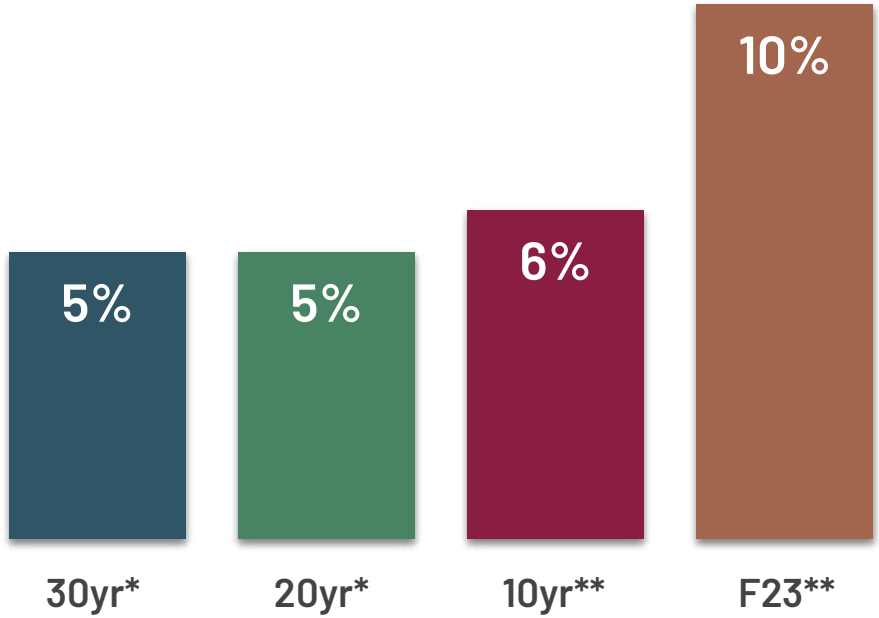


Make It A Double: The Shape of the P&L

Leanne Cunningham, EVP Chief Financial Officer

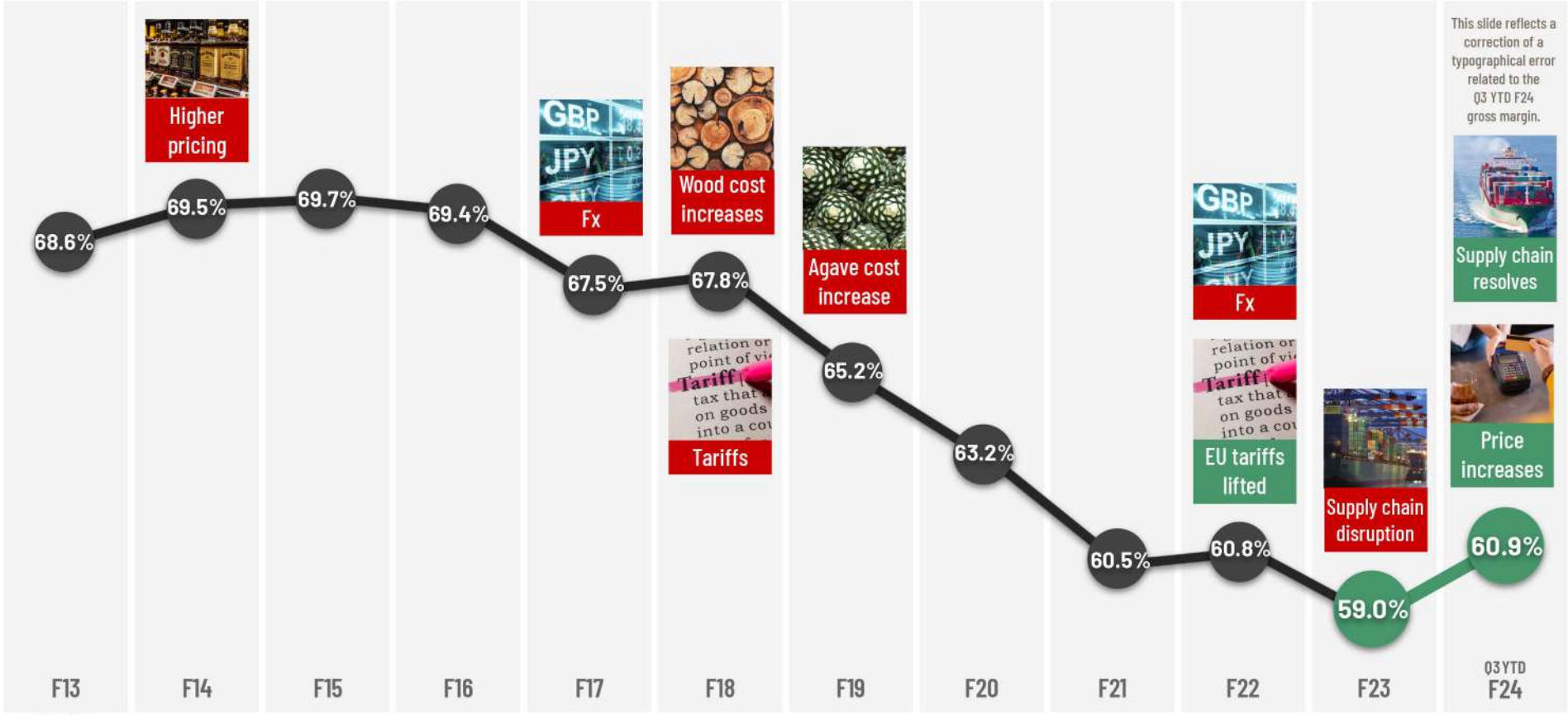
Consistent Long-Term Net Sales Growth





*The 30 year and 20 year compound annual growth rates were calculated based on reported results.
**Based on organic results. The 10 year compound annual growth rate was determined by calculating the geometric mean of the organic growth rates for F14 through F23. See appendix for reconciliations of non-GAAP measures to the comparable GAAP measures, non-GAAP definitions, and additional information.

Reported Gross Margin Returns to Expansion



Investing in the Key Enablers That Will Support Our Next Decade of Growth

- Revenue Growth Management
- Integrated Business Planning
- Integrated Marketing Communications
- Emerging Brands Portfolio
- Route-to-Consumer Evolution (RTC)
- Jack Daniel's & Coca-Cola Ready-to-Drink

make it a DOUBLE

2032 AMBITION

A Healthy Balance Sheet and our Long Held Capital Deployment Philosophy



Investment in the Business



Dividends for 80 years

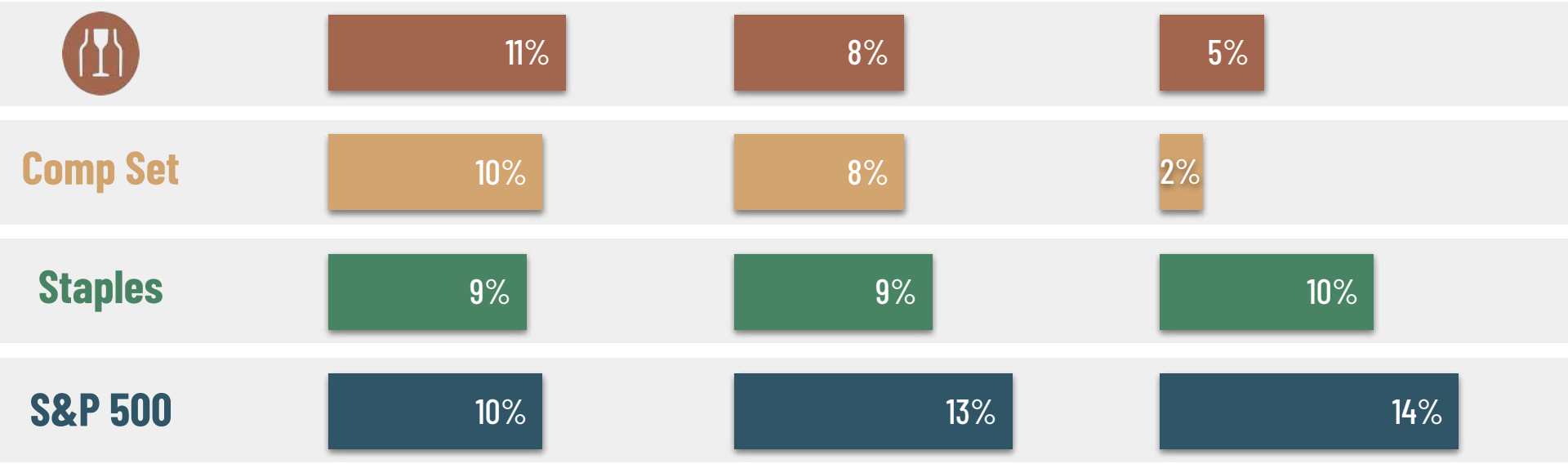


Acquisitions



Cash to Shareholders

Driving Total Shareholder Return Over the Long-Term



Note: All data is through Jan. 31, 2024

make it a



Board/Family: The Next Generation

Campbell Brown, Chair of the Board

VIDEO PLACEHOLDER

make it a

DOUBLE

2024 Brown-Forman Investor Day

Q&A will begin momentarily.

make it a



Appendix

Reconciliation Documents

Non-GAAP Reconciliation

We use some financial measures in this presentation that are not measures of financial performance under U.S. generally accepted accounting principles (GAAP). These non-GAAP measures, defined below, should be viewed as supplements to (not substitutes for) our results of operations and other measures reported under GAAP. Other companies may define or calculate these non-GAAP measures differently.

"Organic change" in measures of statements of operations. We present changes in certain measures, or line items, of the statements of operations that are adjusted to an "organic" basis. We use "organic change" for the following measures: (a) organic net sales; (b) organic cost of sales; (c) organic gross profit; (d) organic advertising expenses; (e) organic selling, general, and administrative (SG&A) expenses; (f) organic other expense (income), net; (g) organic operating expenses*; and (h) organic operating income. To calculate these measures, we adjust, as applicable, for (1) acquisitions and divestitures, (2) foreign exchange, (3) impairment charges, and (4) commitment to our charitable foundation. We explain these adjustments below.

Fiscal year ended April 30, 2014

- *"Foreign exchange."* We calculate the percentage change in our income statement line-items in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" always means the U.S. dollar unless clearly denoted otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current year results at prior-year rates.

- *"Absence of Hopland-based wine business."* refers to the exclusion of results from our divested Hopland, California-based wine business, which we sold to Viña Concha y Toro S.A in April 2011. Included in this sale were the Fetzer winery, bottling facility, and vineyards, as well as the Fetzer brand and other Hopland, California-based wines, including Bonterra, Little Black Dress, Jekel, Five Rivers, Bel Arbor, Coldwater Creek, and Sanctuary. Although we sold these brands in April 2011, we retained them in our portfolio as agency brands through December 31, 2011. This adjustment allows for the comparison of our performance in prior periods without this business.

Fiscal year ended April 30, 2015

- *"Foreign exchange."* We calculate the percentage change in our income statement line-items in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current year results at prior-year rates.

Fiscal year ended April 30, 2016

- *"Foreign exchange."* We calculate the percentage change in our income statement line items in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current year results at prior-year rates.

- *"Sale of Southern Comfort and Tuaca."* On January 14, 2016, we reached an agreement to sell our Southern Comfort and Tuaca brands and related assets to Sazerac Company, Inc. The transaction closed March 1, 2016, for $543 million in cash (subject to a post-closing inventory adjustment), which resulted in a one-time gain of $485 million in the fourth quarter of fiscal 2016. This adjustment removes (a) the gain on sale, (b) those transaction-related costs not included in the gain on sale, and (c) operating activity for the non-comparable period, March and April in fiscal 2015 and 2016. We believe that these adjustments allow us to understand better our organic results on a comparable basis.

*Operating expenses include advertising expense, SG&A expense, and other expense (income), net.

Non-GAAP Reconciliation

Fiscal year ended April 30, 2017

- *"Acquisitions and divestitures."* In fiscal 2016, we sold our Southern Comfort and Tuaca brands and related assets to Sazerac Company, Inc. In fiscal 2017, we acquired The BenRiach Distillery Company Limited (BenRiach). See discussion below and Notes 16 and 17 in the accompanying financial statements for details. This adjustment removes (a) transaction-related costs for the acquisition and divestiture, (b) the gain on the sale of Southern Comfort and Tuaca, and (c) operating activity for the acquisition and divestiture for the non-comparable periods. With respect to comparisons of fiscal 2016 to fiscal 2015, the non-comparable period comprised March and April; with respect to comparisons of fiscal 2017 to fiscal 2016, the non-comparable period comprised all months. We believe that these adjustments allow us to understand better our organic results on a comparable basis.

- *"Foreign exchange."* We calculate the percentage change in our income statement line items in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current year results at prior-year rates.

Fiscal year ended April 30, 2018

- *"Acquisitions and divestitures."* This adjustment removes (a) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction gains or losses, transaction costs, and integration costs), and (b) the effects of operating activity related to acquired and divested brands for periods not comparable year over year (non-comparable periods). By excluding non-comparable periods, we therefore include the effects of acquired and divested brands only to the extent that results are comparable year over year.

  In fiscal 2016, we sold our Southern Comfort and Tuaca brands and related assets to Sazerac Company, Inc. and entered into a related transition services agreement (TSA). During fiscal 2017, we completed our obligations under the TSA. This adjustment removes the net sales, cost of sales, and operating expenses recognized in fiscal 2017 pursuant to the TSA related to contract bottling services and distribution services in certain markets.

  On June 1, 2016, we acquired The BenRiach Distillery Company Limited (BenRiach). This adjustment removes (a) transaction and integration costs related to the acquisition and (b) operating activity for the acquired business for the non-comparable period. With respect to comparisons of fiscal 2017 to fiscal 2016, the non-comparable period comprised all months; with respect to comparisons of fiscal 2018 to fiscal 2017, the non-comparable period is the month of May.

- *"Foreign exchange."* We calculate the percentage change in our income statement line items in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove foreign exchange gains and losses from current- and prior-year periods.

Non-GAAP Reconciliation

Fiscal year ended April 30, 2019

- *"Acquisitions and divestitures."* This adjustment removes (a) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction gains or losses, transaction costs, and integration costs), and (b) the effects of operating activity related to acquired and divested brands for periods not comparable year over year (non-comparable periods). By excluding non-comparable periods, we therefore include the effects of acquired and divested brands only to the extent that results are comparable year over year.

  In fiscal 2016, we sold our Southern Comfort and Tuaca brands and related assets to Sazerac Company, Inc. and entered into a related transition services agreement (TSA). During fiscal 2017, we completed our obligations under the TSA. This adjustment removes the net sales, cost of sales, and operating expenses recognized in fiscal 2017 pursuant to the TSA related to contract bottling services and distribution services in certain markets.

  On June 1, 2016, we acquired The BenRiach Distillery Company Limited (BenRiach). This adjustment removes (a) transaction and integration costs related to the acquisition and (b) operating activity for the acquired business for the non-comparable period. With respect to comparisons of fiscal 2018 to fiscal 2017, the non-comparable period is the month of May.

- *"New accounting standard."* Under Accounting Standards Codification (ASC) 606, "Revenue from Contracts with Customers," we recognize the cost of certain customer incentives earlier than we did before adopting ASC 606. Although this change in timing did not have a significant impact on a full-year basis, there was some change in the timing of recognition across periods. Additionally, some payments to customers that we classified as expenses before adopting the new standard are classified as reductions of net sales under our new policy. See Note 2 to the accompanying financial statements for additional information. This adjustment allows us to look at organic change on a comparable basis.

- *"Foreign exchange."* We calculate the percentage change in certain line items of the statements of operations in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove transactional and hedging foreign exchange gains and losses from current- and prior-year periods.

Fiscal year ended April 30, 2020

- *"Acquisitions and divestitures."* This adjustment removes (a) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction gains or losses, transaction costs, and integration costs), and (b) the effects of operating activity related to acquired and divested brands for periods not comparable year over year (non-comparable periods). Excluding non-comparable periods allows us to include the effects of acquired and divested brands only to the extent that results are comparable year over year.

  On July 3, 2019, we acquired 100% of the voting interests in The 86 Company, which owns Fords Gin, for $22 million in cash. This adjustment removes (a) transaction and integration costs related to the acquisition and (b) operating activity for the acquired business for the non-comparable period, which is fiscal 2020 activity for The 86 Company. We believe that these adjustments allow for us to better understand our organic results on a comparable basis. See Note 12 to the Consolidated Financial Statements for details.

- *"Foreign exchange."* We calculate the percentage change in certain line items of the statements of operations in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove transactional and hedging foreign exchange gains and losses from current- and prior-year periods.

Non-GAAP Reconciliation

Fiscal year ended April 30, 2021

- *"Acquisitions and divestitures."* This adjustment removes (a) the gain or loss recognized on sale of divested brands, (b) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction, transition, and integration costs), and (c) the effects of operating activity related to acquired and divested brands for periods not comparable year over year (non-comparable periods). Excluding non-comparable periods allows us to include the effects of acquired and divested brands only to the extent that results are comparable year over year.

  In fiscal 2020, we acquired The 86 Company, which owns Fords Gin. During fiscal 2021, we sold our Early Times, Canadian Mist, and Collingwood brands and related assets, which resulted in a pre-tax gain of $127 million, and entered into a related transition services agreement (TSA) for these brands.

  Also, during fiscal 2021, we acquired Part Time Rangers Limited, which owns Part Time Rangers RTDs.

  This adjustment removes (a) transaction and integration costs related to the acquisitions and divestitures, (b) operating activity for The 86 Company for the non-comparable period, which is activity in the first quarter of fiscal 2021, (c) the gain on sale of Early Times, Canadian Mist, and Collingwood and related assets, (d) operating activity for the non-comparable period for Early Times, Canadian Mist, and Collingwood, which is activity in the second, third, and fourth quarters for both fiscal 2020 and fiscal 2021, (e) the net sales and operating expenses recognized in fiscal 2021 pursuant to the TSA related to (i) contract bottling services and (ii) distribution services in certain markets, and (f) operating activity for Part Time Rangers Holdings Limited for the non-comparable period, which is activity in the third and fourth quarters of fiscal 2021. We believe that these adjustments allow for us to better understand our organic results on a comparable basis.

- *"Foreign exchange."* We calculate the percentage change in certain line items of the statements of operations in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove transactional and hedging foreign exchange gains and losses from current- and prior-year periods.

Fiscal year ended April 30, 2022

- *"Acquisitions and divestitures."* This adjustment removes (a) the gain or loss recognized on sale of divested brands, (b) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction, transition, and integration costs or income), and (c) the effects of operating activity related to acquired and divested brands for periods not comparable year over year (non-comparable periods). Excluding non-comparable periods allows us to include the effects of acquired and divested brands only to the extent that results are comparable year over year.

  During fiscal 2021, we sold our Early Times, Canadian Mist, and Collingwood brands and related assets, which resulted in a pre-tax gain of $127 million, and entered into a related transition services agreement (TSA) for these brands. Also, during fiscal 2021, we acquired Part Time Rangers Limited, which owns Part Time Rangers RTDs.

  This adjustment removes (a) transaction and integration costs related to the acquisitions and divestitures, (b) the gain on sale of Early Times, Canadian Mist, and Collingwood and related assets, (c) operating activity for the non-comparable period for Early Times, Canadian Mist, and Collingwood, which is activity in the first quarter of fiscal 2021, (d) the net sales and operating expenses recognized pursuant to the TSA related to (i) contract bottling services and (ii) distribution services in certain markets, and (e) operating activity for Part Time Rangers Holdings Limited for the non-comparable period, which is primarily activity in the first two quarters of fiscal 2022. We believe that these adjustments allow for us to better understand our organic results on a comparable basis

- *"Foreign exchange."* We calculate the percentage change in certain line items of the statements of operations in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove transactional and hedging foreign exchange gains and losses from current- and prior-year periods.

Non-GAAP Reconciliation

Fiscal year ended April 30, 2023

- "*Acquisitions and divestitures.*" This adjustment removes (a) the gain or loss recognized on sale of divested brands, (b) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction, transition, and integration costs or income), and (c) the effects of operating activity related to acquired and divested brands for periods not comparable year over year (non-comparable periods). Excluding non-comparable periods allows us to include the effects of acquired and divested brands only to the extent that results are comparable year over year.

  During fiscal 2021, we sold our Early Times, Canadian Mist, and Collingwood brands and related assets, and entered into a related transition services agreement (TSA) for these brands. During the third quarter of fiscal 2023, we acquired Gin Mare Brand, S.L.U. and Mareliquid Vantguard, S.L.U., which own the Gin Mare brand (Gin Mare). Also, during the third quarter of fiscal 2023, we acquired (a) International Rum and Spirits Distributors Unipessoal, Lda., (b) Diplomático Branding Unipessoal Lda., (c) International Bottling Services, S.A., (d) International Rum & Spirits Marketing Solutions, S.L., and (e) certain assets of Destilerias Unidas Corp., which collectively own the Diplomático Rum brand and related assets (Diplomático).

  This adjustment removes (a) the net sales and operating expenses recognized pursuant to the TSA related to the divestiture of Early Times, Canadian Mist, and Collingwood brands and related assets for the non-comparable period, which is activity during the first quarter of fiscal 2022; (b) transaction, transition, and integration costs related to the acquisitions; (c) operating activity for Gin Mare for the non-comparable period, which is activity in the third and fourth quarters of fiscal 2023; and (d) operating activity for Diplomático for the non-comparable period, which is activity in the third and fourth quarters of fiscal 2023. We believe that these adjustments allow for us to understand our organic results on a comparable basis.

- "*Foreign exchange.*" We calculate the percentage change in certain line items of the statements of operations in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation "dollar" always means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove transactional and hedging foreign exchange gains and losses from current- and prior-year periods.

Non-GAAP Reconciliation

Nine months ended January 31, 2024

- *"Acquisitions and divestitures."* This adjustment removes (a) the gain or loss recognized on sale of divested brands and certain fixed assets, (b) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction, transition, and integration costs), (c) the effects of operating activity related to acquired and divested brands for periods not comparable year over year (non-comparable periods), and (d) fair value changes to contingent consideration liabilities. Excluding non-comparable periods allows us to include the effects of acquired and divested brands only to the extent that results are comparable year over year.

  During the third quarter of fiscal 2023, we acquired Gin Mare Brand, S.L.U. and Mareliquid Vantguard, S.L.U., which owned the Gin Mare brand (Gin Mare). This adjustment removes (a) the transaction, transition, and integration costs related to the acquisition, (b) operating activity for the non-comparable periods, which is activity in the first and second quarters of fiscal 2024, and (c) fair value adjustments to Gin Mare's earn-out contingent consideration liability that is payable in cash no earlier than July 2024 and no later than July 2027.

  During the third quarter of fiscal 2023, we acquired (a) International Rum and Spirits Distributors Unipessoal, Lda., (b) Diplomático Branding Unipessoal Lda., (c) International Bottling Services, S.A., (d) International Rum & Spirits Marketing Solutions, S.L., and (e) certain assets of Destilerias Unidas Corp., which collectively own the Diplomático Rum brand and related assets (Diplomático). This adjustment removes (a) the transaction, transition, and integration costs related to the acquisition, and (b) operating activity for the non-comparable periods, which is primarily activity in the first three quarters of fiscal 2024.

  During the third quarter of fiscal 2024, we sold our Finlandia vodka business, which resulted in a pre-tax gain of $90 million, and entered into a related transition services agreement (TSA) for this business. This adjustment removes the (a) transaction costs related to the divestiture, (b) the gain on sale of the Finlandia vodka business, (c) operating activity for the non-comparable period, which is activity in the third and fourth quarters of fiscal 2023, and (d) net sales, cost of sales, and operating expenses* recognized pursuant to the TSA related to distribution services in certain markets.

  During the third quarter of fiscal 2024, we reached an agreement to sell our Sonoma-Cutrer wine business to The Duckhorn Portfolio, Inc. This transaction is expected to close in the fourth quarter of fiscal 2024. This adjustment removes the transaction costs related to the pending disposition.

  During the second quarter of fiscal 2024, we recognized a gain of $7 million on the sale of certain fixed assets. This adjustment removes the gain from our other expense (income), net and operating income to present our organic results on a comparable basis.

  We believe that these adjustments allow for us to better understand our organic results on a comparable basis.

- *"Foreign exchange."* We calculate the percentage change in certain line items of the statements of operations in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove transactional and hedging foreign exchange gains and losses from current- and prior-year periods.

We use the non-GAAP measure "organic change," along with other metrics, to: (a) understand our performance from period to period on a consistent basis; (b) compare our performance to that of our competitors; (c) calculate components of management incentive compensation; (d) plan and forecast; and (e) communicate our financial performance to the Board of Directors, stockholders, and investment community. We have consistently applied the adjustments within our reconciliations in arriving at each non-GAAP measure. We believe these non-GAAP measures are useful to readers and investors because they enhance the understanding of our historical financial performance and comparability between periods. When we provide guidance for organic change in certain measures of the statements of operations we do not provide guidance for the corresponding GAAP change, as the GAAP measure will include items that are difficult to quantify or predict with reasonable certainty, such as foreign exchange, which could have a significant impact to our GAAP income statement measures.

*Operating expenses include advertising expenses, SG&A expenses, and other expenses (income), net.

Definitions

From time to time, to explain our results of operations or to highlight trends and uncertainties affecting our business, we aggregate markets according to stage of economic development as defined by the International Monetary Fund (IMF), and we aggregate brands by beverage alcohol category. Below, we define the geographic and brand aggregations used in this presentation.

Geographic Aggregations.

- "*Developed International*" markets are "advanced economies" as defined by the IMF, excluding the United States. Our top developed international markets were Germany, Australia, the United Kingdom, France, Canada, and Japan. This aggregation represents our net sales of branded products to these markets.
- "*Emerging*" markets are "emerging and developing economies" as defined by the IMF. Our top emerging markets were Mexico, Poland, and Brazil. This aggregation represents our net sales of branded products to these markets.
- "*Travel Retail*" represents our net sales of branded products to global duty-free customers, other travel retail customers, and the U.S. military, regardless of customer location.
- "*Non-branded and bulk*" includes net sales of used barrels, contract bottling services, and non-branded bulk whiskey and wine, regardless of customer location.

Brand Aggregations.

In this presentation we provide supplemental information for our top brands ranked by percentage of reported net sales. In addition to brands listed by name, we include the following aggregations outlined below.

In fiscal 2023, we began presenting "Ready-to-Drink" products as a separate aggregation due to its more significant contribution to our growth in recent years and industry-wide category growth trends. "Whiskey" no longer contains Jack Daniel's ready-to-drink (RTD) and ready-to-pour (RTP), and "Tequila" no longer includes New Mix. These brands are now included in the "Ready-to-Drink" brand aggregation.

- "*Whiskey*" includes all whiskey spirits and whiskey-based flavored liqueurs. The brands included in this category are the Jack Daniel's family of brands (excluding the "Ready-to-Drink" products defined below), the Woodford Reserve family of brands (Woodford Reserve), the Old Forester family of brands (Old Forester), GlenDronach, Benriach, Glenglassaugh, Slane Irish Whiskey, and Coopers' Craft.
    - "*American whiskey*" includes the Jack Daniel's family of brands (excluding the "Ready-to-Drink" products defined below) and premium bourbons (defined below).
        - "*Premium bourbons*" includes Woodford Reserve, Old Forester, and Coopers' Craft.
    - "*Super-premium American whiskey*" includes Woodford Reserve, Gentleman Jack, and other super-premium Jack Daniel's expressions.
- "*Ready-to-Drink*" includes all ready-to-drink (RTD) and ready-to-pour (RTP) products. The brands included in this category are Jack Daniel's RTD and RTP products (JD RTD/RTP), New Mix, and other RTD/RTP products.
    - "*Jack Daniel's RTD/RTP*" products include all RTD line extensions of Jack Daniel's, such as Jack Daniel's & Cola, Jack Daniel's Country Cocktails, Jack Daniel's Double Jack, Jack Daniel's & Coca-Cola RTD, and other malt- and spirit-based Jack Daniel's RTDs, along with Jack Daniel's Winter Jack RTP.
        - "*Jack Daniel's & Coca-Cola RTD*" includes all Jack Daniel's and Coca-Cola RTD products and Jack Daniel's bulk whiskey shipments for the production of this product.
- "*Tequila*" includes the Herradura family of brands (Herradura), el Jimador, and other tequilas.
- "*Wine*" includes Korbel California Champagnes and Sonoma-Cutrer wines.
- "*Vodka*" includes Finlandia, which we divested on November 1, 2023.
- "*Rest of Portfolio*" includes Chambord, Gin Mare, Korbel Brandy, Diplomático, and Fords Gin.
- "*Non-branded and bulk*" includes net sales of used barrels, contract bottling services, and non-branded bulk whiskey and wine.
- "*Jack Daniel's family of brands*" includes Jack Daniel's Tennessee Whiskey (JDTW), JD RTD/RTP, Jack Daniel's Tennessee Honey (JDTH), Gentleman Jack, Jack Daniel's Tennessee Fire (JDTF), Jack Daniel's Tennessee Apple (JDTA), Jack Daniel's Single Barrel Collection (JDSB), Jack Daniel's Bonded Tennessee Whiskey, Jack Daniel's Sinatra Select, Jack Daniel's Tennessee Rye Whiskey (JDTR), Jack Daniel's Bottled-in-Bond, Jack Daniel's Triple Mash Blended Straight Whiskey, Jack Daniel's No. 27 Gold Tennessee Whiskey, Jack Daniel's 10 Years Old, Jack Daniel's 12 Years Old, and other Jack Daniel's expressions.

Definitions

Other Metrics.

- "*Shipments.*" We generally record revenues when we ship or deliver our products to our customers. In this presentation, unless otherwise specified, we refer to shipments when discussing volume.
- "*Depletions.*" This metric is commonly used in the beverage alcohol industry to describe volume. Depending on the context, depletions usually means either (a) where Brown-Forman is the distributor, shipments directly to retail or wholesale customers or (b) where Brown-Forman is not the distributor, shipments from distributor customers to retailers and wholesalers. We believe that depletions measure volume in a way that more closely reflects consumer demand than our shipments to distributor customers do.
- "*Consumer takeaway.*" When discussing trends in the market, we refer to consumer takeaway, a term commonly used in the beverage alcohol industry that refers to the purchase of product by consumers from retail outlets, including products purchased through e-commerce channels, as measured by volume or retail sales value. This information is provided by outside parties, such as Nielsen and the National Alcohol Beverage Control Association (NABCA). Our estimates of market share or changes in market share are derived from consumer takeaway data using the retail sales value metric. We believe consumer takeaway is a leading indicator of consumer demand trends.
- "*Estimated net change in distributor inventories.*" We generally recognize revenue when our products are shipped or delivered to customers. In the United States and certain other markets, our customers are distributors that sell downstream to retailers and consumers. We believe that our distributors' downstream sales more closely reflect actual consumer demand than do our shipments to distributors. Our shipments increase distributors' inventories, while distributors' depletions (as described above) reduce their inventories. Therefore, it is possible that our shipments do not coincide with distributors' downstream depletions and merely reflect changes in distributors' inventories. Because changes in distributors' inventories could affect our trends, we believe it is useful for investors to understand those changes in the context of our operating results.

  We perform the following calculation to determine the "estimated net change in distributor inventories":

  - For both the current-year period and the comparable prior-year period, we calculate a "depletion-based" amount by (a) dividing the organic dollar amount (e.g. organic net sales) by the corresponding shipment volumes to arrive at a shipment per case amount, and (b) multiplying the resulting shipment per case amount by the corresponding depletion volumes. We subtract the year-over-year percentage change of the "depletion-based" amount from the year-over-year percentage change of the organic amount to calculate the "estimated net change in distributor inventories."
  - A positive difference is interpreted as a net increase in distributors' inventories, which implies that organic trends could decrease as distributors reduce inventories; whereas, a negative difference is interpreted as a net decrease in distributors' inventories, which implies that organic trends could increase as distributors rebuild inventories.

Reconciliation of Non-GAAP Organic Changes

Total Brown-Forman Net Sales Growth

Fiscal Year	Reported	A&D	FX	New Accounting Standard	Organic
F23	8%	0%	3%	0%	10%
F22	14%	2%	2%	0%	17%
F21	3%	0%	-1%	0%	2%
F20	1%	0%	1%	0%	2%
F19	2%	0%	2%	1%	5%
F18	8%	0%	-1%	0%	7%
F17	-3%	3%	2%	0%	2%
F16	-2%	1%	6%	0%	5%
F15	4%	0%	3%	0%	7%
F14	4%	0%	1%	0%	5%

Fiscal 2023 Brand Net Sales Growth

Fiscal 2023	Reported	A&D	FX	Organic
Tequila	**10%**	0%	**(1)%**	**10%**
el Jimador	11%	0%	(1)%	10%
Herradura	13%	0%	1%	14%

Note: Results may differ due to rounding