



Proximo UK

UK Sub-groups and Company Tax Strategy Policy – Updated July 2022

Becle is a multinational spirits company headquartered in Mexico, leading producer of tequila and one of the largest producers of Irish whiskey in the world. The Company's portfolio includes strong tequila brands with great tradition and quality, such as Jose Cuervo, 1800 and Centenario as well as a recognized Irish Whiskey brand such as Bushmills.

In the UK, Proximo operates the Bushmills facility which includes a malt whiskey distillery located in Northern Ireland. The distillery has capacity for annual production of approximately 5 million liters of Irish whiskey and is capable of bottling around 3 million nine-liter cases of whiskey.

Proximo business activities in the UK are conducted through the following UK established companies:

- Sub-group 1
 - o Jose Cuervo Overseas Ltd.
 - o The Old Bushmills Distillery Company Limited
 - o Proximo Spirits UK Ltd.
- Sub-group 2
 - o Proximo Distribution Holdings Ltd

All the above-referred companies (referred collectively as "Proximo UK") are subject to UK taxes.

This tax strategy applies to all UK tax resident Group entities controlled directly or indirectly by Becle S.A.B de CV, a Mexican established and tax resident Company and top parent of the Jose Cuervo Group worldwide. Each UK company noted above regards this document as complying with its duty under either Paragraph 19(2) Schedule 19, UK Finance Act 2016 or Paragraph 22(2) Schedule 19 UK Finance Act 2016 (Jose Cuervo International (UK) only).

Approach to risk management and governance arrangements in relation to UK taxation

Proximo UK is committed to ensuring that its tax affairs are open, transparent, and compliant with tax legislation.

Proximo UK is committed to properly complying with all relevant tax laws and regulations applicable to its business activities in the UK on a timely basis. As there is currently no in-house tax function in the UK, Jose Cuervo UK has engaged a leading global tax advisory firm to assist with meeting key tax compliance obligations. These matters are closely monitored by the UK Finance Director with support from the Global Tax Director.



Proximo aims to apply due professional care and judgement, including ensuring all decisions are taken at the appropriate level. Any tax risks identified are communicated to the Proximo UK Directors with any material risks subsequently reported to the Audit Committee, Management Board and Shareholders on a timely basis. The Audit Committee aims to ensure that appropriate governance structures are in place to support an effective control environment.

Attitude of Proximo UK group towards tax planning

Proximo UK recognizes that the volume and complexity of transactions within the group, together with recent developments in the external environment have raised the profile of tax.

Proximo UK structures its commercial activities taking into consideration all relevant aspects to ensure they are optimum from a legal, financial, tax and treasury perspective. While tax decisions and planning are considered in evaluating business opportunities, we do not undertake any transactions primarily for tax planning purposes. Proximo UK engages the services of professional advisers to assist with major or complex business decisions in order to fully understand any associated tax risks.

Proximo UK seeks to ensure that transactions are structured such that any tax reliefs or incentives are realized in accordance with intended tax legislation and only where there is a credible technical standing.

Level of risks the UK group is prepared to accept in relation to the UK

Proximo UK's tolerance to tax risk is low. Risks identified are considered on a case-by-case basis taking into account all available facts and information and where appropriate professional tax advice is sought to obtain clarity on any potential tax issues throughout the business cycle. Proximo UK assess the existence of potential tax issues based on principles of reasonable care and materiality. If significant uncertainty is identified in a particular matter, we would consider making formal Clearance/Ruling requests to the HMRC.

Proximo UK is conscious of the potential adverse publicity that a negative tax attitude can bring and seeks to minimize any reputational damage through the actions set out in this Tax Strategy.

Approach of the group towards dealing with HMRC

Proximo UK aims to work positively and proactively with HMRC to create a positive effective working environment

Proximo UK aims to meet its compliance obligations in a timely manner by making accurate returns. By using qualified tax advisors to support key tax compliance requirements and to interact with HMRC, we seek to meet the highest standards of professional care with regards to taxes.



Proximo UK is committed to transparency in all interactions with HMRC, responding promptly and with full disclosure to HMRC enquiries, disclosure of inadvertent errors that are discovered subsequent to submitting our tax returns where required by law and being open and transparent about decision making, governance and tax planning.

For further information related to this Policy, please contact any of the following individuals:

Salvador Rizo - UK Finance Controller
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Alejandro Romero Chimal - Global Tax Director
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Approved by the Board of Directors of Jose Cuervo Overseas Limited on behalf of it and its UK tax resident subsidiaries and affiliates, in accordance with paragraphs 19(2) and 22(2) Schedule 19 Finance Act 2016