



Pernod Ricard

*Créateurs de convivialité*



# CODE OF BUSINESS CONDUCT



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# I. Executive Statement

Doing business with integrity has long been one of Pernod Ricard's core values and commitments. As expressed in our Charter, acting with a strong sense of ethics is one of the fundamental values that underpin our business model.

Acting ethically includes respecting the laws within our markets as well as our internal policies. This is expected of all employees of Pernod Ricard. Failure by any one of us to respect these laws and policies could expose you and the Group to serious legal consequences, and could severely damage our reputation.

But complying with the law and our policies is about more than keeping out of trouble and looking good. It's about being a constructive participant in the communities where we do business. It's about taking part in promoting a level playing field. It's also about making

**Acting ethically is expected of all employees of Pernod Ricard.**

sure that we do all we can to earn and keep the confidence of our customers, business partners, shareholders and other stakeholders. This confidence is part of

what makes up our reputation and is one of the key drivers of our success.

The purpose of this Code of Business Conduct is to set out in one place the principal standards that we expect all Pernod Ricard employees to follow in seven key areas: anti-bribery, competition, anti-money laundering, conflicts of interest, insider trading, data protection,



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**It's about making sure that we do all we can to earn and keep the confidence of our customers, business partners, shareholders and other stakeholders.**

digital and social media use and brand security. These standards are more fully discussed in the various policies referred to in this Code.

We expect you to read this Code and those policies and refer to them often for guidance. You may come across situations in the field that are not addressed in this Code or our policies. If so, don't

hesitate to seek advice from your Legal Department, your Line Manager or your Human Resources Department.

**We expect you to read this Code and those policies and refer to them often for guidance.**



## II. Responsibility for the Code and Compliance

### To whom does this Code apply?

This Code refers to a number of policies and procedures in place within the Pernod Ricard Group. This Code and the policies referred to in this Code apply to all employees of the Group in addition to any similar policies in place within your affiliate. You are all expected to be familiar with this Code and also with any particular policies that apply to your function within Pernod Ricard.

As a global group, Pernod Ricard is subject to many laws, some of which apply to conduct in more than one country. By following the principles set out in this Code and in the Group's policies, you are helping Pernod Ricard comply with these laws.

### What if I am unsure about how the Code or a policy applies?

It's impossible for this Code to address every situation in your daily work that may pose you a legal or ethical problem. If you have a question and you can't find the answer in this Code, or have any other questions on how this Code or

one of the policies mentioned in this Code should be applied, seek help and guidance. There are a few people you can talk to:

- Your local in-house lawyer, your Regional legal director or the Group General Counsel.
- Your Line Manager or your Human Resources department.



**You are all expected to be familiar with this Code.**

## What do I do if I think someone is acting improperly?

If you have a serious concern that any behaviour by an employee or third party is against this Code or any Group policies, **we encourage you to speak up**. You should only report something if you believe that the information you have is accurate.

Who you speak to depends on the circumstances. In some cases, specific people need to be notified as set out in this Code. If not, you should think about talking to your Line Manager, N+1, your Human Resources department or someone from the Legal Department.

Pernod Ricard is committed to protecting employees that come forward to report

issues in good faith. Such issues will be dealt with in confidence. We will not accept any retaliation or discrimination against an employee who reports conduct that he or she believes violates this Code, a Group policy or the law.

We are all responsible for complying with this Code and the policies referred to in this Code.

## Who is responsible for this Code?

**The Legal Department** is responsible for implementing this Code, and **will also provide guidance to any employee who has a question about it**.

The Group General Counsel is responsible for maintaining this Code and for proposing to the Executive Board (*Bureau*

*Exécutif*) amendments to the Code that may be required as a result of changes in law or where it is necessary in order to protect the interests of Pernod Ricard. In the event that it is necessary or advisable for a compliance matter to be decided at the Group level, he or she should refer the matter to the Group General Counsel. As necessary, the Group General Counsel will convene the Group Executive Committee on Ethics for a resolution of the matter. The **Group Executive Committee on Ethics** is comprised of:

- The Group General Counsel;
- The Group Managing Director – Human Resources and Corporate Social Responsibility; and
- The Group Managing Director – Finance.



# III. Anti-Bribery and Gifts and Hospitality

**A** bribe is money or anything else of value that is given to a person in order to influence them to act improperly. A bribe can take many forms, including cash, gifts, entertainment, donations and favours. Giving or receiving bribes is illegal in the countries where we do business. It is also prohibited under this Code. These rules apply to our competitors as well.

We take compliance with anti-bribery laws very seriously and have zero tolerance for corrupt behaviour, including giving or receiving bribes, whether by one of our employees or by third parties acting on our behalf.

It's important to understand that providing gifts and hospitality can be considered bribes if they encourage improper conduct or are given in exchange for any kind of financial or business advantage. Reasonable gifts and hospitality are a normal part of doing business,

but you shouldn't give or accept lavish or inappropriate gifts and entertainment, and you should always make sure that any gift or hospitality is acceptable under the gifts and hospitality policy of your company or Region.

Dealings with government officials require special precautions. You should never offer anything of value to a government official in an effort to get favourable treatment, influence the outcome of an audit or other administrative proceeding or influence



**Reasonable gifts and hospitality are a normal part of doing business, but you shouldn't give or accept lavish or inappropriate gifts and entertainment**

the passage of any law or regulation. You should also be very careful of any requests by governmental officials or customers that we make political

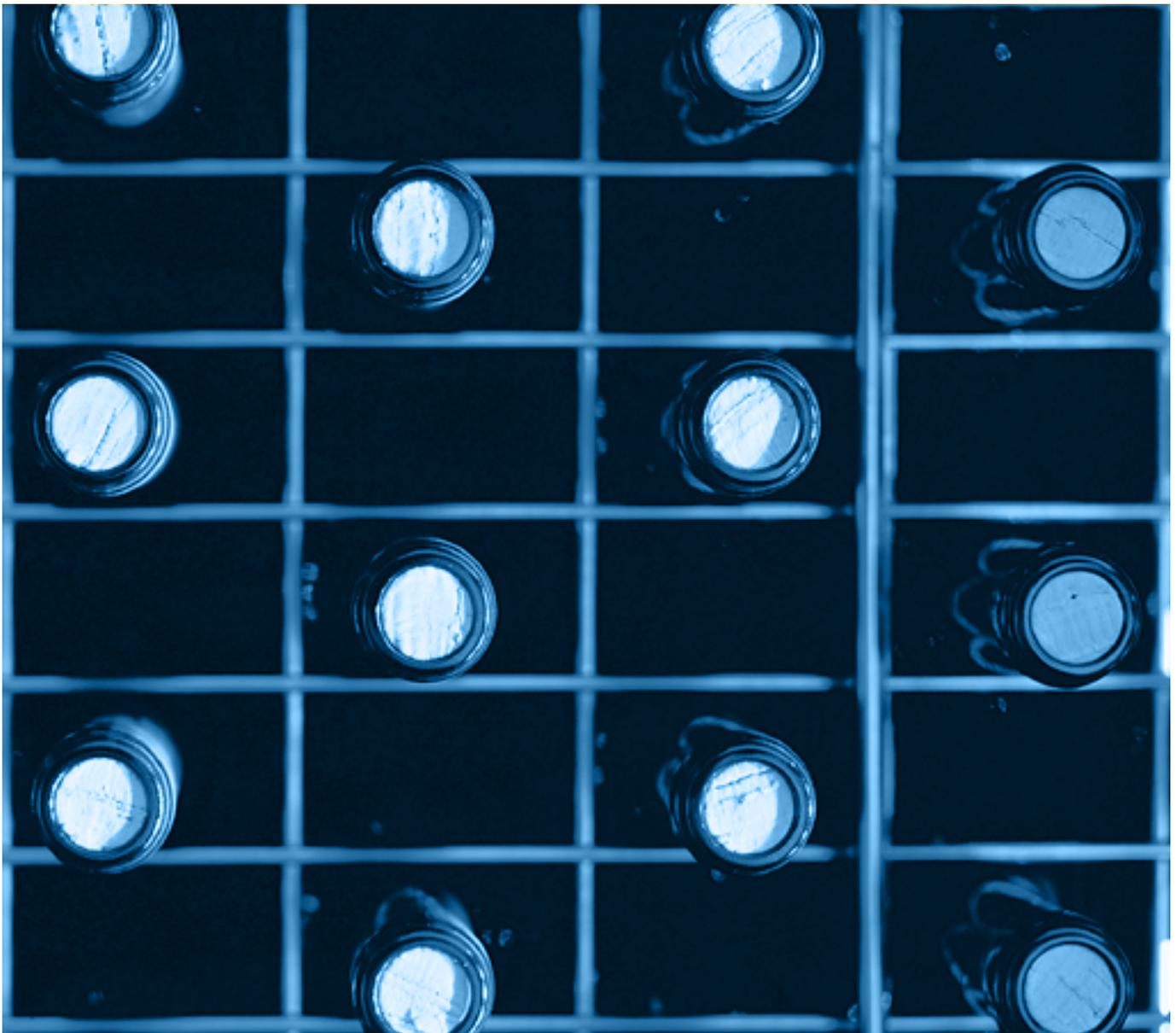
**Dealings with government officials require special precautions.**

or charitable donations, as these can be ways of paying bribes. Giving gifts or entertainment of limited value can be acceptable under certain circumstances. You should refer to the gifts and hospitality policy of your company or Region for more guidance.

In some cases, we use third party service providers to act on our behalf. We need to know who we are dealing with before we engage a service provider because we can be held responsible if these suppliers pay bribes when acting on our behalf. The Pernod Ricard Group Anti-Bribery Policy contains some “know your supplier” or “due diligence” checks that should be performed on third parties that may pose bribery risks to us. Generally, a third party may pose a risk to us if they can win business for us or if they will interact with government officials on our behalf. Examples of such third parties include customs agents, logistics companies and event organisers.

The failure of an employee to comply with the Pernod Ricard Group Anti-Bribery Policy and any local anti-bribery procedures, including gifts and hospitality procedures, could lead to civil or criminal liability for the Group, the relevant affiliate and that employee, as well as disciplinary action to employees involved in the conduct, up to and including termination of employment.

**We have zero tolerance for corrupt behaviour.**



# What every employee should know

- Never offer or accept a bribe or make any facilitation payments to government officials.
- Remember that gifts and entertainment can be considered to be bribes under certain circumstances.
- Before you give or receive a gift or hospitality, think about whether it is appropriate under policies in place within your company and whether any prior approvals or reporting is required.
- Remember that dealing with government officials is particularly risky; pre-approval for any gifts and hospitality is therefore generally required.
- Make sure you carry out appropriate checks on relevant third parties that act on our behalf before you hire them and encourage them to uphold the same standards we observe in relation to bribery and corruption.



## FOR MORE INFORMATION

You can access the Pernod Ricard Group Anti-Bribery Policy [here](#).

Other companies of the Pernod Ricard Group have adopted their own local versions of the Pernod Ricard Group Anti-Bribery Policy, including local gifts and hospitality procedures, to address the needs in their markets. You should **contact the Legal Director in your company or Region to understand what gifts and hospitality applies to you**, and to see whether additional policies and procedures apply to you in addition to the Pernod Ricard Group Anti-Bribery Policy.

If you have **any questions** about the Pernod Ricard Group Anti-Bribery Policy or your local anti-bribery and gifts and hospitality policies, or if you need any guidance, **speak to your local or Regional Legal Director**.

If you suspect that there has been a violation of the Pernod Ricard Group Anti-Bribery Policy, [or your local anti-bribery/gifts and hospitality policy, you should contact your local Legal Department.



# IV. Competition Law

Competition law (also known as anti-trust law) seeks to protect fair competition and innovation by prohibiting practices such as market sharing, price fixing and abuse of a dominant market position to unfairly disadvantage competitors and consumers. We must continue to earn our leadership position through fair competition in the marketplace. These rules obviously apply to our competitors as well.

Competition law is complex and differs from one country to another. Nonetheless, certain key principles are common to all jurisdictions. **These laws prohibit** certain conduct, including:

- Agreeing with competitors on aligning business practices, such as **fixing prices** or splitting up customers or markets;

- **Interfering with the commercial strategy of our distributors or customers**, including by fixing the prices at which they can resell our products or where they can sell them; and
- **Exchanging sensitive commercial information with competitors**, either directly or through third parties, such as customers or suppliers.

Breaches of competition law can lead to very large fines. As an example, violating European competition law can result in fines of up to 10% of a group's global sales. Pernod Ricard employees involved in breaking competition law can be subject to criminal penalties and face disciplinary action, including termination of employment.



**“ We must  
continue  
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leadership  
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fair competition  
in the  
marketplace.”**

Below are some of the top rules we expect all employees to know. However, you are all expected to read the Pernod Ricard Competition Law Compliance Policy and to become aware of any laws that

apply to our home markets. These laws are complex so please contact your local Legal Department or the Holding Legal Department with any questions.

**Breaches of competition law can lead to very large fines.**



# What every employee should know

- Do not collude with our competitors on pricing and other terms of sale.
- Do not agree to divide up markets, territories or classes of customers with our competitors.
- Do not exchange sensitive commercial information with our competitors.
- Take special care in trade association meetings not to discuss sensitive commercial issues with our competitors.
- Make sure that any information you receive about our competitors comes from publicly available sources or has been otherwise legitimately obtained.
- Do not fix product resale prices or other resale terms. Suggested resale prices are fine as long as they are genuine recommendations.
- Do not make references to Pernod Ricard being “dominant” or the “leader” in any particular market. This is a matter of complex legal/economic analysis.
- Avoid making cocky statements like “killing the competition.” They can be misinterpreted.
- Any agreements that contain territorial restrictions or “do not compete” clauses and any long-term agreements need to be reviewed by the Legal Department. These arrangements may well be acceptable in certain circumstances, but require legal analysis.
- If ever in doubt about whether your conduct may be anti-competitive, consult your local Legal Department or the Holding Legal Department.

## FOR MORE INFORMATION

You can access the Pernod Ricard Competition Law Compliance Policy [here](#).

If you have any questions about the Competition Law Compliance Policy or if you need some guidance, including on local competition laws, call your local Legal Department. You should contact your local Legal Department if you suspect that there has been a violation of the Pernod Ricard Competition Law Compliance Policy.

Certain national competition authorities sponsor leniency programs through which they grant favourable treatment to companies that report anti-competitive practices, and in particular cartels, and cooperate in proceedings initiated against the violating companies.



# V. Money Laundering

We must do all that we can to prevent Pernod Ricard from being used as a conduit for money laundering.

Money laundering is the process of hiding the source of money made through criminal activities, such as drug trafficking or terrorism, by channeling it through a legitimate business transaction.

Money laundering often involves the use of cash or other bearer instruments, such as money orders or traveler's checks, to pay for products or services. It's Pernod Ricard's policy not to accept payments in cash or cash equivalents. If for some exceptional reason a customer needs

to use cash to pay us, you must seek pre-approval from your local Finance and Legal Departments.

We need to make sure that we know who we are dealing with before entering into a commercial relationship so that we

can avoid being used to launder money. We also need to be attentive to suspicious changes or activities during the life of our relationships with our customers because those changes or activities could mean that the customer is trying to use us to launder money.

**It's Pernod Ricard's policy not to accept payments in cash or cash equivalents.**



**We must do all that we can to prevent Pernod Ricard from being used as a conduit for money laundering.**

Pernod Ricard employees that create and manage relationships with customers need to follow the Know Your Customer (KYC) procedures described in the Pernod Ricard Anti-Money Laundering Guidelines. These procedures are designed to determine who our customers really are and what their operations are really about. Customer information needs to be kept current too, so make sure that you ask for updates when a customer's situation changes, and in any event at least once every two years.

We must also watch out for suspicious behaviour or activities that could be a sign that a customer is trying to use us to launder money. Some examples include being asked to accept large cash payments for product, paying for goods through multiple-wire transfers from different accounts, or refusing to give you updated contact or banking information that you have requested.

**We need to make sure that we know who we are dealing with before entering into a commercial relationship so that we can avoid being used to launder money.**



# What every employee should know

- When accepting payment for goods, do not take cash, cashier's checks, traveler's checks, money orders or unrelated third party payments unless you have cleared it with your local or Regional Finance and Legal Departments.
- Make sure to follow the KYC procedures set out in the Pernod Ricard Anti-Money Laundering (AML) Policy before doing business with a new customer.
- Make sure to keep customer information current. At a minimum, ask for an update once every two years.
- Monitor customer accounts and tell your local Finance and Legal Departments if you see any suspicious activity or if your customer makes any suspicious payment requests.
- Make sure you follow local currency reporting obligations.



## [FOR MORE INFORMATION](#)

You can access the Pernod Ricard Anti-Money Laundering (AML) Policy [here](#).

If you have any questions about the AML Policy or if you need some guidance, speak to your Line Manager or your Finance or Legal Departments.



# VI. Insider Trading

Pernod Ricard's shares are listed on NYSE Euronext Paris. Trading in Pernod Ricard's securities or in the securities of another company on the basis of material, non-public information is illegal and can result in criminal penalties, including fines and imprisonment.

Inside information is non-public material information about a company that could affect a reasonable investor's decision to buy or sell that company's securities.

Inside information can include many types of information, including:

- Financial results; or
- Acquisitions or disposals of another company or of important assets; or
- Issuing securities.

**If you hold insider information about Pernod Ricard, you must refrain from buying or selling Pernod Ricard securities or the securities of another company**

**to which the inside information you possess relates.**

In addition, you must not trade in Pernod Ricard securities or advise any other person to do so during the quiet periods announced by Pernod Ricard S.A. (e.g., prior to the release of financial results, or during quiet periods imposed because a significant confidential transaction that is in progress and that you are aware of).



## Trading in Pernod Ricard's

**securities or in the securities of another company on the basis of material, non-public information is illegal and can result in criminal penalties, including fines and imprisonment.**



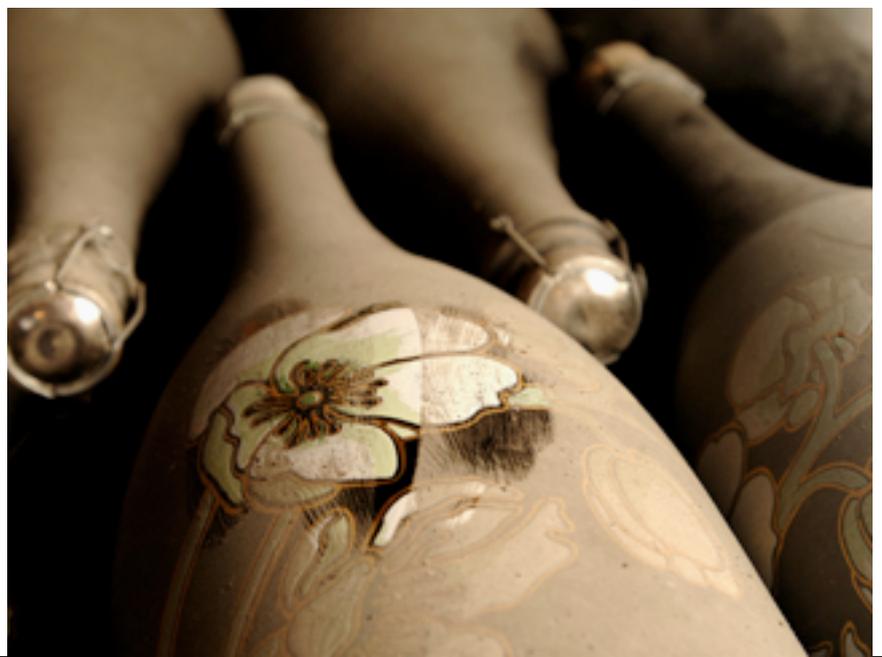
# What every employee should know

- Inside information is non-public material information about a company that could affect a reasonable investor's decision to buy or sell that company's securities.
- If you hold inside information about Pernod Ricard, you must not:
  - trade in Pernod Ricard's shares or other financial instruments, or the shares or financial instruments of any other company to which the inside information relates;
  - disclose inside information to others outside the ordinary course of your employment; and
  - advise a third party to buy or sell Pernod Ricard securities, or those of another company to which the inside information relates.
- You must not trade in Pernod Ricard securities or advise any other person to do so during the quiet periods announced by Pernod Ricard S.A.

## FOR MORE INFORMATION

You can access our Code of Conduct for the Prevention of Insider Misconduct [here](#).

If you have any questions about the Code of Conduct for the Prevention of Insider Misconduct, you should consult the Group *Comité de Déontologie* through the Assistant Company Secretary at the Holding.



## VII. Conflicts of Interest

We are all expected to act in Pernod Ricard's best interest. In general, a conflict of interest arises when a personal activity or relationship interferes with your ability to act in Pernod Ricard's best interests.

We should all avoid allowing our personal interests to interfere with our ability to make business decisions that are unbiased and in Pernod Ricard's best interests. The mere appearance of a conflict of interest

can be as much of a problem as a true conflict.



**“ We should all avoid allowing our personal interests to interfere with our ability to make business decisions that are unbiased and in Pernod Ricard's best interests. ”**

The following situations could amount or appear to be a conflict of interest:

- **One of your close relations works for a company that does business with Pernod Ricard, including customers, and you have the authority to do business with that company as part of your job;**
- **You have a second job and that job gets in the way of your ability to do your work for Pernod Ricard;**
- **You use company property or information for your personal benefit or the benefit of another person; or**
- **You receive a personal or financial benefit from an actual or potential supplier or customer or a competitor.**

These examples are meant to help you identify what might be a conflict of interest, but it's impossible to detail every situation that could be, or appear to be, a conflict of interest. In any given situation, you should ask yourself:

- Could my interests interfere with Pernod Ricard's interests?
- Could others think that my interests interfere with Pernod Ricard's interests?
- Do I or one of my close relations stand to benefit personally from my involvement in this situation or transaction?

- Will this situation lead me to put my personal interest ahead of Pernod Ricard's?

If the answer to any of these questions is "yes," you should **promptly disclose it by telling your Line Manager or your Human Resources Department**. It could very well be that something that initially appeared to be a conflict isn't in fact damaging to Pernod Ricard or the conflict can easily be resolved through an open and transparent discussion.

# What every employee should know

- You should avoid allowing your personal interests to interfere with your ability to act in Pernod Ricard's best interests.
- If you feel that you are in a situation that could potentially be or seem to others to be a conflict of interest, you should talk to your Line Manager or your Human Resources Department, as appropriate.



# VIII. Keeping Data Safe

As a business, we process personal data from many people, including employees (potential, current and former), customers, suppliers and other persons. Pernod Ricard is committed to keeping personal data confidential and secure and in compliance with applicable data protection laws. Personal data includes many types of information about an individual, including

birthdates and birthplaces, non-business phone numbers, residential addresses, benefits and compensation information, performance records, government-issued identification numbers and banking information. Basically, if the information can be used by itself or in combination with other information to identify, directly or indirectly, an individual, it's "personal data."

**Employees** who are responsible for collecting, gathering, processing, storing, using or sharing personal data **must make sure that they follow all applicable data protection laws.**



**“ Pernod Ricard is committed to keeping personal data confidential and secure . ”**



# What every employee should know

- **Transparency:** it is essential to collect the data in a trusted and legal manner. Personal data must not be collected without the individuals being aware of and agreeing to it;
- **Fairness and proportionality:** the personal data collected must be relevant to the purpose of the data processing and its eventual use;
- **Purpose limitation:** personal data must be collected for a specific purpose indicated beforehand to the individual concerned. Data must not be used for a purpose other than the one stated;
- **Access, accuracy and personal data retention:** you must define a period of retention of personal data. Individuals must be able to access their personal data and have a right to “opt out”;
- **Security and confidentiality:** make sure to take all the appropriate security and confidentiality measures when collecting personal data.



## [FOR MORE INFORMATION](#)

You can access the Pernod Ricard Data Privacy Policy [here](#).

If you have any questions about handling personal data or if you need some guidance, call the Legal Department in your relevant company or Region.



# IX. Using Digital and Social Media, including “Pernod Ricard Chatter<sup>®</sup>”<sup>1</sup>

Digital and social media are playing an ever-increasing and exciting role in allowing us to promote our products and in keeping us connected among our colleagues, customers, consumers and other stakeholders. Because so many

**Digital and social media are playing an ever-increasing and exciting role in keeping us connected.**

of us use digital and social media tools on a personal basis, it may be hard to remember that use of similar media to promote and advertise Pernod Ricard products, both on and off the job, carries risks for the Pernod Ricard Group.



- **All Pernod Ricard social media and digital communications must respect the Pernod Ricard Code for Commercial Communications.**
- **Make sure that you have the rights or releases to use any third party trademarks, copyrights or image, including user generated content, on any social media or digital media platform.**
- **Inform users of our social media tools to only post material to which they have the appropriate copyrights.**
- **Make sure that the information that you post on any social media site is not confidential or proprietary information.**
- **Do not make any denigrating or defamatory statements or comments about anyone.**
- **If you make any comment on a social media site relating to alcohol or any Pernod Ricard sponsored or funded event, you must clearly state that you are an employee of Pernod Ricard. This includes statements that you make on any personal social media account.**
- **Make sure you read the terms of service of any website you use to promote Pernod Ricard products so that you understand what you are agreeing to on behalf of Pernod Ricard.**

<sup>1</sup> Chatter is the trademark of salesforce.com, inc. and is used here under license.

As a Group, we have embraced “Pernod Ricard Chatter®” in recognition of the

**Do not make any denigrating or defamatory statements or comments about anyone.**

vast power of social networks to keep us connected and as a tool to “share a new idea every day.” However, as with the case of our presence on public social media and networking platforms, we must take



care to be respectful of the rights of our colleagues and other stakeholders.

When using “Pernod Ricard Chatter®”, remember to follow the **Top 10 Rules of our Enterprise Social Network Policy.**

**We must take care to be respectful of the rights of our colleagues and other stakeholders.**

**“ As a Group,  
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**idea every day.”**”

# Top 10 Rules of our Enterprise Social Network Policy

1. Do not forget that the use of “Pernod Ricard Chatter®” is for professional purposes.
2. You must assume full responsibility and liability for the statements you share and post on “Pernod Ricard Chatter®”.
3. Bear in mind that the Pernod Ricard Group cannot be held liable for the content you post on “Pernod Ricard Chatter®” since it only reflects your own opinion.
4. Behave responsibly and respectfully towards the Pernod Ricard Group, its employees, customers, partners, competitors or any other user of “Pernod Ricard Chatter®”.
5. Do not denigrate the Pernod Ricard Group, its customers, or any other user of “Pernod Ricard Chatter®”, nor make denigrating or defamatory remarks about working relationships or our competitors.
6. Take all reasonable measures to avoid disclosure of Confidential Information: any content posted on “Pernod Ricard Chatter®” is visible by all users or users of specific groups.
7. Comply with the general principles of Responsible Drinking that are important to the Pernod Ricard Group.
8. Do not use a false identity in order to mislead others.
9. Abstain from disseminating information or content that is false or misleading.
10. Be aware that in the event of a lawsuit in certain jurisdictions (e.g., the United States and most common law jurisdictions), all documents and contents you posted on “Pernod Ricard Chatter®” may have to be disclosed during the proceedings whether these are helpful or damaging to our case.



# X. Protecting Our Brands

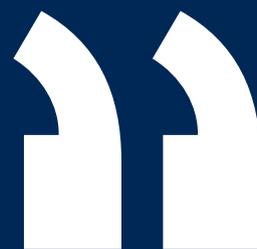
**Our brands are our most valuable assets.**

Our intellectual property (“IP”), including our trademarks, are the foundation for the protection of our brands and our continued profitability.



“ All  
Pernod Ricard

employees are our  
eyes and ears and  
we are relying  
on you to help us  
enforce our  
IP rights.



If you are in any way involved in new product or brand development, marketing or advertising you must contact your in-house IP Legal resource to make sure that you secure all appropriate IP rights.

In the war against look-a-likes and counterfeits, all Pernod Ricard employees are our eyes and ears and we are relying on you to help us enforce our IP rights. You should report any product that copies

or imitates one of our brands to Brand Security or your Legal Department. You can also use the Pernod Ricard Chatter<sup>®2</sup> “Look-a-likes and Counterfeit” Group to report any suspicious products.



**We need to take all necessary steps to make sure that:**

- **We secure all new IP rights when we develop new products, brands or brand extensions;**
- **We use our IP consistently with all relevant brand guidelines and Group IP policies;**
- **We watch for third parties who potentially infringe our IP rights, including through the production and sale of counterfeit products;**
- **We enforce our IP rights when infringements are spotted;**
- **We respect the IP rights of others.**



<sup>2</sup> Chatter is the trademark of salesforce.com, inc. and is used here under license.

# What every employee should know

- The Group relies on all of its employees to help it protect its IP. Report any product that appears to imitate or copy one of our brands.
- Call the relevant in-house IP lawyer each time you are entering into an agreement with a third party that could affect our IP rights. This includes contracts with advertising agencies, certain suppliers, distributors or any development partners.
- Always use our IP the way it is intended to be used. Careless use of our IP could lead us to lose our rights.



For more information on the Pernod Ricard Intellectual Property 10 Golden Rules [CLICK HERE](#).





Pernod Ricard

*Créateurs de convivialité*

# PERNOD RICARD GROUP ANTI-BRIBERY POLICY

## Summary and Guiding Principles

Pernod Ricard aims to ensure that all its Employees, and, to the extent possible, all those who perform services for or on its behalf, comply with applicable anti-bribery laws and with appropriate corporate ethical standards<sup>1</sup>.

This Anti-Bribery Policy (the “**Policy**”) applies to Pernod Ricard and all of its Employees. You must comply with this Policy, even where local law is less strict than this Policy<sup>2</sup>. Where local law is stricter, you must comply with those laws *in addition* to this Policy.

This Policy is supported by Pernod Ricard’s Board of Directors, which has delegated the authority and responsibility of overseeing the implementation of this Policy to the Pernod Ricard Group General Counsel.

Each Market Company and Brand Company is required to establish systems and controls to comply with this Policy, including controls on the provisions of gifts and entertainment. Such systems and controls may include a local anti-bribery policy that incorporates the provisions of this Policy.

“**Pernod Ricard**” means Pernod Ricard SA and for the purpose of this Policy includes all its businesses, functions and other organisational structures globally; and all subsidiaries which are 50% or more directly or indirectly owned subsidiaries (including all Market Companies and Brand Companies).

“**Employees**” means all Pernod Ricard employees and workers, including directors, non-executive directors and other corporate officers, staff of any subsidiary in which Pernod Ricard has a controlling interest, as well as agency workers, secondees, consultants and contractors (irrespective of their location, function, grade or standing) engaged by Pernod Ricard on its behalf and under its effective control. Employees may also be referred to as “**you**” in this Policy.

### **You must not:**

- offer, promise, give or authorise a Bribe of any kind, directly or indirectly;
- request, agree to receive or accept a Bribe of any kind, directly or indirectly;
- make Facilitation Payments or «grease payments»; or
- offer, promise, give or authorise (directly or indirectly) anything of value to a Public Official or to another person at the request or with the consent of a Public Official
  - o for the purpose of influencing that Public Official in his or her capacity as a Public Official, or
  - o in order to obtain or retain business or an advantage in the conduct of business,*unless* it is specifically permitted under this Policy, the gifts and hospitality policy applicable to your affiliate and written applicable law.

Bribery is a serious criminal offence for which Pernod Ricard has zero tolerance. These prohibitions therefore apply to conduct in all countries, irrespective of whether Bribery is permitted or tolerated in those countries.

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<sup>1</sup> Relevant laws and standards include the Bribery Act 2010 (UK) and the Foreign Corrupt Practices Act 1977 (US). International standards have been set by bodies such as the UN, the OECD, BIS, GRECO and Transparency International.

<sup>2</sup> Certain anti-bribery offences (e.g. under the Bribery Act 2010) have extra-jurisdictional application. Thus, relying on local law alone will **not** necessarily ensure compliance. At a minimum, this Policy must be complied with.

**You must:**

- comply with the highest standards, whether under this Policy, the local policies and procedures implementing this Policy that have been adopted by your affiliate (including any gifts and hospitality policy) or any applicable local laws and regulations;
- be vigilant for any Bribery within Pernod Ricard (especially if you work in business areas such as sales, marketing, procurement, government/corporate affairs or corporate hospitality); and
- promptly notify your local or Regional Legal Department or, as the case may be, the individuals designated in your local anti-bribery policy, if you have any suspicions or knowledge that Bribery is taking place within Pernod Ricard or if you suspect that an Associated Person is engaging in Bribery.

Your failure to comply with this Policy could result in personal criminal liability and/or disciplinary action (which may result in the termination of your employment with Pernod Ricard). Your failure to comply with this Policy may also result in serious financial and/or criminal penalties for Pernod Ricard.

It is therefore imperative that you comply with this Policy. If you have any doubt about whether an activity is permitted you should consult your local or Regional Legal Department, or, as the case may be, the individuals designated in your local anti-bribery policy.

We also encourage all agents, intermediaries, consultants, subcontractors and suppliers working on our behalf (referred to generally in this Policy as “Associated Persons”) to conduct themselves in accordance with the standards set out in this Policy. Therefore, it is not acceptable for a third-party agent to pay a Bribe to any person on our behalf.

## **What is a Bribe/Bribery?**

A “**Bribe**” or **Bribery** is the offer, promise, payment, transfer, request, agreement to receive or receipt of anything of value, whether directly or indirectly, to or from any person (whether a private person, corporate entity, or a Public Official),

- in order to induce that person (or any other person) to perform their roles improperly; or
- in the case of a Public Official, in order to influence that official with the intention of obtaining or retaining business in circumstances not required or permitted by applicable law.

A Bribe can take the form of a «reward» and be paid after the improper performance of the relevant duty or obligation has happened. Bribery also occurs when someone offers anything of value that he or she knows or believes is against the recipient’s gifts and entertainment policy.

All countries do not define Bribery the same way. However, since a Bribe made in one country can have implications for the Group under the laws of other countries, you must follow the definition of Bribery used in this Policy even if it is stricter than the definition used by the laws of your country.

If you are in any doubt as to what a Bribe is, you should speak with your local or Regional Legal Department.

## **Bribery Prohibited**

All Pernod Ricard Employees are expressly prohibited from offering, promising, accepting, giving, soliciting, receiving or authorising a Bribe.

In addition, all persons acting for or on Pernod Ricard’s behalf, including service providers, are prohibited from offering, promising, accepting, giving, receiving or authorising a Bribe. This means that Pernod Ricard Employees cannot use intermediaries, such as agents, as a conduit for offering, promising or giving a Bribe.

A Bribe can be offered using «**anything of value**». This means any advantage (with no minimum amount), financial or otherwise, and includes money, loans, fees, stock, contractual rights of interest, real estate, personal property, or other interests arising from business relationships, gifts, meals, entertainment, contributions or donations, travel and travel related expenses, offers of employment or internships, below-market discounts, refunds, rebates, preferential treatment in the provision of, or preferential access to, business opportunities, goods or services.

## Take Special Care When Dealing with Public Officials

«Public Officials» include:

- a government employee, officer, representative or any person otherwise acting in an official capacity for or on behalf of, a country or territory, or a subdivision of a country or territory (local, state, national, or foreign);
- a person holding a legislative, administrative or judicial position of any kind, whether or not they have been elected or appointed, for a country or territory, or a subdivision of a country or territory (e.g., judges, tax officials, customs and excise officials, regulators, government personnel who issue licenses or permits, planning officials and immigration officials);
- an officer of, or individual who holds a position in, a political party;
- a candidate for political office;
- an individual who holds any other official, ceremonial or other appointed or inherited position with a government or any of its agencies (e.g., someone who has been given authority by a government entity to carry out official responsibilities);
- an individual who exercises a public function for or on behalf of a country or territory or for any public agency or public enterprise of a country or territory;
- the officers, employees, and representatives of government-owned or controlled organisations and publicly-funded organisations; or
- an official or agent of a public international organisation (such as the United Nations or the World Health Organisation).

Bribing a Public Official is a serious offence and carries particular reputational and legal risks. You should note, however, that all Bribery, not just of Public Officials, is prohibited by this Policy.

Dealings with Public Officials are particularly high risk because anti-bribery laws relating to Public Officials tend to be stricter. Therefore, you must ensure that you are particularly vigilant when dealing with Public Officials that you do not do anything that could be a breach of this Policy or could be perceived as a breach of this Policy.

You must not offer, promise or transfer anything of value to a Public Official in order to influence that official with the intention of obtaining or retaining business. This also means that you cannot offer, promise or transfer anything of value to another person at the request or with the consent of a Public Official in order to influence the Public Official, including to the Public Official's close family members or close business associates.

A Bribe to a Public Official can include advantages or payments offered to influence them in anything they do in their official capacity, for example:

- payments to Public Officials in order to obtain preferential tax treatment for Pernod Ricard, or
- offering the son of a government minister special discounts on products with the intention of influencing the minister to engage Pernod Ricard as a government supplier.

Under exceptional circumstances, you may want to provide a gift or hospitality to a Public Official. Any gifts or hospitality to Public Officials must be approved in accordance with the gifts and hospitality policy of your affiliate.

## What are Facilitation Payments and are they Bribes?

A **Facilitation Payment** (also known as a 'grease payment' or 'speed money') is a small value payment to a Public Official that is made to secure or expedite the performance of routine, non-discretionary governmental action, such as granting permits or licenses, to which the payer is entitled.

Facilitation Payments are usually made to facilitate or accelerate an action by a Public Official and are not otherwise required by the official process, for example:

- a payment to a customs official to speed up the release of goods from a customs warehouse; or
- a payment to a regulator to ensure that an application is processed more quickly.

These types of payments are considered to be Bribes under this Policy and are strictly prohibited. You may not make Facilitation Payments in connection with Pernod Ricard's business, nor use third parties to make such payments in connection with the services they are providing Pernod Ricard.

## Bribery by Associated Persons is Unacceptable

An "**Associated Person**" is a person or corporate entity that performs services for or on behalf of Pernod Ricard. Associated Persons may include agents, representatives, consultants, or other intermediaries, finders, introducers, lobbyists (of any kind), tax advisers, lawyers, sales and marketing firms and outsourcers engaged by Pernod Ricard. Associated Persons may also include subsidiaries, including those in which Pernod Ricard owns less than a 50% shareholding and joint ventures. One Pernod Ricard entity can be considered to be the Associated Person of another Pernod Ricard entity or of another third party, such as an entity for which it acts as an agent or distributor.

Pernod Ricard expects all Associated Persons acting for or on its behalf to act with integrity and to undertake their business without Bribery. All Associated Persons acting for or on Pernod Ricard's behalf, including service providers, are prohibited from offering, promising, accepting, giving, receiving, or authorising a Bribe in connection with Pernod Ricard business.

Pernod Ricard could become criminally liable (and/or suffer damage to its reputation) if one of its Associated Persons engages in Bribery.

Any Employee who is responsible for engaging an Associated Person should inform that person of this Policy, as well as any local anti-bribery policy and/or gifts and hospitality policy.

In addition, in order to reduce the risk that an Associated Person engages in Bribery when providing services for Pernod Ricard, due diligence (see section below) proportionate to the circumstances should be performed. Contracts to be entered into with Associated Persons should include the appropriate anti-bribery undertakings including representations and warranties and termination rights).

## Due Diligence of Associated Persons

"**Due Diligence**" means checks on the background, expertise and business experience of third parties which are designed to ascertain (i) that the third party is established in accordance with applicable laws (if a legal entity); (ii) that the third party has adequate anti-bribery policies and procedures in place; (iii) that there is a clear legitimate objective for the transaction/engagement; and (iv) that the third party and/or its employees, or its owner (whether direct or indirect) have not been the subject of any reports, allegations or convictions of bribery, corruption or other illegality. Where there is a high level of Bribery risk, or where the checks carried out as part of the Due Diligence indicate Bribery risks, further checks by external agents into any issues raised may be appropriate.

When considering whether and what level of Due Diligence should be carried out on persons who are, or may be, Associated Persons, a number of risk-based factors should be taken into account. These include:

- the nature and the structure of the transaction, since certain types of transactions give rise to higher Bribery risks (for example, transactions involving Public Officials, political donations and public procurement contracts);
- the reputation and professional capacity and experience of the person;
- the country in which the services are to take place, by reference to any risk assessment or external indices<sup>3</sup>; and
- the business rationale for contracting with the third party.

## **Political Donations**

You must comply with applicable law and regulations relating to political donations to candidates for public office, individual politicians, political parties and other political organisations. It should be noted that restrictions on political donations may apply, for example, to campaign contributions, loans, the provision of facilities or services and/or the publication of election material.

Political donations must not be made for the purpose of influencing Public Officials or in exchange for obtaining or retaining business or other improper advantage for the benefit of Pernod Ricard (or for the improper advantage of you or any other entity or person).

All political donations made on behalf of Pernod Ricard must be approved by your local or Regional Legal Department.

## **Lobbying**

All lobbying activity (whether directly or through intermediaries) must be conducted without suggestion of Bribery, conflict of interest or other impropriety. When using lobbyists, or when engaging former Public Officials, appropriate due diligence must be carried out, and compliance with all relevant legislation, guidance and/or codes is essential. It is not appropriate to engage serving Public Officials to carry out political advocacy on behalf of Pernod Ricard.

You must comply with local laws and regulations on lobbying including registration and reporting requirements.

## **Charitable Gifts, Community Projects and Sponsorship**

Pernod Ricard is committed to its Corporate Social Responsibility strategy. However, it is important that philanthropic and charitable donations and philanthropic and commercial sponsorship are free from any suspicion of Bribery, whether direct or indirect. You must ensure that such activities are not made as an inducement for the purpose of obtaining any improper advantage or favour. Therefore, charities, organisations or individuals seeking charitable gifts and/or sponsorship (excluding Pernod Ricard Employees for personal charitable activities) are subject to Due Diligence as appropriate.

## **Gifts and Hospitality**

In some circumstances, gifts or hospitality may be considered to be Bribes under applicable anti-bribery laws. It is therefore essential that you comply with the gifts and hospitality policy applicable to your affiliate.

## **Training**

Where appropriate, Pernod Ricard, Market Companies and Brand Companies should provide their Employees with training tailored to the particular Bribery risks applicable to those particular Employees. In some circumstances, Market Companies and Brand Companies may also wish to offer training or information on anti-bribery procedures to their Associated Persons.

## **Record Keeping and Monitoring**

The Group General Counsel will ensure that the implementation of and ongoing compliance with this Policy is monitored. Such monitoring may include attestations, reporting and recording of attempted Bribes, speak-up procedures for reporting corrupt activity, regular reviews and delivery of training to relevant Employees, regular reviews of compliance of policies with laws, regulation and best practice, gifts and hospitality approvals and reviews, procedures and protocols.

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<sup>3</sup> See Transparency International's Corruption Perceptions Index.

Where appropriate and after consideration, the Group General Counsel will investigate reported allegations of Bribery involving Pernod Ricard, or in any way connected to Pernod Ricard. Pernod Ricard will then consider what action to take as a result of such investigations, including, where applicable, disciplinary actions against Employees (up to and including dismissal), termination of relationships and/or reports to relevant governmental authorities or regulators. At any time, the Group General Counsel may refer incidents arising under the application of this Policy to the Group Executive Committee on Ethics.

The Group General Counsel will report to the Audit Committee of the Board of Directors on the implementation and continuing execution of this Policy and other regional and country specific anti-bribery policies applicable in Group affiliates.

### **How Do I Report Suspicions of Bribery?**

If you have any suspicions that Bribery is occurring at Pernod Ricard, or by an Associated Person, you must notify your local or Regional Legal Department.

Pernod Ricard has a strict prohibition on retaliation against Employees who either make good faith reports or who participate in the investigation of a report of suspected misconduct. Any Employee who engages in retaliation will be subject to disciplinary action by Pernod Ricard, which may include termination of employment.

### **What Are the Penalties for Breaching this Policy?**

In most countries in which Pernod Ricard operates, Bribery is a criminal offence. Either you or Pernod Ricard could also face civil action as a result of Bribery.

Any deliberate breach of this Policy by you will lead to disciplinary action (which may result in the termination of your employment).



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# PRO FORMA

## PERNOD RICARD GIFTS & HOSPITALITY POLICY

### POLICY AIMS/PRINCIPLES

Giving and receiving bona fide gifts or hospitality is a normal and important part of doing business. It is not the aim of this Gifts and Hospitality Policy (the “**Policy**”) to prevent or restrict these activities if they are reasonable and proportionate.

However, you should be aware that in some circumstances giving or receiving Gifts or Hospitality may amount to an offence under anti-bribery laws<sup>1</sup>. Therefore, when giving or receiving Gifts or Hospitality you must use good judgement at all times and adhere closely to this Policy.

### 1. SCOPE

This Policy applies to all [*Pernod Ricard company*] employees. For the purpose of this Policy, the term “**Employee**” includes also [*Pernod Ricard company name*] employees, workers, directors, non-executive directors and other corporate officers, the staff of any subsidiary in which [*Pernod Ricard company*] has a controlling interest, as well as agency workers, secondees, consultants and contractors engaged by [*Pernod Ricard company*] on its behalf, regardless of where they work or their function, grade or standing. Employees may also be referred to as “you” in this Policy. If you have any questions about whether you or a particular person are considered to be an Employee under this Policy, you should ask the [*Pernod Ricard company Legal Director or Regional Legal Director*].

### 2. WHAT ARE GIFTS AND HOSPITALITY?

In this Policy, the word “**Gifts**” means anything that is given or received in connection with [*Pernod Ricard company*] business, for example, wine, spirits, champagne, hampers and flights. It will also include the provision of entertainment (for example, tickets to sporting events, or invitations to social events and concerts) where a representative of the party providing the entertainment is not present at the entertainment. Thus, a Gift can be monetary or take the form of an object or a service of any value.

In this Policy, the term “**Hospitality**” means all social entertainment and/or hosting in connection with [*Pernod Ricard company*] business, for example, visits to Pernod Ricard sites, tickets to sporting events, or invitations to social events and concerts, where a representative of the party providing the entertainment is present. It includes invitations to lectures, conferences and trade shows or equivalent (and any accommodation, meals and /or travel provided in connection with such invitation). It also includes lunches and dinners.

In this Policy the term ‘giving’ includes offering or promising a Gift or Hospitality and ‘receiving’ should be interpreted as including requesting or agreeing to receive a Gift or Hospitality.

Both Gifts and Hospitality may include a charitable donation or corporate sponsorship and these are given special consideration below.

### 3. WHAT IS ACCEPTABLE?

You may give or receive Gifts and/or Hospitality where the intention is to build long-term business relationships, to present products and services in a more attractive way or to educate interested parties about Pernod Ricard’s products and business. In contrast, if the Gift or Hospitality is offered to influence a business decision, obtain an unfair advantage, is lavish or disproportionate, or not permitted under the recipient’s internal policies, it is not acceptable under this Policy.

You must check whether such Gifts and/or Hospitality may be given by reference to the procedures set out below.

#### a) Gifts and Hospitality of minimal value are acceptable

This Policy does not prohibit small Gifts of minimal value (for example, inexpensive items bearing a corporate logo such as calendars, pens or baseball caps) or Hospitality of minimal value, such as tea, coffee or other refreshments provided at a business meeting or event.

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<sup>1</sup> Relevant laws and standards include the Bribery Act 2010 (UK) and the Foreign Corrupt Practices Act 1977 (US). International standards have been set by bodies such as the UN, the OECD, BIS, GRECO and Transparency International.

## b) Gifts and Hospitality above minimal value

You may give or receive a Gift and/or Hospitality above minimal value, as long as:

- a. it is not made with the intention of improperly influencing a third party to obtain or retain business or a business advantage other than in the normal course of business;
- b. it is not made to reward getting or retaining business or a business advantage (other than in the normal course of business);
- c. it is not made explicitly or implicitly in exchange for favours or benefits;
- d. it complies with local law;
- e. it is given in *[Pernod Ricard company]*'s name, not in your name;
- f. it is not in breach of the Gift and/or Hospitality policies which you know or suspect apply to the recipient (for example, your proposed Gift is worth *[amount]* and you know the individual is not permitted to accept gifts worth more than *[amount]*);
- g. it does not include cash or a cash equivalent (gift vouchers, cash or shopping cards, jewellery or gift certificates, for example);
- h. taking into account the reason for the Gift or Hospitality, it is of an appropriate type and value and given at an appropriate time (for example, a Gift or Hospitality given around the time an approval or business is being sought may cause considerable risks and be thus be reasonably perceived as inappropriate);
- i. it is given openly, not secretly;
- j. it does not give rise to a perceived or actual conflict of interest;
- k. it could not be perceived as bringing *[Pernod Ricard company]* into disrepute;
- l. it is not given or received within three months prior to or after the completion of a competitive bid or tender exercise or negotiation of a contract with the organisation who is giving/receiving the Gift or Hospitality\*;
- m. to the best of your knowledge, the recipient has not been offered or received or you have not been offered or received Gifts/Hospitality in the last 12 months that in total exceed the "Value Limit" set out below\*;
- n. the nature, style and tone of the Gift or Hospitality is reasonable and for the purpose of promoting the goodwill of the giver's business;
- o. the Gift and/or Hospitality are not lavish, disproportionate (based on who is to receive it), or inappropriate; and
- p. you have complied with the approval process set forth below, where appropriate under this Policy.

## c) Gifts/Hospitality above the "Value Limit"

In addition to the considerations above, special restrictions apply to the giving and receiving of Gifts and/or Hospitality over a certain value. We have set a "Value Limit" of [ ] for our company for Gifts and [ ] for Hospitality. You should assess the value of the Gift or Hospitality based on the recommended retail price.

The approval form in Schedule 1 must be completed and sent to your [Line Manager] where:

- i. the value of a Gift or Hospitality is above the relevant Value Limit per recipient;
- ii. you know that the recipient has been offered or received Gifts/Hospitality from the company in the last 12 months that in total exceed the Value Limit or you have been offered or received Gifts/Hospitality from the third party in the last 12 months that in total exceed the Value Limit; or
- iii. the situation outlined in paragraphs (m) above is relevant. In this case, the form must be approved by a [Department Head] and Executive Committee member.

If the Gift/Hospitality is offered to multiple recipients and Schedule 1 is required to be completed for each person (for example, a group affiliate visit where the costs of travel and accommodation per guest exceed the Value Limit) you can complete the form in Schedule 1 once, provided you list all of the guests.

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\* In the case of paragraphs [(l)] and [(m)] above, Gifts or Hospitality in these circumstances will be allowed if the form in Schedule 1 or 2, as appropriate, have been completed and approved by your [Department Head] and an Executive Committee Amember.

If your [Line Manager] decides that the Gift or Hospitality could be regarded as being inappropriate or as an improper inducement then approval will not be given and:

- i. you must not give that Gift or Hospitality; or
- ii. you must politely decline the Gift or offer of Hospitality, making it clear that Pernod Ricard's policy does not permit you to accept such Gifts and/or Hospitality. If, however, you consider that this would cause offence to the other party, you should seek guidance from your [Line Manager]. In some circumstances it may be deemed appropriate to consider other alternatives (for example, donating the gift to charity, or raffling an invitation among staff).

If a [Line Manager] is uncertain as to whether a Gift or Hospitality is appropriate, he or she should seek approval from the Local or Regional Legal Department.

#### **d) Gifts and Hospitality to Public Officials**

Dealings with Public Officials are particularly high risk because anti-bribery laws are stricter in relation to Bribery of Public Officials. Gifts and Hospitality to Public Officials attract additional legal and reputational risks for *[Pernod Ricard company]* because anti-bribery laws are stricter in relation to Public Officials. As such, Gifts and Hospitality provided to public officials must be carefully considered before they are made.

You must seek pre-approval for all Gifts and Hospitality given to Public Officials (unless they are of minimal value as discussed in 3(a) above), using the form at Schedule 2.

Public Officials are people who perform a public function and include people that you might not necessarily think of as «officials». Public Officials include:

- i. a government employee, officer, representative or any person otherwise acting in an official capacity for or on behalf of, a country or territory, or a subdivision of a country or territory (local, state, national, or foreign);
- ii. a person holding a legislative, administrative or judicial position of any kind, regardless of whether elected or appointed, for a country or territory, or a subdivision of a country or territory<sup>1</sup>;
- iii. an officer of, or individual who holds a position in, a political party;
- iv. a candidate for political office;
- v. an individual who holds any other official, ceremonial or other appointed or inherited position with a government or any of its agencies (e.g., someone who has been given authority by a government entity to carry out official responsibilities);
- vi. an individual who exercises a public function for or on behalf of a country or territory or for any public agency or public enterprise of a country or territory;
- vii. the officers, employees, and representatives of government-owned or controlled organizations and publicly-funded organizations; or
- viii. an official or agent of a public international organisation (such as the World Health Organisation).

If you are not sure whether someone is a Public Official or not, err on the side of caution, and, where possible, seek further advice from the Local or Regional Legal Department.

[In the case of a visit by a Public Official to a Brand Company's site (e.g., a distillery or visitor's centre), in addition to seeking the requisite approval using the approval form in Schedule 2, you must notify the relevant Brand Company that one or more of your guests, as the case may be, is a Public Official. That Brand Company may require that additional procedures be followed.] **OR** [When preparing for visits by guests of Market Companies, you must confirm if any of the guests may be a Public Official.]

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<sup>1</sup> Examples include judges, tax officials, customs/excise officials, regulators, government personnel who issue licences or permits, planning officials and immigration officials.

## **e) Charitable Donations and Community Projects**

*[Pernod Ricard company]* is committed to its Corporate Social Responsibility strategy, which may include from time to time the giving of charitable donations or the funding of community projects. However, it is important that philanthropic and charitable donations are free from any suspicion of bribery, whether direct or indirect. In addition to following any applicable local laws regarding such donations, all charitable donations or donations to community projects must be pre-approved by your [Line Manager/your local/Regional Department] using the approval form at Schedule 1, and persons or entities seeking or receiving charitable donations should be subject to due diligence to ensure that they are legitimate organisations.

## **f) Corporate Sponsorship**

Corporate sponsorship involves the giving of a benefit to a third party in return for negotiated benefits for the company. This can include providing support for an event, activity, person or organization by way of financial support or by providing products or services (e.g., bartending, donated Pernod Ricard product). As such, corporate sponsorships may fall within the scope of this Policy. You must ensure that charitable donations are not made as an inducement for the purpose of obtaining any improper advantage or favour. Corporate sponsorship arrangements should be subject to a formal written agreement. All funding or products provided by *[Pernod Ricard company]* must be made directly to the sponsored entity or event.

## **4. RECORD KEEPING**

[Each department has an appointed an administrator who is responsible for monitoring all Gifts and Hospitality offered, given or received within their business area. They must keep a separate register for all Gifts and Hospitality over the Value Limit that have been offered, given or received (using the Approval Form in Schedule 1) and all Gifts and Hospitality given to or received from Public Officials (using the Approval Form in Schedule 2). Such registers must be provided to the local or Regional Legal Department as and when requested.]

## **5. DISCIPLINARY ACTION**

Receiving or giving gifts or hospitality in breach of this Policy will render you liable to disciplinary action.

## **6. POLICY REVIEW**

This Policy will be reviewed on a regular basis to ensure that the arrangements in place remain appropriate to the needs of the business and that all legal obligations are met. Comments relating to the contents or possible improvements of this document should be directed to the local or Regional Legal Department.

**SCHEDULE 1 - GIFT & HOSPITALITY APPROVAL FORM<sup>1</sup>**  
**FOR USE WHERE THE VALUE OF THE GIFT/HOSPITALITY IS ABOVE THE VALUE LIMIT**

Employee Name:	
Position and Department:	
Gift/hospitality (delete as appropriate)	
Gift/hospitality to be <u>given/received</u> (delete as appropriate)	
Name of person giving/receiving gift or hospitality (can be more than one):	
Name of company or organisation to which person giving/receiving gift is associated:	
Position/title within company or organisation:	
Full Description of gift /hospitality:	
Total cost of gift/hospitality: (If the cost is not known, an estimate should be provided or confirmation that it is in excess of the Value Limit)	
Is this event being organised by Pernod Ricard?: (if so please provide full details)	
Are you aware of any gifts/hospitality given/received by same individual/company/organisation in the last 12 months? If so, what was the nature and value?	
Business purpose/justification for such gift or hospitality:	
Proposed date for gift/hospitality:	

**I confirm that, so far as I am aware, the above details are complete and correct and that I shall notify my Line Manager of any additions and/or changes in the information given at the time that they arise.**

Print name:	Date:
Signature:	

**Line Manager Approval:**

Print name:	Date:
Signature:	

<sup>1</sup> Note: there is a separate form for approval of gifts and hospitality to Public Officials. This form should be used for gifts and hospitality received from Public Officials (if over the Value Limit)

## SCHEDULE 2 - GIFT & HOSPITALITY APPROVAL FORM FOR PUBLIC OFFICIALS

Employee name:	
Position and Department:	
Gift/Hospitality (delete as appropriate)	
Name and title/position of Public Official:	
Name of government entity/organisation:	
Full description of gift/hospitality to be given:	
Total value/cost of gift/hospitality (If the cost is not known this should be estimated):	
Nature and value of other gifts/hospitality to Public Official in the last 12 months:	
Date of proposed gift/hospitality, if known:	
Business purpose/justification for such gift/hospitality:	
Are you aware of any current, proposed or anticipated business between Pernod Ricard and the Public Official or the government entity/organisation which he/she works for/represents? If yes, please explain:	
Have you obtained confirmation from the government entity/organisation that the proposed gift/hospitality is permitted or required by the written law applicable to the Public Official? If yes, a copy of the confirmation MUST be forwarded to your Line Manager.	
Does the Public Official have authority to award future contracts to, approve licences for, or examine/regulate Pernod Ricard?	
Are you aware of any transaction, contract, exam finding or other business activity involving Pernod Ricard pending before the Public Official?	

**I confirm that, so far as I am aware, the above details are complete and correct and that I shall notify my Line Manager of any additions and/or changes in the information given at the time that they arise.**

Print name:	Date:
Signature:	

**Line Manager Approval:**

Print name:	Date:
Signature:	



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# PERNOD RICARD

## COMPETITION LAW COMPLIANCE POLICY

The majority of the countries in which we operate have laws that are aimed at ensuring fair competition, which drives innovation and growth. Compliance with competition laws is an integral part of our commitment to doing business ethically and in accordance with all applicable laws and regulations. You may also hear competition laws described as 'anti-trust' law or 'trade practices' law.

Competition laws are complex and vary from one country to another. This Competition Law Compliance Policy ("**Policy**") aims to set out the broad principles that operate in most countries so that you can identify and avoid situations that could put you and the Pernod Ricard Group at risk. Also, a better understanding of competition laws will allow you to identify possible misconduct by our competitors, clients or suppliers, with a view to protecting the Pernod Ricard Group.

Failure to adhere to competition laws can lead to significant consequences for the companies concerned, as well as employees that participated in breaking those laws. A company can face significant penalties (within the EU, fines can be up to 10% of worldwide sales). In certain countries, employees found to have breached competition laws face prison (e.g. in the US, the UK, and France) and disqualification from working as a company director. Allegations or convictions for breaches of competition law can also be highly damaging to a company's reputation.

Competition laws apply not only to our dealings with competitors but also to our relationships with our suppliers, third-party distributors and customers. The laws do not apply to intra-company dealings (e.g. between Pernod Ricard Brand Companies and Market Companies). All Pernod Ricard Group employees are expected to comply with this Policy.

If you have any questions about this Policy, or if you are concerned that a certain issue or behaviour may not comply with this Policy or competition laws, you should contact the Legal Department.

## DEALINGS WITH COMPETITORS

### Do not collude with our competitors on pricing and other terms of sale

#### The Basics

We must independently decide our industrial and commercial strategy so that fair competition with other market players is maintained.

We must not engage in any discussions or agreements with our competitors that are intended to, or may result in, coordination of our respective industrial and commercial strategies. This applies to written agreements (contracts, letters, e-mails) and verbal arrangements (formal or informal discussions, meetings, telephone calls).

These principles only apply to independent competitors and therefore do not apply to entities within the Pernod Ricard Group.

#### Do Not

- Discuss or coordinate any decision on price or commercial behaviour with any of our competitors
- coordinate any action impacting the proper functioning of the market (e.g. boycott, production capacity) with our competitors
- agree to divide up territories or customers with our competitors
- Discuss sensitive commercial information with our competitors about our business strategy

#### Q&A:

##### What areas do “industrial and commercial strategy” encompass?

Basically, our commercial and industrial strategy is the approach we take to producing and selling our products. Some examples are:

- prices, including price structure, margins, price lists, price increases/decreases, discounts and rebates
- supply conditions, including purchase prices, volumes, suppliers and commercial terms
- production levels, including volumes, capacity and increases or decreases in production levels
- investments, including the subject matter of the investment or their amount
- products, including, product mix, new product launches, innovations or quality considerations

We must never base our industrial or commercial strategy upon agreements with our competitors.

##### What would be some examples of prohibited conduct?

The following examples would violate competition laws in most countries around the world:

- we agree with a competitor to both increase our prices at the same time and/or at the same rate
- we agree with some of our competitors to maintain our sales prices for a set period of time
- we agree with a competitor to refrain from selling our products in certain geographic markets (market sharing)
- we agree along with a number of our competitors to no longer buy products from a specific supplier, or agree to no longer supply a specific reseller
- we agree to not seek to do business with our competitors’ customers, and the competitor does the same with ours (customer sharing)
- we agree with our competitors on a maximum discount rate that we will all apply to resellers

##### What should I do if a competitor approaches me with a proposal to coordinate our activities, or if I suspect that a competitor is not complying with competition laws?

If a competitor asks you to engage in any type of coordinated activity, or even suggests, discusses or mentions doing so, you should clearly refuse, document your refusal, and then contact the Legal Department and let them know what happened.

Similarly, if you suspect that one of our competitors is engaging in anti-competitive behaviour, contact the Legal Department and let them know of your concerns.

## DEALINGS WITH COMPETITORS

### Do not exchange sensitive commercial information with competitors

#### The Basics

Do not exchange sensitive commercial information (either directly or indirectly) with our competitors. It does not matter in what form the exchange takes place (written or verbal) or where the exchange is made (professional association, industry meeting, private event).

We all need to take care not to give sensitive commercial information about Pernod Ricard or accept similar information from one of our competitors because it could be interpreted as coordinating our commercial practices.

These principles only apply to independent competitors and therefore do not apply to entities within the Pernod Ricard Group.

#### Do Not

- disclose sensitive commercial information to our competitors
- accept sensitive commercial information from our competitors
- allow new hires to provide you with sensitive commercial information about their former employers operating in our sector

#### Q&A:

##### What information is “sensitive commercial information”?

“Sensitive commercial information” is strategic and *non-public* information about a business and its competitive behaviour.

Ask yourself: “If Competitor X knew this information about Pernod Ricard, how would they respond?” If the answer is that the competitor could respond to the information by modifying or adapting their own strategy on the market, you’re dealing with “sensitive commercial information.”

Some examples of sensitive commercial information include information about our:

- prices (price lists, price structure, rebates and discounts)
- strategy and development (business plan, market share, market or customer targets)
- production (capacity, volumes, cost structure, quality)
- marketing strategy (advertising and promotion budget, media campaigns, promotions)
- sales, margins or profits
- distribution channels
- customer or supplier lists

##### Does this Policy prohibit me from doing research on my competitors?

No. You can carry out research about our competitors so long as the source of the information is legitimate (public sources, industry publications, competitive intelligence agencies). Make sure you keep track of these legitimate sources.

##### What kind of information exchanges would violate this Policy?

Examples of information exchanges that would violate this Policy include:

- attending a trade association meeting where participants disclose their A&P budgets by category
- having a discussions with a competitor’s sales director at an industry dinner about a project to increase our prices
- discussing with a competitor your negotiation strategy and experience with a particular supermarket chain

##### Can I discuss anything with a competitor?

You should limit your contact with competitors to what is strictly necessary and make sure that you do not discuss sensitive commercial information. If you receive any sensitive commercial information from a competitor, you should clearly tell him or her that you do not want it and try to document this. You should also report the incident to your Legal Department.

## DEALINGS WITH COMPETITORS

### Take special care in trade association meetings not to discuss sensitive commercial issues with our competitors

#### The Basics

Competition law does not prevent you from discussing all topics or working on all projects with your competitors. As long as your discussions do not relate to sensitive commercial information and are not an attempt to coordinate industrial and commercial strategies among competitors, it's acceptable to engage with competitors during such meetings.

Simply attending a trade association meeting during which anticompetitive items are discussed is an infringement of competition laws, even if you remain passive and don't say anything.

#### Do Not

Discuss sensitive commercial information or agree to engage in coordinated behaviour on the market during trade association or industry group meetings or during informal side meetings (cocktails, lunches, breaks).

#### Q&A:

##### What kinds of things can I talk about during trade association meetings?

As long as you don't discuss sensitive commercial information, it's okay to talk about other subjects during trade association meetings, such as:

- general sector trends
- historical statistical data or aggregated data
- regulatory issues (e.g., standards, advertising laws, counterfeiting)
- training and public service campaigns (e.g., anti-drink driving campaigns)
- CSR initiatives

##### What should I do if meeting participants discuss sensitive commercial information or suggest coordinating our commercial strategies?

Before attending any trade association meeting, you should make sure that (i) there is an agenda for the meeting and (ii) that the agenda does not contain any suspect discussion items. Also, you should make sure that minutes of the meeting are kept. If you have any doubt on the content of the meeting agenda or minutes, you should submit them to your Legal Department for advice.

If you are at a trade association meeting (or any informal ancillary meeting, such as lunch or a cocktail) and meeting participants begin discussing sensitive commercial information or the coordination of activities, you should:

- ask that the discussions cease;
- if the discussions continue, you should leave the meeting and ask that your departure and objection be noted in the meeting minutes; and
- tell your Legal Department about what happened.

## DEALINGS WITH COMPETITORS

### Make sure the Legal Department approves any agreement with a competitor

#### **The Basics**

Pernod Ricard may from time to time enter into agreements with its competitors. For example,

- we may agree to purchase bulk spirits from a competitor in order to meet our procurement needs
- we may agree to conclude a third party distribution agreement with a competitor, as supplier or distributor
- we could also decide to enter into a partnership agreement or joint-venture with a competitor.

Any agreement with a competitor must be approved by the Legal Department to make sure that it does not contain any terms that could break competition laws.

These principles only apply to independent competitors and therefore do not apply to entities within The Pernod Ricard Group.

#### **Do Not**

- enter into any agreement with a competitor without consulting the Legal Department
- discuss any aspect of our business beyond what is necessary to implement the agreement

## DEALINGS WITH CUSTOMERS AND DISTRIBUTORS

### Do not interfere with the pricing and commercial policy of independent resellers

#### The Basics

Third party distributors of our products are independent market players and, as such, must remain free to adopt their own pricing and marketing policy. This same rule applies to Pernod Ricard when it acts as a third party distributor for our competitors.

A supplier cannot interfere with a reseller's ability to determine its pricing policy, for instance by imposing a minimum resale price. Suggested price lists are fine as long as they are genuine recommendations. That is, a reseller must remain free to ignore price recommendations. A supplier may also impose a maximum resale price as long as the maximum level does not, in reality, amount to imposing a minimum resale price.

These principles only apply to independent resellers and therefore do not apply to affiliates within the Pernod Ricard Group.

#### Do Not

- interfere with a reseller's pricing policy
- do anything to retaliate against a reseller because you don't agree with its pricing policy (e.g., stop supplying it with our products)

#### Q&A:

##### What makes up a reseller's pricing policy?

A reseller's pricing policy relates to the way it decides to structure the resale prices it charges to its own customers for our products. This includes the discounts and rebates the reseller grants to its customers, its level of marketing expenditure and the margins it wants to achieve.

##### What would be some examples of prohibited interference with a reseller's pricing policy?

We cannot:

- object to the resale price levels decided and applied by our resellers
- grant a reseller rebates, discounts or reimbursement of promotional expenses on the condition that it applies our suggested resale prices
- fix with a reseller the margin from which the reseller will benefit
- limit the rebates and discounts a reseller can offer its own customers
- require that a reseller seek our prior approval on its plans to offer rebates or other discounts to its own customers
- retaliate against resellers that don't abide by our price recommendations by suspending or limiting deliveries, refusing to supply new products or excluding the reseller from participating in promotional operations

**Reading tip:** In this section, the term "reseller" covers both our customers (wholesalers, retailers, bars, restaurants) and third-party distributors.

## DEALINGS WITH RESELLERS

### Do not try to limit a reseller's ability to sell our products in certain territories or to certain customers

#### **The Basics**

In certain markets, notably the EU, we cannot limit a reseller's ability to respond to orders for our products that come from customers outside the reseller's contractual territory.

Competition laws allow suppliers to grant geographic or customer exclusivity to a reseller in some cases, but the ability of the reseller to sell products outside its designated territory or scope of customers cannot be restricted beyond certain limits. You should check with the Legal Department before agreeing to or imposing any such limits.

These principles only apply to independent resellers and therefore do not apply to affiliates within the Pernod Ricard Group.

#### **Do Not**

Place any contractual limits (written or verbal) or otherwise implement mechanisms restricting a resellers' ability to resell our products without consulting the Legal Department.

## DEALINGS WITH RESELLERS

**Make sure that the Legal Department signs off on any agreement with a reseller or a supplier that contains a non-compete clause, an exclusivity provision, or that binds the parties for a long time.**

### The Basics

Any agreement with a supplier or a reseller that contains restrictions such as a non-compete provision or an exclusivity undertaking (more particularly when the parties are bound for a long period of time) can potentially breach competition laws.

These principles only apply to independent resellers and therefore do not apply to distribution affiliates within the Pernod Ricard Group.

### Do Not

Enter into any agreement with a reseller or a supplier that contains an exclusivity or non-compete obligation without first consulting the Legal Department.

## Q&A:

### What do non-compete provisions look like?

The principal types of non-compete undertakings are:

- **Agreement not to compete during the contract term:** Here, a reseller would agree not to resell one of our competitor's products during all or part of the life of the distribution agreement. Another example would be a supplier agreeing to not to sell its products to one of our competitors for the duration of the supply agreement.
- **Agreement not to compete after the contract term:** A reseller would be prevented from reselling our competitors' products for some time after the end of the distribution agreement they had with us. The same principle applies to supply agreements.

### What do exclusivity provisions look like?

- **Exclusive purchasing or single-branding agreements:** Here, a reseller would agree to purchase most or all of its wines and spirits requirements from us.
- **Exclusive supply:** Here, we would be agreeing to sell our products to only one reseller, in an exclusive distribution agreement, for example.

Exclusive purchasing or supply agreements are essentially agreements not to deal in a competitor's products and are therefore treated like non-compete agreements.

### Can I try to include a non-compete or an exclusivity provision in a contract with a distributor?

The answer to this question depends on a number of factors, including our market share in the particular market, the reseller's market share in that market and the duration of the agreement and of the restriction. Since there is no bright-line answer, you must consult the Legal Department before including a non-compete or exclusivity provision in a contract.

**Reading tip:** In this section, the term "reseller" covers both our customers (wholesalers, retailers, bars, restaurants) and third-party distributors.

## ANTI-MONOPOLY LAWS

### The Basics

Competition laws prevent companies that have significant market power from engaging in commercial practices that exploit this market power.

The question of whether or not a company dominates a particular market or has a monopoly in a market can only be answered by a complex legal and economic analysis. For example, a market share above 40% in a market can suggest that a company has a dominant position, though this is not in itself conclusive. Apart from market share, factors such as customer purchasing power, the relative positions of competitors in the market, and the ability of new players to enter the market are also taken into account in the analysis.

As a significant player in the wine and spirits industry, we must be careful to not engage in activity that could be characterised as an abuse of dominant position *vis-à-vis* our competitors, customers or suppliers.

If you have any questions about whether Pernod Ricard has a dominant position in a particular product or country, and what the implications are, you should consult with the Legal Department.

### Q&A:

#### What happens if Pernod Ricard is dominant in my country?

The simple fact of holding a dominant position is not against competition law. What is against the law is abusing a dominant position with a view to prevent competitors from entering a market or to limit their ability to develop their activity.

As with the determination of what constitutes a dominant position, the consequences of holding a dominant position vary from country to country based on local law. Some prohibited practices by a dominant company may include:

- refusing to deal with a customer or supplier without any objective justification
- telling a customer that it will only supply Product A (in which the company is dominant) if the customer buys Product B as well (tying and bundling practices)
- use incentives (e.g. extra discounts) to drive customers to buy exclusively from the company

## Watch your language

Take care in all business communications, whether in writing (including email) or in the course of telephone conversations or meetings. Careless language could be very damaging if the company is subject to an investigation by the competition authorities or is involved in litigation with another company. A poor choice of words can make perfectly legal activity look suspect.

Internal documents and systems come under close scrutiny during regulatory investigations and during legal proceedings involving third parties, even those which you might believe to be confidential such as diaries, telephone call records or personal telephones. Documents in this context are not limited to papers, but will include any form in which information is recorded: computer records and databases, e-mail, tape recordings, videos can all be examined.

You should therefore follow these guidelines:

- consider whether you need to write anything down at all
- if you think it might be a sensitive area, speak to in-house counsel before committing it to paper
- whenever you write something down, remember that it could be made public one day
- avoid any suggestion that an industry view has been reached on a particular issue such as price levels
- do not use guilty vocabulary («Please destroy/delete after reading»)
- do not speculate about whether an activity is illegal or legal
- do not write anything which implies that prices are based on anything other than the company's independent business judgement
- state clearly the source of any pricing information (so it does not give the false impression that it came from talks with a competitor)
- avoid power or domination vocabulary, such as «This will enable us to dominate the market», or «We have virtually eliminated the competition»
- avoid language suggesting that the company has a strategy to drive a competitor out of business

## E-mail and voicemail

E-mail and voicemail can often contain even more damaging statements than formal letters, because they are usually sent or left casually, in the false belief that they are confidential or will be destroyed after a short time. Both e-mail and voicemail messages can be accessed during an inspection by the competition authorities or in legal proceedings. They are regarded as a particularly good source of information because they are stored by time and date and can give a full picture of what was done and said.

You should therefore:

- take as much care in sending messages by e-mail or leaving them on voicemail as you would when sending a letter or memorandum. Assume that all e-mail or voicemail messages may be read or heard by others
- remember that e-mail and voicemail messages, even if deleted, leave a potentially damaging record that may have to be produced to the competition authorities or in legal proceedings
- exercise particular caution with messages sent to or received from outside the company over the internet. Remember that e-mail messages are often appended to other e-mail messages and may be forwarded or replied to several times

## **DEALING WITH OFFICIAL ENQUIRIES**

### **Telephone enquiries**

If you receive any enquiry from a lawyer from outside the company, put it through to an in-house lawyer immediately. Do not answer any questions.

If you receive an enquiry from an inspector or other government official, put it through to an in-house lawyer immediately. If a lawyer is not available, do not put it through to another person but note down the name of the caller, the purpose of the call, the name and number of the inspector and his or her contact telephone number. Record any other information they give you, such as the date and time of a potential inspection. Pass all this information as soon as possible to an in-house lawyer.

### **Visitors**

If one or more inspectors arrive in person, ask to see their identity cards (and write down their names, the name of their organisation and the time they arrived). Contact an in-house lawyer immediately or, in his or her absence, a senior manager. Keep the inspectors in the reception area where you can see them until an in-house lawyer or manager arrives.

Do not:

- allow the inspectors to wander round the building
- put the inspectors in a room containing files or records
- obstruct any investigation

### **Document retention and destruction**

You must not destroy documents or records because you think they contain damaging information. This will damage the company's standing with the competition authorities if it comes to light in an investigation, and can lead to criminal penalties.

If you are notified that the company is under investigation by the competition authorities, all document destruction in the areas identified by in-house counsel must immediately cease until further notice.



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# PERNOD RICARD ANTI-MONEY LAUNDERING POLICY (INCLUDING KNOW YOUR CUSTOMER PROCEDURES)

## Policy Statement

Pernod Ricard is committed to fully complying with all applicable anti-money laundering laws. We take seriously the risk that we may be targeted or used for money laundering, terrorist financing, and other associated activities by Customers (as defined in Section 2 herein) or third parties. However, we can respond to these risks by seeking to identify, assess and neutralise them.

This Anti-Money Laundering Policy (the “Policy”) outlines the anti-money laundering rules applicable to the Pernod Ricard group. Any adaptations that may be required for the local implementation of this Policy shall be approved by your Local or Regional Legal Manager.

You should read this policy carefully and contact your Local or Regional Legal Manager if you have any questions.

**Any employee found to have assisted in money laundering, either knowingly or by disregarding plainly suspicious circumstances, activity or this Policy, may be subject to disciplinary action, including suspension or dismissal.**

## 1. THE BASICS – WHAT EVERY EMPLOYEE SHOULD KNOW

### What is money laundering?

Generally, money laundering is taking action that is designed to conceal or disguise the true origins of money that may have been criminally obtained (e.g., through robbery, prostitution, drug-dealing) so that those funds appear to really come from legitimate sources or be legitimate assets.

Money laundering can take many forms and is not limited to cash transactions. For example, a Customer could use the Company to launder money by using “dirty” money from illegitimate sources to buy our products and then resell those products through a legitimate outlet, thereby turning that money into “clean” money. This could be done from funds deposited in a Customer bank account or by making payments from bank accounts of unknown third parties or by paying with third-party cheques.

### Know your Customer, throughout our relationship

Because Customers can try to use the Company to launder money, it is very important that we understand who we are dealing with before we do business with them. It is also important to keep the information we have on Customers with whom we do business up-to-date so that we can make sure that their activities are legitimate throughout the life of our relationship with them.

As a general rule, before entering into a relationship with a new Customer with whom we expect to do business of at least €80,000 or its local currency equivalent, the employees responsible for managing the relationship need to carry out “know your customer” procedures.

You must update Customer information on a periodic basis or when a major event occurs to that Customer (e.g., a merger). At a minimum, you must update Customer information upon renewal of the Company’s contract with the Customer or every two years, whichever period is shorter.

These “know your customer” procedures are set out on Section 2 of this Policy.

### Do not accept cash or cash equivalent bearer instruments

Proceeds from illegal activity often come in the form of cash and other bearer instruments, such as money orders, traveler’s cheques and cashier’s cheques. You should never accept any cash payments from a Customer or third party for goods or services unless you have received prior written permission from your Local or Regional Legal Department.

## Watch out for suspicious activity on a Customer's account

It's not enough just to gather identifying information about a Customer and any third party. Employees that are responsible for maintaining the relationship with the Customer are responsible for monitoring the Customer's accounts for any "red flags" that the Customer is trying to use us to launder money. See Section 4 for more information.

All employees must report any suspicious activity or questionable conduct to their Local or Regional Legal Department.

## 2. GETTING TO KNOW YOUR CUSTOMER

We have commercial relationships with many distributors, customers and agents and other business partners. We refer to these parties as "Customers" in this Policy.

Because Customers can try to use the Company to launder money, it is very important that we understand who it is we are dealing with before we do business with them and that this information is kept current through the periodic updates required by this Policy. The "know your customer" procedures, or "KYC procedures" listed below are designed to collect information about Customers to help us make sure that they are involved in legitimate business activities and that the money they use to buy our products comes from legitimate sources.

### Document and information requests

The type and amount of information that you need to get from a Customer depends on the kind of entity the Customer is and where the Customer does business.

As a general rule, before entering into a relationship with a new Customer with whom the Company expects to do business of at least **€80,000** (or its equivalent in local currency), the employees responsible for managing the relationship must get documentation and information about the potential Customer such as: (i) Customer identifying information; (ii) criminal background information; (iii) banking information; (iv) OFAC clearance; and (v) any other information necessary to identify the potential Customer with as much certainty as possible.

#### Customer identifying information

**Individuals:** Where the Customer is an individual, you should collect information regarding his or her identity, such as:

- full name
- date and place of birth
- tax registration number, social security number or other tax identification number
- copy of official identification, which may include the Customer's passport
- commercial and/or financial references, including a bank reference

**Legal entities:** Where the Customer is a corporation, partnership, joint venture or any other form of corporate entity, you should collect information regarding its identity, such as:

- full registered company name and any company trade names
- business registration number
- date and place of incorporation
- tax registration number
- copies of its corporate constitutional documents (e.g., certificate of incorporation, registration certificates, articles of association, relevant corporate decisions)
- names of its shareholder, officers and directors (including the information required to be gathered for individual Customers as described above for each shareholder, officer or director)
- names of affiliated entities
- copy of its latest audited financial statements
- commercial and/or financial references

### **Criminal background information**

Money laundering is used to hide the source of money that has been made illegally. You should therefore try to collect as much information as possible to be confident a potential Customer does not have a criminal background.

You should be particularly concerned if you come across information about any criminal proceedings, especially those involving drug-trafficking, terrorism, bribery, corruption, tax evasion, or violation of any fiscal, labeling or trade law and, of course, money laundering, that have been filed against the potential Customer or its affiliates by any governmental agency.

If you do come across information about any such procedures being filed against a potential Customer or its affiliates, you must contact your Local or Regional Legal Department.

In addition, the Local or Regional Legal Department will oversee a public database search of the Customer and its shareholders, directors and officers, as applicable and will investigate any red flags raised during the public database search.

### **Banking information**

Money launderers often use multiple bank accounts in order avoid detection and cash deposit reporting requirements. It is the Company's policy to only accept payments from Customers that come from bank accounts held in the name of the invoiced Customer and only to make payments to third parties (e.g. vendors) to bank accounts held under their names. Any exceptions must be approved in writing by your Local or Regional Legal Department.

You therefore need to obtain all of the potential Customer's banking information, including the name and address of the bank, the bank account number to be used in transactions with that Customer, the name and address of the account holder and any beneficiary holder thereof.

### **OFAC clearance**

In addition to the steps outlined above, your Local Compliance Officer needs to ensure that a potential Customer does not appear on the Specially Designated Nationals and Blocked Persons list or is not engaging in transactions that are prohibited by the economic sanctions and embargoes administered and enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury (OFAC).

When considering whether to create a new account, you therefore need to notify your Local or Regional Legal Department to let them know that an OFAC clearance search is necessary.

**All employees are strictly prohibited from dealing with the governments, organizations, agents or persons included on the OFAC's Specially Designated Nationals and Blocked Persons list. Any exceptions must be approved by your Local or Regional Legal Department.**

### **Document review**

Once you have gathered all of the documents and information that are necessary to identify a potential Customer, you must determine whether you have enough information to allow you reasonably to believe that you know the Customer's true identity.

The key question to ask yourself is whether, given what you know about the Customer's business, the information you have received is logical under the circumstances and whether it contains any inconsistencies.

Assuming the documents that have been provided to you appear legitimate, you do not need to take steps to determine whether the documents have been validly issued. In addition, you can rely on a government-issued identification as verification of a Customer's identity. However, if you have reason to believe that a document that you have received shows some obvious form of fraud or tampering, you must report this to your Local or Regional Legal Department.

They will then determine what additional steps need to be taken to ensure the identity of the potential Customer.

## Ongoing information gathering

If you are responsible for managing a Customer relationship, you must make sure that the information regarding the Customer you are responsible for is up-to-date.

You must therefore update your Customer information on a periodic basis or when a major event occurs to that Customer (e.g., a merger). At a minimum, you must update your Customer information upon renewal of the Company's contract with the Customer or every two years, whichever period is shorter.

Where commercially feasible, you should also make periodic visits to your Customer's place of business and/or operations to see whether it appears that the Customer's business and/or operations are in line with what you know about the Customer.

### 3. DO NOT ACCEPT CASH OR CASH EQUIVALENT BEARER INSTRUMENTS

It is prohibited to accept any payments from any Customer in cash, cash equivalents or via unrelated third party payments of any kind, unless there has been prior written approval by your Local or Regional Legal Department.

For the purposes of this Policy, "cash equivalents" include bearer instruments, such as money orders, cashier's checks and traveler's checks.

**Except as permitted by your Local or Regional Legal Department, all payments that we receive from a Customer must be made by cheque or wire transfer from the Customer's designated bank account directly into our designated Company bank account.**

### 4. WATCH OUT FOR "RED FLAGS"

Despite efforts to ensure the legitimacy of our Customers using the KYC procedures described in this Policy, a Customer may engage in suspicious activity during the course of our relationship with the Customer and expose us to money laundering risks.

The employee responsible for managing a Customer relationship must monitor that Customer's account activity for any "red flags" that could mean that the Customer is trying to use us to launder money.

"Red flags" are circumstances that may indicate that the Customer is carrying out suspicious or improper transactions. What constitutes a suspicious transaction will vary depending on factors such as the identity of the Customer and the particular nature of the transaction. Examples of suspicious transactions include transactions that do not appear to have a legitimate business purpose, are unusual for the Customer or lack any reasonable explanation.

"Red flags" associated with money laundering may include:

- a Customer who is reluctant to provide requested information, provides insufficient, false or suspicious information
- payments using monetary instruments, such as cheques, that appear to have no identifiable link to the Customer
- checks or wire transfers on behalf of a Customer from an unknown third party
- unusual wire transfers, including those that involve an unexpected or extensive number of transfers by a particular Customer during a particular period
- attempts by a Customer to pay in cash without a valid business purpose
- orders, purchases or payments that are unusual or inconsistent with the Customer's trade or business.
- structuring of transactions to evade record keeping or reporting requirements (for example, multiple transactions below reportable threshold amounts applicable in your jurisdiction)
- requests to transfer money to a third party or unknown or unrecognized account

If you encounter a warning sign or any suspicious activity, you must raise your concern with your Local or Regional Legal Department before proceeding any further with the transaction. Your Local or Regional Legal Department will investigate your concern and ensure that any recommended remedial action is taken and well-documented.

## 5. CONTRACTUAL PROVISIONS

We encourage you to include the following provisions in contracts with customers:

- The operations of Customer and its affiliates are and have been conducted at all times in compliance with the anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency including any financial recordkeeping or reporting requirements (collectively, the «**Anti-Money Laundering Laws**»); and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving Customer or any of its affiliates with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of Customer, threatened.
- If there are reasonable grounds to suspect that any transaction involving Customer is related to, linked to, or is to be used for purposes of money laundering, the financing of terrorism, bribery, corruption, counterfeiting, and/or smuggling, Customer shall promptly (but not later than three (3) business days after becoming aware of such grounds), submit a report setting forth the grounds for such suspicion to the Company. Customer shall cease all activity with any client involved in a suspect transaction until further investigation leads the Company to conclude that the client is not involved in any such activity. Customer shall not disclose to its client or any third party any information related to any report submitted to the Company or the details surrounding an investigation or the fact that an investigation is, has or will be carried out.

**All employees must report any suspicious or questionable conduct to their Local or Regional Legal Department.** They will take whatever steps are necessary and appropriate under the circumstances, which may include reporting the transaction or activity to the appropriate governmental agency and/or assisting employees with any applicable reporting responsibilities.



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***Société Anonyme*** with share capital of EUR 411,231,437.75  
**Head office : 12 Place des États-Unis – 75116 Paris, FRANCE**  
**582 041 943 Paris Companies register**

**Code of Conduct**  
**for the prevention of insider misconduct**

**This Code applies to insiders or persons likely to be insiders  
within Pernod Ricard and its Group**

Updated October 24, 2012

*The present English version has been translated from the French original.*

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### **Trading in Pernod Ricard shares – Summary of obligations according to insider categories**

## Summary

**Principle: trading in Pernod Ricard shares and related financial instruments is regulated and is carried out in compliance with the recommendations of the AFEP-MEDEF Code.**

**It is therefore important to refrain from trading in Pernod Ricard shares and related financial instruments:**

- **during closed periods :**
  - closed periods are periodically set out according to Pernod Ricard's financial communications schedule;
  - closed periods may also be set out by Pernod Ricard in the event of specific transactions.
  
- **outside closed periods if any inside information is held.**

# Preamble

This Code of Conduct complies with the French Financial Markets Authority (*Autorité des Marchés Financiers*, “AMF”) recommendation n°2010-07 dated November 3, 2010 and the provisions of the AFEP-MEDEF Code. Its purpose is to set out the principles and rules that pertain to the handling of a French listed company’s inside information, the penalties that apply if such principles and rules are not observed and the preventive measures implemented within the Pernod Ricard Group.

The shares of Pernod Ricard SA (the « **Company** » or « **Holding Company** ») are traded on NYSE Euronext Paris. As a consequence, **trading in the Company’s shares and related financial instruments**, whether it be purchases, sales or the exercise of stock options, **is regulated**.

**Any person who holds inside information must therefore refrain from trading in the Company’s shares (and related financial instruments) and from disseminating such information until it is made public. Non compliance may result in disciplinary action and/or criminal penalties.**

This rule is based on the fact that, during the period the person has inside information that could, through misuse, contribute to gaining an advantage over the public and personal benefit or providing benefit to any third party.

This Code thus applies to:

- all insiders, corporate officers, corporate executive officers, managers and employees of the Group whose names are on the lists of permanent or occasional insiders;
- all other Group corporate officers, corporate executive officers, managers and employees who hold inside information, including those whose names are not on the abovementioned lists.

Reminder: Misconduct may undermine the Company’s image and reputation as well as relations with partners and the public.

# 1. – APPLICABLE LEGISLATION AND RULES

## 1.1. DEFINITION OF INSIDE INFORMATION

**Inside information<sup>1</sup> is any information of a precise nature that has not been made public, relating directly or indirectly to one or more issuers of financial instruments, or to one of more financial instruments, and which if it were made public, would be likely to have a significant effect on the prices of the relevant financial instruments or on the prices of related financial instruments.**

### 1.1.1. Inside information is information:

- that has not been made public: the information is therefore confidential by nature. It is no longer inside information when it is published, e.g. by means of an official press release or a financial publication or a financial document such as the reference document.
- that is precise: it indicates a set of circumstances or event that has occurred or is likely to occur, and a conclusion may be drawn as to the possible effect of such set of circumstances or event on the prices of the Company's shares. Information need not be certain to be precise.
- that is of consequential significance : it would be likely to have a significant effect on the share price, should a reasonable investor be likely to use it as part of the basis of his investment decisions. The phrase must be used with utmost care, for it will be assessed after the misconduct takes place. If the information eventually and unexpectedly proves to have consequential significance, it will be virtually impossible to argue on the basis of this exception.
- that concerns directly or indirectly the Company: for example, information that can concern a significant transaction involving one or several of the Company's subsidiaries or a market factor as yet unknown to the public.

### 1.1.2. For example, inside information can relate to (the list below is not exhaustive):

- the Group's financial results: yearly and half-year results, quarterly sales, provisional dividend and coupon detachment date;
- significant transactions: acquisitions, asset or company disposals, partnership agreements, restructuring, capital increases;
- group business: significant agreements, launch of new products;
- significant litigations.

## 1.2. LISTS OF INSIDERS

Pursuant to article L. 621-18-4 of the French Monetary and Financial Code (*Code monétaire et financier*), any listed French company must draw up one or several "lists of insiders" featuring:

- on the one hand, persons « working within the Company » who are « insiders », i.e. who have access to inside information;
- on the other hand, third parties who have access to inside information on the Company.

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<sup>1</sup> General Regulation of the AMF, Article 621-1

The persons who must be listed as insiders fall in two categories:

- permanent insiders, who have regular access to inside information;
- occasional insiders, who have occasional access to inside information.

Any person whose name must be on a list of insiders is informed that he/she is on a list of permanent or occasional insiders, of when and why his/her name is set on the list and of the rules that govern the handling of inside information. The person must acknowledge that he/she has been informed of his/her listing and of the rules.

Registration on the list of insider must be supplied to the AMF upon request. The lists are designed to help the authorities in the event of an investigation and registration does not imply by itself presumption of guilt.

### **1.3. ABSTENTION REQUIREMENTS**

**Persons who hold inside information must refrain from the following, as long as the information has not been made public:**

- **trading in the Company's shares (or related financial instruments);**
- **disclosing inside information outside the normal course of business;**
- **advising another person to trade in the Company's shares (or related financial instruments).**

#### **1.3.1. Persons concerned:**

The abstention requirements apply to any person<sup>2</sup> holding inside information by virtue of:

- being a member of the Board of Directors; a manager of the Company;
- holding part of the Company's capital;
- having access to such information through the exercise of employment, profession or duties or through participation in the preparation or execution of a corporate finance transaction.

These abstention requirements also apply to any person who holds inside information and who knows, or should know, that it is inside information.

#### **1.3.2. Scope of the abstention requirements:**

All persons who hold inside information must refrain from the following<sup>3</sup>:

- using inside information by acquiring or disposing of, or by trying to acquire or dispose of, for their own account or for the account of a third party, either directly or indirectly, financial instruments to which that information or financial instruments relate;
- disclosing such information outside their normal course of their employment, profession or duties, or for a purpose other than that for which the information was disclosed to them;
- advising another person to buy or sell, or to buy or sell through another person, the shares (or related financial instruments) to which such information pertains.

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<sup>2</sup> General Regulation of the AMF, Article 622-2

<sup>3</sup> General Regulation of the AMF, Article 622-1

## **1.4. PENALTIES**

**Non compliance with the abstention requirements above may be considered as insider misconduct and entail the following penalties:**

- **a fine up to 100 million euros or ten times the profit made;**
- **two years of imprisonment.**

### **1.4.1. Fines**

In the event of violation of the abovementioned insider rules, the AMF may impose a fine up to 100 million euros or ten times the profit made, if any<sup>4</sup>.

### **1.4.2. Criminal penalties**

Such misconduct may also be considered as insider trading. The criminal penalties that apply may be the following:

- use of inside information<sup>5</sup> may lead to two years of imprisonment and a fine amounting to 1,500,000 euros or up to ten times the profit made, if any. Under no circumstances shall the fine be lower than the profit made;
- disclosure of inside information<sup>6</sup> may lead to one year of imprisonment and a fine amounting to 150,000 euros.

## **2. PREVENTIVE MEASURES IMPLEMENTED WITHIN THE PERNOD RICARD GROUP**

### **2.1. MAINTENANCE OF THE CONFIDENTIALITY OF INSIDE INFORMATION**

In order to maintain the confidential nature of inside information, the Company's General Management and functional management entities, as well as all persons who handle inside information on a regular basis and those persons who are involved in significant transactions that involve inside information, must endeavor to:

- minimise the number of participants in meetings where inside information could be discussed;
- secure access rights to computer files that contain or may contain inside information;

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<sup>4</sup> *Code monétaire et Financier*, Article L. 621-15

<sup>5</sup> For the managers of a company, as per article L. 225-109 of the French *Code de commerce*, and for all persons who, through the exercise of employment, profession or duties, have access to inside information on the outlook or situation of an issuer whose shares are traded on a regulated market or on the outlook of a financial instrument traded on a regulated market, conducting or having conducted either directly or through another person, one or several transactions before the public has access to such information (*Code monétaire et financier*, article L. 465-1).

<sup>6</sup> For all persons who, through the exercise of employment, profession or duties, have access to inside information on the outlook or situation of an issuer whose shares are traded on a regulated market or on the outlook of a financial instrument traded on a regulated market, disclosing such information to another person outside the normal course of business (*Code monétaire et financier*, article L. 465-1).

- ensure that the names of all recipients of e-mails that contain or may contain inside information are featured on the corresponding list of insiders;
- in the event of occasional transactions involving inside information, give the transaction a code name and ensure that all insiders involved in the transaction, even those outside the Company, are bound by confidentiality obligations.

## **2.2. REGISTRATION ON INSIDER LISTS**

### **2.2.1. Registration on the list of permanent insiders**

In view of the sensitive nature of the information held by the members of the Board of Directors, the members of the Group Executive Committee, the members of the Management Committees of the Group Executive Committee subsidiaries and the staff of the Holding Company, all these persons have been registered by the Holding Company on the list of permanent insiders.

All persons whose names are on the list of permanent insiders shall periodically be informed of the schedule of planned closed periods as specified hereafter.

### **2.2.2. Registration on the list of occasional insiders**

The Holding Company draws up a list of occasional Pernod Ricard insiders whenever a future industrial, financial or commercial transaction, not yet made public, could have a significant impact on the price of the Company's shares (or related financial instruments).

As soon as the main features of the project concerned are made public, or as soon as the project can no longer materialise, the corresponding list of occasional insiders shall no longer be updated and the employees as well as the third parties' insiders shall be informed, following the joint approval of Company Management and the Management of the operating and functional divisions involved. These persons are then no longer under the obligation of refraining from trading in the Company's shares (or related financial instruments), provided they do not hold any other inside information.

### **2.2.3. Maintenance of lists**

The Holding Company informs all persons whose names must be on a list of insiders that they are on a list of permanent or occasional insiders, of when and why their names were set on the list and of the applicable rules that govern the handling of inside information. These persons must acknowledge that they have been informed of their registration on the list and of the applicable rules.

The Holding Company updates insider lists whenever any modification is required, notably when the reason for registration has changed or when a person must be delisted.

In compliance with the legislation in force, the Company must maintain insider lists for a period of five years and supply them to the AMF upon request.

## **2.3. CLOSED AND ABSTENTION PERIODS**

### **2.3.1. Planned closed periods**

**All persons whose names are featured on the list of permanent insiders must refrain from trading in the Company's shares (or related financial instruments) and from advising any other person to do so during the following periods:**

- **30 calendar days prior to the announcement of yearly and half-year results;**
- **15 calendar days prior to the announcement of quarterly sales**

**The closed period shall be extended to include:**

**1/ the day after the announcement when the announcement is made after the closing of the Paris stock markets (i.e. after 6:00 p.m. Paris time);**

**2/ the day of the announcement when the announcement is made before the opening of the Paris stock markets (i.e. before 9:00 a.m. Paris time).**

**In any event, trading in the Company's shares shall only be possible if no other inside information is held.**

**It is strongly recommended that all persons concerned check the schedule of closed periods before trading in the Company's shares (or related financial instruments).**

All persons whose names are featured on the list of permanent insiders shall be informed of Pernod Ricard's financial communications schedule (yearly and half-year results, quarterly sales) and shall be periodically informed of the corresponding closed periods' schedule.

The closed periods' schedule may change according to Pernod Ricard's financial communications schedule, which is posted on Pernod Ricard's website: [www.pernod-ricard.com/Investisseurs/Agenda](http://www.pernod-ricard.com/Investisseurs/Agenda).

Moreover, it is specified that the internal financial reporting prepared every three months with regard to the publication of yearly and half-year results and of quarterly sales contains information that is sufficiently precise to be considered as "inside information". Therefore, recipients of the financial reporting (see below) must refrain from trading in the Company's shares from the date of dissemination, usually on the 15<sup>th</sup> of the month.

The scope of persons who receive the financial reporting and must therefore refrain from trading in the Company's shares is as follows:

- members of the Board of directors (+ Secretary of the Board and Employees representatives),
- members of the COMEX,
- CODI of COMEX subsidiaries, and
- Financial Committee (Holding company + CFOs of China, Spain, India and the United States).

### **2.3.2. Closed periods imposed by the Company**

The Company may impose a closed period at any moment by virtue of a transaction in progress. All persons concerned shall be informed of the closed period opening and closing dates.

### 2.3.3. Other closed periods

**All persons concerned must refrain from trading in the Company's shares (and related financial instruments), even outside closed periods, if they hold inside information.**

In any event, **if inside information is held** outside closed periods relating to the publication of financial information or outside periods imposed by the Company, **the insiders concerned must refrain from trading in the Company's shares (or related financial instruments)** from the moment they receive the inside information until the moment such information is made public. **The closed period is extended** to include:

1/ **the day after the announcement** when the announcement is made after the closing of the Paris stock markets (i.e. after 6:00 p.m. Paris time);

2/ **the day of the announcement** when the announcement is made before the opening of the Paris stock markets (i.e. before 9:00 a.m. Paris time).

## 2.4. ETHICS COMMITTEE CONSULTATION PROCEDURE

### 2.4.1. Composition

The Company has set up an Ethics Committee which consists of **four permanent members**:

**Mr Pierre Therel**

Position: Corporate & Securities Law Manager  
email : [pierre.therel@pernod-ricard.com](mailto:pierre.therel@pernod-ricard.com)

**Mr Bruno Rain**

Position: Managing Director, Human Resources & CSR  
email: [bruno.rain@pernod-ricard.com](mailto:bruno.rain@pernod-ricard.com)

**Mr Gilles Bogaert**

Position: Managing Director, Finance  
email: [gilles.bogaert@pernod-ricard.com](mailto:gilles.bogaert@pernod-ricard.com)

**Mr Ian FitzSimons**

Position: General Counsel  
email: [ian.fitzsimons@pernod-ricard.com](mailto:ian.fitzsimons@pernod-ricard.com)

Each permanent Committee member shall appoint a **substitute member** who can be contacted if the permanent member is absent or unavailable.

### 2.4.2. Consultation of the Committee

The Ethics Committee shall give an advice before any of the persons below trade in the Company's shares (or related financial instruments). The following must therefore seek the Ethics Committee advice:

- any person who sits on the Company's Board of Directors;
- any person who is the permanent representative of a legal entity that sits on the Company's Board of Directors, provided the transaction is conducted on the person's own behalf;
- any member of the Group Executive Committee (including the members of the Executive Bureau).

**The Ethics Committee shall be consulted by an email sent to Pierre Therel, Secretary of the Ethics Committee, or should he be absent or unavailable, it shall be sent to Bruno Rain.**

If possible, the consultation of the Ethics Committee shall be made sufficiently in advance of the planned transaction in order to enable the Committee to give its advice.

If necessary the Ethics Committee shall meet and it shall then expediently give its advice by email to the person who sought its advice.

The Ethics Committee's advice is a mere recommendation and it applies only to the transaction that is being considered when it is given.

In any event, any decision pertaining to the transaction, whether it involves trading or not trading in the Company's shares (or related financial instruments) belongs to the person who sought the Committee advice.

If any inside information is given to the members of the Ethics Committee in the normal course of business, this may not be considered as a violation of the abstention requirements provided for in Article 622-1 of the General Regulation of the AMF.

The members of the Ethics Committee must observe the abstention requirements if they hold inside information, including inside information they are given in the normal course of their mission on the Committee.

## **2.5. REGISTRATION OF COMPANY SHARES IN THE HOLDER'S NAME**

All members of the Board of Directors shall register in their names the Company shares they own or will own.

All the members of Pernod Ricard's Group Executive Bureau shall register in their names the Company shares they own or will own, regardless of their origin (whether or not they result from the exercise of options or an allocation of free shares, etc...).

## **2.6. NOTIFICATION TO THE AMF ABOUT TRADING IN THE COMPANY'S SHARES**

The Directors and Corporate Executive Officers (i.e. the Chairman of the Board of Directors and the Chief Executive Officer) of Pernod Ricard (the "Corporate Officers") as well as any person with whom they have a family relationship or close links<sup>7</sup> must inform the AMF of any purchase, sale, underwriting and/or exchange of Company shares (or related financial instruments) conducted directly or through another person.

If applicable, the Corporate Officers shall inform their spouses or partners under the terms of a civil solidarity pact, children over whom they hold parental authority or residing in their households, any other relative residing in their households for at least one year and their permanent wards that they must meet the same requirements.

This declarative obligation applies to the members of the Board of Directors as well as to the permanent representatives of legal entities that sit on the Board of Directors.

Declaration is however not compulsory for transactions the cumulative amount of which does not exceed 5,000 euros for the civil year in progress. The amount is calculated by adding up the transactions carried out by the Corporate Officer and by the persons with whom he/she has a family relationship or close links.

The information must be sent to the AMF within five (5) trading days after the transaction has taken place and a copy must be supplied to the Company through the Secretary of the Ethics Committee.

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<sup>7</sup>Spouse or partner under the terms of a civil solidarity pact, children over whom parental authority is held or residing or in alternating custody in household, permanent wards, or any other relative residing in household for at least one year, any French or foreign legal entity connected to a person under the AMF's requirements (Corporate Officers and as well as any person with whom they have a family relationship or close links) or in which one of these persons has at least the majority of economic benefits.

Before carrying out any transaction, the Corporate Officers must refer to the AMF's website ([www.amf-france.org](http://www.amf-france.org)), which gives updated information on the nature of the transactions to be declared, the declaration procedures and a standard form.

For greater ease, the information pertaining to the transactions to be carried out by the Corporate Officers may be given to Pierre Therel (by email: [pierre.therel@pernod-ricard.com](mailto:pierre.therel@pernod-ricard.com) or by fax: + 33 (0)1 41 00 42 22), the Secretary of the Ethics Committee, who will inform the AMF.

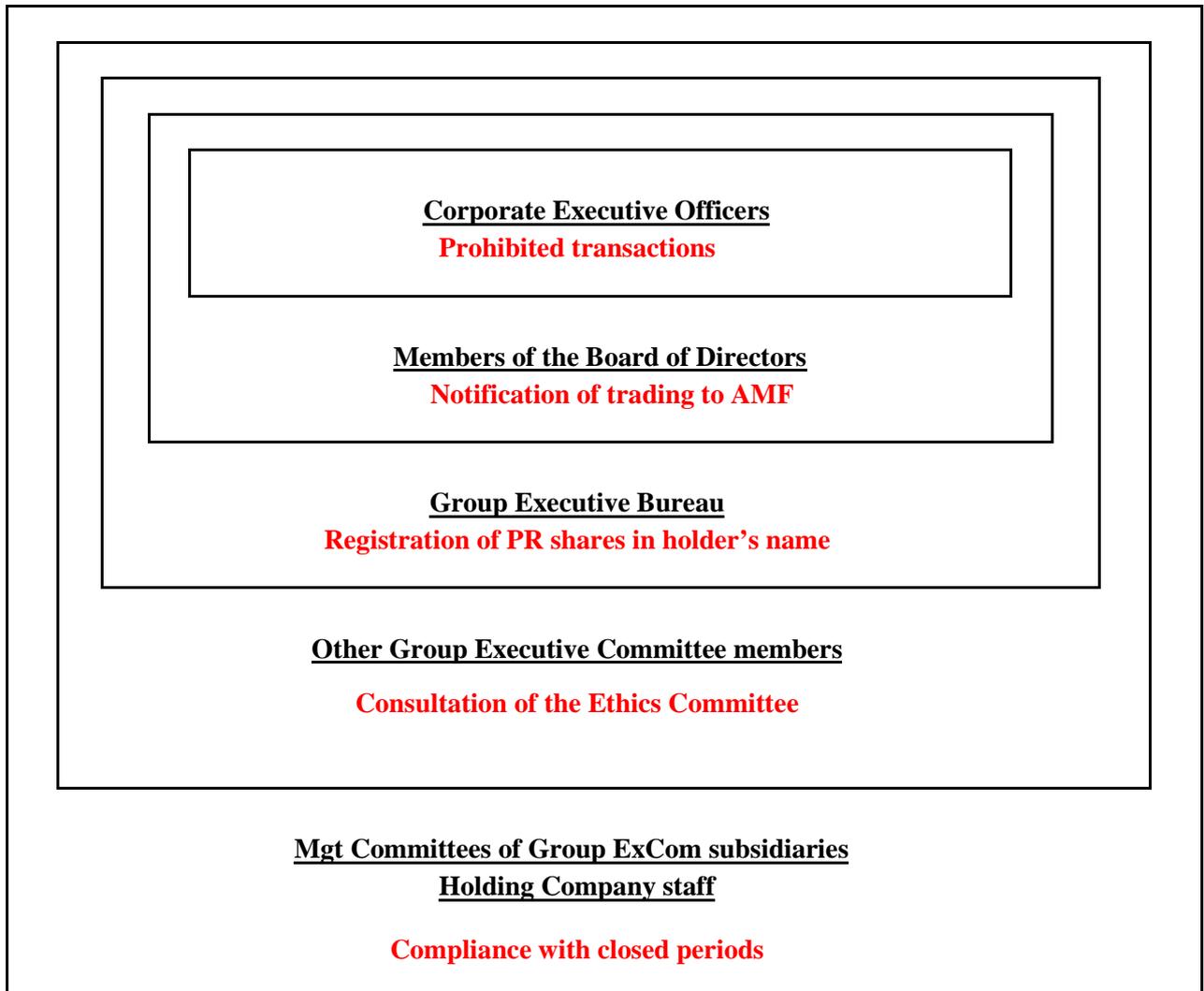
## **2.7. PROHIBITED TRANSACTIONS**

The Corporate Executive Officers of Pernod Ricard (i.e. the Chairman of the Board, the Chief Executive Officer and the Deputy Chief Executive Officer) shall never hedge the free shares or stock-options they have received from the Company.

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# APPENDIX – TRADING IN PERNOD RICARD SHARES

## Summary of obligations according to insider categories



The obligations above apply in a complementary way : each category must observe those featured below it in the table. Therefore, from the bottom of the table:

- The first category (members of the Management Committees of the Group Executive Committee subsidiaries and the Holding Company staff) must comply with the **closed periods**;
- The members of the Group Executive Committee (excluding the members of the Group Executive Bureau) must comply with the **closed periods** and **consult the Ethics Committee**;
- Moreover, the members of the Group Executive Bureau must **register their Pernod Ricard shares in their own names**;
- At the top of the table:
  - The **Members of the Board of Directors** must comply with the **four obligations** above (by way of exception, inquiries with the Ethics Committee do not apply to the legal entities that sit on the Board) ;
  - The **Corporate Executive Officers** (i.e. the Chairman of the Board, the Chief Executive Officer and the Deputy Chief Executive Officer) must comply with the **five obligations** above.

# PERNOD RICARD DATA PRIVACY POLICY

## Why a policy?

Personal data protection is of critical importance. Pernod Ricard knows this and promotes it every day.

In an environment where we have decided to develop numerous digital projects, both internally (Chatter, etc.) and externally, compliance with data protection laws is not only an obligation but also a competitive advantage.

In the “Digital Age”, data protection laws continue to evolve and non-compliance is more severely sanctioned than in the past. Over the last few years, several laws have been adopted on this issue in Asia (for instance, Personal Data Protection Act 2012 in force since July 2014 in Singapore and Personal Data Protection Act 2010 in force since November 2013 in Malaysia). Furthermore, there is a trend for data protection authorities (such the “CNIL” in France) and equivalent authorities (such as the US Federal Trade Commission) to conduct an increasing number of coordinated actions to investigate and sanction infringements.

Beyond the legal risks, brand and corporate image can be severely damaged by misuse of personal data or a breach of security. This can in turn impact Pernod Ricard’s customers and consumers.

This is why we have decided to issue this policy which sets out important principles for the responsible and reasonable collection, use, storage and processing of personal data.

## What is the scope of the Policy?

This policy sets minimal rules and constitutes a building block to which we should add any applicable stricter rule(s). It is applicable to all Pernod Ricard employees and third party, sub-contractors or agencies. It relates to all personal data of employees, sub-contractors, customers, and consumers. It is applicable to all types of personal data – whether printed or digital – and all media, equipment, and tools which process personal data.

The definition of “personal data” varies from one country to another, but as a general rule, “**personal data**” is any information related to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as name, registration number, telephone number, email address, etc.

This is the definition we use in this policy.

***Did you know ...? IP addresses – and in some cases cookies – are personal data.***

Even though all personal data is important, some data is more sensitive than the rest. “**sensitive data**” is personal data that reveals, directly or indirectly, racial and ethnic origins, political, philosophical or religious opinions, or trade union affiliation of a person, or that concern their health or sexual life. Make sure to be extra cautious with this type of data!

## What are the general principles which must be respected?

From collection to use, storage, processing, disclosure or erasure, personal data is governed by five major principles.

### TOP 5 PRINCIPLES

#### 1. Transparency

Transparency is the core principle of personal data protection: it is essential to collect the data in a trusted and legal manner.

Be transparent: individuals must know that personal data is being collected and what personal data is concerned. Personal data must not be collected without the individuals being aware of and agreeing to it!

Consent from the individual must be unambiguous, free and specific. For instance, when an individual gives consent to receive promotional offers, you must specify whether those offers are from your company, other affiliates, third parties, or partners.

But just because you are being transparent about personal data collection does not mean that you can do anything you want. All actions and measures relating to personal data must be carried out in a lawful manner. Some countries require completion of administrative formalities before starting to collect personal data. Please contact your Legal Department to ensure that any envisaged personal data collecting process complies with local legal requirements.

#### 2. Fairness and Proportionality

The personal data collected must be relevant to the purpose of the data processing and its eventual use (insights, marketing, promotions, etc.). This means that only necessary and relevant information can be collected.

***When collecting sensitive data, proportionality is fundamental!***

For instance, there is no need to request credit card information for a non-merchant website. However, requesting age and country of residence to access a website dedicated to alcohol is not only fair and proportional, it is indispensable.

#### 3. Purpose Limitation

Personal data must be collected for a specific purpose, indicated beforehand to the individuals concerned. Data must not be used for a purpose other than the one stated.

Don't forget to carefully evaluate and define the purpose of the personal data treatment before launching your project: creation of an account, subscription to a newsletter, online purchase, etc.

#### 4. Access, Accuracy and Personal Data Retention

***Don't forget that all personal data has an expiry date!***

You must define a period of retention of the personal data collected. This data retention limitation must be in accordance with the sensitivity of the data and the purpose of the treatment.

You must allow individuals to access their personal data at any time and within a reasonable time delay in order to confirm its accuracy and comprehensiveness and, if necessary, request its modification or deletion. Individuals must have the right to "opt out" from our databases at any time!

The person processing the data must take measures to ensure the accuracy and updating of personal data and implement procedures to access and update personal data.

#### 5. Security and Confidentiality

Employees, customers, and consumers put their trust in Pernod Ricard when they provide us with their personal data.

Make sure to take all the appropriate security and confidentiality measures when collecting personal data (cf. How can I avoid and handle security breaches?).

## How can I transfer personal data?

Transmission of an individual's personal data is prohibited unless:

- i. such transmission is required by law;
- ii. such transmission is made to duly mandated sub-contractors that abide by this policy and are acting under your control for the announced data processing; or
- iii. the individual has accepted beforehand that their personal data might be transmitted to third parties.

International personal data transfer is a sensitive topic, as the level of personal data protection differs greatly from one country to the other. Please check with your Legal Department before transferring any personal data from its country of origin to another, whether such transfer is done for storage purposes or usage purposes.

For instance, when transferring personal data outside the European Union, you must guarantee that the recipient entity offers the required level of protection, for example, through appropriate EU Model contractual clauses.

## How can I avoid and handle security breaches?

In a "Digital World" an IT security breach can be a threat to the digital assets of Pernod Ricard and its image. Such a breach can also be dangerous for our partners and our consumers who trusted us with their information.

All personal data, whether printed or digital, must be protected so as to avoid any intrusion, misuse, unwanted modification, alteration, destruction or unauthorized access.

All digital projects must have high security standards that reflect the level of sensitivity of personal data.

Informing sub-contractors of the Data Privacy Policy rules and emphasizing their importance is essential in this regard. Thus, it is crucial to ensure that sub-contractors are bound by an obligation of security and confidentiality through specific contractual clauses to that effect. Please contact your Legal Department for advice.

These rules with sub-contractors must be agreed in writing and no project can start without the sub-contractor providing a full guarantee that all rules regarding personal data protection (the Data Privacy Policy and any applicable laws) will be respected.

Don't forget! The security of personal data in printed format must always be guaranteed.

In case of a security breach, please contact immediately your Legal and IT Departments and launch any necessary action to remedy the breach.

## How should I handle breaches of this policy?

**No breach is too small for action.**

You must examine all claims related to any breach of the Data Privacy Policy or applicable data protection rules, potential or actual, that are brought to your attention and immediately contact your Legal Department.

**Every claim or complaint must be treated with proper care and attention, whether it concerns employee data, customer data, consumer data or third-party data.**

For instance, if a consumer claims that they unsubscribed to a newsletter but that they are still receiving it, you must treat this complaint immediately and inform your Legal Department.

## Who should I contact if I have any questions?

Please contact Claudia Oudey – Senior Counsel Intellectual Property and Digital at +33 1 41 00 42 56 or by email at [claudia.oudey@pernod-ricard.com](mailto:claudia.oudey@pernod-ricard.com) at for any question on the Data Privacy Policy or its implementation.

The Data Privacy Policy was deployed on 19<sup>th</sup> September 2014 and is effective as of this date.

## USEFUL DEFINITIONS

### **Personal Data:**

Personal data is any information related to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as name, registration number, telephone number, etc.

### **Sensitive Data:**

Sensitive data is personal data that reveals, directly or indirectly, racial and ethnic origins, political, philosophical or religious opinions or trade union affiliation of person, or that concern their health or sexual life.

### **Process/Data Processing:**

Process/data processing means any processing of personal data, which covers a wide range of operations in relation with personal data whatever the media used, especially the collection, recording, organisation, storage, adaptation, use, consultation by transmission, making available, deletion or destruction. It includes both automatic (computerized processing) and manual (hard copy files) processing.

### **Data Processor:**

The data processor is the person processing the data on behalf and according to the instructions of the data controller. An entity which uses an external data processor must ensure that in the contract, its data processor offers adequate guarantees to ensure the security and confidentiality of the data communicated.

### **Data Controller:**

The data controller is the entity which determines the purposes (why the entity needs to process data) and means (database managed through a software, hard copy files, centralized database) of personal data processing.

### **Cookies:**

Cookies refer to information stored in equipment that is inserted by a website in the user's terminal. The word "cookie" must be broadly interpreted and includes notably technologies that are related to cookies such as "flash" cookies (also called "Local Shared Objects") or local web storage (also called "DOM storage"), session user cookies, shopping basket cookies, enabling application cookies...



Pernod Ricard

*Créateurs de convivialité*

# INTELLECTUAL PROPERTY

## OUR 10 GOLDEN RULES

### 1. WATCH AND CHECK THE AVAILABILITY OF NEW TRADEMARKS

New product developments or line extensions may require protection.

It is key to check, at the earliest possible stage of the creative process, whether the name, logo, bottle shape or other relevant signs concerned are not already owned by third parties who may oppose our rights and then prevent us from using them.

The IP team should be asked to take all appropriate measures to secure them during the development or extension period.

Each new development or line extension of brands is analysed and protected where possible by the IP Team.

**Please send all information to the IP team, including pictures of your new packaging and advertising campaigns.**

### 2. REGISTER & RENEW THE TRADEMARK IN THE NAME OF THE LEGAL OWNER

Pernod Ricard Brand Owners are the legal entities owning trademarks in the relevant territories. Their applications, registrations and renewals (in most countries renewal is necessary every 10 years) are managed by the IP Team. If you believe certain trademarks are not properly registered in a territory, please alert the IP team in charge of the brand so that trademarks can be protected by the appropriate entity.

**Please contact the IP team if you have any questions about what is/should be protected and the identity of the legal owner.**

### 3. USE IT OR LOSE IT...

If our trademarks are not used properly, our rights may be revoked and then lost for non-use. Do not forget to document use of trademarks by collecting all advertisements, promotional documentation, publications... Invoices, which refer to the trademark concerned, may also serve as proof of use.

**Please make all information you have on use of the trademarks available to the IP team.**

### 4. IDENTIFY TRADEMARKS WITH THE ® OR ™ SYMBOLS

Use of the ® symbol on all registered trademarks, but only if the labels or ads will be distributed in countries where the trademark is registered. Where the trademarks are unregistered, please use the ™ symbol, in superscript style, to provide notice that the mark is a trademark.

**Please confirm with the IP team that the trademark is clearly identified with the appropriate notice.**

### 5. USE THE TRADEMARK AS REGISTERED

Do not deviate from the registered spelling and presentation of the product, otherwise this could alter the value (distinctive character) of the trademark and may ultimately lead to its loss.

**Please contact the IP team to confirm that the use of the trademark is consistent with its registration.**

## 6. DON'T ALLOW TRADEMARKS TO BECOME GENERIC

Many prestigious trademarks have been weakened or even disappeared because they have become generic. Use a trademark only as an adjective (in capital letters when possible) followed by a generic name, as the category of the product ("liquor" for instance). Never use any trademark as a noun or verb, otherwise the trademark may become generic and lose its protection. Make sure that third parties never use our trademark in a descriptive or generic way. Monitor media and dictionary references, and inform the IP Team if any action should be taken against any party using our trademarks in an improper fashion.

**Please contact the IP team if you identify any risk that any trademark is being used in a descriptive or generic way.**

## 7. MONITOR THE MARKET IN ORDER TO PREVENT INFRINGEMENTS

Tolerating infringements without any challenge or without initiating litigation may constitute a waiver of rights which can result in diminished distinctiveness causing loss of value or loss of trademark rights.

When a third party product, often called a "look-alike", may be confused with any of our brands, each member of Pernod Ricard, and particularly the distributors in all local markets, should collect any helpful information (date, place, nature of confusion...) to enable the IP Team to start legal action.

**Please immediately inform the IP team when you identify a potentially infringing product in your local market. You can also use the chatter "look-alikes & counterfeits" group to report any counterfeit or look-alike product.**

## 8. REMEMBER INTELLECTUAL PROPERTY IS NOT ABOUT TRADEMARKS

Any IP rights, such as copyrights or design patents, should be protected in the name of the Brand Owner, along with domain names and other identifiers (on Internet social networks for instance). Geographical indications, such as Cognac and Scotch whisky, also help protect many of Pernod Ricard's products.

**Prior to any use, please contact the IP team who will ensure the proper protection of new materials, including promotional items.**

## 9. USE OTHER PARTIES TRADEMARKS AND NAMES WITH CARE

We may wish to link our brands with other brands and personalities. In certain circumstances, reference to other trademarks may be legitimate (e.g. to genuinely compare our product to a competitor's product or to explain that a retailer sells our products). However, we must ensure that we obtain usage rights which are correct in terms of territory, time-scale and purpose. There are numerous layers of IP in marketing initiatives involving third party rights and we should have consent to use each of them. Pernod Ricard's IP rights may be granted under similar conditions and restrictions.

**Please contact the IP team to check whether and how you can use other parties' IP rights and ours appropriately.**

## 10. COMMUNICATE WITH THE IP TEAM

What you can do to help the IP team:

- circulate and enforce formal brand guidelines to all employees and relevant third parties
- watch out for trademarks falling out of use and discuss how we can keep any trademark alive
- keep evidence of use of trademarks
- launch product line extensions with care. Ask for assistance with contracts involving IP (i.e. sponsorship and advertisement agreements...) with third parties
- for all matters related to domain names, please contact the IP team
- use Chatter (including the "Look-alikes & Counterfeits" group) for news, webinars and more information about the IP team, our policies and actions

**If you have any questions about the implementation of these 10 Golden Rules, please contact a member of the Legal IP team.**



Pernod Ricard

*Créateurs de convivialité*