



Chivas Brothers
Pernod Ricard

ANTI-BRIBERY POLICY

Anti-Bribery Policy

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1. ABOUT THIS POLICY

Pernod Ricard aims to ensure that all Pernod Ricard employees, and, to the extent that we are able, all those who perform services for or on behalf of Pernod Ricard, comply with applicable anti-bribery laws and with appropriate corporate ethical standards¹.

This Policy is supported by Pernod Ricard's Board of Directors (the 'Board'). The Board has delegated to Ian Fitzsimons (General Counsel of Pernod Ricard) the authority and responsibility to oversee the implementation of this Policy.

Every Distributor (any Pernod Ricard affiliate which is a distribution company) and Brand Owner (Chivas Brothers Limited, Mumm Martell Perrier Jouet, Pernod Ricard Wines, Havana Club and The Absolut Company) is required to establish systems and controls to comply with this Policy.

2. WHO MUST COMPLY?

Compliance with this Policy is mandatory for:

- Pernod Ricard SA which includes all its businesses, functions and other organisational structures globally; and all subsidiaries which are 50% or more owned subsidiaries (including all Distributors and Brand Owners); and
- 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.

We also expect all of our agents, intermediaries, consultants, third party distributors, sub-contractors, suppliers and Joint Venture partners working on our behalf anywhere in the world to conduct themselves in accordance with the standards set out in this Policy.

You must comply with this Policy, even where local applicable law is less onerous². Where local law is more onerous, you must comply with those laws in addition to this Policy.

3. WHAT IS BRIBERY?

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 where this is not required or permitted by applicable law).

¹ 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.

² 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.

A bribe can take the form of a "reward" and be paid after the improper performance of the relevant duty or obligation has taken place. Bribery also occurs when a party offers anything of value that he or she knows or believes will breach the gifts and entertainment policy of the prospective third party recipient or otherwise constitute the improper performance of a relevant function or activity of the third party.

Pernod Ricard can also be liable for failing to prevent bribery by a person associated with it, where that person pays a bribe whilst performing services for Pernod Ricard, in order to obtain or retain business or a business advantage for Pernod Ricard. Pernod Ricard has a defence if it has adequate procedures in place to prevent that bribery.

If you are in any doubt as to what constitutes a bribe please speak with Legal.

It is a criminal offence and you are expressly prohibited from offering, promising, giving or authorising an advantage (either directly or indirectly) as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards, donations or other advantages.

You must refuse to accept, and must not solicit, any bribe of any kind, in a manner that is not open to misunderstanding.

The prohibition applies not only to direct forms of bribery, but also indirect forms of bribery such as gifts, hospitality or job offers.

There is a risk that corporate entertainment, political contributions, charitable gifts, sponsorship and activities such as lobbying will be caught by applicable anti-bribery legislation.

The prohibition also applies to bribes offered, given, solicited or received through the use of intermediaries, such as agents, attorneys or any other third parties.

4. HOW DO YOU COMPLY?

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 in order to influence a Public Official in his or her capacity as such and in order to obtain or retain business or an advantage in the conduct of business, unless it is specifically permitted under a policy forming part of Pernod Ricard's anti-bribery programme (see Annex 1) or by written applicable law.

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

You are required to:

- comply with the highest standards whether under this Policy or any applicable local laws and regulations;

- comply with all policies that are part of Pernod Ricard's anti-bribery programme (see Annex 1);
- comply with the highest standards to the Gifts and Hospitality Policy (see 5 below, full policy available on the Source) including obtaining approval for items over the Value Limit (£250 for gifts, £500 for hospitality) and recording all items over £50
- be vigilant for any bribery within Pernod Ricard (especially if you work in business areas such as marketing/procurement/corporate hospitality etc); and
- promptly notify Legal if you have any suspicions or knowledge that bribery is taking place within Pernod Ricard.

Failure to comply with this Policy may result in one or more of the following consequences for you:

- criminal liability; and
- disciplinary action (which may result in the termination of your employment).

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 Legal.

5. GIFTS AND HOSPITALITY

In some circumstances, gifts or hospitality may be considered to be bribes under anti-bribery law. It is therefore essential that all you comply with Pernod Ricard's Gifts and Hospitality Policy (available on the Source).

6. PUBLIC OFFICIALS

Bribing a Public Official (defined below) is a serious offence and carries particular reputational and legal risks. Dealings with Public Officials are particularly high risk because anti-bribery laws tend to be stricter in relation to bribery of Public Officials. You should note, however, that all bribery, not just of Public Officials, is prohibited by this Policy.

You are prohibited from offering, promising or transferring anything of value to a Public Official (or to any other individual or any third party at the request or with the consent of a Public Official such as the Public Official's close family members or close business associates) in order to influence a Public Official, unless it is specifically permitted under the terms of a policy or procedure listed in Annex 1 or by applicable written law.

Prohibited payments can include advantages or payments offered to influence a Public Official in anything he or she does in his or her official capacity, for example: payments to Public Officials in order to obtain preferential tax treatment for Pernod Ricard products, or offering the son of a government minister special discounts on Pernod Ricard products with the intention of influencing the minister to engage Pernod Ricard as a government supplier.

Advantages or payments are not bribes when the Public Official is required or permitted by applicable written law to be influenced by them.

You must ensure that you are particularly vigilant when dealing with Public Officials that you do not do anything which could be a breach of this Policy or could be perceived as a breach of this Policy.

“Public Officials” are people who perform a public function and includes people that you might not necessarily think of as "officials". Public Officials include:

- any government officer, employee or other representative (local, national, foreign or domestic);
- any person with a legislative, administrative or judicial function (whether appointed or elected) *For example: judges, tax officials, customs/excise officials, regulators, government personnel who issue licences or permits, planning officials and immigration officials;*
- politicians and political candidates (local, national, foreign or domestic);
- any political party official ;
- any member of a royal or governing family;
- the officers, employees and representatives of government-owned or controlled organisations and publicly-funded organisations; and
- any international public organisation's employee, officer or representative, such as the United Nations and 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 Legal.

7. ASSOCIATED PERSONS

An “Associated Person” or “Associated Persons” means:

A person or corporate entity which performs services for or on behalf of Pernod Ricard.

Associated Persons may include but are not limited to agents, representatives, consultants, or other intermediaries, finders, introducers, lobbyists (of any kind), tax advisers, 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, joint ventures, joint venture parties and companies in which Pernod Ricard is considering purchasing an equity interest (excluding as a passive investment).

Pernod Ricard may become criminally liable (and/or suffer damage to its reputation) as a result of bribery by an Associated Person. Pernod Ricard expects Associated Persons to act with integrity and to undertake their business without bribery.

Contracts to be entered into with Associated Persons should include the undertakings in Annex 2 (or undertakings with similar effect). In addition, consideration should be given to the need for other appropriate anti-bribery measures in relation to Associated Persons, for example, representations and warranties and/or monitoring.

Due Diligence proportionate to the circumstances should also be performed on Associated Persons to reduce the legal and reputational risk to Pernod Ricard.

8. CHECKING OUT SUPPLIERS & PARTNERS: DUE DILIGENCE

When considering whether Due Diligence should be carried out, or deciding what level of Due Diligence should be carried out on those who are, or may be, Associated Persons, a number of risk-based factors should be taken into account. These include (1) the nature of the transaction (e.g. involving Public Officials, political donations, public procurement contracts, etc); (2) the country by reference to Pernod Ricard's risk assessment or external indices³ and (3) the nature of the business partners and investors.

"**Due Diligence**" in this context means checks on the background, expertise and business experience of third parties 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;
- (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; and
- (v) that there are no close connections between the third party and a Public Official who may be able to exercise influence in relation to Pernod Ricard's activities. Where there is a high level of bribery risk, or where the checks carried out as part of the Due Diligence indicate bribery risks, enhanced Due Diligence should be undertaken.

9. FACILITATION PAYMENTS

"**Facilitation Payments**" (also known as '**grease payments**') are small payments to Public Officials made to secure or expedite the performance of routine or expected governmental action to which the payer is entitled.

A common example of bribery is a facilitation or "grease" payment. These payments are typically made for the purpose of facilitating or accelerating an action by a Public Official, for example, a payment to a customs official to speed up the release of goods from a customs warehouse, where the payment is outside of the usual process. Another example might be a payment to a regulator to ensure that an application is approved, outside of the usual approval process.

These types of payments are bribes and are strictly prohibited.

³ See Transparency International Corruption Perceptions Index 2010, which can be found at http://www.transparency.org/policy_research/surveys_indices/cpi

10. 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. Restrictions on political donations may apply, inter alia, 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).

In order to comply with legal requirements, certain company approval processes need to be undertaken before any such donation is made. Donations may take the form of cash, but may also include other things such as subscriptions. If you or your team are considering making a political donation of any type or value, please contact the Legal team.

11. 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 is to 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.

12. CHARITABLE DONATIONS & SPONSORSHIP

While CBL is proud to support charities, there are some circumstances in which there may be a conflict of interest, for example agreeing to make a donation to a charity at the request of someone with whom a contract is being negotiated where CBL may benefit. Therefore all charitable donations should be given in accordance with the Gifts and Hospitality Policy, as well as the Charity Policy, and registered on the Gifted! Platform. The Gifts and Hospitality Policy can be found on Chivas Spirit. If you are in any doubt about a charitable donation please contact the Legal and/or Communications team.

13. RECORD KEEPING AND MONITORING

Pernod Ricard (or a body or function to which it delegates such responsibility) will maintain a register of all reports made under this Policy. This will include a record of any investigation and the outcome of those investigations.

Pernod Ricard (or a body or function to which it delegates such responsibility) will also establish procedures to monitor the implementation of, and ongoing compliance with, this Policy.

Where appropriate and after consideration, Pernod Ricard (or a body or function to which it delegates such responsibility), 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.

14. HOW TO REPORT SUSPICIONS OF BRIBERY?

If you have any suspicions of bribery at Pernod Ricard, or by an Associated Person you must notify Legal or follow the procedures in place in the relevant country.

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, including termination of employment.

15. WHAT ARE THE PENALTIES FOR BREACHING THIS POLICY?

In most countries in which Pernod Ricard operate, bribery is a criminal offence for which you could face imprisonment and/or serious financial penalties. 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).

ANNEX 1 - PERNOD RICARD POLICIES AND PROCEDURES

- **Pernod Ricard Charter**
- **Gifts and Entertainment Policy**
- **Travel and Entertainment Policy and Procedures**
- **Corporate Procurement Department Code of Ethics**
- **Charity Policy**
- **10 Golden Rules to Bribery Awareness**

ANNEX 2 - TEMPLATE ANTI-BRIBERY CLAUSES

Delivery of Services/Goods Provision:

The Supplier will provide the Services [and/or supply the Goods] in accordance with the Anti-Bribery Statement and all applicable Legislation.

Termination Provision:

Pernod Ricard should have a right to terminate the contract if:

The Supplier or any of its affiliates, group companies, sub-contractors, agents or representatives including their officers or employees:-

1. is charged with or investigated in relation to or engages in any conduct that may constitute an offence under the Bribery Act 2010, and/or
2. breaches any term of the Anti-Bribery Statement.

Defined Terms:

"Anti-Bribery Statement" means the Company's anti-bribery statement as notified in writing to the Supplier by the Company as the same may be amended from time to time and provided to the Supplier.

"Legislation" means in relation to any undertaking and any circumstance all laws, statutes and statutory instruments, regulations, by-laws, codes of practice, standards determined by any governmental or regulatory authority or judgments of a competent court of law which apply or may apply to that undertaking or to that circumstance from time to time.