

Pernod Ricard Procurement Code of Ethics



Pernod Ricard

Créateurs de convivialité

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Introduction

This Code of Ethics is intended for **all Pernod Ricard staff members** who, on behalf of the Group, engage either on a permanent or an occasional basis in purchasing activities involving calls for bids with selection of suppliers for the provision of goods or services.

This document defines, for key elements, the ethical attitudes and behaviours to be adopted by all staff members when accomplishing their tasks.

All executives in charge of supervising such purchasing activities shall:

- show intellectual and moral rigour,
- show care for the environmental impact of their activities and decisions,
- be responsible for ensuring that each of their staff members is fully aware of this Code of Ethics and complies with its requirements,
- issue a copy of this document to each newly hired staff member.

Nevertheless this document does not claim the exhaustiveness. In particular, each employee of the Group is expected to comply with the **Group Code of Business Conduct** (including its anti-bribery and gifts and hospitality chapter).

It is up to everyone to show responsibility and honesty whatever the circumstances may be and to ask for advice to the hierarchy when the situation is new or becomes complex.

1. General attitudes and behaviours

The employees are the representatives of the Pernod Ricard Group and its subsidiaries in every one of the professional relations they entertain in the realm of their business.

As such, they are required to abide by the rules of savoir-vivre and social conventions and have to refrain from any kind of denigration action about Pernod Ricard towards a supplier.

Their demeanour and language shall be in line with the Pernod Ricard image they intend to convey.

In the event of multi-disciplinary negotiations, the employees shall show respect for the expertise and decisions of everyone. They shall not be needlessly controversial, nor shall they publicly challenge their colleagues. They shall not show criticism towards their colleagues, their subordinates or any other Pernod Ricard staff member.

By displaying open-mindedness, positive thinking, politeness and courtesy, they give themselves powerful weapons to negotiate. This should not however prevent them from showing firmness whenever necessary.

Should a conflictual situation arise, they shall always stay calm, close the discussion, then try to look back and put things in perspective.

2. Ultimate Boundaries: personal advantages for the employee

In order to avoid any real or apparent abuse of business relationships with the suppliers, the following principles shall always apply:

A. Financial advantage

The purchase of goods or services on behalf of Pernod Ricard companies shall not be subject to any discounts nor allowances granted in favour of staff members (or of their families).

The employees shall not under any circumstances accept any sum of money from suppliers whatever the form may be (payment, commission, lending...)

B. Gifts and hospitality

The employees shall never request, either directly or indirectly, any gift or any other benefits or favour whatsoever, likely to impact on their influence inside the Group Pernod Ricard.

Providing gifts and hospitality (including business meals) 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 the employees shouldn't give or accept lavish or inappropriate gifts and entertainment, and should always make sure that any gift or hospitality is acceptable under the ***gifts and hospitality policy of their company or Region***.

See the [Group Code of Business Conduct](#) for reference.



3. Business meals or travels

See "Gifts and Hospitality" chapter.

Leisure travels are strictly forbidden.

In any case of doubt the staff member can ask for the advice of the superior and will inform him/her about any request or offer of particular advantages coming from outside.



4. Conflicts of Interest

No staff member shall have any personal interest incompatible with Pernod Ricard's interests.

A. Conflicts of "personal interest"

All staff members are expected to act in Pernod Ricard's best interest. In general, a conflict of interest arises when a personal activity or relationship interferes with the employee's ability to act in Pernod Ricard's best interests. The staff members should all avoid allowing their personal interests to interfere with their 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.

See the [Group Code of Business Conduct](#) for reference.

B. Internal conflicts of interest

It is essential to project in the eye of the suppliers the image of a united, well-managed company. This is of the essence for the sake of Pernod Ricard well-being.

Every staff member shall be accountable for defending this corporate interest, even if it is to the detriment of certain specific interests.

Any internal conflicts of any nature whatsoever shall accordingly never be "exported" under any circumstances.

5. Secrecy

Within the course of business, the staff members may have access to confidential information related to Pernod Ricard, its suppliers or competitors. Nevertheless the communication of this information could be a damage for the interests of the group.

Consequently they shall refrain from disclosing such information without prior approval. Confidential information includes any information on products, ongoing developments, financial data, business strategy, business manuals and literature, work procedures, supplier databases, etc.

It is essential to secure the confidentiality of such corporate information, in particular by fully complying with security rules when using the IT systems and computer hardware, by introducing a secrecy clause (to be signed by suppliers) before the communication of "risky" information. For example: communication of financial information, of the specifications...

In the event of price negotiations with suppliers submitting a quotation following a call for bids emanating from a Pernod Ricard society, and provided that the interest of Pernod Ricard is not at stake, business ethics prohibit the disclosure of any such information to a competing supplier.

To conform to the respect of secrecy:

1. The transmitter must be considered as the owner of the information,
2. The transmitter has to define the level of secrecy,
3. The receiver has to conform to it,
4. The receiver has to get the authorization of the transmitter before sending information outside Pernod Ricard.

6. Respect of the supplier

The employees must be respectful with the suppliers with whom they maintain good relationships, based on mutual respect and trust.

Thus they have to:

- Give the same information and instructions to all suppliers in competition for the same tender and be sure that no competitor is disadvantaged during the whole process,
- Ensure the protection of all private information given by the suppliers and owned by them, except if it is clearly stipulated that the information becomes the property of Pernod Ricard,
- Welcome the suppliers with courtesy, whatever the situation may be, even if Pernod Ricard is not satisfied with the services or/and the products of the supplier.

7. Sustainable Procurement

In its Policy on Responsible Procurement, Pernod Ricard commits itself to support and promote the following principles:

- The respect for the fundamental human and social rights defined by the international bodies,
- The environmental protection.

The employees are to be sure of the communication and the respect of these principles inside the Group, in the company of the supplier and the subcontractors.

See the **Blue Source process** on the [Supplier Information page](#) for reference.

8. Compensation to government employees or civil servants

The employee 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 the passage of any law or regulation. The staff member should also be very careful of any requests by governmental officials or customers that we make political or charitable donations, as these can be ways of paying bribes. Giving gifts or entertainment of limited value can be acceptable under certain circumstances. The employee should refer to the ***gifts and hospitality policy of his/her company or Region*** for more guidance.

See the [Group Code of Business Conduct](#) for reference.

9. Travel abroad and importing regulations

When travelling abroad, staff members shall abide by the legislation of the concerned country, particularly regulations governing the declaration and importing of currency, securities or negotiable goods.

Any questions regarding applicable regulations in specific countries shall be addressed to the Legal Department.