



# THE CODE

## BACARDI CODE OF CONDUCT

This Code replaces all previous versions, whether electronic or hard copy. While local language translations of this Code will be made, the original English version will remain the only official version. Our business partners, whether distributors, vendors, marketing & promotional agencies etc. are expected to comply with the principles outlined in this Code.

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# INTRODUCTION

BY FACUNDO L. BACARDI, CHAIRMAN AND MAHESH MADHAVAN, CEO

We often reflect on our **160 YEARS HISTORY AS A FAMILY COMPANY** and the solid success we have built over generations. In doing so, we must also recognize that the trust of our consumers, employees, business partners and communities provide key pillars for our success. We reinforce that trust constantly as everyone Bacardi engages comes to appreciate the quality of our products and our people, including our commitment to ethical conduct. **TRUST IS ONE OF OUR MOST VALUABLE ASSETS AND IT'S ONE OF THE MOST FRAGILE IN TODAY'S WORLD.**


As the pace of business accelerates and information of every sort travels the world instantly, we must protect our reputation every day. A careless or short-sighted action can easily start a process where the trust of generations can be tarnished or lost. **THAT IS WHY, THE WAY WE CONDUCT OUR BUSINESS IS AS IMPORTANT AS THE LIQUIDS WE PRODUCE,** the brands we market and the Primos we employ.

**ABIDING BY OUR VALUES IS CRITICAL FOR TODAY AND FOR FUTURE GENERATIONS OF OUR COMPANY.** Our Code of Conduct serves as a set of guiding principles to help you make the right decisions and maintain the trust of all our stakeholders. It is not possible for our Code of Conduct to address every situation that you may face. However, if you apply its principles using your good judgment, your experience and you act like a Founder of our Company, your business decisions will demonstrate that we consistently aim to do what is right.

Read our Code and use it to guide your actions. Seek guidance if you are unsure. Strive to do what is right and **REMAIN TRUE TO DON FACUNDO'S FAMILY LEGACY.**

If you see unethical behavior or have a concern, be Fearless: "Speak up".

We are proud of all that we have accomplished together and humbled to be part of this great family history. **NOW IT IS OUR RESPONSIBILITY TO ENSURE TRUST AND SUCCESS FOR THE FUTURE, MAKING THOSE YEARS THE BEST!**



FACUNDO L. BACARDI  
CHAIRMAN OF THE BOARD



MAHESH MADHAVAN  
CHIEF EXECUTIVE OFFICER

# ◇ WHY A CODE OF CONDUCT?

This Code of Conduct describes the most important principles we must uphold in the conduct of our business to affirm our values and protect our future. By upholding these principles, we strengthen the trust we need to succeed all over the world.

While we do recognize that business practices and cultural differences vary from country to country, we also believe that there are general standards we can apply throughout our diverse local environments.

This Code applies to all employees, our business partners and their employees engaged with Bacardi business.

[Click here to consult the "Code of Conduct for Business Partners".](#)

# ◇ RAISING QUESTIONS OR CONCERNS ABOUT THE CODE

We know that you will be faced with situations that raise questions about the best way to conduct our business consistently with our values and principles.

If you have a concern about the application of the Code to a situation that you face, please talk to your line manager, an HR representative or a representative of the Legal/Business Integrity function.

If you do not feel comfortable identifying yourself, please use our external anonymous Bacardi Integrity Line. By raising a concern in good faith, you help maintain the Company's high standard of ethical conduct and you help protect the Company.



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## ◇ EQUAL OPPORTUNITIES

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Bacardi employees are located all over the world and bring to the Company a diverse set of ideas, talent and abilities. Our Company actively promotes a working environment where all employees are treated and rewarded fairly. We do not tolerate any form of discrimination that adversely affects individuals or groups on the basis of national origin, race, color, religion, sex, sexual orientation, marital status, disability, age and other protected characteristics under applicable laws.

This principle of equality and fairness applies to all terms and conditions of employment, including but not limited to recruitment, promotion and termination; compensation and benefits; succession; performance; appraisals and rewards; investigation and penalties.

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## ◇ RESPECT FOR EACH OTHER

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Bacardi has a zero-tolerance policy towards sexual harassment and any other form of harassment within Bacardi or at any Bacardi sponsored events. All employees have the right to work in an environment of trust and respect, that is free from any form of harassment, demeaning actions and bullying of any sort. This zero-tolerance policy extends to any individual contracted through third parties who work for us or provide specific services for our Company (for example, at promotional events).

**INTEGRITY** *first*

# ◆ CONFLICT OF INTEREST

As Bacardi employees, we have a responsibility to act in the best interests of the Company when making business decisions. Sometimes our personal and professional interests come together in a work setting, whether through personal relationships or personal financial, social, or political interests. Being able to recognize actual or potential conflicts of interest when they arise is crucial to protect our Company and the safe and fair culture that makes Bacardi a great place to work.

While not always immediately obvious, asking yourself these questions will help you identify potential conflicts of interest:

- Do I have a personal relationship or a personal interest that could influence my business decisions?
- Could my personal relationship or interest give the appearance of influencing my business decisions in the eyes of others?
- Am I acting without full transparency of the personal interests involved in my decision?

- Would I feel the need to justify my business decision if someone knew about my personal relationship or personal interest?

A **YES answer** to any of these questions would be an indication of an actual, potential, or perceived conflict of interest which, if not properly disclosed, could be very damaging to the Company.

To avoid actual or potential conflicts, it is critical that you declare it. When declared in advance, it may be possible to manage the conflict and seek appropriate corrective actions and approvals. Conflicts of interest must be declared every year as part of the annual Code of Conduct certification. When in doubt, err on the side of caution and declare it! Guidance on how to report can be found in the policy document, however, if in doubt contact your local HR, local Legal representative, or the Business Integrity Team.



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# ◇ PERSONAL RELATIONSHIPS AT WORK

Working with people we have personal or intimate relationships with, whether within the Company or with employees or representatives of our vendors, business partners or customers, can create challenging situations (conflicts of interest) for all parties involved. Having a personal relationship with another employee or a third party that Bacardi does business with can suggest to others that you give preferential treatment to your friends and family.

The Company does not prohibit these types of relationships, however in certain circumstances, when a relationship does exist, we require you to disclose the relationship so, if necessary, precautions can be taken to avoid perceptions of favoritism, potential conflicts of interest and general workplace disruptions.

## **When are you required to disclose a personal or intimate relationship at work?**

- If you have a personal or intimate relationship with a prospective Bacardi employee,
- If one employee in the relationship directly or indirectly supervises the other, or can influence the other's work, compensation, promotion, or performance reviews,
- If your job requires independence or confidentiality (e.g., auditors, HR) which could be potentially impaired by your personal relationship
- If you are a Director-level or above employee and have a relationship with any other employee, regardless of where in the Company they might work, or
- If you have a relationship with employees or representatives of a Company vendor, business partner, or customer and you have decision-making authority dealing with or transacting with that vendor, business partner, or customer.

If you have a Personal Relationship to disclose or are unsure about whether you need to disclose it, or have any other questions, please consult a member of the Business Integrity Team, local legal counsel or your HR representative.

In the event that disclosure requirements are in conflict with local laws, such laws will prevail.





# ◆ PERSONAL OR FINANCIAL INTERESTS OUTSIDE THE COMPANY

Actual or potential conflicts of interest may also arise from personal financial interests or investments in competitors, suppliers, business partners or customers. Unless expressly authorized, Bacardi employees are not allowed to:

- Engage in business activities that compete with Bacardi business,
- Transact on Bacardi's behalf with another entity where the employee, or a member of their family, has a personal financial interest, or
- Derive any personal advantage for themselves or a family member from the employee's position, or from any sale, purchase or any other activity involving Bacardi.

# ◆ OUTSIDE EMPLOYMENT

Our primary job responsibility is to Bacardi. Engaging in an outside business activity, other than your Bacardi job, is not prohibited by the Company. However, such activity must not interfere with your job performance at Bacardi, occur during regular Company business hours, or create a potential conflict of interest with your Bacardi job. If in doubt seek guidance from local HR, Legal or the Business Integrity Team.



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# ◇ GIFTS HOSPITALITY & ENTERTAINMENT

Gifts, hospitality and entertainment (GHE) are part of normal business life. They are an acceptable way of helping to build healthy relationships and goodwill with our business partners and to showcase our brands, provided that some basic rules are followed. In particular, GHE must not be given or received in order to obtain or reward preferential treatment without business justification, as they could be viewed as a conflict of interest. In some jurisdictions, such exchange may even be viewed as an act of bribery.

## When exchanging gifts and entertainment, always follow these rules:

- Become familiar with your local anti-corruption laws, our Travel and Entertainment policy and our Anti Bribery and Corruption policy.
- Do not accept or offer gifts in cash – or that include cash. Gift certificate vouchers are equivalent to cash and should not be given or received, unless under a Company sanctioned program and process. Any cash gift received should be returned or, if a return is culturally not acceptable, handed over to your HR representative, or your local Legal Counsel.
- Obtain prior written approval for any **gift for public officials**, from the Chief Business Integrity Officer and the General Counsel irrespective of the value and occurrence. Such approval should be recorded locally by the Local Legal Counsel.
- You are allowed to accept or offer non-cash gifts only if they are in accordance with usual business practices and their value does not exceed the amount of 250 USD (market price of the gift), per business partner and fiscal year. **IMPORTANT:** Some markets may have more restrictive policies in place; so always ensure your local policy on gifts and entertainment is not more restrictive and imposes lower limits.
- Entertainment for non-public officials, including brand promotions activities, sales/industry events or visits to our brand homes, is acceptable when occasional, reasonable, in line with local costs and customs, and our policies. Any such **entertainment for public officials** must be approved by the Chief Business Integrity Officer and the General Counsel.



# ◆ PHYSICAL PROPERTY AND I.T. RESOURCES

Our Company's physical property is to be used for business purposes and it includes our cash, inventory, buildings, I.T. resources, equipment, information, documents, records and the work of our employees.

Information Technology and infrastructure are critical to the success of our operations and must be used responsibly. While moderate personal use of specific information technology (phone, emails) is allowed to accommodate employee needs and travel requirements, you should otherwise only use company property and information technology for legitimate business purposes. Inappropriate use of information technology can lead to unauthorized access to our network and data, theft of business information, damage to software systems and the leakage of confidential information.



# ◆ RECORDS, FINANCIAL REPORTING AND AUDITORS

The integrity of the Company's record keeping, and reporting systems must be maintained at all times. They must be accurate, complete and timely to ensure they reasonably and fairly reflect the Bacardi businesses, assets and liabilities, in compliance with applicable laws, rules and regulations, including generally accepted accounting principles and the guidelines of the Company auditors.

Employees are forbidden to make or authorize any misleading entries or off-the-books payments, receipts or accounts that could distort the records or reports of the Company's operating results or financial condition. This includes any attempts at circumventing review and approval procedures.

The Company's assets are protected via the Compensation Integrity and Recovery policy. This policy may be enforced in situations where employees have placed the Company's integrity at risk and their behavior has been found to be inconsistent with the principles of the Code or, where there has been misjudgment of the Company's financial results thereby producing a miscalculated reward.



# ◆ INTELLECTUAL PROPERTY

Intellectual property (IP) is vital for ensuring the Company's growth and profitability and constitutes one of the most valuable assets of Bacardi.

All inventions, ideas and concepts developed by Bacardi and its employees belong to Bacardi and must not be privately used or shared. If your role involves marketing, sales, brand development, product development or innovation activities, you should familiarize yourself with the Company's policies related to IP and follow the relevant trainings. You should never authorize the use of any intellectual property asset owned by Bacardi without prior written approval from Bacardi Legal Counsel. Similarly, you should not disclose IP innovation projects without the protection of non-disclosure agreements approved by Bacardi Legal Counsel.

You should always respect others' intellectual property as we do our own.



# ◆ PROTECTING BUSINESS INFORMATION

All business-related information is confidential and only intended for internal use, unless Bacardi has officially and publicly disclosed it. Public disclosures will be officially made by Bacardi following defined processes and time tables to ensure shareholders and bondholders are the first to receive material information.

## **In connection with confidential information, you must:**

- Disclose the information only to authorized persons within Bacardi, who have a need to have the information.
- Use the information only for the benefit of Bacardi.
- Obtain prior written authorization from management or Bacardi Legal counsel for the disclosure of any such information to third parties.
- Understand that your obligation not to disclose confidential information is applicable even after your employment with Bacardi ends.

# ◆ PROTECTING PERSONAL INFORMATION

We ensure that personal information is handled in accordance with data protection laws. Before engaging in any activity that makes use of personal information, whether this information is related to employees or third parties, you should:

- Consider data privacy implications.
- When required by law, ensure that individuals who provide personal information give their consent and are aware of who will have access to that data and for what purpose.
- Protect personal data from unauthorized access and use.



## ◇ SOCIAL MEDIA PERSONAL USE

As we embrace the Founders Mentality, we have the opportunity to celebrate Bacardi culture every day and recognize that social media constitutes a great opportunity to communicate about our brands and Company. However, as the popularity of social media grows, the far-reaching communications also carry a risk.

**Let's make sure we do it in style and in line with our corporate responsibility guidelines, in particular:**

- Make it yours. Be open about the fact that you're a Bacardi employee but not an official company spokesperson.
- Facts must always be honest and accurate. What you say can be seen by anyone all over the world.
- Show respect for others' opinions, even when you might not agree.
- Don't share our confidential information.



## ◇ CORPORATE RESPONSIBILITY (CHARITABLE CONTRIBUTIONS & SPONSORSHIPS)

Through the Good Futures pillar of our Good Spirited Corporate Responsibility platform, we support and give back to the communities where we do business. As a Bacardi employee, you are encouraged to support charities and participate in events important to your community in four broad areas:

*• Arts & Culture • Education • Environment • Health & Social Services*

All charitable contributions and sponsorships are to be given appropriately. In particular, they should not be perceived to create improper conflicts and influence, or otherwise support political parties and officials.



# ◆ COMPLIANCE WITH LAWS, RULES AND REGULATIONS

As a Bacardi employee, you must comply with all applicable laws, rules and regulations in the countries where we do business. In the countries where industry codes and practices are applicable by law or agreements on self-regulation, employees are also responsible for compliance with such codes and practices. If you have questions about regulations or codes, it is your responsibility to seek guidance from your line manager, your management team or the Legal/Business Integrity functions. Do not take any action that you know, or reasonably should know, would violate applicable laws, regulations or codes.

## COMMERCIAL PRACTICES

### ◆ FAIR COMPETITION

Competition laws (often called “antitrust” laws) prohibit actions that limit market competition. Those laws can vary nationally though some basic principles are common. Bacardi supports business competition and competes fairly in all markets.

In order to protect yourself and the Company, understand local competition laws, rules and regulations and ask if you have doubts since these laws are complex and can change. In general, follow these rules:

- Do not agree with a competitor on actions that have the goal or result of limiting fair competition, whether in writing or orally.
- Do not share with competitors any marketing, distribution, promotional or pricing plans related to the Company’s businesses.
- Do not seek or accept confidential information from competitors.

### ◆ DISTRIBUTION PRACTICE

Many markets have alcohol beverage laws, regulations, and codes (often called “trade practice rules”) regarding the distribution, promotion and sale of our products in local markets.

Trade practice rules govern how alcohol suppliers such as Bacardi can engage in sales and promotional activities with the trade and with consumers. They can regulate channels of distribution (including e-commerce distribution) and restrict the type of value (e.g. POS, incentives, displays, equipment, or other) we can provide to trade customers. They can also specify the handling of invoice terms, as well as the age of purchasers.

You need to ensure that our activities and those of our distributors are in compliance with the applicable trade practice rules. The same applies to our promotional agencies and other service providers.

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## ◇ ENVIRONMENT, HEALTH AND SAFETY

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We are committed to protecting the health and safety of all employees. Our Environmental sustainability strategy aims to reduce the impact of our operations across our entire value chain, involving all our employees and our suppliers. We aim to achieve best-in-class environmental and safety performances.

Your role is key in maintaining a safe and healthy work environment. We must all contribute to building a culture of sustainability and safety.

The company prohibits firearms in its offices and manufacturing facilities. Possession or use of illegal drugs in the work environment will be treated as a serious disciplinary offense.



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## ◇ ECONOMIC SANCTIONS

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Economic Sanctions are restrictive measures taken by a country, a group of countries (i.e. the European Union) or an international organization (The United Nations) which restrict and sometimes prohibit business dealings with specific countries, entities or individuals.

Bacardi must comply with all international and national sanctions and has implemented specific controls to ensure the company does not infringe them. As part of those controls, you should always conduct due diligence checks on the status of third parties before engaging them with Bacardi in countries that are subject to sanctions.



# ◆ INSIDER TRADING AND SECURITIES LAW COMPLIANCE

Bacardi is a privately held, family owned, company whose common shares are not publicly traded or registered. However, Bacardi does have substantial debt, including bonds, that are sold to third party investors and can be publicly traded. Bacardi information can impact the trading of Bacardi shares or bonds, so care must be taken when sharing material Bacardi information before it is made public.

You shall never buy or sell Bacardi securities on the basis of non-public information obtained in the course of your employment, or as the result of improper disclosure. The same principle applies to purchases of securities of other companies by an employee or his relatives based on non-public information you obtain as a Bacardi employee.

# ◆ ANTI-BRIBERY AND CORRUPTION

Corruption includes bribes, kickbacks, facilitation payment or any illegal inducement which results in a personal gain to the recipient or its associates and is intended to influence them to take action. Bacardi does not tolerate corruption. It is committed to compliance with global best practices and the anti-corruption laws in the countries in which it operates. It expects its business partners and its representatives to fully comply with the Company's position, including its brokers, agents, consultants, distributors or service providers. This prohibition applies to actions directed at either public officials or private employees of any entity that does business with Bacardi.



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# ◇ SOCIAL RESPONSIBILITY IN MARKETING PRACTICES

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Bacardi is committed to marketing and advertising practices that promote responsible and safe consumption of alcoholic beverages by legal drinking age consumers. To this end, we aim to continue to uphold our excellent record of compliance with marketing codes regionally and globally, and to partner with other beverage alcohol players to reduce alcohol-related harm.

As a Bacardi employee, you are expected to act responsibly in the consumption of alcoholic beverages at all times, and particularly in connection with any Bacardi activities.



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## ◇ ILLEGAL TRADE

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We strive to protect our brands from all forms of illegal trade, which is the production, import, export or sale of goods in contravention of relevant laws and regulations. This usually includes transnational trade, contraband and counterfeit or illicit products.

You must never manage or become involved in any illegal trade scheme. If you become aware of any counterfeit or contraband activity involving our products, you must report it to your line manager and your Bacardi Legal Counsel.

## ◆ RELATIONSHIPS WITH SUPPLIERS AND BUSINESS PARTNERS

Suppliers and business partners are selected impartially and objectively, based on criteria that include reputation, integrity, performance and quality. We expect our suppliers and business partners to comply with the law, apply ethical business practices and meet Bacardi standards for integrity, quality and performance.



## ◆ POLITICAL ACTIVITIES AND CONTRIBUTIONS

Bacardi encourages all employees to be aware and to participate personally in political processes of their choosing. Such participation must be in an individual capacity (i.e. not company), at the employee's expense and during personal time. In those instances where political contributions by corporations are legally prohibited, individuals are not allowed to make contributions on behalf of Bacardi and employees may not use Bacardi facilities, resources (including emails) or employee time for purposes of political fundraising activities or solicitations.

In any such circumstances, you must declare to your line manager and your Human Resource (HR) Representative if you intend to run as a candidate for public office.

# OUR INTERACTION WITH GOVERNMENTS AND MEDIA

## ◇ GOVERNMENT INQUIRIES AND INVESTIGATIONS

Bacardi is committed to cooperate fully with government inquiries and investigations.

If you receive any communication concerning a possible government action involving our Company, you must immediately bring it to the attention of your line manager and Bacardi Legal Counsel. In case of unannounced visits or inspections by government officials, you should contact immediately your local HR contact, Bacardi Legal Counsel or the General Manager.

 **Related Procedure:** Please check your local Dawn Raid procedure if available

## ◇ MEDIA RELATIONS

External communications on corporate performance and organization, commercial, corporate and brand news releases, media interviews, or any other communication to external audiences publicly by any function/ person in the company must have the appropriate approvals and sign-off before issuing.



# WE ARE HERE TO HELP!

The standards outlined in this Code are by no means exhaustive and do not replace the Company's detailed policies and local laws or stricter local Codes of Bacardi subsidiaries. The Code sets minimum standards.

Adherence to the Code is vital to our success and will be strictly enforced. If you are unsure about what to do in a certain situation, we encourage you to go to your line manager, your HR Contact, or the Business Integrity Team. The role of your Business Integrity Team is here to assist you in the everyday application of our Code, as well as to implement compliance programs, lead investigations of alleged noncompliance, and provide periodic reporting to the Business Integrity Committee.

## THE CHIEF BUSINESS INTEGRITY OFFICER

The Chief Business Integrity Officer leads the Business Integrity Function and has overall responsibility for managing business integrity matters.

## THE BUSINESS INTEGRITY COMMITTEE

The Business Integrity Committee is a standing subcommittee of the Global Leadership Team consisting of the Chief Financial Officer, the Senior Vice President Human Resources, the General Counsel and the Chief Business Integrity Officer.

The purpose of the Committee is to: (i) oversee the Company's implementation of business integrity programs, policies and procedures to manage the compliance risks facing the Company; (ii) assist the Audit Committee of the Board in fulfilling its oversight responsibility for the Company's business integrity and ethics programs.

The Business Integrity Committee provides periodic reports to senior management and the Audit Committee.