

**CARRIAGE SERVICES, INC.**  
**CODE OF BUSINESS CONDUCT AND ETHICS**

**Revised February 15, 2017**

At Carriage Services, Inc. (hereinafter, “Carriage,” “us,” or “we”), our **Mission** is to be the most professional, ethical, and highest quality funeral and cemetery service organization in the death care industry. To achieve our **Mission of Being The Best**, we shall consider the Company’s **High Performance Culture Framework** and abide by the following **Five Guiding Principles**:

- **Honesty, integrity, and quality in all that we do.**
- **Hard work, pride of accomplishment, and shared success through employee ownership.**
- **Belief in the power of people through individual initiative and teamwork.**
- **Outstanding service and profitability go hand-in-hand.**
- **Growth of the company is driven by decentralization and partnership.**

Therefore, our culture is one of entrepreneurship, high performance leadership, ownership, and partnership, both in principle and in practice at every level. In this regard, we adopted this Code of Business Conduct and Ethics (this “Code”) to document our commitment to ethical and legal behavior and to provide guidance and reporting procedures with respect to the same. This Code applies to all of our directors, officers, and employees as well as to all of the directors, officers, and employees of each of our subsidiaries (each such person a “Covered Party” and, collectively, the “Covered Parties”).

**Compliance with Laws, Rules, and Regulations**

All Covered Parties must respect and obey all federal laws as well as the laws of each city and state in which we operate. Although not all Covered Parties are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers, or other appropriate personnel.

**Conflicts of Interest**

Conflicts of interest are prohibited as a matter of Carriage policy, except under guidelines approved by our Board of Directors. A "conflict of interest" exists when a person's private interest interferes in any way with the interests of Carriage. A conflict situation can arise when Covered Parties take actions or have interests that may make it difficult to perform their Carriage work objectively and effectively. Conflicts of interest may also arise when Covered Parties, or members of their family, receive improper personal benefits as a result of their position in Carriage. Loans to, or guarantees of obligations of, employees and their family members may create conflicts of interest. It almost always is a conflict of interest for a Carriage employee to work simultaneously for a competitor,

customer, or supplier in any respect, or to take any actions to establish a competing business within our service area; and, the best policy is to avoid any direct or indirect business connection with any of our customers, competitors, or suppliers, except on our behalf. Conflicts of interest may not always be clear-cut, so if you have a question or if you become aware of a conflict or potential conflict, you should consult with higher levels of management as described in the Reporting Any Illegal or Unethical Behavior section and/or in the Compliance Procedures section of this Code.

### **Insider Trading**

Covered Parties who have access to confidential information regarding Carriage are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All non-public information about Carriage should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. If you have any questions, please consult Carriage's policy on Insider Trading.

### **Corporate Opportunities**

Covered Parties are prohibited from taking, for themselves personally, opportunities that are discovered through the use of corporate property, information, or position without the consent of our Board of Directors. No Covered Party may use corporate property, information, or position for improper personal gain. Each and every Covered Party owes a duty to Carriage to advance its legitimate interests when the opportunity to do so arises.

### **Competition and Fair Dealing**

Covered Parties should endeavor to respect the rights of, and deal fairly with, Carriage's customers, suppliers, competitors, and employees. No Covered Party should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair dealing practice.

### **Confidentiality**

Covered Parties must maintain the confidentiality of any and all confidential or proprietary information entrusted to them by Carriage or its customers, except when disclosure is authorized properly or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors or harmful to Carriage or its customers if disclosed. Confidential information also includes any confidential or proprietary information that our suppliers and customers entrust to us. The obligation to preserve confidential information continues so long as the nature of the information remains confidential, which may extend after your relationship with Carriage ends.

## **Protection and Proper Use of Company Assets**

All Covered Parties should endeavor to protect Carriage's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on Carriage's profitability. All Carriage assets should be used only for legitimate business purposes. Any suspected incident of fraud or theft should be reported immediately for investigation. Carriage charge accounts, credit cards, bank accounts, and other resources are strictly limited to Carriage use; personal charges on Carriage accounts are prohibited, though nominal personal charges that occur in connection with, and are incidental to, a legitimate business purpose may be permitted if they are promptly reported and reimbursed in accordance with Carriage policy. Further, Carriage equipment should not be used for non-Carriage business, though incidental personal use may be permitted.

## **Accurate and Timely Disclosure**

Covered Parties who participate in making disclosures in reports or documents that Carriage files with, or submits to, the Securities and Exchange Commission or in other public disclosures on behalf of Carriage should endeavor to make each such disclosure to be full, fair, accurate, timely, and understandable.

## **Waivers of the Code of Business Conduct and Ethics**

Any waiver of this Code for executive officers or directors may be made only by the Board of Directors of Carriage and will be promptly disclosed as required by law or stock exchange regulations.

## **Reporting Any Illegal or Unethical Behavior**

Directors must report any known or suspected illegal or unethical behavior or violations of this Code to one or more members of the Audit Committee of the Board of Directors of Carriage. Senior management must report any known or suspected illegal or unethical behavior or violations of this Code to the acting leader of Human Resources or to an attorney in Carriage's Legal Department. All other Covered Parties must report any known or suspected illegal or unethical behavior or violations of this Code to their supervisor, manager, or other appropriate personnel. These Covered Parties also may report a concern or suspected violation anonymously to My Safe Workplace by calling 1 (800) 461-9330 or going online to [www.mysafeworkplace.com](http://www.mysafeworkplace.com). When in doubt about a potential violation of this Code or of any law or regulation, Covered Parties should consult with their supervisor, manager, or other appropriate personnel about the best course of action in a particular situation as well as with the guidance set forth in the Compliance Procedures of this Code. In all cases, it is our policy to prohibit retaliation or retribution for reports of misconduct by others made in good faith by employees. "Good faith" does not mean that a Covered Party must be correct in their suspicion or interpretation of any given situation, but it does mean that the person provides truthful information based upon his or her understanding. Covered Parties are expected to cooperate in internal investigations of alleged misconduct.

## **Compliance Procedures**

We must all work to ensure prompt and consistent action against violations of this Code. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.
- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with and the alternatives you have.
- Use your judgment and common sense. If something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.
- Seek help from Carriage resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, you may discuss it with Carriage's Legal Department by calling (713) 332-8400. If you prefer to write, address your concerns to: Carriage Services, Inc., 3040 Post Oak Blvd., Suite 300, Houston, Texas 77056, Attention: Legal Department; or by email to: [legal@carriageservices.com](mailto:legal@carriageservices.com).
- You may also report a concern, complaint, or suggestion to My Safe Workplace by calling 1 (800) 461-9330 or going online to [www.mysafeworkplace.com](http://www.mysafeworkplace.com). Complaints to My Safe Workplace may be submitted in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected.

## **Posting**

The Company shall make this Code available on or through the Company's website.