



BACARDI LIMITED

2015 CORPORATE RESPONSIBILITY REPORT



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& Our Chief
Executive Officer

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A welcome from our Chairman and our Chief Executive Officer

We are proud to share our 2015 Corporate Responsibility Report, including the significant progress made against our social and environmental targets and our continued commitment to becoming an even more sustainable business in the long term. This report covers our FY2015, which covers April 1, 2014 - March 31, 2015.

In this interim report, we continued to follow the approach used in fiscal 2014 (aligned to GRI G3), in advance of deciding our approach to future reporting.

We are also aligned with principles set forth in the United Nations Global Compact, that encourage the adoption and reporting of sustainable and socially responsible policies. These standards guide our overall approach to Corporate Responsibility and how we communicate our progress.

The Bacardi corporate responsibility program comprises five core pillars:

Marketplace

In FY2015, we continued to play an influential role in encouraging responsible decision-making by legal drinking age (LDA) consumers and discouraging inappropriate consumption of our products. In line with the Producers' Commitments to Reduce Harmful Drinking, we achieved 100% compliance with regard to marketing agency contracts, increased our

education programs by 34% from 2013, and were found to be 94% compliant with advertisement regulations in the EU.

Environment, Health & Safety

Our ambitious global sustainability initiative introduced in FY2014 'Good Spirited: Building a Sustainable Future' has supported our promise to strive for continual improvement in minimizing our impact on the natural world around us and help to build a more sustainable future. In fiscal 2015, we exceeded our targets in improving water and energy efficiency and recycling and have clear action plans in place at each of our manufacturing sites.

The five-year health and safety plan introduced in fiscal 2014 also resulted in a remarkable 65% reduction on the Lost Time Accident (LTA) Rate in our manufacturing sites compared to the prior year. We are now anticipating we will achieve an overall LTA rate of less than 1 per million of worked hours by 2017.

Responsible sourcing

In our Responsible Sourcing section, you will see our continued commitment to identifying and developing sustainable sourcing practices across our business. In order to advance our strategy in responsible sourcing in the agriculture sector, we joined the Sustainable Agriculture Initiative (SAI) platform.

We are also well within reach of our goal to obtain 100% of sugarcane-derived products from sustainably certified sources by 2022.

People

We launched a revised global people strategy in FY2015 to ensure we unleash the potential of our employees – the best ambassadors for our brands and Company. We developed an intensive coaching program for key talents to support career progression and development. This is complemented by our wider ‘values-based performance training’ for line leaders. We also conducted an employee survey to support our commitment to building an even more engaged workforce. We are pleased to report 86% of our employees are proud to work for Bacardi.

Philanthropy and Community Involvement

We continue to give back by partnering with various organizations that benefit the local communities where we operate. By engaging more of our employees in these events we continue to build on one of our most important values – Caring. This past year we increased our employee volunteer time hours from 7,950 to 9,610.

The significant progress we made in FY2015 would not have been possible without the unwavering dedication, skillful efforts and hard work of our employees around the world. We will continue to review all aspects of our operations, facilities and activities to meet our sustainability commitments and stakeholder expectations. We thank our employees and our stakeholders for all they do.



Facundo L. Bacardi
Chairman



Michael J. Dolan
President and CEO

About this Report

This is the 8th annual Corporate Responsibility report produced by Bacardi Limited, the largest privately held spirits company in the world. It focuses on our work to manage the social and environmental impacts of our business.

This is an interim report relating to FY2015, and as such we have continued to follow the approach used in FY2014 in advance of deciding our approach to future reporting. Our FY2014 CR Report was produced in line with the Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines.

Reporting Cycle

Following a review of our reporting cycle, we have decided to publish a full Corporate Responsibility (CR) Report biennially. We will also produce an update in the years between to ensure our stakeholders are informed of Bacardi Limited's progress on commitments. This interim report covers the reporting period for fiscal 2015: April 1 2014 to March 31 2015.

Defining Content

The report provides an overview of our performance and future targets on our five core pillars based on feedback from our key stakeholders:

1. Marketplace
2. Environment, Health and Safety
3. Responsible Sourcing
4. People
5. Philanthropy and Community Involvement

Boundary

Bacardi Limited refers to the Bacardi group of companies, including Bacardi International Limited. Any reference to "Bacardi" as a Company in this report refers to Bacardi

Limited, one of its subsidiaries or a group of Bacardi companies. For more information on Bacardi Limited's corporate structure, brand portfolio and location of operations please refer to our full **FY2014 CR Report**.

Data

There have been no significant changes in the scope or boundaries of the data we are reporting this year. Data has been compiled following the GRI indicator protocols. Data measurement techniques and assumptions, are cited in our full FY14 CR Report. Any restatements of **data** will be disclosed in this interim report.

Data presented in the People and Philanthropy and Community Involvement sections, as well as safety data, cover our offices, and our directly owned and managed production facilities.

Data on indirect GHG emissions cover our directly owned and managed production facilities and large offices with 25 people or more. All other environmental data cover our directly owned and managed production facilities. Performance data from our offices, suppliers, outsourced bottlers and co-packers are not included.



A Clear Responsibility




We strive for a safer and more sustainable business environment to market and sell our products. We will achieve this by adhering to applicable laws, regulations and partnering with our competitors and others in responsibility campaigns and initiatives to reduce the harmful use of alcohol.

In this Section:

Strategy

Targets and Progress

Key Highlights

0 marketing code violations found

Drinking alcohol is a matter of personal choice, and most consumers choose to drink in moderation. Alcohol can cause harm, however, if it is misused. Encouraging responsible decision-making by legal drinking age consumers and discouraging inappropriate consumption of our products is, therefore, a key priority for Bacardi. It is the focus of our activity within the Marketplace pillar.

Our ambition is to be best in class in promoting responsible drinking and in ensuring we market our products in a responsible way. To this end, we aim to continue to uphold our excellent record of compliance with responsible marketing codes and to partner with other beverage alcohol producers, distributors and other third party organizations to build and promote effective responsible drinking initiatives.

Strategy

We adhere to responsible marketing codes in our businesses regionally and globally.

We believe self-regulation, as part of a legislative framework, is an effective way to manage the marketing communications essential to our commercial business. Our Global Marketing Principles – introduced in 2004 and revised in 2014 – and implementation guidelines form the basis of our corporate strategy for responsible marketing. For more information please visit [Global Marketing Principles](#).

We support efforts and goals set by the World Health Organization and the United Nations to reduce alcohol-related harm.

Bacardi supports the development of appropriate public-policy responses to alcohol misuse. We support the WHO's

Global Strategy to Reduce Harmful Use of Alcohol and the United Nation's Target 3.5 of the newly enacted Sustainable Development Goals (SDGs) 2015-2030 which aims to "Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol." For more information please visit [WHO Global strategy to reduce harmful use of alcohol](#).

We partner with competitors and other third-party organizations to create effective initiatives and programs aimed at reducing the harmful use of alcohol.

Bacardi looks to combine our resources and efforts with other industry members to focus primarily on fighting underage drinking, drunk driving and educating consumers on making responsible alcohol choices. For more information please visit [iard.org](#).

Targets and Progress

Long-Term Ambition: Our ambition is to be best-in-class in promoting responsible drinking and ensuring our marketing is responsible. In order to help reduce alcohol-related harm, we will play an influential

role in encouraging responsible decision-making by legal drinking age (LDA) consumers and discouraging inappropriate consumption of our products.

TARGETS FOR FISCAL 2015	PROGRESS IN FISCAL 2015	STATUS	TARGETS FOR FISCAL 2016
Review and propose changes, if necessary, to our Champions Drink Responsibly (CDR) website and social media sites in order to increase effective engagement with consumers.	Reviewed and decided to utilize the global industry association website, responsibledrinking.org , as the primary website to promote responsible drinking.	✓	Align the responsibledrinking.org website with the CDR website and our other Company social media sites.
Develop and measure specific key performance indicators (KPIs) for Australia CDR campaign.	The following KPIs were developed and measured: <ul style="list-style-type: none"> • Broaden campaign reach/awareness • Achieve strong conversion rate to reconsider drinking approach/engagement. 	✓	See immediately below.
Continue Australian CDR test campaign with a local Champion and measure for engagement effectiveness.	The Australian CDR test campaign was measured for engagement effectiveness: <ul style="list-style-type: none"> • Achieved 6.2M reach and 32 media mentions • Achieved 8% prompted awareness amongst target audience • 43% of those who saw the campaign reported being positively impacted • CDR Facebook performed well but fell 15% short of targets: Reach target: 1,536,000; Results: 1,297,529, Impressions target: 5,952,380; Results 3,510,756 <p>The campaign achieved excellent reach and awareness using a local spokesperson. However, in order to improve engagement and change harmful use of alcohol behaviors, we can be more effective and efficient by combining our resources and collaborating with other industry members and partners.</p>	✓	Develop a plan – in collaboration with other industry members – to implement a responsible drinking initiative with key performance indicators in at least 5 key markets.
Continue Global Marketing Principles training (including the industry’s new Digital Global Principles when finalized) for all new marketing hires.	All new marketing hires received a responsible marketing training session on the Global Marketing Principles, encompassing all medias, including Digital. This training was also extended to our agency partners.	✓	Train 100% of all marketing staff and key agency personnel on the Global Marketing Principles, encompassing all medias including Digital.

Targets and Progress

TARGETS FOR FISCAL 2015	PROGRESS IN FISCAL 2015	STATUS	TARGETS FOR FISCAL 2016
Implement new marketing compliance database.	The new marketing compliance database was put on hold due to new global agency changes. Reviewing our new agency's (BBDO) system to determine if it is capable of supporting our needs.	○	Finalize review of BBDO's marketing compliance database system to determine if it can meet Bacardi's compliance and auditing needs. Implement a new marketing database system.
<p>Increase compliance and success with all Producers' Commitments to:</p> <ul style="list-style-type: none"> • Ensure continuance of 100% marketing agency contract compliance with Producers' Commitments. • Ensure all product brands and brand extensions do not contain excessive amounts of added stimulants and are not marketed at delivering energizing or stimulating effects. • Finalize plan to begin including consumer informational website and responsibility logo(s) on all bottles. • Maintain total number of individuals reached and unique education programs combating underage drinking initiatives compared to the previous fiscal year. • Achieve 100% compliance with all television ads placed by Bacardi having a minimum 70% adult audience. 	<ul style="list-style-type: none"> • 100% of marketing agency contracts were in compliance with the Producers' Commitments which included clauses mandating compliance with responsible alcohol advertising codes. • No brand or brand extension contained excessive amounts of added stimulants and none were marketed as delivering stimulating effects. • Industry information website was delayed and this goal will be moved to next FY. • Bacardi participated in 51 education programs in 2014, 34% more than in 2013. Through its campaigns against underage drinking, Bacardi reached a higher number of underage individuals in Australasia in 2014 than in 2013. • A post audit was carried out by Ebiquty and found that Bacardi was 95% compliant of all spots across all researched markets (12 countries). 	<ul style="list-style-type: none"> ✓ ✓ ○ ◐ ◐ 	<ul style="list-style-type: none"> • 100% of marketing agency contracts are in compliance with the Producers' Commitments and include clauses mandating compliance with responsible alcohol advertising codes. • Implement plan for website to include consumer information and responsibility logos on all bottles. • 100% of ads placed by Bacardi having a minimum 70% legal drinking age audience. • Increase the reach of underage drinking campaigns. • Launch the Guiding Principles for Responsible Retailing along with other Global Alcohol Producers.
Run brand imprint workshop for GREY GOOSE and BOMBAY brands.	Due to the reorganization of our marketing structure, brand imprint workshops were discontinued.	○	Discontinued.

✓ Achieved
◐ Partially achieved
○ Not achieved
🔄 Target ongoing

Key Highlights

Responsible Marketing Pact (EU)



Working closely with the World Federation of Advertising (WFA), we made a commitment to raise

our standards for responsible advertising and reinforced self-regulation across the EU through the Responsible Marketing Pact (RMP). The RMP entered into force in June 2014 and is the first-ever, cross-sector, self-regulatory program on alcohol advertising, supported by eight alcohol industry leaders at the EU level.

It set new rules – applied across all media - to effectively limit minors' access to alcohol advertising by controlling the content, and placement and potential interaction of alcohol advertisements. Among the innovations of this commitment, we created a 'standard alcohol profile' on social media composed of key safeguards to limit minors' access to alcohol brand profiles on YouTube, Facebook, Instagram and Twitter. It also contains the first blacklist of prohibited creative features which RMP members commit to never representing within their marketing communications.

As a founding member of the RMP, Bacardi has committed to the European Commission

to implement the following:

1. Use common controls to effectively limit minors' access to alcohol advertising, by only placing our ads in media whose audiences are at least 70% over LDA consumers;
2. Provide technical safeguards on our profiles and pages to limit minors' direct interaction with our brands on social networking sites, such as age-affirmation mechanisms, the Forward Advice Notice and Responsible Drinking Message;
3. Ensure content of our marketing communications does not target minors specifically by never representing certain creative features. A list of what should not be represented is available to and recognized by industry leaders.

In November 2014, the RMP was officially welcomed by the European Commission during a meeting of the European Alcohol and Health Forum, who manifested interest in seeing the first monitoring reports. To demonstrate our continuing commitment with the responsible placement and content of our ads, the compliance with these new standards will be independently monitored and progress will be publicly reported on an annual basis.

Champions Drink Responsibly (CDR)

CDR is our award-winning flagship responsible drinking campaign, which promotes The Champion's Way, a set of four key messages to help consumers make every night out a memorable one:

1. Having a plan so everyone has an amazing time
2. Taking your time and choosing quality over quantity
3. Being a true friend and looking out for each other
4. Making sure everyone makes it home safely (don't drink and drive)

The messages are designed to give people useful and practical suggestions for behaviors that help them enjoy themselves safely – creating The Champion's Way.

In fiscal 2015 we continued with our 'local ambassador' approach to CDR, which we believe is the best way to deliver effective and relevant messaging around responsible drinking. Our local-market campaign in Australia features world champion surfer Joel Parkinson. This year Joel helped promote the campaign at a dedicated launch event, the F15 Surf Competition, and through his extensive social media presence on Instagram and Facebook. As a result, the campaign reached 6.2 million people, with 43% of the 18-24 year olds who saw the campaign responding it would make them consider drinking more responsibly.

Over the coming years we aim to further increase our impact and engagement around responsible drinking, through increased responsible drinking messaging, more effective programing and collaborating with other industry members and partners and combining our resources.

Environment, Health & Safety

We have a responsibility to minimize environmental impacts across our value chain and to ensure our people are safe at work. These key business objectives reduce risk, increase efficiency and make sound business sense.

In this Section:

Strategy

Targets and Progress

Key Highlights

32.3%

Reduction in GHG emissions since the benchmark was set in 2006.

65%

Reduction on the LTA Rate in our manufacturing sites compared to FY2014.

The significant improvement in our performance coincides with the launch of our Safety First program in FY2015.

Clear Respect

Bacardi's values, such as Caring and Excellence, are a key driver of our commitment towards the Environment and the Safety of our people. We have a clear goal to achieve best-in-class environmental and safety performances, through the creation of focus programs as Good Spirited and Safety First.

Our Environmental sustainability strategy aims to reduce the impact of our operations and across our entire value chain, involving all our employees and our suppliers.

By making Safety First our priority we aim to develop a true and solid safety culture that will allow us to deliver our vision for an accident-free Bacardi.

Strategy

We have a responsibility to minimize environmental impacts across our value chain

In fiscal 2014 we launched our Company initiative Good Spirited: Building a Sustainable Future, and rolled out the Bacardi sustainability program within our Global Operations function. This fiscal year we continue to integrate the benefits of sustainability into our brands to support business growth and to ensure responsible, sustainable sourcing practices. For more information please visit our [FY2014 CR Report](#).

We have a responsibility to keep our people safe at work

Our vision is an accident-free Bacardi. In fiscal 2014, we embarked on an upgraded five-year Health & Safety strategy. It was introduced in fiscal 2015 with the goal of putting 'Safety First' to achieve accident-free environments. For more information please visit our [FY2014 CR Report](#).

Targets and Progress

Long-Term Ambition:

We aim to achieve best-in-class environmental and safety performance in our operations. Most of our products' environmental impacts are in our supply

chain. We will work both in our own facilities and with our suppliers to reduce impacts and risks across our whole value chain. From a safety point of view, we have a long-term vision for an accident-free Bacardi.

TARGETS FOR FISCAL 2015	PROGRESS IN FISCAL 2015	STATUS	TARGETS FOR FISCAL 2016
Achieve a 1% reduction in water use efficiency in production sites and a 1% improvement in non-renewable energy efficiency, both compared with fiscal 2014.	We continued to reduce the amount of water used in production by achieving a 3.9% reduction. Our water use efficiency improved by 3.2%. We also improved our non-renewable energy efficiency, resulting in our GHG Emissions reduced by 3.7%.	✓	Achieve a 3% reduction in volume of water used in production sites and a 15% improvement in GHG Emissions efficiency, both compared with fiscal 2015.
Complete the installation of the two biomass boilers.	During fiscal 2015, the installation of two biomass boilers was completed at our tequila distillery in Arandas (Mexico), and our Scotch whisky distillery in Aberfeldy (Scotland).	✓	Complete the installation of a third biomass boiler at our Royal Brackla Scotch whisky distillery in Nairn (Scotland).
Solid waste to landfill from production sites will be less than 2% of total weight to landfill.	We continued the implementation of reduction, reuse and recycling initiatives at our manufacturing sites. During fiscal 2015, only 0.74% of total waste was sent to landfills.	✓	Solid waste to landfill from production sites will be less than .5% of total weight to landfill.
Continue the roll out of the Good Spirited Program through all the Bacardi locations.	Since launching in February 2014, we've shared more than 100 stories showcasing sustainability efforts. More than 60 employees have been featured. We had our first internal awards program to recognize individuals, teams and projects making a difference across 5 categories (Green Champion, Sustainable Office, Partnership, Sustainability Improvement, and Sustainability Project).	✓	Expand Green Champions network to also cover functional areas including Procurement and Packaging Development. Continue with internal awards program (2nd year).
The seven steps of behavior-based safety program fully implemented in 100% of our manufacturing sites.	We achieved this objective, with 100% of our manufacturing sites conducting behavior-based safety observations. In FY2015 we also achieved a 65% reduction on the LTA Rate in our manufacturing sites compared to FY2014.	✓	Observations rate tracked monthly in all plants as our first leading health and safety performance indicator. Our long-term target is an overall LTA rate of less than 1 per million of worked hours by 2022. Thanks to the significant improvement achieved in FY2015, we are now anticipating we will reach this target by 2017.
Continue to maintain certification of all production facilities to the ISO 9001, ISO 14001 and OHSAS 18001 management system standards.	In 2015, we successfully maintained our certification by passing all the planned surveillance audits.	✓	Maintain our "Triple Crown" by passing our re-certification audits for ISO 9001, ISO14001 and OHSAS 18001 management systems standards.

Achieved
 Partially achieved
 Not achieved
 Target ongoing

Key Highlights

Water

FY2015 showed 3.2% better water use efficiency than FY2014. Action Plans are in place at each of our manufacturing sites in order to continue to improve our water use efficiency.

Water Used

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Water Use Efficiency Index (per unit of production)	86.0	76.3	75.0	62.7	60.1	56.4	54.6
Total Water Used (000 cubic meters)	6,140	4,910	4,620	4,250	3,870	3,840	3,690

Note: Data for each of the fiscal years has been restated, following corrections due to better data reliability.

Improvement Index: Base Year FY2006 = 100

GRI EN8: Water Supply Profile

	FY2014	FY2015
Public Supply (m ³)	935,923	868,010
Groundwater (m ³)	941,939	788,213
Surface Water (m ³)	1,964,652	2,031,367
Harvested (m ³)	0	0
SUM (m ³)	3,842,514	3,687,590

Water used includes non-contact cooling water.

- 45.4% reduction achieved since FY2006
- 3.2% better than FY2014
- Action Plans are in place at each of our manufacturing sites to continue to improve our water use efficiency

Of the total water released by our production facilities, 1,370,599 cubic meters was discharged as wastewater and 243,665 cubic meters was applied to cropland as a fertilizer or for irrigation. The water that is applied to land for beneficial reuse is returned to the crops that provide our raw feedstock to make spirits in countries where regulatory authorities permit.

Water Discharge by Volume

	FY2014	FY2015
Direct Discharges (m ³)	1,019,155	936,275
Indirect Discharges (m ³)	478,867	434,334
Beneficial Land Application (m ³)	378,353	243,665
Total Volume Discharged (m ³)	1,876,375	1,614,274

Waste Management

We are building on progress at our production sites to reduce landfill waste, and plan to work more closely with supply partners to ensure all the packaging we receive can be recycled.

During FY2015, the percent of non-hazardous waste recycled/reused/recovered was 99.2% .

EN22: Waste and Waste Management (Tons)

	FY2014	FY2015	% CHANGE
Non-Hazardous Waste			
Recycling/Reuse/Recovery	146,664	171,794	99.2%
Incineration/Treatment	136	100	0.1%
Landfill	41,052	1,264	0.7%
Subtotal (and % yoy change)	187,852	173,158	-7.8%
Hazardous Waste			
Recycling/Reuse/Recovery	21.8	16.0	36.8%
Incineration/Treatment	18.3	26.0	60.0%
Landfill	0.0	1.4	3.1%
Subtotal (and % yoy change)	40	43	+8.0%
Total Waste			
Recycling/Reuse/Recovery	146,686	171,810	99.2%
Incineration/Treatment	154	126	0.1%
Landfill	41,052	1,265	0.7%
Total (and %yoy change)	187,892	173,201	-7.8%
%Waste that is Hazardous			0.03%

GHG Emissions

Direct and Indirect GHG Emissions

FY2015 a reduction of our GHG emissions compared to FY2014. This was driven by our energy use efficiencies. All of our GHG emissions are reported as total carbon dioxide equivalent (CO²e).

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Direct (tons of CO ² e)	88,500	63,000	60,800	64,000	67,000	67,700	58,700
Indirect (tons of CO ² e)	33,500	34,900	29,100	29,100	30,900	27,800	27,700
GHG Intensity Index (per unit of production)	82.2	74.3	69.5	67.1	75.1	70.3	67.7

Note: Data for each of the fiscal years has been restated, following corrections due to better data reliability.
Improvement Index: Base Year FY2006 = 100

Direct and Indirect GHG Emissions (Tons of CO²e)



Total Direct and Indirect GHGs (Tons of CO²e)

	GHGs, Tons
Direct CO₂ Fossil (Fuels) (tons of CO ² e)	58,700
Indirect CO₂ Fossil (Power) (tons of CO ² e)	27,700
Production Process GHGs (tons of CO ² e)	500
Offices (large*), Indirect GHGs (Power)	5,600
TOTAL (Tons)	92,600

*Large Offices included those over 25 people

EN20 Other Air Emissions (Tons)

	GHGs, Tons
SO₂	786
NO_x	96
Particulates	14
TOTAL (Tons)	896

New Biomass Boilers

During FY2015, the installation of two biomass boilers was completed, enabling us to convert from the use of heavy fuels to biomass materials including wood chips and pellets. At our tequila distillery in Arandas, Mexico, a mixture of agave bagasse and woodchips is converted into green energy to generate the required steam for agave sugar extraction, cooking and

distillation to produce Tequila Cazadores.

Installation of a third biomass boiler at our Scotch whiskey distillery in Royal Brackla, Scotland started during FY2015. This boiler will reduce the plant's CO₂ emissions by 6,600 tons of per year. The installation of these boilers is expected to reduce 15% of our total GHG emissions once they are in full operation.

Energy

Energy Use

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Total Energy Used (TJ)	2,230	1,850	1,850	1,980	1,930	1,950	1,890
Total Non-renewable Energy Used (TJ)	2,040	1,700	1,550	1,630	1,660	1,630	1,500
Non-renewable Energy Efficiency Index (of production)	84.4	76.6	70.5	68.6	75.2	71.5	69.7

Bacardi tracks energy performance based on the total primary energy consumed at our production facilities. Primary energy includes direct energy, fuel burned directly at our facilities – and an estimate of indirect energy (fuel needed to generate the electricity we purchase).

Note: Data for each of the fiscal years has been restated, following corrections due to better data reliability.

Direct Energy Sources (TJ)

	TJ
Fuel Oil	496
Natural Gas	432
Biogas	208
Biomass	64
TOTAL DIRECT ENERGY	1,200

Indirect Non-renewable and Renewable Energy Sources (TJs)

	TJ
Public Power	188
Hydro Power	38
Wind Power	1
TOTAL INDIRECT ENERGY	227

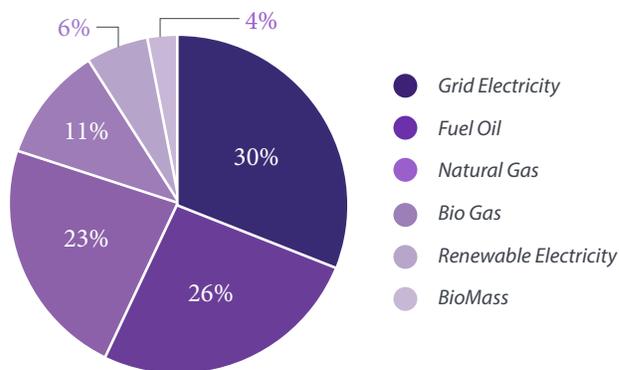
Hydro power and wind power only include energy from dedicated contract suppliers. Public power includes all forms of renewable and non-renewable energy on the national grids.

Energy Mix for Total Equivalent Primary Energy (TJ)

	FY2014	FY2015
Fuel Oil	616	496
Natural Gas	432	432
Bio Gas	213	208
BioMass	0	64
Grid Electricity	580	570
Renewable Electricity	107	117
TOTAL	1,948	1,887

Primary energy is energy consumed directly plus the estimated energy consumed to produce the indirect energy used.

Energy Mix for Total Equivalent Primary Energy



Health & Safety

Over the last 10 years we achieved a 88% reduction of our Lost Time Accident (LTA) rate in our manufacturing sites.

Number of LTAs

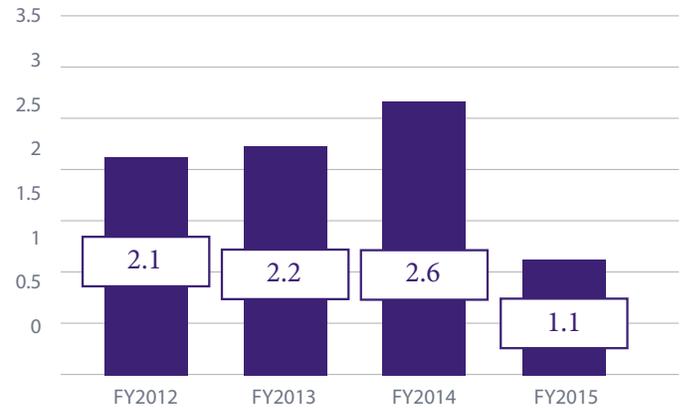
	FY2012	FY2013	FY2014	FY2015	CHANGE
Manufacturing	18	22	22	8	-14
Non-Manufacturing	8	6	9	6	-3
TOTAL	26	28	31	14	-17

Change compared to FY2014

LTA Rate

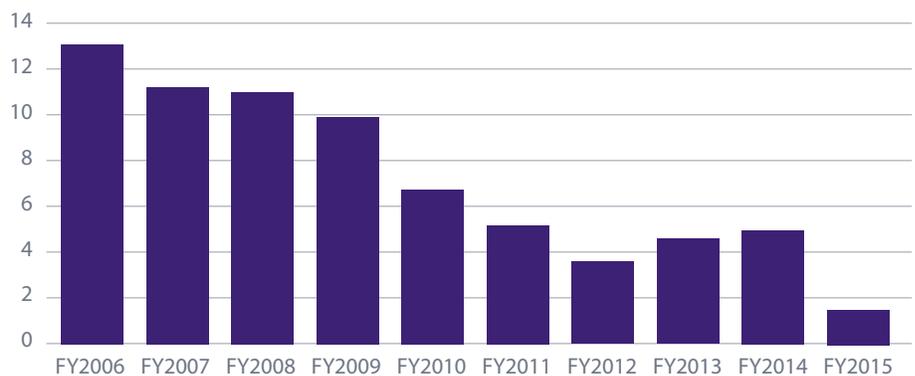
	FY2014	FY2015	% CHANGE
MANUFACTURING SITES LTA RATE	4.4	1.6	65%
BACARDI TOTAL LTA RATE	2.6	1.1	58%

Bacardi Total LTA Rate



Our long term target is an overall LTA rate of less than one per million of worked hours by 2022. Thanks to the significant improvement achieved in FY2015, we are now anticipating achieving this target by 2017. After three years of negative trend, in FY2015 we achieved a breakthrough in our Safety performance, reaching our lowest level of overall LTA rate ever.

LTA Rate Long-Term Trend (Manufacturing Sites)



Safety culture excellence – Fiscal 2015 Accident-free manufacturing site award

In FY2015 we launched our new Health and Safety program, named Safety First, with the long term vision of becoming accident free in all Bacardi workplaces.

Being an accident-free site means that every day, every person at Bacardi's manufacturing sites will be able to work without suffering any type of accident, going back home safe from work.

In FY2015, 14 of our 29 Manufacturing sites have been

able already to achieve the accident-free status for the full year, thanks to strong commitment and ownership on Safety, helping Bacardi to become a safer workplace. These efforts have been recognized by our first ever Accident-free manufacturing site award that has been presented to the employees of the 14 sites.

Safety First is our new platform to develop Safety Culture Excellence by breaking it down into focused, pragmatic, internally-led actions. By further developing and deploying this program across all our manufacturing sites, we aim to improve year over year the Safety Practices, and deliver our long-term accident-free Safety vision.

Responsible Sourcing

We source high-quality ingredients and raw materials from many countries around the world, including those where achieving good workplace standards, environmental protection and sound governance can be complex.

In this Section:

Strategy

Targets and Progress

Key Highlight

19%

Sugarcane-derived products covered by either an EU or US recognized certification.

40%

We are on track to ensure at least 40% of the sugarcane-derived products used to make BACARDI rum will be from certified, sustainable sources by 2017.

Good Spirited Sourcing

Our vision for Responsible Sourcing is for all of our raw materials and packaging to come from sustainably sourced, renewable or recycled materials – reducing environmental and social impacts, while maintaining or enhancing the economic status of growers and suppliers. Our Responsible Sourcing program, now in its sixth year, aims to deliver this vision.

Bacardi's Responsible Sourcing standards outline the standards we require of our suppliers in the areas of labor, human rights, health and safety, environment and business integrity. We ensure our suppliers comply with our standards through our internal procurement processes or by suppliers' membership in Sedex, the database for sharing supplier information on ethical business practices.

Strategy

Responsible sourcing standards

Our Responsible Sourcing standards apply to all suppliers providing goods and/or services to Bacardi. The standards encompass what we expect from our suppliers in terms of labor standards, human rights, health and safety, environmental protection and business integrity. They represent minimum standards, and we encourage suppliers who seek to implement higher standards within their operations. We seek to gain agreement on and compliance with our Responsible Sourcing standards from all our suppliers. For more information, please visit [FY2014 CR Report](#).

Third-party Responsible Sourcing audit schedule

In fiscal 2014, Bacardi partnered with Sedex, the largest collaborative platform for sharing ethical, supply-chain data. The organization provides a third-party Audit Management Service which enables Bacardi's suppliers to drive and report Audit program based on Ethical Trade Audit Protocol (SMETA). Delving deeper into our Direct and Point of Sale (POS) supply chains gives our Procurement team better quality information on the suppliers' level of engagement with our Responsible Sourcing program. For more information please visit our [FY2014 CR Report](#).

Targets and Progress

Long-Term Ambition: Our vision for Responsible Sourcing is for all of our raw materials and packaging to come from sustainably sourced, renewable or recycled

materials – reducing environmental and social impacts while maintaining or enhancing the economic status of growers and suppliers.

TARGETS FOR FISCAL 2015	PROGRESS IN FISCAL 2015	STATUS	TARGETS FOR FISCAL 2016
Each new supplier will be risk assessed and engaged to ensure compliance with our responsible sourcing standards and Code of Practice. In addition, implement updated Vendor Qualification Process (VQP) document for Direct Ingredient suppliers.	We have in place a Vendor Qualification Process and updated it April 2015 to systematically assess any new supplier to ensure their compliance with our responsible sourcing standards and Code of Practice.	✓	100% of all new suppliers to be assessed according to the Vendor Qualification Process.
Global Direct and Global Point of Sale (POS) suppliers linked to Bacardi in Sedex to represent 85% of spend in these key categories.	Global Direct suppliers (only) linked to Bacardi present 70% of spend.	Ⓧ	See immediately below.
We will commission third-party ethical audits, based on the SMETA 4 Pillar protocol at a minimum of 30 global suppliers within the Direct and Point of Sale (POS) functions. Begin integration of other indirect procurement categories in RS Program.	This process for third-party ethical audits is fully embedded into the Sedex process.	✓	85% of spending with Global Direct suppliers and 95% of Global Point of Sale suppliers linked to Bacardi through Sedex.
Scope out a multi-approach to implementation of a sustainable agriculture sourcing strategy. This will include becoming members of the Sustainable Agriculture Initiative (SAI) Platform. Focus crops will be wheat, barley, grains, sugar beet and grapes. In addition, increase number of “RS Champions” through internal RS training program.	We have subscribed and become a member of the SAI platform. We are in the process of defining our sustainable agriculture sourcing strategy.	Ⓧ	Define and implement the sustainable agriculture sourcing strategy focusing on the most relevant crops. Develop the sustainability training program and integrate the RS training program.
Implement sustainable sugarcane sourcing and community project with NGO partner to further support our 2017 sourcing target.	In FY2015 we committed to supporting the Bonsucro Panamericana project in Latin America – the origin of the majority of our sugarcane-derived products. The collaboration will enable knowledge sharing and opportunities to address systemic issues in the sector.	○	Ensure 40% of our sugarcane-derived products will be certified as sustainable by 2017, and 100% by 2022.

Achieved
 Partially achieved
 Not achieved
 Target ongoing

Key Highlight

Bonsucro Panamericana



The global, nonprofit organization, Bonsucro, is growing stronger and

maintaining its position as the leading standard bearer for sustainable sugarcane production. Bacardi is a founding member and works with the organization to improve economic, environmental and social conditions in the regions around the world where sugarcane is produced.

“The Bonsucro standard covers areas such as human rights and labor conditions, biodiversity, environmental and economic viability of the sugarcane producers,” explains Natasha Schwarzbach, Head of Engagement for Bonsucro.

Farmers, millers and end-users of sugarcane must meet rigorous requirements to be verified as sustainable by Bonsucro. Then as members, they work collaboratively to raise the bar at every step across the supply chain.

Bonsucro-certified land under cane has reached 3.66% of the world’s total – equal to some 871,229 hectares. Nearly four million tons of Bonsucro certified sugar

and 2.7 million cubic meters of certified ethanol have been produced so far. At the end of fiscal 2015, 19% of Bacardi’s sugarcane products were covered by EU or US-recognized sustainability certifications such as the Bonsucro standard.

Bonsucro is now in the process of establishing the Panamericana program; a partnership between Bonsucro and Solidaridad which aims to pool resources, exchange best practice, and address systemic issues through collaboration amongst members in Central and South America. In its first year alone, the program aims to:

- Undertake baseline assessments and pre-audits to develop and implement improvement plans for ten mills, 240,000 tons of sugar, 350,000 hectares of land, and 3,500 workers;
- Implement a knowledge sharing platform for members; and
- Host a producer forum on worker health and safety.

Our People

We aim to connect and align all of our employees across the globe behind one set of values, strategies and common ways of working.

In this Section:

Strategy

Targets and Progress

Key Highlight

86%

of our employees are proud to work for Bacardi.

40%

of our employees attended Women In Leadership (WIL) awareness sessions.

Clearly Committed People

Our People strategy is built on the belief that outstanding people will deliver excellent results. We aspire to unleash the potential of our people who are valued for their individual contributions to their teams and to the Company, and are recognized as the envy of the industry. By demonstrating “values-based” performance (a commitment to our values of Trust, Passion, Caring and Excellence), our people are the best ambassadors for our brands and our Company.

Within the People pillar, we believe performance and values are equally important in delivering results. We are building a culture where performance is measured by the outcomes achieved **AND** the way they were achieved. This equation of P (Performance) + V (Values) = Y (Yes) demonstrates our commitment to growing and rewarding employees who deliver both as they help to make the Bacardi culture stronger.

People Strategy

To Bacardi, outstanding people are talented and engaged employees who are valued for the unique contributions they bring to the Company. Our People strategy is designed to bring out these characteristics in all of our employees.

Our goals are to:

- Get top talent into key roles
- Drive succession planning & development
- Make Bacardi, faster, more effective and efficient
- Drive values based performance
- Make Bacardi, “the place I want to be”

Targets and Progress

Long-Term Ambition: We will unleash the potential of our people by creating a working environment where every employee can take advantage of the development opportunities Bacardi offers. We will inspire, engage and

support our people and intend to become recognized internally and externally as a Great Place to Work®. In FY2015 we launched a revised global people strategy, setting new targets for FY2016 and beyond.

TARGETS FOR FISCAL 2015	PROGRESS FOR FISCAL 2015	STATUS
Complete talent development programs started in FY2014 and begin creating a coaching culture.	In addition to rolling out core coaching programs we have created a highly intensive coaching program for key talents.	✓
Continue to support Women in Leadership (WIL) initiative by ensuring we have local WIL action plans and grow the number of women in senior roles.	We continued to build on the FY2014 plan and its pillars of: attract and recruit talented women; strengthen the talent pipeline; connect; collaborate and inspire; and create a winning work environment. We established: <ul style="list-style-type: none"> • Active WIL networks in Miami, Geneva, Hong Kong and London • A WIL steering committee for the North America (NAM) region • A mentor and career sponsor program • WIL focus and metrics in talent reviews • Flexible working practices as part of creating a winning work environment. The proportion of the total Bacardi workforce represented by women remained constant at 37%. At a management level, the proportion of women increased (one-third of the middle management population and 38% at the 'professional' level).	✓
After much support and success in FY2014, the quarterly priority process (rolled out to senior leaders in FY2014) will be rolled out to lower levels in the organization.	We ran "Values Based Performance" Training for line leaders and reinforced the principles of conducting regular check-ins with their teams.	✓
Rollout and embed the Champions Drink Responsibly initiative to all employees.	We launched the campaign across the globe and translated all materials into local languages.	✓

✓ Achieved
◐ Partially achieved
○ Not achieved
🔄 Target ongoing

TARGETS FOR FISCAL 2016

80% of all new hires to complete Becoming Bacardi training within first four months of hire.

Launch the global Human Resource Information System to give greater visibility to internal talent and help achieve a 70% internal hire ratio.

33% of senior management roles to be held by women.

Employee Engagement Survey Action Team present in each hub/large country.

Build Global Recognition Program, strongly linked to our Values to celebrate performance and key career milestones. Develop roll-out plan.

Launch YOUiverse, our engaging, online career planning tool, across all markets to provide greater visibility to employees on how they develop rich and meaningful career paths and support them in thinking through the choices people take in developing careers.

Key Highlight

Making Bacardi - the place I want to be

In line with our Global People Strategy, we designed and rolled out our second global Employee Engagement Survey in FY2015. As crucial contributors to the Bacardi brand, we are committed to ensuring our employees' voices are heard and we learn from their insights to build an even more engaged workplace. Thanks to the insights shared in our previous survey, more than 70 action teams were assembled around the world to address areas of opportunity.

Our objectives for the FY2015 survey were to:

- Educate leadership across the business on the performance benefits derived from positive employee engagement
- Identify critical engagement priorities at a local, regional, functional and global level
- Foster open dialogue between line managers and employees
- Understand the root causes of what matters most to our employees
- Prioritize and drive actions that will make the biggest difference for our employees at a local, regional, functional and global level

The survey highlighted key strengths we will strive to retain and areas for development to be included in our Action Teams' agenda for FY2016. Our general targets for FY2016 are aligned with the actions determined by the survey, and we are committed to monitoring and measuring the results of engagement activities on a regular basis.

STRENGTHS	ACTIONS FOR FY2016
<ul style="list-style-type: none"> • Have great pride in Bacardi and our brands • Feel accountable for delivering results • Know what is expected of them 	<ul style="list-style-type: none"> • Timely decision making and commitment • Clear strategy and goals • Effectiveness of career development opportunities

86%
response rate
to Employee
Engagement
Survey

95%
of our employees
would recommend
our brands to others.

*"I feel proud to
work for Bacardi"*
was one of our
top-rated items

**Corporate Social
Responsibility efforts
and reputation**
in the Top 5 highest
rated/most favorable
categories in the survey



Clear Support

Bacardi has more than 150-year history of quality, excellence, ethics and social involvement. These values were important to our founder, Don Facundo Bacardi Masso, and are still important to us today.

In this Section:

Strategy

Targets and Progress

Key Highlights

As part of the Bacardi commitment to the communities where it operates, employees are encouraged to participate in programs and activities on behalf of the Company. This participation by employees increased the public’s awareness of the nature and extent of Bacardi community involvement and also generates among our people a strong sense of pride in themselves and in our Company.

Within the Philanthropy and Community Involvement (PCI) pillar, we engage our employees – and through their participation, raise awareness of our approach to Corporate Responsibility. We hold a global flagship community event each calendar year. Initiatives are managed by local operations, which are closer to their communities. We provide support in four broad areas:

- Arts and culture
- Education
- Environment
- Health and social services

9,610 hours

Bacardi employees in 37 countries around the world contributed 9,610 hours of their time in FY2015.

Strategy

Decentralized approach to Philanthropy and Community Involvement with our local operations deciding how best to support their local communities

Our PCI strategy is directional, rather than prescriptive. This enables our operations to carry out community activities that are relevant locally and can assist in meeting community

needs. One important goal of our PCI program is to engage our people in corporate responsibility. Corporate Responsibility Month, our annual flagship event engages our global workforce and gives our employees the opportunity to be involved in community activities. For more information, please visit our **FY2014 CR Report**.

Targets and Progress

Long-Term Ambition: We aim to involve our employees in our PCI activities and raise their

awareness of our approach to Corporate Responsibility through these initiatives.

TARGETS FOR FISCAL 2015

PROGRESS IN FISCAL 2015

STATUS

TARGETS FOR FISCAL 2016

Review four broad areas to determine if these are the proper areas of focus.

We have reviewed the four broad areas mentioned above internally within the Company and believe these are the appropriate areas of focus.



Through Stakeholder Research we will review and confirm these four areas with external stakeholders.

Increase quality and complete reporting to a level of increased consistency across all regions.

Review database to determine if it needs updating or changing.

The Company was previously tracking PCI expenditures through a Lotus Notes Database. During FY2015 the Company changed from Lotus Notes System to Microsoft Outlook and determined that a new database was needed to track better PCI activities. In addition, the Company has implemented a new requirement to track vendors by their for-profit versus non-profit status.



New PCI Database and tracking system to be selected and put into place by the end of FY2016.

Review Corporate Responsibility month activities, and surveys, to determine if changes need to be made.

In-depth U.S. Survey completed:

- Over 90% combined Excellent/ Good approval ratings for Organization, Value of activities, Likelihood of attending again, Scheduling of Events, Communication materials and Overall Experience.
- Learnings: Workload and conflicts with schedule were main reasons for non-participation; more variety of CR activities, more Bacardi CARE events, more lunch-time activities, more senior management participation and expand CR Month activities to other months throughout the year.



Increase total number of employees actively participating in community activities and the total number of hours contributed by employees during Company work time.

Increase number of employees participating in a Company Corporate Responsibility activity versus last year.

CR volunteer hours increased from 7950 to 9,610 participating in 37 countries around the world.



Increase number of CR volunteer people and hours versus previous year.

Achieved
 Partially achieved
 Not achieved
 Target ongoing

Key Highlights

Global Corporate Responsibility Month

It is in our long-term interest to foster healthy and vibrant communities. Respecting and supporting communities where our employees and business associates live and work is an important part of our being a trusted partner in the local communities where we operate.

Our flagship global PCI initiative, Corporate Responsibility Month, is designed to engage employees in community activities and work in a globally coordinated way to give back to our local communities. Launched as a one-week event in FY2011, we expanded from one week to an entire month in May 2012 (at the beginning of FY2013) and have expanded it in FY2015 to include the months of May and June.

The expanded Corporate Responsibility Month continued to be based on the theme, Spirit for Life, Caring Together, which links clearly to our Company value of Caring and our Company purpose of Spirit for Life. Activities were organized around our five pillars of CR: Marketplace: Environment, Health and Safety, People and Philanthropy and Community Involvement.

For more information watch the Global impact Summary of CR Month FY2015.



Why it Matters!



In July 2014, Bacardi Limited announced its commitment of \$500,000 to the Bermuda Hospital Charitable Trust (“BHCT”) “Why it Matters” campaign in support of the redevelopment of the new Bermuda hospital Acute Care Wing, with funds of \$100,000 to be remitted each year for five years.

The “Why it Matters” campaign is a \$40 million capital campaign needed for the down payment for the Redevelopment Project. The Trust reached out to the community – local and international companies, organizations, associations, families and

individuals – asking everyone to play their part to contribute to the revitalization of the hospital and contribute to the \$40 million campaign.

The project affects everyone in the community; every dollar raised will help the healthcare system and to deliver an enhanced level of hospital care for the benefit of the whole community.

Bacardi has had prior involvement in supporting the BHCT. In 2005, in celebration of the 40th anniversary of Bacardi in Bermuda, the Company donated \$600,000 to the King Edward Memorial Hospital (“KEMH”) over a five year period for the purchase and installation of a new state-of-the-art x-ray machine. On December 9, 2005, a letter of commitment was presented to the BHCT – then known as Bermuda Hospital Board (“BHB”) at Bacardi’s annual open house festivities. The x-ray machine was installed and named “The Bacardi Suite.” We are extremely proud to partner once again with BHCT to help redevelop the new Acute Care Wing.