



# Our Spirit Is Clear

2013 CORPORATE RESPONSIBILITY REPORT

Our full Corporate Responsibility report is available at [www.bacardilimited.com](http://www.bacardilimited.com)

## A welcome from our Chairman and our CEO

Our aim is to be best-in-class in Corporate Responsibility in the spirits industry. We believe that by responsibly managing our environmental and social impacts, Bacardi will be a more sustainable business in the long term. Through our Corporate Responsibility programs, we regularly introduce new ways of working to increase efficiencies, reduce our global footprint and support grower communities and other partners, all while promoting responsible consumption.

As we look ahead, we intend to continue to play a role in helping address key global issues such as responsible sourcing, world population growth and climate change. Our increased engagement with stakeholders shows that our actions, as we deal with these and other challenging issues, are aligned with stakeholder interests.

The Bacardi Limited Corporate Responsibility program comprises five pillars that reflect our principal areas of activity. These pillars are Marketplace; Environment, Health and Safety; Responsible Sourcing; People; and Philanthropy and Community Involvement.

Although there is much more work to do, we're pleased to report we made progress in all five of these areas during fiscal 2013.

[Watch Video](#)



*Our brand portfolio includes more than 200 brands and labels, with a focus on six core global brands.*

### *Corporate Responsibility at Bacardi Limited*

Bacardi Limited has long strived to set the standard against which CR efforts in the spirits industry are measured. The report describes the Company's multifaceted approach during fiscal 2013 and reveals its CR targets for fiscal 2014 and beyond. Among many endeavors, Bacardi Limited has reinforced its strong responsible drinking and marketing initiatives with 10 commitments, pledged for delivery over the next five years, as a member of the Global Alcohol Producers Group (GAPG). These ongoing GAPG commitments support the World Health Organization (WHO) efforts to address "harmful drinking."

Learn more about our brands at [www.bacardilimited.com](http://www.bacardilimited.com)

# Our five Corporate Responsibility pillars

Our overall aim is to achieve a leading Corporate Responsibility position for Bacardi Limited. We will do this by developing and delivering a Corporate Responsibility program that is best-in-class. Within our Corporate Responsibility program, there are five pillars reflecting our main areas of activity.

## Marketplace

We are proud of the quality and heritage of our brands and do not want them to be consumed inappropriately. Our ambition is to encourage consumers to enjoy our products on a regular basis in moderation.

### Strategy:

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 Limited. 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 that we market our products in a responsible way. To this end, we aim to build on the recognition already received for our award-winning responsible drinking campaigns and to continue to uphold our excellent record of compliance with responsible marketing codes.



*Measuring the Results:*

**689,271**

fans on the "Champions Drink Responsibly" Facebook™ page by March 2013

**0**

No consumer complaints on our advertising were upheld in 2013.

## Environment, Health and Safety

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

### Strategy:

Our values of Excellence and Caring underpin our goal to achieve best-in-class environmental and safety performance. Most of our products' environmental impacts are in our supply chain, and we work in our own facilities and with our suppliers to reduce impacts and risks across our whole value chain. Ensuring the safety of our employees is of vital importance to us.

Within the Environment, Health and Safety pillar, we have developed a new environmental sustainability strategy that will guide us in creating industry-leading programs to reduce our environmental impact. From a safety point of view, we have a long-term vision for an accident-free Bacardi Limited.



*Measuring the Results:*

**3 Years**

We successfully recertified all of our production facilities to ISO 9001, ISO 14001, and OHSAS 18001 standards.

**54%**

In FY2013 we used 54% less water than in FY2006.\*

*\* This includes only those sites tracked since fiscal 2006, and therefore excludes JDSL distilleries and Santo Stefano Belbo.*

## 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.

### *Strategy:*

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 fifth year, aims to deliver this vision. The Bacardi Limited 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.



### *Measuring the Results:*

**77%**

Global Webshop POS suppliers that underwent the Vendor Qualification Process (VQP) for screening vs RS Standards in fiscal 2013.

## People

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

### *Strategy:*

At Bacardi Limited, we strongly believe that our outstanding people will deliver excellent results. For us, outstanding people means talented and engaged employees who are valued for their unique contributions to the Company. By demonstrating their commitment to our values of Trust, Caring, Passion and Excellence, our people are the best ambassadors for our Company and brands. We strive to inspire, engage and support our people, and we intend to become recognized internally and externally as a Great Place to Work.



### *Measuring the Results:*

**50%**

of business units and global functions will hold local awareness and engagement sessions by the end of fiscal 2014.

## Philanthropy and Community Involvement

Bacardi Limited has a 150-year history of quality, excellence, ethics and social involvement which were important to our founder.

### *Strategy:*

As part of the Bacardi Limited commitment to the communities within which it operates, employees are encouraged to participate in community programs and activities on behalf of the Company. This participation by employees increases 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. We try to involve our employees in community activities and, through their participation, raise awareness of our approach to Corporate Responsibility. We provide support in four broad areas: arts and culture; education; environment; and health and social services.



### *Measuring the Results:*

**US \$6.06 million**

The total value of support given by Bacardi companies and brands in fiscal 2013.



## Corporate Responsibility at Bacardi this year:

### Marketplace

In fiscal 2013, together with other industry leading companies, Bacardi Limited signed a 5 year commitment to reducing alcohol related harm. These commitments are called the Global Alcohol Producers Group (GAPG) commitments and full details can be found in the report. This year also marked the second full year of that tennis great Rafael Nadal has served as the Bacardi Limited Global Social Responsibility Ambassador and champion of our responsible drinking flagship project – the award-winning global campaign, “Champions Drink Responsibly. We also raised awareness around the world of our four key responsible drinking messages to ensure consumers can enjoy great and memorable evenings, by hosting consumer and media events in New York, Majorca, Acapulco and Barcelona. These efforts help to strengthen our ongoing commitment to our newly updated Global Marketing Principles aimed at ensuring that Bacardi adheres to responsible marketing practices across our business globally.



### Environment, Health and Safety

Last year work got under way to convert an old banknote-printing mill site into a new distillery and visitors' center for the Bombay Sapphire brand in Hampshire, U.K. The new distillery is being constructed to meet the highest level of environmentally-leading building standards and some of its features include: A wood chip biomass boiler serving 15% of the site's energy needs which will use spent botanicals from the distillation process; a hydropower turbine which will also generate electricity for the site; and protecting and enhancing local biodiversity with actions such as installing bat boxes and fully restoring fish stocks in the River Test.



### People

In January 2013, 24 talented women leaders attended the 'Winning @Bacardi' global leadership development program in Miami. The program was attended by our CEO, members of our Board, external speakers and members of the Bacardi Leadership Team. This was supplemented by Four Spotlight sessions held in Geneva, London, Paris and the U.S., with women leaders sharing their leadership stories and advising emerging women leaders on managing their careers as well as identifying 40 female leaders who will be sponsored by senior executives within or outside Bacardi. The goal is to support the career path of our female talent to build a stronger pipeline of leaders for the Bacardi business.

### Philanthropy and Community Involvement

During fiscal 2013, Bacardi announced it had made a \$2.7m in-kind donation by conveying to the National YoungArts Foundation, a U.S. based non-profit organization, the iconic landmark Bacardi Tower and Museum building complex in Miami, Florida. The Biscayne Boulevard complex, including the iconic blue-and-white-tiled and stained-glass buildings, was granted an historic designation by the City of Miami Preservation Board in 2009. By selling the property to the National YoungArts Foundation at half its market value, Bacardi made a major philanthropic contribution and also ensured that an important part of Miami's architectural, social and cultural fabric will be preserved and honored.



### Responsible Sourcing

At the end of fiscal 2013, we had over 320 of our supplier sites registered on the Sedex® supplier management system and access to more than 120 audits which represented an increase of over 20% from the previous year. This ongoing process to register, audit and engage with suppliers is a crucial element of our Sustainable Procurement strategy which aims to ensure that all suppliers are compliant with our Responsible Sourcing standards and Code of Practice.