

BACARDI LIMITED ESG *Index*



BACARDI LIMITED



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Introduction



GOOD SPIRITED ESG STRATEGY

While our family-owned business has grown from a single rum brand to the world's largest privately held international spirits company, what we stand for remains the same after seven generations. We care about the impact of what we do not just today but for the next century. We make choices based on doing the right thing for our people, our consumers, our partners, our brands and our world.

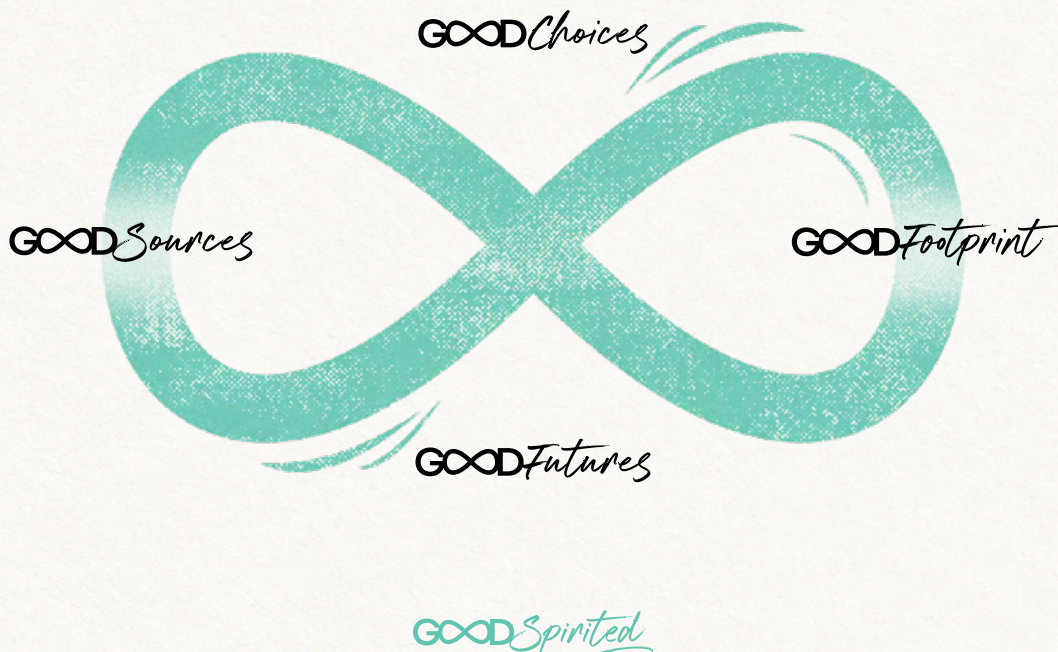
THAT'S THE BACARDI WAY. IT'S ABOUT BEING GOOD SPIRITED. FOR BACARDI, OUR AIM IS TO BE THE WORLD'S MOST ENVIRONMENTALLY RESPONSIBLE GLOBAL SPIRITS COMPANY.

For us to achieve that, transparency between Bacardi and our stakeholders is very important. We have consequently published the FY23 ESG Report and Index using the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) as our disclosure frameworks. Our ESG strategy, which we call Good Spirited, is focused on doing the right thing for the long run. Our heritage as the largest family-owned spirits company in the world is so important to us. Making sure that we leave a positive impact on the planet and on the future generations of not only our family but of all our stakeholders is one of the most important drivers of our business. We are proud of the work we do both at our sites and in the communities where we operate.

FOUR ESG AREAS OF PRIORITY

Good Spirited is broken into the four most significant ESG areas to Bacardi:

We are committed to doing the right thing, and we know we have a responsibility to deliver. We have set 19 goals aligned with the United Nations Sustainable Development Goals (UN SDGs), which correlate to each of our four priority areas. We report on our progress against these goals on an annual basis in our ESG Report. Additionally, we have been longstanding members of the United Nations Global Compact for over 10 years.





HOW DO WE REPORT?

To us, transparency is more than what goes into our bottles. We report transparently across all areas of our business, which are deemed significant through stakeholder research and materiality analysis, and which encompass our ESG strategy. This way, we are able to manage risk, deliver strategy, and support sustainability across our operations and where we do business.

We believe it is our responsibility to communicate openly with our stakeholders. Consequently, we publish an annual ESG Report and Index so our stakeholders can get an in-depth view of our progress, including up-to-date data and information. Here is how our reporting materials come together to tell our story:

Annual ESG Report: The annual ESG Report gives an in-depth summary of the Bacardi Limited ESG strategy, Good Spirited, and communicates our progress against established targets and initiatives that bring our priority areas to life. A link to the Report can be found [here](#), as well as in the ESG section of BacardiLimited.com.

Annual ESG Index: This document, the ESG Index, provides additional context to the Bacardi Limited ESG strategy and our performance covered in the ESG Report. Our strategy can be further explored through the [Materiality Matrix](#) on Page 6. Our performance is reported via the GRI and SASB standards, two complementary disclosure frameworks that allow us to report both comprehensive and industry-specific impacts and opportunities.

Website: Our website provides a holistic summary of the Good Spirited strategy, as well as updates throughout the year.





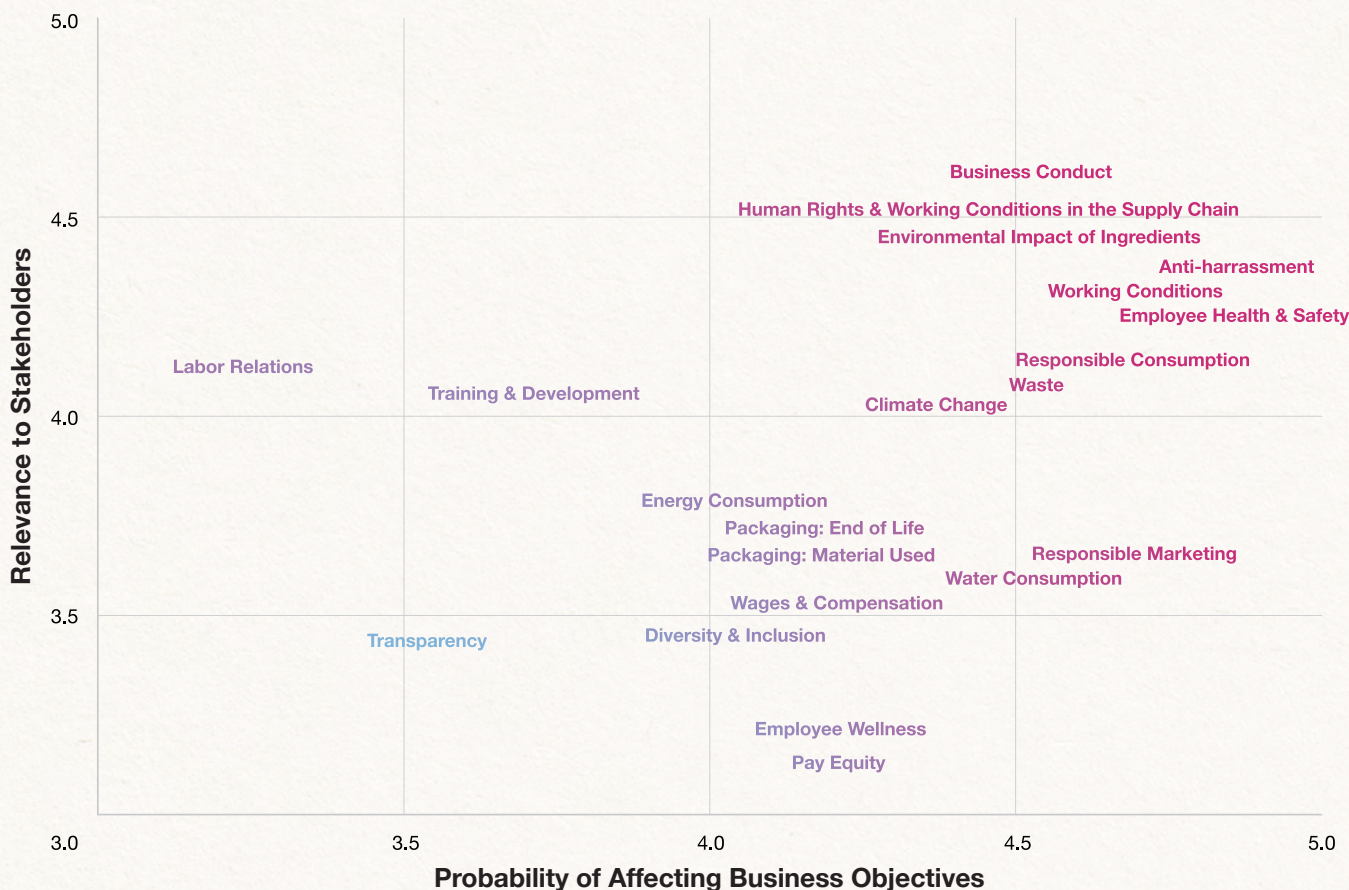
ESG PERFORMANCE RATING

Our materiality matrix reflects topics that we believe are important to our business. To identify topics material to our business, we conduct stakeholder research and materiality analysis with input from all of our stakeholders.

Who are our stakeholders? They are an extended part of our business, representing everyone who affects and is affected by Bacardi. Through robust stakeholder research, we have identified our stakeholder groups as customers, employees, communities, shareholders, investors, industry associations, non-governmental organizations (NGOs), regulators and suppliers. The matrix below represents the views of these internal and external stakeholders on topics of most importance seen through the lens of our Good Spirited strategy and aligned with the UN SDGs. ♦

For further information on materiality, please see [GRI 3: Material Topics](#) on Page 26.

PRELIMINARY MATRIX



For more information, contact us at: ESG@Bacardi.com



ESG PERFORMANCE RATINGS & RECOGNITIONS

Every year, we are rated on and recognized for our ESG performance. Ratings allow us to evaluate our Company by benchmarking against peers while ensuring our approach aligns with current standards, best practices and expectations. Through our recognitions, we celebrate the successes of our ESG strategy and Bacardi culture while also recognizing that there is always more work to be done. ♦

RATINGS



MSCI ESG RATING INDEX

Score: **BBB**

In March 2023, Bacardi Limited received a rating of BBB (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.*

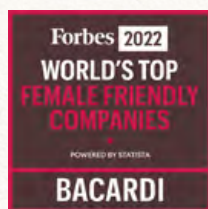


SUSTAINALYTICS ESG RISK RATING

Score: **19.5**

As of April 2022, Bacardi Limited received an ESG Risk Rating of 19.5 from Morningstar Sustainalytics, and was assessed to be at Low Risk of experiencing material financial impacts from ESG factors.

RECOGNITIONS



FORBES 2022

Female Friendly Company

Forbes has named Bacardi one of the “World’s Top Female-Friendly Companies.” The prominent list is based on an independent survey of approximately 85,000 women working at multinational institutions across 36 countries.



GREAT PLACE TO WORK

JUL 2022–JUL 2023

As of March 31, 2023, we are Certified™ by Great Place to Work® in 51 locations worldwide, including our global headquarters in Bermuda.

*THE USE BY BACARDI LIMITED OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES (“MSCI”) DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF BACARDI LIMITED BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED ‘AS IS’ AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.



RAW MATERIAL CERTIFICATIONS

KEY MATERIAL	CERTIFICATION STANDARD	LOGO
White Table Wines Prosecco DOC Asti Must	100% Equalitas Certified	
GREY GOOSE® Alcohol (Wheat)	100% SAI Certified	
Malted Barley	100% SAI Certified	
Botanicals	BOMBAY SAPPHIRE® botanicals are sourced from 100% sustainably certified suppliers	
Sugarcane Derivates (Molasses and LCD) Puerto Rico, Mexico and Brazil	100% Bonsucro Certified or ProTerra Certified	





GRI *Index*

UNIVERSAL STANDARDS

GRI CONTENT INDEX

Statement of Use

Bacardi Limited has reported in accordance with the GRI Standards for the period April 1, 2022 to March 31, 2023.

GRI Used

GRI 1: Foundation 2021
GRI 2: General Disclosures 2021
GRI 3: Material Topics 2021

Applicable GRI Sector Standards

Currently not applicable. Bacardi Limited is attentive to the release of the Food & Beverage Sector Standard.

List of material topics:

- 205 Anti-corruption
- 206 Anti-competitive Behavior
- 302 Energy
- 303 Water & Effluents
- 305 Emissions
- 306 Waste
- 308 Supplier Environmental Assessment
- 401 Employment
- 403 Occupational Health & Safety
- 404 Training & Education
- 405 Diversity & Equal Opportunities
- 406 Non-discrimination
- 407 Freedom of Association & Collective Bargaining
- 408 Child Labor
- 409 Forced or Compulsory Labor
- 413 Local Communities
- 414 Supplier Social Assessment

List of reported disclosures including disclosure titles:

- GRI 2: General Disclosures
- 2-1 Organizational details
 - 2-2 Entities included in the organization's sustainability reporting
 - 2-3 Reporting period, frequency & contact point
 - 2-4 Restatements of information
 - 2-5 External assurance
 - 2-6 Activities, value chain & other business relationships
 - 2-7 Employees
 - 2-8 Workers who are not employees
 - 2-9 Governance structure & composition
 - 2-10 Nomination & selection of the highest governance body
 - 2-11 Chair of the highest governance body
 - 2-12 Role of the highest governance body in overseeing the management of impacts
 - 2-13 Delegation of responsibility for managing impacts
 - 2-14 Role of the highest governance body in sustainability reporting
 - 2-15 Conflicts of interest
 - 2-16 Communication of critical concerns
 - 2-17 Collective knowledge of the highest governance body
 - 2-18 Evaluation of the performance of the highest governance body

- 2-22 Statement on sustainable development strategy
 - 2-23 Policy commitments
 - 2-24 Embedding policy commitments
 - 2-25 Processes to remediate negative effects
 - 2-26 Mechanisms for seeking advice & raising concerns
 - 2-27 Compliance with laws & regulations
 - 2-28 Membership associations
 - 2-29 Approach to stakeholder engagement
 - 2-30 Collective bargaining agreements
- GRI 3: Material Topics
- 205 Anti-corruption
 - 205-1 Operations assessed for risks related to corruption
 - 205-2 Communication & training about anti-corruption policies & procedures
 - 205-3 Confirmed incidents of corruption & actions taken
 - 206 Anti-competitive behavior
 - 206-1 Legal actions for anti-competitive behavior, antitrust, & monopoly practices
 - 302 Energy
 - 302-1 Energy consumption within the organization
 - 302-3 Energy intensity
 - 302-4 Reduction of energy consumption
 - 303 Water & Effluents
 - 303-1 Interactions with water as a shared resource
 - 303-2 Management of water discharge-related impact
 - 303-3 Water withdrawal
 - 303-4 Water discharge
 - 303-5 Water consumption
 - 305 Emissions
 - 305-1 Direct (Scope 1) GHG emissions
 - 305-2 Energy indirect (Scope 2) GHG emissions
 - 305-3 Other indirect (Scope 3) GHG emissions
 - 305-4 GHG emissions intensity
 - 305-5 Reduction of GHG emissions
 - 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) & other significant air emissions



UNIVERSAL STANDARDS

GRI CONTENT INDEX CONT'D

306	Waste	406	Non-discrimination
306-1	Waste generation & significant waste-related impact	406-1	Incidents of discrimination & corrective action taken
306-2	Management of significant waste-related impacts	407	Freedom of Association & Collective Bargaining
306-3	Waste generated	407-1	Operations & suppliers in which the right to freedom of association & collective bargaining may be at risk
306-4	Waste diverted from disposal	408	Child Labor
306-5	Waste directed to disposal	408-1	Operations & suppliers at significant risk for incidents of child labor
308	Supplier Environmental Assessment	409	Forced or Compulsory Labor
308-1	New suppliers that were screened using environmental criteria	409-1	Operations & suppliers at significant risk for incidents of forced or compulsory labor
308-2	Negative environmental impacts in the supply chain & actions taken	413	Local Communities
401	Employment	413-1	Operations with local community engagement, impact assessments & development programs
401-1	New employee hires & employee turnover	413-2	Operations with significant actual & potential negative impacts on local communities
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	414	Supplier Social Assessment
403	Occupational Health & Safety	414-1	New suppliers that were screened using social criteria
403-1	Occupational health & safety management system	414-2	Negative social impacts in the supply chain & actions taken
403-2	Hazard identification, risk assessment & incident investigation		
403-3	Occupational health services		
403-4	Worker participation, consultation & communication on occupational health & safety		
403-5	Worker training on occupational health & safety		
403-6	Promotion of worker health		
403-7	Prevention & mitigation of occupational health & safety impacts directly linked by business relationships		
403-8	Workers covered by an occupational health & safety management system		
403-9	Work-related injuries		
404	Training & Education		
404-2	Programs for upgrading employee skills & transition assistance programs		
404-3	Percentage of employees receiving regular performance & career development reviews		
405	Diversity & Equal Opportunity		
405-1	Diversity of governance bodies & employees		



UNIVERSAL STANDARDS

GRI CONTENT INDEX CONT'D

Any reasons for omission:

2-19 Remuneration policy:

Confidentiality constraints: As a privately held company, we do not publicly disclose this information.

2-20 Process to determine remuneration:

Confidentiality constraints: As a privately held company, we do not publicly disclose this information.

2-21 Annual total compensation ratio:

Confidentiality constraints: As a privately held company, we do not publicly disclose this information.

302-2 Energy consumption outside of the organization:

Information unavailable/incomplete: We are in the process of updating our data management system to be able to calculate in the future.

302-5 Reductions in energy requirements of products and services:

Information unavailable/incomplete: We are in the process of updating our data management system to be able to calculate in the future.

305-6: Emissions of ozone-depleting substances (ODS):

Information unavailable/incomplete: We are in the process of updating our data management system to be able to calculate in the future.

401-3: Parental leave:

Information unavailable/incomplete: We are in the process of updating our data management system to be able to calculate in the future.

403-10 Work-related ill health:

Information unavailable/incomplete: We are in the process of updating our data management system to be able to calculate in the future.

404-1 Average hours of training per year per employee:

Information unavailable/incomplete: We are in the process of updating our data management system to be able to calculate in the future.

405-2 Ratio of basic salary and remuneration of women to men:

Confidentiality constraints: As a privately held company, we do not publicly disclose this information.





UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES

2-1
ORGANIZATIONAL DETAILS

Bacardi Limited is a family-owned company headquartered in Hamilton, Bermuda and incorporated under Bermudian law. Bacardi Limited is the largest privately held spirits company in the world with products sold in over 160 markets. Bacardi has 100% ownership of 23 production sites in 10 countries and territories: United States, Puerto Rico, Mexico, France, Italy, Scotland, England, Switzerland, Brazil and India.

2-2
ENTITIES INCLUDED IN
THE ORGANIZATION'S
SUSTAINABILITY REPORTING

Sustainability reporting at Bacardi Limited reflects all brands within the organization. New acquisitions and/or disposals of entities are reflected in our reporting as timelines allow, including where necessary, new baseline performance data. For example, TEELING® is a new acquisition and has consequently not been integrated for FY23.

Data is collected and aggregated at a global level, and there is no distinction in standards and material topics across individual brands.

As a privately held company, our financial statements are not filed on public record.

2-3
REPORTING PERIOD,
FREQUENCY & CONTACT POINT

Bacardi Limited publishes an annual ESG report reflective of the fiscal year. The annual fiscal report and sustainability report are both based on FY23 from April 1, 2022 to March 31, 2023.

The FY23 Sustainability Report was published on November 21, 2023. All inquiries about the report or reported information can be directed to ESG@Bacardi.com.

2-4
RESTATEMENTS OF INFORMATION

- 303-3: FY15 baseline adjusted for PATRÓN® acquisition
- 303-4: FY21 values modified
- 303-5: FY15 and FY23 total water and FY22 Water Efficiency Index values modified
- 305 3-3: Modified value for number of sites where we have biomass boilers
- 306 3-3: Zero waste to landfill KPI target year of completion has changed from FY23 to FY25

2-5
EXTERNAL ASSURANCE

Bacardi is in the process of readying its systems for external assurance of sustainability data. In the future, it will be managed via a subcommittee composed of the Company's vice president of ESG, the vice president corporate controller and chief accounting officer, the vice president of corporate finance, and the senior vice president general counsel. Externally assured data, in general, is published after being reviewed by the chief executive officer (CEO) and chairman of the board.

2-6
ACTIVITIES, VALUE CHAIN & OTHER
BUSINESS RELATIONSHIPS

Bacardi Limited is active in the spirits industry. Our primary activities include the distillation, warehousing, blending, bottling and sales of spirits. Bacardi Limited produces more than 200 brands and labels, including BACARDÍ® rum, PATRÓN® tequila, GREY GOOSE® vodka, DEWAR'S® Blended Scotch Whisky, BOMBAY SAPPHIRE® gin, MARTINI® vermouth and sparkling wines, CAZADORES® 100% blue agave tequila, and other leading and emerging brands.

We serve five regional markets categorized as North America; Western Europe, Australia and New Zealand; Eastern Europe, Greater China, South Korea and Japan; Asia, Middle East and Africa, and Global Travel Retail; and Latin America and Caribbean.

Entities downstream from the organization include our customers, which vary from distributors, large global retailers and convenience stores to regional and local bars, restaurants and hotels.

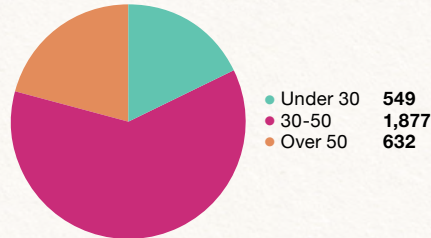


UNIVERSAL STANDARDS

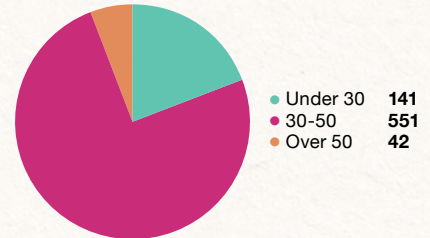
GRI 2: GENERAL DISCLOSURES CONT'D

2-7
EMPLOYEES

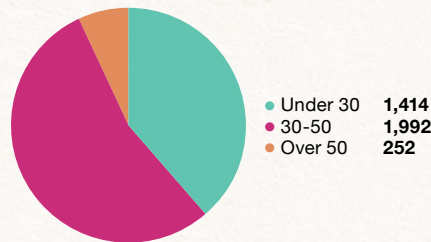
Western Europe, Australia & New Zealand



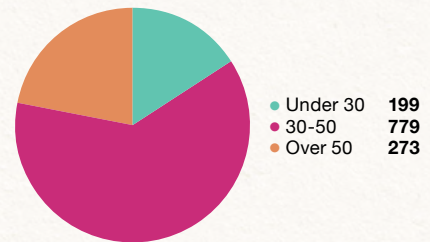
Eastern Europe, Greater China, Japan & South Korea



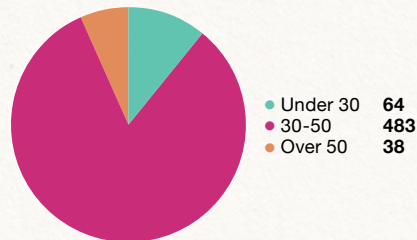
Latin America & Caribbean



North America



Asia, Middle East & Africa, & GTR*



*Global Travel Retail

Total Employees: 9,286

Under 30
2,367

30-50
5,682

Over 50
1,237

Methodology
This data is correct as of March 31, 2023. The data represents all Bacardi employees. Employees have been allocated to the business region in which they are located and employed.



UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-7
EMPLOYEES CONT'D

Region	Total No. of Permanent Employees FTE	Male	Female
Asia, Middle East & Africa & GTR*	583	442	141
Eastern Europe, Greater China, Japan & South Korea	693	328	365
Latin America & Caribbean	3,613	2,207	1,406
North America	1,236	677	559
Western Europe, Australia & New Zealand	2,776	1,808	968

*Global Travel Retail

Region	Total No. of Temporary, Fixed-Term Employees FTE	Male	Female
Asia, Middle East & Africa & GTR*	2	0	2
Eastern Europe, Greater China, Japan & South Korea	40	22	18
Latin America & Caribbean	45	28	17
North America	10	4	6
Western Europe, Australia & New Zealand	98	24	74

*Global Travel Retail

Methodology
This data is correct as of March 31, 2023. The data represents all Bacardi employees. Employees have been allocated to the business region in which they are located and employed.



UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-7
EMPLOYEES CONT'D

Region	Total No. of Full-Time Employees FTE	Male	Female
Asia, Middle East & Africa & GTR*	583	442	141
Eastern Europe, Greater China, Japan & South Korea	693	328	365
Latin America & Caribbean	3,613	2,207	1,406
North America	1,234	676	558
Western Europe, Australia & New Zealand	2,776	1,808	968

*Global Travel Retail

Region	Total No. of Part-Time Employees FTE	Male	Female
Asia, Middle East & Africa & GTR*	0	0	0
Eastern Europe, Greater China, Japan & South Korea	1	0	1
Latin America & Caribbean	0	0	0
North America	1	0	1
Western Europe, Australia & New Zealand	184	92	94

*Global Travel Retail

Bacardi terms and conditions of employment are subject to local employment legislation and labor laws across all Bacardi entities.

Contracts are offered on a permanent, full-time, part-time, fixed-term and flexible working basis dependent on the Bacardi entity, country, and local employment legislation. The provision of non-guaranteed or zero hours contracts classification of employment is not a standard type of contract of employment typically offered, albeit, seasonal contracts of employment may be offered across our Brand homes.

Methodology

This data is correct as of March 31, 2023. The data represents all Bacardi employees. Employees have been allocated to the business region in which they are located and employed.



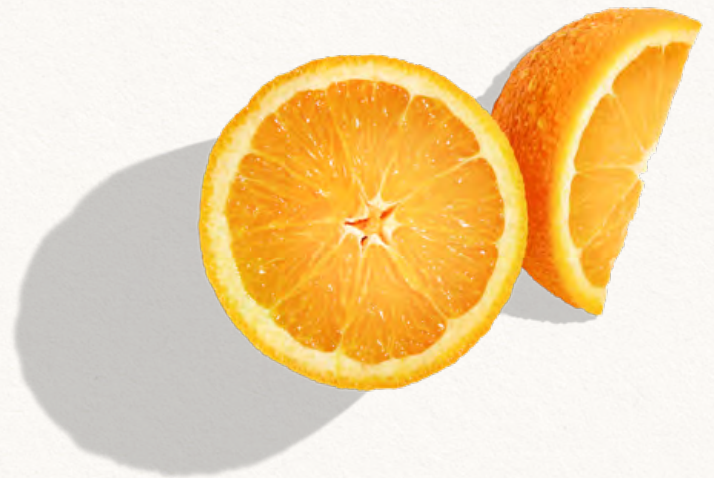
UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-8
WORKERS WHO ARE NOT EMPLOYEES

Depending upon business requirements and demand, Bacardi entities may engage with and appoint third-party external labor contractors in relation to the provision of external labor support for an agreed upon period of time. Third-party labor resources are contracted in compliance with each respective country's employment legislation and labor laws.

The nature and type of role provided by the third-party contractor can vary across support services, operations, and commercial Bacardi entities and is purely dependent on business requirements.





UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-9
GOVERNANCE STRUCTURE
& COMPOSITION

The highest governance body at Bacardi Limited (the “Company”) is the board of directors. The Company enjoys a unique governance opportunity as a family-owned, privately held company in that members of the Bacardi family participate directly on the board. The board also benefits from the independence, judgment, experience, and collegiality of the non-family directors, ensuring that the Company receives the best oversight and independent guidance possible.

To assist the board of directors in carrying out its responsibilities, the board has delegated certain authority to three standing committees and, from time to time, to special committees. The standing committees are the Audit Committee, the Compensation Committee, and the Nominating and Governance (N&G) Committee. While not mandated by law, each standing committee operates under a written charter, which the board believes ensures accountability among committee members for their particular responsibilities. The board committees figure prominently in the board’s vision of responsible corporate governance and the Company’s accounting and financial reporting processes.

The board’s goal is to maintain a well-balanced board membership that combines a variety of experience, backgrounds, and skills to enable the Company to pursue its strategic objectives and who will represent the best long-term interests of the Company and its shareholders. Objective criteria for board membership include experience, knowledge, skills, expertise, diversity, personal and professional integrity, character, business judgment, time availability to ensure board responsibilities can be met in light of other commitments, independence, and such other factors the N&G Committee deems appropriate. The board is comprised of 13 directors, of which three are women, six are of Hispanic descent and one is of Asian descent. The CEO is the only active Company executive member of the board.

The board expects the directors to act ethically at all times in accordance with the Company’s Code of Conduct, as well as their fiduciary duty and duty of skill and care. If a conflict of interest situation should arise, the director must declare the nature of said conflict of interest at the first opportunity once they become so interested.

In addition to the board of directors and its standing committees, the Global Leadership Team (GLT), an executive committee of Bacardi International Limited (BIL) led by the CEO, is composed of the top executive leaders from each global primary function and market. The GLT, among other matters, is charged with reviewing and approving the strategic plans and related budgets relating to the Company’s brands, monitoring brand performance, as well as the Company’s performance of certain service providers.

The board and the GLT approve the ESG strategy and periodically receive update reports on ESG matters. The execution of our ESG strategy, including the Company’s business impact on the economy, environment and people, is overseen by the ESG team, led by the vice president (VP) of ESG who reports to the CFO. The VP of ESG chairs the Good Spirited Council, a cross-functional group of executive leaders that drives progress on ESG ambitions and strategy. ESG matters, such as ESG performance, are escalated, as appropriate, to the CEO and GLT quarterly, and biannually to the board.

The board’s Compensation Committee supports the board in determining the compensation of the Company’s CEO and members of the GLT. In addition, the committee oversees management’s implementation of its executive compensation philosophy, which aims to ensure that the total compensation paid to the CEO and members of the GLT is fair and competitive and motivates high performance. The committee also has the overall responsibility of approving and evaluating executive compensation and benefit plans, policies and incentive compensation programs. The committee engages Frederic W. Cook & Co., one of the world’s leading independent compensation consultants, to support it in connection with the exercise of its responsibilities and to stay current on executive compensation trends and evolving practices.



UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-10
NOMINATION & SELECTION OF THE
HIGHEST GOVERNANCE BODY

The board's N&G Committee is responsible for identifying, recruiting and evaluating potential director candidates for the slate of directors to be proposed by the board in accordance with the bylaws. As previously stated, the Company seeks directors with the right skills and experience, who will represent the best long-term interests of the Company and its shareholders. In accordance with the bylaws, as well as the N&G Committee Charter and the board nomination policies, the N&G Committee assists in identifying and recruiting director nominees for election by the shareholders or appointment by the board, as the case may be, including persons suggested by the shareholders, based on merit and against objective criteria. Those criteria include experience, knowledge, skills, expertise, diversity, personal and professional integrity, character, business judgment, time availability to ensure board responsibilities can be met in light of other commitments, independence, and such other factors the N&G Committee deems appropriate.

Pursuant to Bylaw 4(4), shareholders have the right to propose additional nominees for election as directors. Proposed director nominees must meet certain qualifications, including having the support of 1,792,695 or more shares (representing at least 1/13th of the total number of shares outstanding).

2-11
CHAIR OF THE HIGHEST
GOVERNANCE BODY

Mr. Facundo L. Bacardi has been the chairman of the board of the Company since 2005 and was first elected as a director of the Company in 1993. He is a fifth-generation Bacardi family member and a non-employee director.

2-12
ROLE OF THE HIGHEST GOVERNANCE
BODY IN OVERSEEING THE
MANAGEMENT OF IMPACTS

Responsibility for execution of the ESG strategy falls to the VP of ESG who reports directly to the CFO. The ESG Team and the CFO drive progress on the Company's ESG goals. Additional governance is provided by the Good Spirited Council, which consists of cross-functional leadership encompassing all key functional areas of the organization. The CEO is accountable for the Company's economic, environmental, and social performance and is consulted by the VP of ESG on a quarterly basis. The board of directors is also consulted on a biannual basis on the development and approval of modifications to the global ESG strategy.

2-13
DELEGATION OF RESPONSIBILITY
FOR MANAGING IMPACTS

The board of directors and the Global Leadership Team (GLT) oversee the management of the Company's ESG impacts wherein ESG progress is reported directly to the CEO and other GLT members at least quarterly and to the board at least twice annually. Implementation of ESG initiatives is led by the Good Spirited Council, a cross-functional group of executive leaders chaired by the VP of ESG and with GLT sponsorship from the CFO. The Good Spirited Council is comprised of 12 executive leaders who meet at least quarterly, with one to three GLT members in attendance at each meeting.

The Good Spirited Council has a leader for each of the Company's four priority areas — Good Choices, Good Footprint, Good Futures, and Good Sources — who is accountable for driving progress on the Key Performance Indicators (KPIs). The remaining members represent each major functional area of the organization and are accountable for action plans that embed ESG across their respective functions. The Good Spirited Council's efforts are supported by employees across each functional area.

2-14
ROLE OF THE HIGHEST GOVERNANCE
BODY IN SUSTAINABILITY REPORTING

The chairman of the board and the CEO review and approve the Company's ESG Report and Index before publication each year.



UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-15
CONFLICTS OF INTEREST

The board expects the directors to act ethically at all times and in accordance with the Company's Code of Conduct, as well as their fiduciary duty and duty of skill and care. If a director has an interest directly or indirectly in a contract or a proposed contract with the Company, that interest must be declared by the director at the meeting of the directors at which the question of entering into the contract is first taken into consideration, or at a subsequent meeting if a director later becomes interested in an active contract. A director may not vote in respect of any contract or arrangement in which he or she has an interest and shall not be counted in the quorum present at the meeting until the vote has taken place.

2-16
COMMUNICATION OF
CRITICAL CONCERNS

Critical concerns regarding ESG matters can be raised during the biannual ESG updates to the board. For time-sensitive or urgent matters, the governance lead on the Good Spirited Council can escalate the matter and include it on the agenda for an upcoming board meeting. Critical concerns can also be raised during the quarterly ESG update to the CEO and GLT, as well as through direct communication from the VP of ESG to the VP's direct supervisor, the CFO. By way of example, one critical topic was raised and communicated to the board in the reporting period. The topic for discussion was a more ambitious water reduction and replenishment target.

2-17
COLLECTIVE KNOWLEDGE OF THE
HIGHEST GOVERNANCE BODY

The board is well-versed on ESG matters due to periodic ESG reports to the board, as well as their collective knowledge and experience gained as members of boards at other companies. In addition, the GLT — led by the CEO, who is a member of the board — has received formal training on ESG topics, including best practices for integrating ESG into the Company's vision and strategy. This has been complemented by quarterly meetings with the ESG team on milestone initiatives and proposals to strengthen our vision, strategy and implementation.

2-18
EVALUATION OF THE PERFORMANCE
OF THE HIGHEST GOVERNANCE BODY

The board recognizes that a robust and constructive evaluation process is an essential component of good corporate governance and board effectiveness. In conjunction with the chairman of the board, the N&G Committee oversees the board and board committee annual evaluation process and periodically reviews the format of the evaluation process to ensure that actionable feedback is solicited on the operation and effectiveness of the board, board committees and director performance. Among other matters, the board evaluation covers: (i) the composition of the board and committees; (ii) the quality of meeting materials and processes; (iii) the culture and dynamics of the board, including the ability to have active participation of board members at meetings, with open and constructive dialogue among directors and management; and (iv) the effectiveness of the board committees.

Evaluations are handled by the Governance Team and are completed independently by each director on an annual basis. The senior director of corporate governance compiles and tracks all feedback from the evaluations and produces a summary of the feedback results, whether in the form of requests or suggestions. Suggested actions from the feedback are provided to the N&G Committee and the board for review and discussion. Examples of actions taken in response to the evaluation include: the addition of key topics or increased frequency of topics to be reviewed by the board in relation to environmental, people-related or economic impacts, or to strengthen alignment with the interests of the shareholders.

2-22
STATEMENT ON SUSTAINABLE
DEVELOPMENT STRATEGY

Our sustainable development strategy is covered in the Letter From Our Chairman and CEO on the home page of our [FY23 ESG Report](#).



UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-23
POLICY COMMITMENTS

As a signatory to the United Nations (UN) Global Compact, Bacardi Limited is aligned with the principles set forth that encourage the adoption and reporting of sustainable and socially responsible policies. These standards guide the Company's overall approach to ESG and how we communicate progress. The Company uses its Code of Conduct (both internally and for third-party businesses), Procurement Policy, Responsible Sourcing Standards and Global Safety Quality Sustainability Policy to manage its commitment to responsible business conduct that reflects the business environment in which it operates. A summary of the Company's commitments to human rights can be found in the "Anti-Slavery and Human Trafficking Statement" [on our website](#).

The Bacardi Limited Code of Conduct aims to maintain a working environment in which all employees are treated equally and in a professional manner based on mutual respect and free from verbal or physical harassment, intimidation or abuse. Supporting inclusion, diversity and equality, the Code of Conduct is available in 13 languages and applies to all employees, as well as its business partners and their employees engaged with Bacardi business. The Code of Conduct was approved at the most senior level by the Company's CEO and chairman of the board, and is a mandatory requirement for all employees annually to certify their compliance with. For more detail on human rights in the Company's operations, see the "Equal opportunities" and "Respect for each other" sections in the [Code of Conduct](#).

The Environmental Policy statement is found in the Safety, Quality and Sustainability (SQS) Policy signed by the chairman of the board and shared with our business partners. We declare our commitment to comply with all environmental laws and regulations related to our activities in the countries where we operate. It is also our pledge to respect and protect natural biodiversity where we operate and to promote efficiency using natural resources, giving priority to sustainably sourced raw materials, renewable energy, and recycling from a Life Cycle perspective. The SQS Policy is discussed with all employees within the Supply Chain function.

Bacardi has implemented the Procurement Policy and POSM* Sustainability Policy for all employees within Bacardi. These policies have been approved at the Bacardi board level. Our Procurement Policy defines our commitments by the highest standards outlined by the Ethical Trading Initiative (ETI) Base Code; the Fundamental Conventions of the International Labor Organization; the United Nations (UN) Universal Declaration of Human Rights; the United Kingdom Bribery Act; the Foreign Corrupt Practices Act; the UN Global Compact Principles (of which Bacardi is a signatory); and the UN Convention on Biological Diversity.

The Bacardi POSM* Sustainability Policy is based upon the following principles:

- **Promote a culture that protects the environment, minimizes waste, and improves quality**
- **Comply with, and exceed where practical, all applicable legislations, regulations, and codes of practice**
- **Integrate sustainability considerations into all business decisions**
- **Ensure that all Bacardi employees and partners are fully aware of our POSM Sustainability Policy and are committed to implementing and improving it**
- **Minimize impact on sustainability at each brand's points of sale and consumption**

This policy is embedded into our contracts and signed by all POSM suppliers.

*POSM: Point of Sale Materials



UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-23
POLICY COMMITMENTS CONT'D

Our Code of Conduct for Third Parties and Responsible Sourcing Standards apply to all suppliers providing goods and/or services to Bacardi and encompass what we expect from our suppliers in terms of labor standards, human rights, health and safety, environmental protection and business integrity. Our suppliers are contractually committed to our Code of Conduct and Responsible Sourcing Standards. They apply to suppliers and their subcontractors, including subassembly factories that produce products or materials or provide services to Bacardi. For more detail on human rights in our supply chain, see the “Working Conditions” section of our [Code of Conduct for Third Parties](#).

2-24
EMBEDDING POLICY COMMITMENTS

All employees receive a copy of the Bacardi Code of Conduct and are required to undertake a training program that is bespoke to the Bacardi business and culture, educating each employee on the principles of our Code of Conduct. Annually, every employee, regardless of position, and every board member is required to certify that they continue to comply with the principles of the Code of Conduct and the underlying policies. The Business Integrity Team delivers regular face-to-face trainings on the principles of the Code in key markets, determined based on an annual risk assessment. In addition, there are trainings deployed by local legal teams that focus on specific topics of higher relevance for their particular region or markets. Regular monitoring, together with a periodic risk assessment, is carried out to ensure continued compliance with laws and regulations, and with policy updates reflecting any regulatory changes made.

Our Responsible Sourcing Standards dictate that our suppliers are required to protect the environment and respect social governance standards. Relevant Bacardi employees who work with our suppliers are trained on our Responsible Sourcing Standards, and we work with our suppliers to ensure they comprehend and abide by our standards. Our suppliers are contractually committed to comply with our Code of Conduct and Responsible Sourcing Standards (or their own Code of Conduct if it is equal in rigor to ours). The implementation of our policies is supported by our partnership with Sedex, the largest collaborative platform for sharing ethical supply chain data. This organization provides a third-party Audit Management Service which enables Bacardi suppliers to drive and report in accordance with an audit program based on the Sedex Members Ethical Trade Audit (SMETA) Four Pillar Audit Protocol.

In terms of the implementation of our environmental policy, Bacardi Limited manufacturing operations are certified under the recognized international standard (ISO® 14001:2015). A systematic approach is used to determine and maintain the necessary structure, functions and responsibilities for the planning and implementation of the priority activities to meet the policy commitments. The management system includes emphasis on communication through the reporting of environmental information to relevant interested parties.





UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-25
PROCESSES TO REMEDIATE
NEGATIVE EFFECTS

Bacardi Limited manufacturing operations are certified under ISO® 14001:2015. Over the course of every three years, our operations are audited by a third party on our adherence to the ISO standards. Our management system is used to provide top management (Supply Chain Leadership Team and Global Leadership Team) with information to build success over the long term and create options for contributing to sustainable development, with focus on:

- Prevention and mitigation of adverse environmental impacts
- Mitigation of the potential adverse effect of environmental conditions on the organization
- Assistance to the organization in the fulfilment of compliance obligations
- Enhancement of environmental performance
- Influencing the way the organization's products and services are designed, manufactured, distributed, consumed and disposed by using a life cycle perspective that can prevent environmental impacts from being unintentionally shifted elsewhere within the life cycle
- Communication of environmental information to relevant interested parties

As part of ISO® 14001:2015, a risks and opportunities evaluation is required to help define the Company's objectives and the required planning to achieve them. Risk assessments covering environmental impacts from our operations and supply chain are conducted. During the process of conducting the assessments on risks, opportunities and impacts, input is requested from internal and external stakeholders across our diverse internal functions and partners. This process informs the creation of an action plan to mitigate negative impacts and maximize opportunities. Once identified, the risks, opportunities and corresponding action plans are discussed with the Supply Chain Leadership Team (SCLT) and Global Leadership Team (GLT). Their feedback is considered before implementing the action plan.

To support communication with our stakeholders, we have a grievance mechanism which is administered and managed in adherence with the principles of our "Speak Up" guidance. It is available in 13 languages to all of our employees, regardless of location. There is a formal mechanism to manage grievances from any external or internal interested party in a responsive, effective and fair manner (see 2-26 below for reporting mechanisms for internal and external parties). Any complaints received are recorded, investigated and responded to, and necessary actions are taken to rectify matters. The investigation is initiated by the Business Integrity function and includes a defined escalation process. We specifically call out our zero tolerance to retaliation in our "Speak Up" guidance. This is augmented by directly asking those reporting wrongdoing if they have been retaliated against for reporting. Reporters, including those doing so anonymously, are encouraged to report retaliation both throughout the investigation process and after closure. Any reported retaliation is immediately investigated.

In the case of environmental grievances, this involves communicating with the global sustainability director, VP of ESG, legal division and chief supply chain officer as necessary. The effectiveness of the measures to address environmental grievances is reviewed by the environmental department of each of the manufacturing facilities.

Omissions: We do not disclose details of any grievance or of any investigation to any other person other than on a need-to-know basis, and for the purpose of review/investigation or action to be implemented.

2-26
MECHANISMS FOR SEEKING
ADVICE & RAISING CONCERNS

To raise concerns about the organization's business conduct, Bacardi employees, contractors, suppliers and third-party business partners can use the Bacardi Integrity Line or communicate with the Business Integrity Team. Through this mechanism, employees are encouraged to first report locally to their manager, or a local HR or Legal representative. Employees can also reach out to the Bacardi Business Integrity Team or the Business Integrity Committee to report any violations or concerns. Local reporting is supplemented by our Bacardi Integrity Line, available 24/7/365 in phone and web reporting formats,



UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-26
MECHANISMS FOR SEEKING ADVICE
& RAISING CONCERNS CONT'D

with communication in all local languages where employees are located. The Bacardi Integrity Line is managed by a third party, and reports can be made anonymously.

A communication and training strategy is rolled out and conducted by dedicated Business Integrity professionals to enhance knowledge, and to encourage and ensure confidence in reporting matters. This strategy is primarily focused on emerging markets where training is delivered locally by the Business Integrity Team and/or stewardship functions. The Business Integrity Team meets regularly to review each case and assess any trends and root causes, enabling quick intervention or action. The Business Integrity Committee (made up of executive team members and the chief business integrity officer) is engaged immediately on material matters and receives regular updates to discuss current reports and any noticeable trends arising. Further, regular reports are made to the Bacardi Limited board of directors identifying material cases, trends and statistical data on grievance types, markets, actions taken and any additional pertinent information. External counsel or audit is engaged on an as needed basis or where required under local regulations.

2-27
COMPLIANCE WITH
LAWS & REGULATIONS

We pride ourselves on having employees who commit to work as a family and do the right thing when conducting business activities.

There have been no significant instances of non-compliance with laws or regulations, and no fines were imposed or paid during the reporting period or prior periods. Significant instances of non-compliance with laws or regulations are considered instances that put the Company at financial, reputational, environmental or health risk to the public.

2-28
MEMBERSHIP ASSOCIATIONS

We are members of the Beverage Industry Environmental Roundtable (BIER) and work with peer companies to help provide crucial support to diminishing watersheds globally. We were a part of the Global Beer, Wine and Spirits Producers' Commitments to Reduce Harmful Drinking – the largest ever industry-wide initiative to implement effective ways to address harmful drinking, which ended in 2017 – and remain committed to the five Commitments and 10 action areas established by the initiative. We are a member of the Distilled Spirits Council of the United States (DISCUS), which is a national trade association representing leading producers and marketers of distilled spirits products in the United States. DISCUS advocates on legislative, regulatory and public affairs issues that impact the distilled spirits sector by raising awareness and opening markets in the U.S. and around the globe. Additionally, DISCUS encourages responsible and moderate consumption of distilled spirits among those who choose to drink as part of a healthy adult lifestyle predicated on evidence-based research and policy. We are a member of IARD, the International Alliance for Responsible Drinking, which is a not-for-profit organization dedicated to reducing harmful drinking and to promoting an understanding of responsible drinking.

We are a founding member of Bonsucro, the global nonprofit organization that has developed a metric-based sustainability standard and certification process for the sugarcane industry. Bacardi works with the organization to improve economic, environmental and social conditions in the regions around the world where sugarcane is produced. The Bonsucro Production Standard covers areas such as human rights and labor conditions, and the biodiversity, environmental and economic viability of sugarcane producers. More information can be found [here](#).



UNIVERSAL STANDARDS

GRI 2: GENERAL DISCLOSURES CONT'D

2-29
APPROACH TO STAKEHOLDER
ENGAGEMENT

We have also been Sedex members since 2009. Sedex is a not-for-profit membership association. Sedex Advance is one of the largest social governance collaborative platforms in the world for buyers, suppliers and auditors to store, share and report on ESG information. More information can be found [here](#).

Bacardi is also a member of:

- [Scotch Whisky Association](#)
- [Consorzio dell'Asti DOCG](#)
- [Consorzio Tutela Prosecco DOC](#)
- [Consejo Regulador del Tequila](#)
- [Cognac AOC/BNIC](#)
- [Kentucky Distiller's Association](#)

2-29
APPROACH TO STAKEHOLDER
ENGAGEMENT

We engage in stakeholder research and have identified our stakeholder groups as Customers, Employees, Communities, Shareholders, Investors, Industry Associations, Non-governmental Organizations (NGOs), Regulators and Suppliers. Stakeholders are determined with input from cross-functional and external leaders based on groups impacted by our operations, by our products, and by our industry. Stakeholder research is conducted on a recurring basis, and the most recent research was finalized in 2021, which informed this report.

Our stakeholders' feedback guides our understanding of topics material to the organization. Their insights inform our approach to managing risk, delivering strategy, and supporting sustainability across our operations and where we do business.

To ensure continuous, meaningful engagement with stakeholders, we attend industry conferences where we meet with stakeholders from all sectors. We also engage with them as members of numerous industry associations around the world with subcommittee working groups for meaningful dialogue. In addition to this, we have long-term partnerships with nonprofit partners with whom we share best practices and learnings. Lastly, we have an internal insights team which continuously connects with and learns from our consumers. Together, these help us maintain strong relationships with our stakeholders and better understand their needs.

2-30
COLLECTIVE BARGAINING AGREEMENTS

We have a strong focus and commitment toward constructive employee industrial relations across specific Bacardi entities, subject to local country employment legislation and labor laws. Working in partnership, our objective is to develop active and meaningful collaboration with trade unions where collective bargaining is applicable. We also partner with work councils under the European Works Council (EWC) Directive to maintain transparent and open dialogue over issues of common interest. We recognize our employees' freedom of association and support their right to decide if they wish or do not wish to be part of a trade union.

For employees not covered by collective bargaining union agreements and works councils, their terms of employment are based on local labor, country-specific employment legislation and working regulations.



UNIVERSAL STANDARDS

GRI 3: MATERIAL TOPICS

3-1
PROCESS TO DETERMINE
MATERIAL TOPICS

Internally, our ISO®-certified management system supports the identification of risks and impacts which inform our list of material topics. See [GRI 2-25](#) for more information. Additionally, we hired an external agency to engage in a robust and comprehensive stakeholder research and materiality assessment. This assessment adopted the principles of inclusivity and responsiveness to identify a strategic response to critical ESG risks and opportunities and better communicate on the issues most relevant to our stakeholders. We engaged in internal and external interviews with them, and developed workshops with our Good Spirited Leadership Council, including members of our Global Leadership Team. We continue to engage with and welcome input from all stakeholders to help Bacardi further continue to develop and implement its strategy. Stakeholder research is conducted on a recurring basis, and the most recent research was finalized in 2021, which informed this report.

The Good Spirited strategy incorporates material topics across the Company's four priority areas: Good Choices, Good Footprint, Good Futures and Good Sources. Our 19 KPI targets were consequently created to address these four priority areas.

3-2
LIST OF MATERIAL TOPICS

The GRI disclosures that are relevant to specifically 23 production facilities located in 10 countries and territories are water, energy, emissions, procurement practices, environmental grievance mechanisms, occupational health and safety. The rest of the GRI disclosures are relevant to all 160 markets where we produce and sell our distilled spirits.

Please see the [GRI Content Index](#) for a complete list of our material topics. Since the FY22 Report, the material topics of Anti-corruption, Anti-competitive Behavior and Supplier Environmental Assessment have been added.





UNIVERSAL STANDARDS

GRI 205: ANTI-CORRUPTION

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi does not tolerate corruption and is committed to operating in compliance with global best practices and all anti-corruption laws applicable wherever we do business. The Company expects its representatives and business partners, including brokers, agents, consultants, distributors, and service providers, to fully comply with the Company's position. This applies to actions directed at public officials, as well as private employees of any entity that does business with Bacardi.

Bacardi revised its Anti-bribery and Corruption Policy in 2021 to ensure that it reflects updated anti-bribery and corruption laws, changes in world and business culture and its own commitment to being a company that holds ethics at the heart of doing business.

Anti-bribery and corruption is a key topic included in our annual training and communication strategy for all our employees.

Employees are required to report any acts of bribery and corruption immediately known to them. There are several channels available for employees to report; please see [GRI 2-26](#) for more information. Every report received is taken seriously and acted upon confidentially by a dedicated and experienced team of professionals.

Employees found to be involved in bribery or corrupt activities will be subject to disciplinary action up to and including termination. If third parties are found to be involved in activities of bribery or corruption, their contracts will be terminated. A root cause analysis is carried out on all concluded investigations regardless of the result of the investigation. Recommendations will be made for remedial action, which may include review of internal controls, additional training, policy and process review, performance improvement plans and coaching and mentoring, etc.

The Business Integrity function is under the oversight of the Business Integrity Committee that is made up of senior executives and the Audit Committee of the board of directors of Bacardi Limited. On a quarterly basis, at a minimum, the Business Integrity function provides updates to the Audit Committee that include reporting on anti-bribery and corruption, among other types of violations, and trend analyses on the types of incidents investigated. Recommendations are given as plans for action to mitigate the risks identified in order to seek alignment and support as needed. Bacardi carries out systematic monthly due diligence on all its third parties and business partners. Any third-party business partner found to be guilty of activities of bribery or corruption, or sanctioned for criminal corrupt business activity, may have their contract terminated.

205-1
OPERATIONS ASSESSED FOR RISKS
RELATED TO CORRUPTION

There is an ongoing systematic program of due diligence managed by our Business Integrity Team in conjunction with assessment and training conducted by the Audit function. Separately, the Audit function conducts an annual risk-based assessment amongst senior managers. Further, an Enterprise Risk Management assessment is carried out.

Reports made by employees are all thoroughly reviewed and investigated by a team of dedicated and professional individuals. Any report that raises a concern about corrupt behavior is taken very seriously and discussed at the highest level with the Business Integrity Committee, which consists of the chief business integrity officer, senior vice president general counsel, vice president human resources, chief financial officer, and vice president internal audit.

Since the establishment of this program, no significant risks related to corruption have been identified that would harm the Company financially or its reputation.



UNIVERSAL STANDARDS

GRI 205: ANTI-CORRUPTION CONT'D

205-2
COMMUNICATION & TRAINING
ABOUT ANTI-CORRUPTION
POLICIES & PROCEDURES

Bacardi engages with third-party business partners that agree to abide by the terms of their contract, which includes compliance with relevant anti-corruption laws in the country in which they carry out business.

During the past fiscal year, an extensive business integrity training program was conducted, which reached an audience of over 60% of the Company's global employees. Specific training on anti-corruption remains part of that training program. In addition, during the onboarding process, new hires are trained online regarding the principles of our Code of Conduct, which specifically targets matters on anti-corruption.

205-3
CONFIRMED INCIDENTS OF
CORRUPTION & ACTIONS TAKEN

No incidents of confirmed corruption have been received.

No contracts with business partners were terminated due to violations related to corruption.

No public legal cases were brought against Bacardi.





UNIVERSAL STANDARDS

GRI 206: ANTI-COMPETITIVE BEHAVIOR

3-3
MANAGEMENT OF MATERIAL TOPICS

At Bacardi, employees must comply with all applicable anti-competitive and antitrust laws, rules, and regulations, and with industry codes and practices in the countries where we do business.

We support business competition and compete fairly in all markets. We promote open and vigorous competition, which is good for consumers, resulting in lower prices, new products of better quality and more choices. Vigorous competition is also good for fair dealing businesses, which flourish when markets are competitive.

We refuse to do business with third parties who insist on agreements that may restrict, prevent, or distort competition.

Our employees who operate in the Procurement, Marketing and Sales functions receive training on anti-competitive and antitrust issues.

Any employee found to be sharing non-public or competitively sensitive commercial information — such as pricing intentions, business plans or marketing strategies, rates or fees, business costs, profit margins, sales volumes, or production capacities — to achieve competitive advantage will be subject to disciplinary measures up to and including termination.

Any third party acting on behalf of Bacardi found to be in breach of anti-competitive or antitrust laws, rules, and regulations, or with industry codes, may have their contract terminated.

Employees are required to report any acts of anti-competitive activity immediately known to them. There are several channels available for employees to report. Every report received is taken seriously and acted upon confidentially and by a dedicated and experienced team of professionals. Please see [GRI 2-26](#) for more information.

The Business Integrity function is under the oversight of the Business Integrity Committee, which is made up of senior executives as well as the Audit Committee of the Board of Directors of Bacardi Limited. On a quarterly basis, at a minimum, the Business Integrity function provides updates to the Audit Committee that include reporting on anti-competition or antitrust, among other types of violations, as well as trend analyses on the types of incidents investigated. Recommendations are given as plans for action to mitigate the risks identified in order to seek alignment and support as needed.

Bacardi carries out systematic monthly due diligence on all third-party business partners. Any third-party business partner found guilty of activities of an anti-competitive or antitrust nature may have their contract terminated.

206-1
LEGAL ACTIONS FOR
ANTI-COMPETITIVE BEHAVIOR,
ANTITRUST, & MONOPOLY PRACTICES

There are no legal actions pending or completed regarding anti-competitive behavior, antitrust or monopoly legislation.



UNIVERSAL STANDARDS

GRI 302: ENERGY

3-3
MANAGEMENT OF MATERIAL TOPICS

As part of the strategic planning for our manufacturing operations, actions are taken in order to improve our energy consumption efficiency and explore alternative sources of energy. Our energy management practices include the evaluation of market opportunities related to the purchasing of energy. Contracts for renewable energy have been established at some of our locations. Our strategy incorporates the impact from the upstream and downstream portions of our value chain. Future scenario analysis is used to help define the roadmap to achieve the targets.

Renewable Energy Generation: Among numerous energy-focused initiatives, Bacardi focuses on renewable energy from biogas and biomass systems at our distilleries. Instead of oil, renewable organic material such as botanicals, wood pellets, wood chips, and agave fibers left over from production are used as fuel for our biomass boilers. We are also focusing on using solar energy in India and Italy for electricity and steam generation, respectively.

Renewable or Low-Carbon Energy: Green electricity from hydro, solar and wind contracts in the U.K., Italy, Mexico, France and U.S. help to reduce our carbon footprint. Similar options are being explored for other locations.

Energy Efficiency Improvements: Bacardi offices, bottling and production facilities, and brand homes across the globe employ a variety of energy-efficient measures both small and large: environment-friendly lighting fixtures, temperature setpoint reduction, heat recovery systems, vacuum distillation and more. New developments are designed following the sustainable building principles.

Energy Management Software: Bacardi is implementing a data management system to monitor, control, and optimize the performance of the utility distribution and consumption in our manufacturing facilities. The top consumption facilities for water and electricity were prioritized for the installation of the submetering system.

On a quarterly basis, we monitor progress with our Global Leadership Team, Global Supply Chain Leadership Team, ESG Team and Good Spirited Council. Based on results and evaluation, we determine priorities, focus areas and projects to incorporate into our strategic plans. We have a short-term strategic plan in place, which is evaluated annually, based on new data and opportunities.



UNIVERSAL STANDARDS

GRI 302: ENERGY CONT'D

302-1
ENERGY CONSUMPTION WITHIN
THE ORGANIZATION

In FY23:

- 28% of total energy was from renewable sources (10% more compared with FY15 and 5% more compared with FY22)
- 38% of electricity was purchased through renewable energy contracts (22% more compared with FY15 and 1% more compared with FY22)
- 27% of fuel was from renewable sources (9% more compared with FY15 and 5% more compared with FY22)
- 6.4% of total energy consumed was from grid electricity

The following initiatives were implemented in FY23:

- Optimization of biogas treatment system in Puerto Rico
- Solar panel installation in India
- Green electricity contracts in Louisville, Kentucky and France

Source	FY15	FY21	FY22	FY23
Heavy Fuel Oil	579	589	493	489
Natural Gas	686	1,005	1,309	1,435
Total Fuel From Non-renewables	1,265	1,594	1,802	1,924
Biogas	208	254	112	300
Biomass	64	338	378	401
Total Fuel From Renewables	272	592	490	701
Total Fuel	1,537	2,186	2,292	2,625
Total Non-renewable Electricity	214	169	186	187
Grid Electricity	38	117	111	112
Wind Electricity	1	0	0	0.3
Total Renewable Electricity	39	117	111	112.3
Total Electricity	253	286	297	299.3
Total Energy Consumption (KJ)	1,790	2,472	2,589	2,923.3

*The energy from fuel and electricity is calculated based on corresponding conversion factors published by the Environmental Protection Agency.



UNIVERSAL STANDARDS

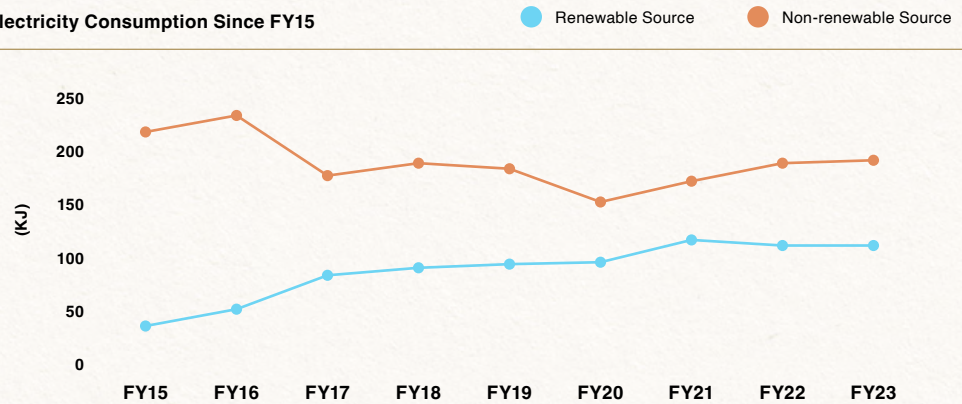
GRI 302: ENERGY CONT'D

302-1
ENERGY CONSUMPTION WITHIN
THE ORGANIZATION CONT'D

FY23 (KJ)



Electricity Consumption Since FY15



302-3
ENERGY INTENSITY

The energy intensity ratio for the organization is .0142 with production 9 liter cases used as the denominator. The types of energy included are fuel and electricity.

302-4
REDUCTION OF ENERGY CONSUMPTION

This past fiscal year, the total energy consumption has increased due to activity growth in our manufacturing sites. Please refer to our GHG Road Map in [GRI 305](#) for more information on strategies for energy consumption management.



UNIVERSAL STANDARDS

GRI 303: WATER & EFFLUENTS

3-3
MANAGEMENT OF MATERIAL TOPICS

Water is one of the main pillars of our sustainability strategy. Following a continual improvement approach, as required by the ISO® 14001 standard, our environmental management system provides the framework to guide our employees to explore new initiatives.

In FY23, we decided to pursue an ambitious goal of water positivity across all operations by 2030. To achieve this target, we are focused on the identification of and investment in projects for water consumption efficiency at our facilities, as well as achieving closed loop systems for water required for production. We are also working with partners to replenish water back to the source and promote water stewardship at all of our sites.

This strategy was predated by our work with the Beverage Industry Environmental Roundtable (BIER) as part of a team that launched an initiative to address the shared water challenges in Tlajomulco de Zúñiga, Mexico. This first-of-its-kind watershed collaboration brings together global leaders in the beverage industry to advance the sector's environmental sustainability targets. The initiative is called the *Charco Bendito Project*, which is focused on the Santiago River Watershed. Through the introduction of a hydraulic watershed, Bacardi is helping to route clean water to surrounding communities where there is none. The scope of the project includes the restoration and conservation of land integral to the region's water quality and quantity, planting native vegetation to increase groundwater levels and reduce soil loss, improving water infrastructure, and increasing awareness about the importance of water to healthy communities.

Progress against objectives and yearly targets is monitored through our KPIs and discussed with our Global Leadership Team, Global Supply Chain Leadership Team, ESG Team and Good Spirited Council.

Our ambitious target is the following:

- **By 2030: water positive across all our operations**

303-1
INTERACTIONS WITH WATER
AS A SHARED RESOURCE

Clean water is fundamental to our business, and we recognize the importance of water conservation. Water withdrawal methods differ by Bacardi site; examples include sourcing groundwater through boreholes onsite, purchasing from a municipal water entity that sources from a local water body, and rainwater harvesting. Water is then used in our manufacturing activities primarily for cooling (as non-contact water), energy generation, cleaning and to be incorporated in our products. The discharge of contact water differs by site; examples include treating wastewater directly onsite before releasing to local water bodies or facilities for irrigation, and collecting wastewater in a retention basin before discharging to the sewerage system, where it is treated as wastewater offsite.

The water-related impacts are annually assessed following the life cycle perspective approach based on the ISO® 14001 standard. Additionally, we are in the process of conducting water basin discovery assessments with a third-party analyst. These risk assessments review each of our 23 production sites to identify the water source, related challenges and management issues, and project opportunities where Bacardi can contribute to alleviate water-related impacts. We are prioritizing partnerships with NGOs, government agencies and peer companies to protect watersheds and provide access to potable water in the most water-scarce areas where our manufacturing sites exist: India, Mexico and Puerto Rico.

Internally, we are focused on identifying process efficiency opportunities at our manufacturing and bottling facilities, and actively engaging with our key suppliers.*

*Key suppliers refers to direct suppliers in packaging and raw materials.



UNIVERSAL STANDARDS

GRI 303: WATER & EFFLUENTS CONT'D

303-2
MANAGEMENT OF WATER
DISCHARGE-RELATED IMPACT

We manage used process water from our facilities in three ways:

- **Direct discharges of treated wastewater to local bodies of water following onsite treatment (82%)**
- **Indirect discharges of treated wastewater to municipal treatment facilities (14%)**
- **Beneficial land application, including irrigation and fertilizer, to improve crop production (in countries where permitted) (4%)**

All wastewater discharges are properly permitted with local government authorities and meet all corresponding requirements.

303-3
WATER WITHDRAWAL

Total Water Withdrawal by Source (megaliters)

Of the total FY23 volume, 2,744 megaliters is sourced from freshwater, and 1,597 megaliters is sourced from other water. Assumptions include that freshwater comes from public suppliers and surface water, and that other water comes from groundwater.

Source	FY15	FY21	FY22	FY23
Surface Water	2,030	1,470	1,652	1,538
Groundwater	1,213	1,253	1,617	1,597
Seawater	0	0	0	0
Produced Water	0	0	0	0
Public Suppliers	867	1,113	877	1,206
Harvested	0	0	0	0
Total	4,110*	3,836	4,146	4,341

*FY15 baseline adjusted for Patrón acquisition

Total Water Withdrawal in Areas With Water Stress by Source (megaliters)

57% of total water withdrawn comes from areas with high or extremely high water stress (Puerto Rico, India, Mexico and Italy).

Source	India	Mexico	Puerto Rico	Italy
Surface Water	0	0	0	0
Groundwater	0	1,240	0	267
Seawater	0	0	0	0
Produced Water	0	0	0	0
Public Suppliers	23	90	829	4
Harvested	0	0	0	0
Total	23	1,330	829	271

Assumptions: The geographies highlighted in this disclosure are based on the WRI's classification of areas with high or extremely high water stress.



UNIVERSAL STANDARDS

GRI 303: WATER & EFFLUENTS CONT'D

303-4 WATER DISCHARGE Of the total FY23 water discharge, 92.3 megaliters were 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 (megaliters)	FY21	FY22	FY23
Direct Discharge	1,418*	1,319	1,618
Indirect Discharge	281*	296	269
Beneficial Land Application	134*	85	92
Total Volume	1,833	1,700	1,979

*Value corrected

303-5 WATER CONSUMPTION Our FY23 water use efficiency index was 0.7% better than FY22. This represents an overall improvement of 9.7% from FY15.

Total Water Consumption From All Areas (megaliters)	FY15	FY21	FY22	FY23
Water Efficiency Index	54.6	49.6	49.9*	49.2
Total Water Used†	4,110*	3,836*	4,146	4,341

†Water used includes non-contact cooling water
*Value corrected





UNIVERSAL STANDARDS

GRI 305: EMISSIONS

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi is committed to reducing absolute GHG emissions (scopes 1 and 2) by 50% from its operations and by 20% from the entire value chain (scopes 1, 2 and 3) by the year 2025 from a 2015 base year, in line with the Science Based Targets initiative (SBTi). These targets are consistent with reductions required to limit global warming to 1.5°C. Opportunities are identified and implemented through innovative programs across distilleries and production sites. For instance, we have installed biomass boilers at four of our distilleries (Aberfeldy, Royal Brackla, Laverstoke and Arandas), which have reduced GHG emissions by up to 90% at each site. The Company's priority is to focus on its direct operations while also engaging with its partners to meet its SBTi-approved goal of reducing absolute value chain GHG emissions.

To achieve our ambitious targets in FY25, we have a targeted GHG Road Map in place. Our focus is to reduce our carbon footprint by optimizing the utilities processes at our distilleries while focusing on green energy. The key initiatives we are exploring are as follows:

- **We will have continuous improvement in energy consumption management through submetering system integration**
- **At our PATRÓN® tequila manufacturing site in Mexico, we will focus on energy recovery to reduce our heavy fuel oil consumption through renewable fuel generation as part of the wastewater treatment process**
- **At our BACARDI® rum distillery in Puerto Rico, to replace heavy fuel oil with cleaner fuel, we will use a combined heat and power system**
- **At our whisky distilleries in Scotland, we will focus on converting fuel to renewables**
- **We will explore solar power technology in Pessione, Italy and Nanjangud, India**

The emissions inventory is determined following the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The calculation is based on emission factors depending on the country where the activity is performed. Progress against objectives and targets each year is monitored through our KPIs and discussed with our Global Supply Chain Leadership Team, ESG Team and Good Spirited Council on a quarterly basis.

Target:

Our targets measured against a 2015 baseline are as follows:

- **50% reduction of our total GHG emissions from operations (scopes 1 & 2)**
- **20% reduction from our overall value chain (scopes 1, 2 & 3)**

KPI: Absolute GHG Emissions, MT, CO₂e

Standards, methodologies, assumptions and/or calculation tools used:

- **Defra Voluntary Reporting Guidelines**
- **IEA CO₂ Emissions from Fuel Combustion**
- **The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)**
- **U.S. EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources**
- **U.S. EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources**

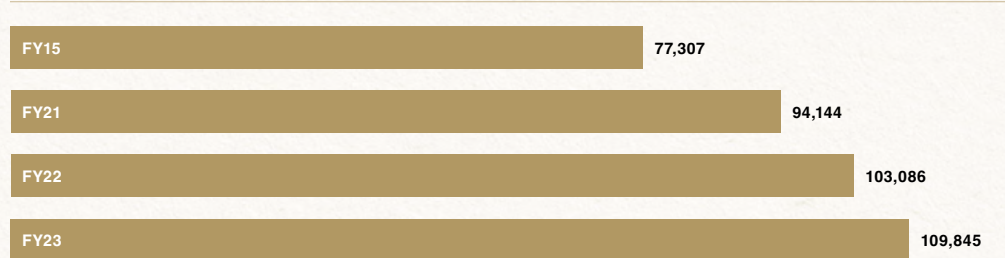


UNIVERSAL STANDARDS

GRI 305: EMISSIONS CONT'D

305-1
DIRECT (SCOPE 1)
GHG EMISSIONS

Direct GHG (metric tons of CO₂e)

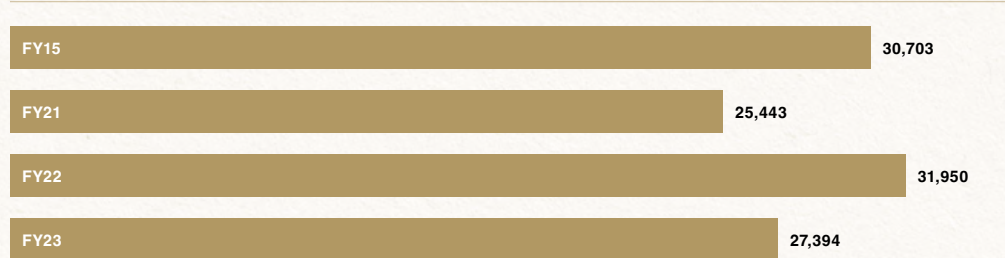


Please refer to [GRI 305 3-3](#) for our GHG Road Map, which reflects current and upcoming investments toward GHG emissions reductions.

305-2
ENERGY INDIRECT (SCOPE 2*)
GHG EMISSIONS

Indirect GHG (metric tons of CO₂e)

*Market-based



305-3
OTHER INDIRECT (SCOPE 3)
GHG EMISSIONS

The total Scope 3 carbon footprint is 737,372 metric tons of CO₂e per year based on FY21 (2020) volumes. Bacardi is implementing a data management system to be able to track the Scope 3 GHG emissions annually, starting in FY24. The categories included are purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation, waste generated in operations, business travel, employee commuting and use of sold products.

305-4
GHG EMISSIONS INTENSITY

The GHG emissions intensity ratio for the organization is .002 with production 9-liter cases used as the denominator. The types of GHG emissions included are scopes 1 & 2 emissions.

305-5
REDUCTION OF GHG EMISSIONS

In FY23, total GHG emissions increased due to activity growth in our manufacturing sites where the shift to green energy sources had not yet taken place. Please refer to our GHG Road Map in [GRI 305](#) for more information on strategies for GHG emissions reduction.

305-7
NITROGEN OXIDES (NO_x),
SULFUR OXIDES (SO_x) & OTHER
SIGNIFICANT AIR EMISSIONS

NO_x and SO_x Emissions by Year (metric tons)

	FY15	FY21	FY22	FY23
SO _x	1,352	679	434	579
NO _x	142	132	95	137
Particulate	22	16	7	14
Total	1,516	827	536	730



UNIVERSAL STANDARDS

GRI 306: WASTE

3-3
MANAGEMENT OF MATERIAL TOPICS

Waste management is focused on the following approach: minimization, reuse, recycle and energy recovery, and finally, as a last resort, landfill. Our target is to achieve the goal of zero waste to landfill in the manufacturing facilities sites by FY25 and analyze and develop single-use plastic reduction across operations and supply chain.

We manage used process water from our facilities in three ways:

1. **Direct discharges of treated wastewater to local bodies of water following onsite treatment, properly permitted**
2. **Indirect discharges of treated wastewater to municipal treatment facilities properly permitted and capable of handling our wastewater**
3. **Beneficial land application, including irrigation and fertilizer, to improve crop production (in countries where permitted). Wastewater discharges are effectively contained and controlled so as to protect our workers, the community and the environment. We take appropriate steps to monitor our discharge to ensure that we do not adversely impact human health or the environment.**

Progress against objectives and yearly targets are monitored through our KPIs.

Target: Zero waste to landfill by 2025

KPIs: Waste sent to landfill: MT/year; Waste reused: MT/year; Waste recycled: MT/year; Waste recovery: MT/year; Hazardous waste: MT/year; Effluent monitoring: Volume, m3/year

306-1
WASTE GENERATION & SIGNIFICANT
WASTE-RELATED IMPACT

Each one of our sites goes through rigorous mapping processes to identify significant waste-related impacts across hazardous and non-hazardous waste on an annual basis. These impacts are assessed and mitigated accordingly, and follow applicable laws, standards and management systems.

306-2
MANAGEMENT OF SIGNIFICANT
WASTE-RELATED IMPACTS

Each operation looks for circular opportunities with suppliers on a case-by-case basis. Waste materials are assessed for reusability depending on particular materials. We look for these opportunities at individual sites for implementation. For example, in India, we have partnered with a bottle collection agency that gathers used bottles, then washes, cleans, and de-labels them, allowing them to be repurposed in the bottling of various local products.

Part of our procurement process for waste contractors consists of designated requirements to meet all standards and regulations. Waste contractors are bound by contractual agreement to address waste management. We obtain waste-related data provided by waste management contractors, and this data is discussed with our local Environmental Health & Safety managers. The data is reviewed on a global level by our Global Supply Chain Leadership Team, ESG Team and Good Spirited Council on a quarterly basis.



UNIVERSAL STANDARDS

GRI 306: WASTE CONT'D

306-3
WASTE GENERATED

The waste sent to landfill from manufacturing sites was .77% of total waste. A total of 21 manufacturing sites have achieved zero waste to landfill.

Total Waste Generated (metric tons)	FY21	FY22	FY23
Total Waste Diverted from Landfill	144,339	213,738	216,215
Total Waste Directed to Landfill	465	1,246	1,680
Total Waste Generated	144,804	214,984	217,895

306-4
WASTE DIVERTED FROM DISPOSAL

Total Waste Diverted From Landfill and Disposal Methods (metric tons)	FY21	FY22	FY23
Hazardous Waste Diverted From Landfill			
Reuse/Recovery/Recycling	170	88	100
Incineration/Treatment	6	103	47
Subtotal	176	191	147
Non-hazardous Waste Diverted From Landfill			
Reuse/Recovery/Recycling	143,150	211,974	207,900
Incineration/Treatment	1,013	1,573	8,168
Subtotal	144,163	213,547	216,068
Total Waste Diverted From Landfill and Disposal	144,339	213,738	216,215

306-5
WASTE DIRECTED TO DISPOSAL

Total Waste Directed to Landfill (metric tons)	FY21	FY22	FY23
Hazardous Waste	0.30	0.30	0.18
Non-hazardous Waste	465	1,246	1,680
Total Waste Directed to Landfill	465.30	1,246.30	1,680.18



UNIVERSAL STANDARDS

GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi has put in place a governance structure regarding supplier social and environmental assessments:

- On an annual basis, Bacardi sends a communication to key suppliers* on the importance of commitments toward our Responsible Sourcing Standards and Code of Conduct. The Procurement Team is fully committed to supporting our suppliers' compliance with the Responsible Sourcing Standards and Code of Conduct. Our ability to support their full integration is reviewed as part of the Procurement Performance Management Evaluation.
- On a monthly basis, the Bacardi Procurement Team meets to review a collective tracker on the status and pending actions of suppliers on the following topics: certifications, SMETA audits to be conducted or renewed, supplier non-conformities, Sedex Self-Assessment Questionnaire (SAQ), etc.
- In FY23, 113 SMETA audits were performed, and 483 non-conformities were identified, of which 68 were critical, 292 were major and 123 were minor. Of these 483 non-conformities, 148 non-conformities across 28 supplier sites still need to be cleared; 30 are critical, 91 are major and 27 are minor. Most issues are related to health, safety and hygiene. Bacardi regularly reviews progress on closing these gaps with suppliers. For critical non-conformities, Bacardi requires the creation of a detailed action plan that, if not followed, could result in supplier contract termination. Please note that the audits revealed 271 "good examples" (or observations) that demonstrate supplier commitment toward social and environmental responsibilities.

308-1
NEW SUPPLIERS THAT WERE SCREENED
USING ENVIRONMENTAL CRITERIA

At Bacardi, we aim to build long-term partnerships with our suppliers. For direct materials, in FY23, we introduced 31 new suppliers, of which 20 were Spot Buy. One supplier has been certified by Bonsucro to date, meaning 9% of new suppliers have been externally screened using environmental criteria. All new direct suppliers must participate in an internal Bacardi review called the Vendor Qualification Process, which includes an environmental assessment. For indirect suppliers, new suppliers must sign our Code of Conduct and Responsible Sourcing Standards.

308-2
NEGATIVE ENVIRONMENTAL IMPACTS IN
THE SUPPLY CHAIN & ACTIONS TAKEN

Bacardi has been a Sedex member since 2009 and is leveraging SMETA audits for social and environmental supplier tracking. Bacardi also accepts EcoVadis evaluations from our suppliers. We have 862 supplier sites that have been either SMETA-audited, EcoVadis-evaluated or certified through entities like Equalitas or Bonsucro.

Based on SMETA audits and EcoVadis evaluations, we have 13 suppliers (1.5%) identified with potential negative environmental impacts. The main findings are related to hazardous waste improperly handled and missing environmental policies. One supplier is under review for termination.

*Key suppliers refers to direct suppliers in packaging and raw materials.



UNIVERSAL STANDARDS

GRI 401: EMPLOYMENT

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi has three pillars to its core culture base: Fearless, Family and Founders. We want all of our employees to feel treated like family. We develop our talent to create a workplace of belonging, engagement and recognition. In April 2021, we launched *Belonging at Bacardi*, which is our way of driving a more diverse and inclusive environment, and underpins how we work every day. It is our way of interacting with others. Striving to be more empathetic and having a better, deeper understanding and appreciation for every walk of life benefits everyone. By valuing diversity of lived experiences and ideas, we are more agile, more effective and more creative on our journey to achieving our business strategy. We also have been externally recognised for the way we engage our employees, and we are Certified™ by Great Place to Work® in 51 locations worldwide, including our global headquarters in Bermuda.

We abide by all local laws and our own policies to support and empower our employees and suppliers.

We measure employee engagement through our annual survey. With this feedback, we create local action teams targeted toward improving the areas that our employees want to focus on to increase the levels of engagement and sense of belonging and create the best workplace for employees. Through our program *Bacardi Assist*, which focuses both on the well-being and mental health of our employees, we provide support for employees when requested on an anonymous basis.





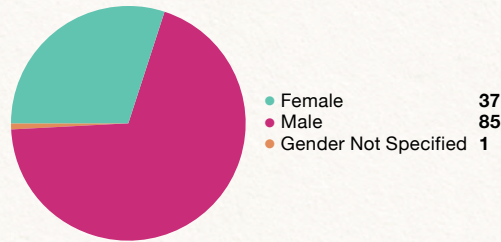
UNIVERSAL STANDARDS

GRI 401: EMPLOYMENT

401-1
NEW EMPLOYEE HIRES &
EMPLOYEE TURNOVER

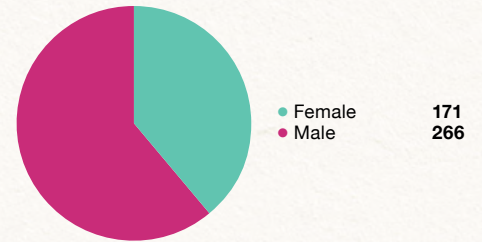
New Employees by Gender

Asia, Middle East & Africa, & GTR*

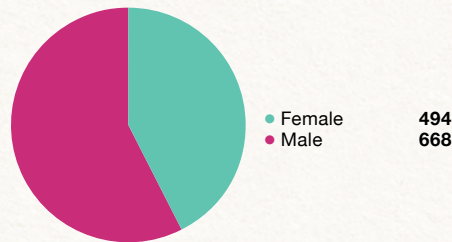


*Global Travel Retail

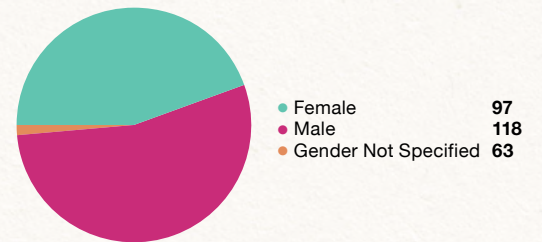
W. Europe, Australia & New Zealand



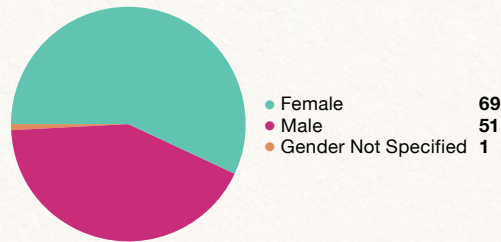
Latin America & Caribbean



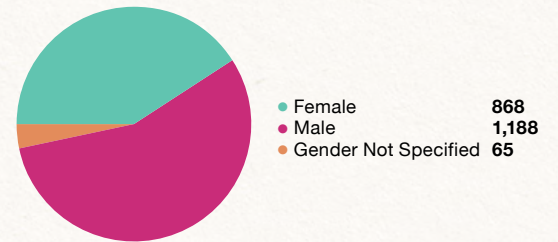
North America



E. Europe, Greater China, Japan & S. Korea



Globally



Methodology
This data is correct as of March 31, 2023. The data represents all Bacardi employees.
Employees have been allocated to the business region in which they are located and employed.



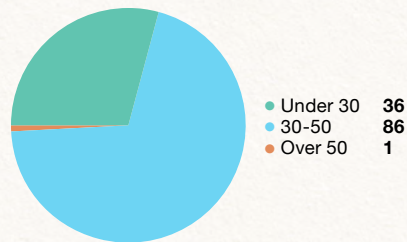
UNIVERSAL STANDARDS

GRI 401: EMPLOYMENT

401-1
NEW EMPLOYEE HIRES &
EMPLOYEE TURNOVER CONT'D

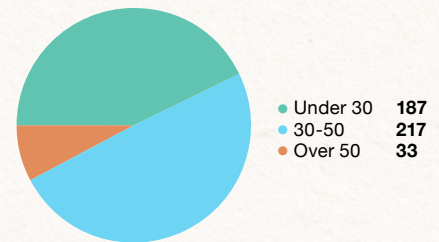
New Employees by Age

Asia, Middle East & Africa, & GTR*

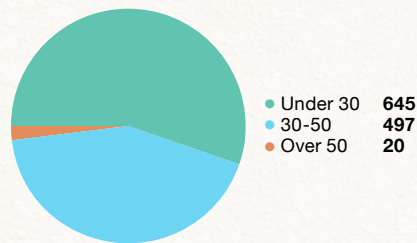


*Global Travel Retail

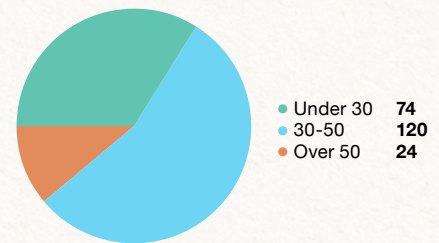
W. Europe, Australia & New Zealand



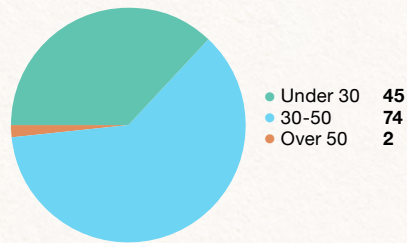
Latin America & Caribbean



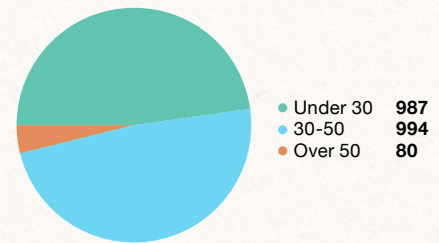
North America



E. Europe, Greater China, Japan & S. Korea



Globally



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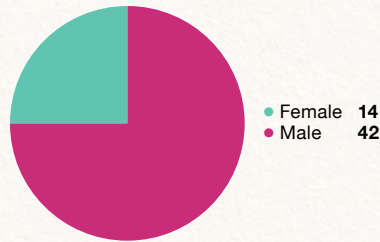
UNIVERSAL STANDARDS

GRI 401: EMPLOYMENT

401-1
NEW EMPLOYEE HIRES &
EMPLOYEE TURNOVER CONT'D

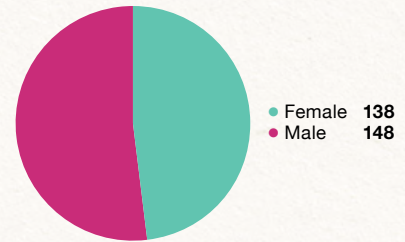
Employee Turnover by Gender

Asia, Middle East & Africa, & GTR*

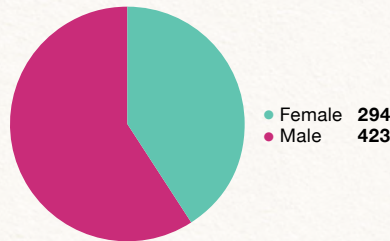


*Global Travel Retail

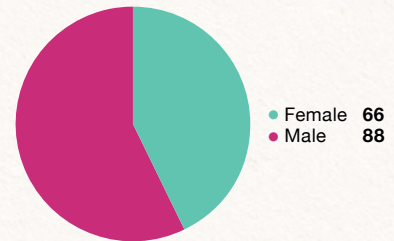
W. Europe, Australia & New Zealand



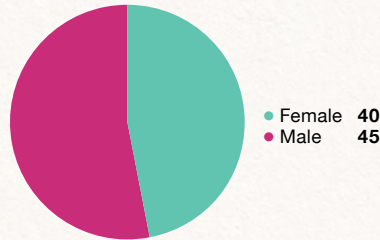
Latin America & Caribbean



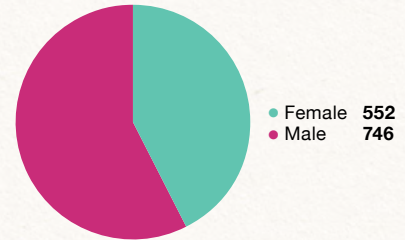
North America



E. Europe, Greater China, Japan & S. Korea



Globally



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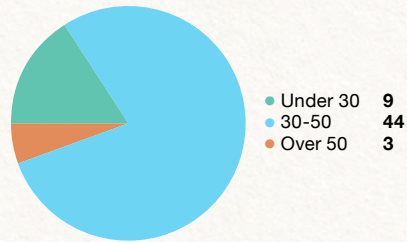
UNIVERSAL STANDARDS

GRI 401: EMPLOYMENT

401-1
NEW EMPLOYEE HIRES &
EMPLOYEE TURNOVER CONT'D

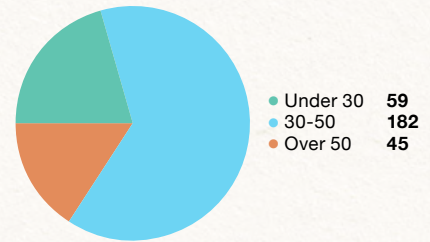
Employee Turnover by Age

Asia, Middle East & Africa, & GTR*

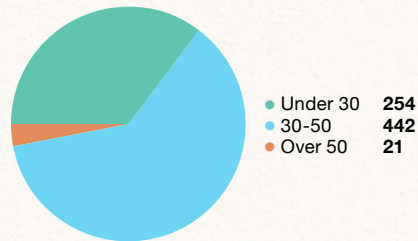


*Global Travel Retail

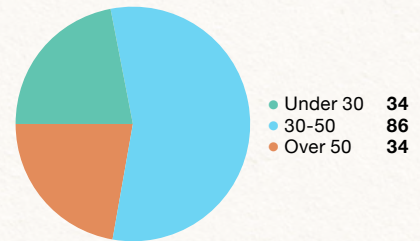
W. Europe, Australia & New Zealand



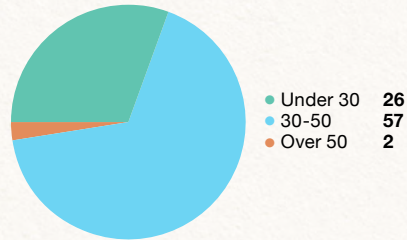
Latin America & Caribbean



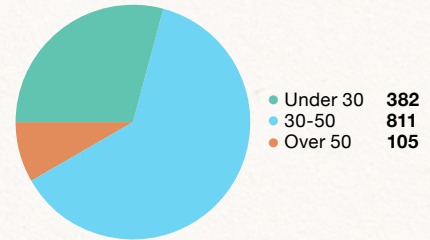
North America



E. Europe, Greater China, Japan & S. Korea



Globally



Methodology
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UNIVERSAL STANDARDS

GRI 401: EMPLOYMENT CONT'D

401-2
BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES

Bacardi benefits packages enhance our reputation as an employer of choice, support our global Certified™ Great Place to Work® accreditations and our ability to attract, recruit and retain talented employees from within a competitive external employment market. Irrespective of job grade, Bacardi entity location or contractual terms, our employees can access benefits packages aligned with their local country employment legislation, labor laws and external employment market conditions. In countries where applicable, there is no differentiation for our employees to access benefits between permanent, full-time, part-time, fixed-term and flexible working.

Our key benefits packages are inclusive of life assurance, health care, maternity and parental leave, disability and invalidity coverage, and retirement pension provision. Our key benefits provision is not restrictive and is dependent on the Bacardi entity, local country, and employment legislation. In this respect, additional inclusive and variable benefits are provided by local Bacardi entities, and employees can access, for example: birthday leave, My InSpirit Day, dental insurance, meal allowance, wellness allowance, gym allowance, long service awards, discounted primo onsite shop, etc. Please note that this list is provided for example purposes only and is not exhaustive.

Region	Life Assurance	Health Care	Parental Leave	Disability & Invalidity Coverage	Retirement Provision (Pension)
Asia, Middle East & Africa, & GTR*	100%	100%	100%	100%	99%
E. Europe, Greater China, Japan & S. Korea	100%	99%	99%	100%	99%
Latin America & Caribbean	100%	100%	100%	100%	100%
North America	100%	100%	100%	100%	99%
W. Europe, Australia & New Zealand	100%	99%	100%	99%	99%

*Global Travel Retail

Methodology
This data is correct as of March 31, 2023. The data represents all Bacardi employees.
Employees have been allocated to the business region in which they are located and employed.



UNIVERSAL STANDARDS

GRI 403: OCCUPATIONAL HEALTH & SAFETY

3-3
MANAGEMENT OF MATERIAL TOPICS

Within operations, the Bacardi Operating System (BOS) has been developed to create a framework for establishing and continuously improving systems and procedures in the following areas:

1. **Leadership culture and infrastructure (including risk management)**
2. **Manufacturing systems**
3. **Operational and business results**

The purpose of the Global Environment, Health & Safety (EHS) manual is to describe the core elements of the Bacardi EHS Management System for its worldwide manufacturing operations.

The specific objectives of the Global EHS manual are:

- **To provide a reference document to assist Bacardi EHS coordinators and managers in understanding the individual components of the Bacardi EHS Management System**
- **To provide a consistent framework for achieving Global Certification of the Bacardi EHS Management System**
- **To document the Company's expectations and standards, as well as provide tools to enable sites to implement the Bacardi EHS Management System capable of supporting the Bacardi Global Certification**

The Bacardi Global EHS manual, and the procedures and programs described therein, have been developed and organized in a manner consistent with the ISO® 14001 international standard for environmental management systems, and the ISO® 45001 international standard for occupational health and safety management systems.

403-1
OCCUPATIONAL HEALTH & SAFETY
MANAGEMENT SYSTEM

To address the potential impact of differing activities, the Bacardi EHS Management System is structured such that standardized EHS programs and procedures form a consistent foundation across all areas of risk. The Global EHS manual describes this basic foundation and provides the framework for each site to tailor the Bacardi EHS Management System to address site-specific activities and potential impacts.

The Global EHS manual forms the first tier (Level 1) of the Bacardi EHS Management System. Level 2 is a site-specific EHS manual describing in detail the activities of each site that present a potential impact to the environment, or occupational health and safety. Level 3 is a more detailed document that describes process-specific operational procedures, measurement/sampling/monitoring procedures, emergency preparedness procedures and response/shutdown procedures. Level 3 information may be contained within a number of different documents (i.e., planned maintenance procedures, operations, procedures, etc.)

Each site's EHS technical leader develops their own Level 2 and Level 3 manuals in a manner consistent with the expectations and procedures set out in Level 1 but using the tools best suited to their own specific situation.

The scope of the EHS Management System includes agencies, temporary workers and contractors within operational sites. Within the corporate offices, our occupational health programs, *Bacardi Assist* and *Mental Health First Aid*, are dedicated to the well-being of our employees.



UNIVERSAL STANDARDS

GRI 403: OCCUPATIONAL HEALTH & SAFETY CONT'D

403-2
HAZARD IDENTIFICATION,
RISK ASSESSMENT &
INCIDENT INVESTIGATION

Bacardi has a strong safety culture which supports the ability to drive proactive safety rather than a reactive system based on accidents. This process is now well established and is the backbone of the preventive safety program called *PrimoSafe* which uses the identification of hazards and hazardous conditions to drive action.

The Risk Management section has the aim of developing sustainable systems within the organization that deliver excellence in health, safety, environment, business continuity planning and food safety performance, leading to world-class performance. In order to deliver this vision, minimum standards for EHS performance have been developed, against which each site is measured. Best-in-class standards are also documented to assist sites with benchmarking their own performance and drive continual improvement in EHS. These standards have been developed and implemented in accordance with our ISO® 45001 certification.

403-3
OCCUPATIONAL HEALTH SERVICES

An occupational health service is provided and available for all employees. This service is face-to-face or remote, depending upon location. Reports are provided to Human Resources on a monthly, quarterly and annual basis. Depending upon location, the delivery of occupational health services includes: provision of pre-employment health checks for all employees, provision of attendance case management (management referrals) for all employees, provision of GP referral service, and provision of health surveillance (inclusive of lifestyle checks). The Company also trained and introduced a team of Mental Health First Aid (MHFA) instructors to support employees across the different sites.

403-4
WORKER PARTICIPATION,
CONSULTATION & COMMUNICATION
ON OCCUPATIONAL HEALTH & SAFETY

As part of ISO® management, all operational sites have a process that ensures regular meetings and consultations between management and employees on safety-related issues. These EHS committees are two-way in nature, sharing safety strategy and performance while allowing and facilitating employee input and consultation. The output of these meetings is then shared with the wider employee population.

403-5
WORKER TRAINING ON
OCCUPATIONAL HEALTH & SAFETY

Each site must complete an EHS competency analysis to determine the type and frequency of any EHS training requirements. The training needs analysis considers the training needs of people, including: existing employees, both at manager and non-manager levels; new employees; agency contractors; trade contractors and visitors. EHS training is reviewed at least annually.

As a minimum, the following subjects must be covered in any EHS training:

- **Legal requirements relevant to each role**
- **Key hazards on the site**
- **Hazard assessment methods**
- **Accident and incident reporting and investigation procedures**
- **Site emergency and evacuation procedures**
- **Site EHS policies and procedures**
- **Bacardi global policies and procedures, including codes of practice**
- **Promotion of worker health**

Please refer to [GRI 404-2](#) for more information on the Company's training strategy.



UNIVERSAL STANDARDS

GRI 403: OCCUPATIONAL HEALTH & SAFETY CONT'D

403-6
PROMOTION OF WORKER HEALTH

Bacardi offers a range of services through the *Bacardi Assist* program, which focuses on the well-being and mental health of our employees. We enhanced this program by introducing a team of Mental Health First Aid instructors to support our employee population. Additionally, in FY23, we started rolling out mindful drinking training as part of *Health and Safety* days at our production sites.

403-7
PREVENTION & MITIGATION OF
OCCUPATIONAL HEALTH & SAFETY
IMPACTS DIRECTLY LINKED BY
BUSINESS RELATIONSHIPS

As part of ISO® management, a risks and opportunities evaluation is required to help us define our objectives and the required planning to achieve them. Risk assessments covering impacts from our operations and supply chain are conducted. During the process of conducting the assessments on risks, opportunities and impacts, input is requested from internal and external stakeholders across our diverse internal functions and partners. This process informs the creation of an action plan to mitigate negative impacts and maximize opportunities. Once identified, the risks, opportunities and corresponding action plans are discussed with the Supply Chain Leadership Team (SCLT) and Global Leadership Team (GLT). Their feedback is considered before implementing the action plan.

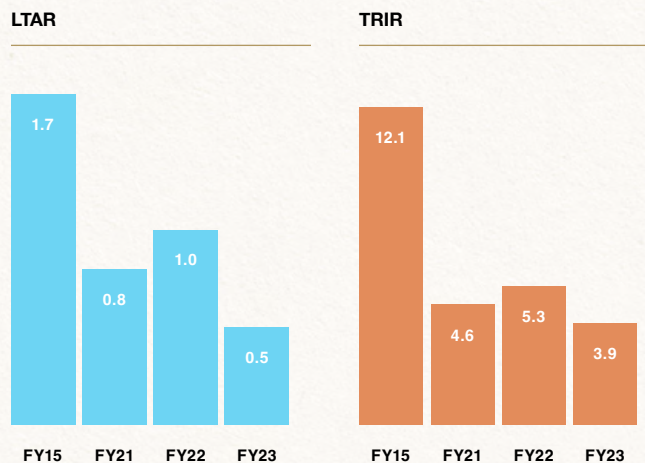
Bacardi manages the integrity of the supply chain through business continuity arrangements. See [GRI 308 3-3](#) for more information on our management of supplier relationships.

403-8
WORKERS COVERED BY AN
OCCUPATIONAL HEALTH & SAFETY
MANAGEMENT SYSTEM

The safety management system, ISO® 45001, and its associated codes of practice apply to all individuals on our sites, be they full-time employees, agency or temporary workers and contractors. Within the corporate offices, our occupational health programs, *Bacardi Assist* and *Mental Health First Aid*, are dedicated to the well-being of our employees.

403-9
WORK-RELATED INJURIES

The Lost Time Accidents Rate (LTAR) has steadily reduced over the years to a point where it is consistently at or below 1.0. As such, we have now moved the focus to Total Recordable Incident Rate (TRIR) and beyond to support a more preventive safety program.





UNIVERSAL STANDARDS

GRI 404: TRAINING & EDUCATION

3-3
MANAGEMENT OF MATERIAL TOPICS

At Bacardi, we recognize that our people and culture are our greatest assets. That's why it's our ambition to bring out the BEST talent in every employee to deliver best-in-class business results and contribute to a highly inclusive culture. Each year, we develop new resources and training programs to help unleash the potential of our employees and empower them to continuously improve as individuals and professionals. We have an online Bacardi-tailored learning library training portal, and we also provide functional training programs both virtually and in person.

The health and well-being of our employees is paramount, and we have created an integrated and comprehensive *Belonging* initiative. *Belonging at Bacardi* is about creating a place where every person feels appreciated for who they are, what they do and who they can become. We see it as the next evolution of personal leadership, inspiring every employee to be conscious and competent in building a truly inclusive environment.

Also, the *Step Up Project* was introduced to provide structured opportunities for our employees to supplement their current work with a project or short-term assignment to develop their skills and gain experiences outside of their comfort zone.

More In-depth Information for Learning

The *Shaping Your Career* program has enabled employees to define their purpose, reflect on their values and build a long-term career plan specifically tailored to their strengths and desires. Our managers attend *Coaching to Win*, where they master the essence of coaching and build a "coaching culture" to enable growth in each employee. Globally, we have developed two global leadership programs: the *Emilio Bacardi Harvard Business School Leadership Program* in partnership with Harvard Business School and the *Advanced Leadership Program* in partnership with the University of Miami, both offering one-of-a-kind personal and professional development opportunities with a custom-made curriculum.

Our collaboration with HBS earned us the **Brandon Hall Group Bronze** award for excellence in the Best University Professional Development Program for the *Emilio Bacardi Harvard Business School Leadership Program*. The Brandon Hall Group HCM Excellence Awards® are given for work in Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and other areas. Entries were evaluated by a panel of veteran, independent senior industry experts, Brandon Hall Group analysts and executives.

We also provide functional training programs, including the award-winning *Bacardi Way of Growth* through Growth Hacks, which brings together cross-functional teams to understand and apply how we build brands at Bacardi to implement our strategy and activation plans to drive growth. We launched the global *On Trade Academy*, a two-year program that builds fundamentals and excellence across a blended learning journey that includes in-market assessments, live coaching, and classroom training on a range of topics, from negotiation skills, presentation training and financial acumen to time management, key management skills and strengths finding. For all of our employees, we provide access to digital training through a partnership with Econsultancy called *Open365*. By taking an online assessment, employees can understand where they are at professionally and receive a personalized learning journey. They are also supported with bespoke modules created for Bacardi, along with open houses, where we bring in external speakers and business leaders to inspire our teams to meet consumer needs in the digital age.



UNIVERSAL STANDARDS

GRI 404: TRAINING & EDUCATION CONT'D

3-3
MANAGEMENT OF MATERIAL
TOPICS CONT'D

Career Skills and Advancement Opportunities

The Bacardi *Step Up Project* was introduced to provide structured opportunities for our employees to supplement their current work with a project or short-term assignment to develop their skills and gain experiences outside of their comfort zone.

The *Step Up Project* allows employees to take full responsibility for the day-to-day running of the project and make any business decisions that have short-term impact. It prepares talented employees for their next role by putting them in real business situations, where their abilities can be assessed and career aspirations managed. Employees gain valuable knowledge, exposure and skills while providing valuable support to the business by filling a short-term gap.

We evaluate progress on our people and culture regularly through biannual surveys, adhoc Pulse surveys, and through an Engagement Index, which is a global HR measure that assesses four key elements of employee engagement: satisfaction, pride, retention and advocacy. In addition, last year we created additional indices to track progress in the areas of belonging, wellbeing and enablement. We also conduct surveys after every training and development program to enhance programs for employees. Additionally, we have a yearly Great Place to Work® certification using their designated Engagement Index.





UNIVERSAL STANDARDS

GRI 404: TRAINING & EDUCATION CONT'D

404-2
PROGRAMS FOR UPGRADING
EMPLOYEE SKILLS & TRANSITION
ASSISTANCE PROGRAMS

Globally, we focus on the 70/20/10 module.

We believe 70% of learning can be done on the job through creating experiences in the flow of work that build skills and capabilities. A wide range of experiences are available: new project assignments, stretching roles, creating cross-functional teams, funding key strategic initiatives and more.

Twenty percent (20%) is learning by interacting with others, helping employees find mentors, role models and guides; for example, working on cross-functional projects, shadowing other employees, or doing a secondment such as the *Step Up Project*, where employees have the opportunity to step into new experiences in different functions. We also have a formal mentoring program, which all employees are invited to be a part of.

And the last 10% is focused on accelerating learning through formal training, which is a combination of internal leadership-led programs that build functional and leadership skills.

Leadership Programs:

- **Emilio Bacardi Harvard Business School Leadership Program – Developing the skills of senior leaders to build the strategies and plans that will support the long-term success of the Bacardi organization while navigating the challenges and disruption that we will face (five weeks in person and coursework over an 18-month period)**
- **Advanced Leadership Program – Helping employees to further define themselves as leaders, director level and above; delivered in partnership with the University of Miami (2 weeks)**
- **Bacardi Ready Advanced – Developing employees to move from managers to leaders (7 days)**
- **Bacardi Ready Core – Readying employees to manage a team (1 week)**

Leadership Skills Programs:

- **Coaching to Win (1.5 days)**
- **Shaping Your Career (1 day)**
- **Belonging in Action – Leader Series (3 days) / Employee Series (4 modules of 2 hours each)**

Functional Training:

- **Bacardi Way of Growth (Marketing)**
- **Off Trade Academy**
- **Open365 (Digital)**
- **Bacardi Operating Systems (Operations)**

We also have a comprehensive onboarding journey for new employees, *Becoming Bacardi*, which includes eight hours of training spread across the first 90 days to enable new employees to feel like family.



UNIVERSAL STANDARDS

GRI 404: TRAINING & EDUCATION CONT'D

404-2
PROGRAMS FOR UPGRADING
EMPLOYEE SKILLS & TRANSITION
ASSISTANCE PROGRAMS CONT'D

Global Mobility: We have an internal Global Mobility department that manages all international moves. Global Mobility has a global contract with relocation providers AIREs and Deloitte. Both help in the relocation of our employees and their families during a transition. The scope of services of Global Mobility encompasses tax, social security, immigration and relocation.

Open365: Digital Transformation is a key enabler of our internal strategy, and we are on a mission to accelerate the progress of this exciting journey. We have launched *Open365*, a company-wide digital transformation program, which aims to deliver skills and training while reshaping the way we work in order to meet the changing needs and demands of our consumers.

Bacardi Way of Growth: The *Bacardi Way of Growth* (BWG) program has been designed to empower employees to, first and foremost, put the consumer at the heart of all of our decision making, creating a common language and driving the capability of our people around the world.

Bacardi Commercial Way: The objective of the *Bacardi Commercial Way* is to drive a “Fearless, Founder and Family” mindset. It was built for employees, by employees, to help us build best-in-class commercial capabilities to deliver sustainable growth and excellence in execution, and to help deliver the internal strategies developed by Bacardi.

Shaping Your Career: *Shaping Your Career* is an opportunity for our employees to take the time to reflect strategically on their life and career as part of our commitment to their development, in the structure of a one-day workshop.

Belonging in Action: *Belonging in Action* is a series of workshops designed to help every Bacardi employee reach their full potential every day, meaningfully interact with other team members, further evolve the Bacardi culture, create a truly inclusive environment and ultimately impact our overall business performance.

Coaching to Win: *Coaching to Win* is a workshop that helps leaders use coaching skills in their everyday conversations to positively impact performance and contribute toward building a coaching environment.

Bacardi Ready: *Bacardi Ready* is a three-day workshop covering core concepts around leadership and business fundamentals. It targets newly appointed first-time managers. It is a locally held program facilitated by employee graduates from *Bacardi Ready Advanced*, the *Advanced Leadership Program*, the *Emilio Bacardi Harvard Business School Leadership Program*, and our global Talent Management Team.

Advanced Leadership Program: The *Advanced Leadership Program* is a fast-track development program for employees who have the growth potential to reach bigger roles in the Company and have a strong influence on the Company's future. For 24-26 months, participants deepen their understanding of the key drivers of our business while simultaneously defining what sort of leader they want to be and the legacy they want to leave.

Emilio Bacardi Harvard Business School Leadership Program: This 18-month program empowers our executive employees to think globally and compete strategically. The program reflects current challenges and emerging opportunities created by disruptive innovation, socioeconomic trends and market volatility, and how we need to show up as leaders of the future.



UNIVERSAL STANDARDS

GRI 404: TRAINING & EDUCATION CONT'D

404-2
PROGRAMS FOR UPGRADING
EMPLOYEE SKILLS & TRANSITION
ASSISTANCE PROGRAMS CONT'D

Let's Learn: *Let's Learn* is a global learning platform with access to a library of Bacardi videos, courses, e-learning, brand modules, bite-size toolkits, training calendars and more that have been designed by our own employees.

Next-Gen Idea Lab: The *Next-Gen Idea Lab* is a global strategic program focused on identifying future growth engines and skill building. The *Idea Lab* hosts a global summit where winning idea owners are invited to learn new capabilities, prototype their suggested solutions to old problems, pilot their proposition, and, ultimately, pitch their proposal to senior leadership with the intent to launch in the marketplace and learn from those experiments.

Shake Your Future: *Shake Your Future* (SYF) was launched as a free professional training program for young, unemployed adults from disadvantaged backgrounds to help them begin successful careers as bartenders. SYF partners with the European Bartender School to give back to our bartender community and give deserving people a boost in their careers.

404-3
PERCENTAGE OF EMPLOYEES
RECEIVING REGULAR PERFORMANCE
& CAREER DEVELOPMENT REVIEWS

All Bacardi employees, with the exception of a limited number of individuals, receive regular performance reviews. These performance reviews are discussions designed to help our employees not only look back and celebrate what they've achieved and learned, but also to look forward and discuss three key topics with their supervisor: 1) What should I be focused on? What are the commitments that are of highest priority? 2) How can I enhance my contribution to the culture by looking after my own well-being, my sense of belonging and how I live the values of Bacardi? 3) How can I build a career development plan that is aligned to my purpose and my ambitions?

Percentage of Bacardi employees who receive regular performance and career development reviews

Region	Female	Male
Asia, Middle East & Africa, & GTR*	100%	100%
E.Europe, Greater China, Japan & S. Korea	100%	100%
Latin America & Caribbean	100%	100%
North America	100%	100%
W. Europe, Australia & New Zealand	99%	99%

*Global Travel Retail

Methodology
This data is correct as of March 31, 2023. The data represents all Bacardi employees.
Employees have been allocated to the business region in which they are located and employed.



UNIVERSAL STANDARDS

GRI 405: DIVERSITY & EQUAL OPPORTUNITY

3-3
MANAGEMENT OF MATERIAL TOPICS

At Bacardi, we are committed to creating an environment where every person feels appreciated for who they are, what they do and who they can become. Two years ago, we launched *Belonging at Bacardi* — the next iteration of our diversity and inclusion efforts — across the Company. The areas of focus are in groups traditionally underrepresented within the spirits industry and vary by market in order to reflect local community needs.

To lead the journey, we began at the top with an eight-module deep dive workshop for top leadership. Setting the example for inclusive leadership skills and attitudes is key, which is why each executive completed a 360-assessment to provide feedback and design personalized development plans, along with yearly *Belonging* commitments cascaded throughout each team. In select markets, we launched *Inclusive Recruitment* workshops for hiring managers to ensure hiring practices are unbiased, sourcing strategies are maximized to reach a diverse candidate pool, and that we offer a best-in-class and inclusive candidate experience. *Belonging at Bacardi* is now integrated within our entire learning and development curriculum.

To measure our progress and foster leadership accountability, we launched a dedicated *Belonging Pulse Survey*, followed by local qualitative research. Additionally, all *Belonging* indicators are a part of our regular Employee Engagement Survey. To further ensure collective and individual accountability for demonstrating inclusive behaviors, we have included *Belonging* in yearly performance reviews for each business area and employee evaluation.

Soon after rolling out *Belonging at Bacardi*, we created and launched *Belonging Pulse Surveys* across all regions and functions. We measured demographic questions to ensure that employees of all backgrounds have equal opportunity. Indicators from the *Belonging Pulse Survey* are now embedded into the regular Employee Engagement Survey, which is conducted every two years.

We are working to set representation targets in our key markets, supported by relevant HR metrics dashboard data, which is reviewed on a quarterly and yearly basis.

We have identified a series of KPIs — both quantitative and qualitative — to measure the progress of *Belonging at Bacardi* in areas such as recruitment, talent progression, succession planning, learning and development, and community impact.

Almost 3,000 employees have gone through *Belonging in Action*, a four-module immersive training about bringing *Belonging* to life in everyday interactions with others. More than 540 employees globally have volunteered to join local *Belonging in Action* teams.

We will also continue to focus on driving *Women In Leadership* to increase our female population each year. In FY23, we experienced a 2% increase, and are now at 41% *Women In Leadership*. In 2022, we were recognised by *Forbes* as one of the World's Top Female-Friendly Companies.

405-1
DIVERSITY OF GOVERNANCE
BODIES & EMPLOYEES

Our data on employee diversity is presented in [GRI 2-7](#) of this GRI Index.

Board Membership:

Male: 10	Under 30: 0
Female: 3	30-50: 0
Hispanic: 6	Over 50: 13
Asian: 1	



UNIVERSAL STANDARDS

GRI 406: NON-DISCRIMINATION

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi employees are located all over the world and bring to the Company a diverse set of ideas, talents and abilities. With family values, Bacardi actively promotes a working environment where all employees are treated and rewarded fairly. We have zero tolerance for any form of discrimination on the basis of national origin, race, color, religion, gender, sexual orientation, marital status, disability, age or any other protected characteristic under applicable laws. This principle of equality and fairness applies to all terms and conditions of employment.

The same approach to equal opportunities and respect is applied to all of our third-party business partners, customers and vendors with whom we work. More details can be found in our Code of Conduct, hosted on the [Bacardi Limited](#) website.

Our zero-tolerance principle is applied when conducting investigations on Code of Conduct violations regarding discrimination. Any exception to this principle is treated very seriously, and any person found to have been in breach is subject to disciplinary measures up to and including termination. The Business Integrity Team and the Business Integrity Committee apply a consistent approach globally to determining necessary actions. Implementation of the applicable actions is carried out by local HR and/or Legal in accordance with local laws.

406-1
INCIDENTS OF DISCRIMINATION
& CORRECTIVE ACTION TAKEN

Through our programs, we manage incidents and issues that arise in each location where we do business, and we encourage correct behavior with our employees on a global level through local initiatives.

Allegations of discrimination are few at Bacardi. During FY23, one case of discrimination was substantiated. All allegations of discrimination received were thoroughly investigated by our dedicated and professional Business Integrity Team together with support from the local HR or Legal function where required.

Appropriate disciplinary action, training and behavior monitoring are some of the actions carried out to educate and mitigate future recurrence of discrimination.



UNIVERSAL STANDARDS

GRI 407: FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi has a strong commitment to implementing standards of conduct that govern procurement of goods and/or services. Suppliers are contractually committed to the Bacardi Limited Code of Conduct and Responsible Sourcing Standards, or to an equal level code of conduct presented by suppliers. Bacardi expects its key suppliers to comply with these standards. Freedom of association and collective bargaining is covered under working conditions clauses in the Bacardi Limited Code of Conduct and Responsible Sourcing Standards. Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

407-1
OPERATIONS & SUPPLIERS IN
WHICH THE RIGHT TO FREEDOM
OF ASSOCIATION & COLLECTIVE
BARGAINING MAY BE AT RISK

Bacardi leverages the Sedex risk assessment tool to identify types of operations and geographic areas that represent significant risks on freedom of association violation. Regions identified with inherent risks in Sedex where Bacardi operates are Brazil, China, Guatemala, Hungary, India, Sri Lanka, Thailand, Turkey and the U.S. From the last audit performed by suppliers in FY23, 10 non-conformities were revealed on freedom of association and collective bargaining. All non-conformities are now closed. We have two non-conformities pending for one supplier from the FY22 audit. Bacardi is partnering with the supplier to clear this non-conformity. A detailed plan with a timeline is shared with the supplier and, in the event of a deviation from the plan, Bacardi is entitled to reduce or terminate the contract.

To vet our suppliers for those that support rights to exercise freedom of association and collective bargaining, Bacardi requires key suppliers* to be Sedex members and to perform a Self-Assessment Questionnaire (SAQ). For non-certified key suppliers, Bacardi requires suppliers to perform a Sedex Members Ethical Trade Audit (SMETA) that covers freedom of association. Audits and renewals of SMETA audits are tracked in the Sedex platform. Certifications accepted are Equalitas, GLOBALG.A.P., For Life, SAI, Bonsucro and EcoVadis ratings.



*Key suppliers refers to direct suppliers in packaging and raw materials.



UNIVERSAL STANDARDS

GRI 408: CHILD LABOR

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi has a strong commitment to implementing standards of conduct that govern procurement of goods and/or services. Suppliers are contractually committed to the Bacardi Limited Code of Conduct and Responsible Sourcing Standards, or to an equal level code of conduct presented by suppliers. Bacardi expects its key suppliers to comply with these standards. Child labor is covered under working conditions clauses in our Code of Conduct and Responsible Sourcing Standards. Child labor shall not be used, and suppliers comply with ILO standards on child labor, and prohibit the use of child labor and forced or compulsory labor in all facilities. Child labor shall mean any work that is harmful to children (i.e., work that is exploitative, prevents children from getting an education, and/or jeopardizes their physical, mental or moral well-being). Where national law allows children aged 16 and above to carry out professional activities, the Company imperatively requires the health, safety and morale of the children to be fully protected, including comprehensive specific training of the children in the activity in question. Suppliers shall develop and contribute to policies and programs that provide for the transition of any child found to be performing child labor to enable her or him to attend and remain in quality education until no longer a child.

408-1
OPERATIONS & SUPPLIERS
AT SIGNIFICANT RISK FOR
INCIDENTS OF CHILD LABOR

Our emphasis on SMETA audits for suppliers has given us valuable insight into the risk profiles of our partners. From the last audit performed by suppliers in FY23, Bacardi identified six non-conformities related to child labor, of which, one was still open at the end of FY23. One non-conformity has carried over from the previous year's audit. The non-conformities are mainly linked to the absence of policies regarding young workers and child labor. For non-conformities clearance, a detailed plan with a timeline is shared with suppliers and, in the event of a deviation from the plan, Bacardi is entitled to reduce or terminate the contract with the supplier.

To identify suppliers at significant risk of child labor, Bacardi also leverages Sedex risk grids to identify countries and types of operation of heightened risk. The main countries and territories identified with higher child labor risks are China, Guatemala, India, Brazil and Puerto Rico.

To support suppliers dedicated to the abolition of child labor, Bacardi requires key suppliers* to be Sedex members and to perform an SAQ. For non-certified key suppliers, Bacardi requires a SMETA audit that covers child labor. Certifications accepted include Equalitas, GLOBALG.A.P., For Life, SAI, Bonsucro and EcoVadis ratings.

*Key suppliers refers to direct suppliers in packaging and raw materials.



UNIVERSAL STANDARDS

GRI 409: FORCED OR COMPULSORY LABOR

3-3
MANAGEMENT OF MATERIAL TOPICS

Forced or compulsory labor is covered under working conditions clauses in our Code of Conduct and Responsible Sourcing Standards, which our suppliers are contractually committed to comply with. Under the Code of Conduct, employment must be freely chosen. Forced, bonded or involuntary prison labor is not permitted. Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice. Working hours are not excessive, and temporary workers must be treated fairly.

409-1
OPERATIONS & SUPPLIERS AT
SIGNIFICANT RISK FOR INCIDENTS OF
FORCED OR COMPULSORY LABOR

From the last audit performed by suppliers in FY23, four non-conformities were revealed on forced labor. One non-conformity was still open at the end of FY23, and we had two non-conformities carried over from the previous year’s audit. The non-conformities are mainly linked to the absence of policies regarding forced labor. For non-conformities clearance, a detailed plan with a timeline is shared with suppliers and, in the event of a deviation from the plan, Bacardi is entitled to reduce or terminate the contract with the supplier.

Bacardi leverages the Sedex risk assessment tool to identify the types of operations and geographic areas that represent a significant risk of forced or compulsory labor. The main countries identified with higher forced or compulsory labor risks are China, Guatemala, India, Brazil and Turkey.

To support the elimination of all forms of forced or compulsory labor in our supply chain, Bacardi requires key suppliers* to be Sedex members and to perform an SAQ. For non-certified key suppliers, Bacardi requires them to perform a SMETA audit that covers freely chosen employment. Audits and their renewals are tracked on the Sedex platform. Certifications accepted are Equalitas, GLOBALG.A.P., For Life, SAI, Bonsucro and EcoVadis ratings.

*Key suppliers refers to direct suppliers in packaging and raw materials.



UNIVERSAL STANDARDS

GRI 413: LOCAL COMMUNITIES

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi prioritizes community impact efforts on a global level, including setting a robust global KPI target around community impact. Our goal is to support local causes, partnerships and programs to drive employability and job opportunity in 100% of our communities by 2030. We have a history of supporting and collaborating with the local communities where our employees are based. Employability initiatives include our *Shake Your Future* (our bartender training program) and delivery of an employability week for members of the local community in Jalisco, Mexico. We are also committed to engaging in community initiatives focused on important environmental topics including activities such as tree planting in Bermuda and water filter installation in the Philippines. Additionally, Bacardi has given support with a designated Disaster Relief Fund to support those impacted by major disasters.

On an annual basis, Bacardi gives every employee the opportunity to take one day, fully paid, for community impact with a charity of their selection.

Targets are measured by various teams across Bacardi, including Human Resources and ESG.

413-1
OPERATIONS WITH LOCAL COMMUNITY
ENGAGEMENT, IMPACT ASSESSMENTS
& DEVELOPMENT PROGRAMS

Through our *Shake Your Future* program, Bacardi has trained 122 bartenders in FY23 with an expansion to cover geographical areas such as New Delhi, Cape Town, Johannesburg, Barcelona, Rome, Milan, Napoli and Turin.

With our new community impact goal, we want to put our focus and energy on impact and outcomes over activity and inputs. In certain locations, we have local training courses — including shadowing — to support communities. Through our work with BIER, we support local communities — including WASH programs — with a focus on water-specific projects. We are committed to promoting human rights. We also invest in supporting responsible drinking initiatives and reducing our environmental impact.

413-2
OPERATIONS WITH SIGNIFICANT
ACTUAL & POTENTIAL NEGATIVE
IMPACTS ON LOCAL COMMUNITIES

Bacardi has 100% ownership of 23 production sites in 10 countries and territories: United States, Puerto Rico, Mexico, France, Italy, Scotland, England, Switzerland, Brazil and India. Please refer to GRI disclosures [205](#), [206](#), [302](#), [303](#), [305](#), [306](#), [401](#), [403](#), [404](#), [405](#), [406](#), [407](#), [408](#) and [409](#) for ways in which our direct operations may impact our local communities, and how we support those communities and remediate any impacts.



UNIVERSAL STANDARDS

GRI 414: SUPPLIER SOCIAL ASSESSMENT

3-3
MANAGEMENT OF MATERIAL TOPICS

Bacardi has implemented a policy on procurement for all suppliers. New suppliers have to perform a Vendor Qualification Process (VQP) in which suppliers are required to answer a questionnaire or must be a Sedex member and have a SMETA audit. Responsible sourcing protocols are followed and enforced through our Responsible Sourcing Standards. We have global KPIs under our Good Sources priority strategy, which encompasses sourcing our key raw materials sustainably and focuses on our packaging and materials. Our Responsible Sourcing Standards allow us to manage social and ethical impacts throughout our supply chain.

Bacardi requires non-certified key suppliers* to be Sedex members and to perform a SMETA audit. Audits follow the SMETA Four Pillar Audit Protocol, or equivalent, covering health and safety, labor standards, environment and business ethics. Bacardi is also a member of the Sedex Self-Assessment Questionnaire (SAQ) Project Advisory Group (PAG). The PAG has provided guidance, feedback and advice to Sedex as it develops the next version of its SAQ. The next version of its SAQ, scheduled for release in 2023, is designed to help suppliers understand the expectations of international labor standards and identify areas for improvement while supporting companies to identify human rights risks in their supply chains.

Suppliers are contractually committed to adhering to the Bacardi Code of Conduct and Responsible Sourcing Standards, or to an equal level code of conduct presented by suppliers. Suppliers are also contractually committed to a compliance certificate. Human Rights compliance is covered under responsible sourcing certificates and our Code of Conduct.

414-1
NEW SUPPLIERS THAT WERE
SCREENED USING SOCIAL CRITERIA

At Bacardi, we aim to maintain long-term partnerships with our suppliers. For direct materials, in FY23, we introduced 31 new suppliers of which 20 were Spot Buy. One supplier has been audited via SMETA, and one supplier has been evaluated by EcoVadis, resulting in 18% of new suppliers being screened for social criteria externally. Additionally, all new direct suppliers must comply with our own Vendor Qualification Process, an internal review that includes an assessment of their social performance.

414-2
NEGATIVE SOCIAL IMPACTS IN THE
SUPPLY CHAIN & ACTIONS TAKEN

In FY23, 113 SMETA audits were performed identifying 483 non-conformities, of which, 148 were pending clearance at end of fiscal. Twenty-eight supplier sites were involved in these non-conformities, which represents less than 3% of our direct supplier portfolio. The majority of these findings were related to health, safety and hygiene. For critical non-conformities, Bacardi requires the creation of a detailed action plan that, if not followed, could result in supplier contract termination. Bacardi regularly reviews progress on closing these gaps with all suppliers that have non-conformities. Please note that audits revealed 271 “good examples” (or observations) that demonstrate supplier commitment toward social and environmental responsibilities.

*Key suppliers refers to direct suppliers in packaging and raw materials.



UNIVERSAL STANDARDS

SASB



UNIVERSAL STANDARDS

SASB

ENERGY MANAGEMENT

SASB FB-AB-130a.1

Please refer to [GRI 302-1](#).

- (1) Total energy consumed
- (2) Percentage grid electricity
- (3) Percentage renewable

WATER MANAGEMENT

SASB FB-AB-140a.1

Please refer to [GRI 303-3](#) and [303-5](#).

- (1) Total water withdrawn
- (2) Total water consumed, percentage of each in regions with high or extremely high baseline water stress

SASB FB-AB-140a.2

Please refer to [GRI 303 3-3](#) and [303-1](#).

Description of water management risks and discussion of strategies and practices to mitigate those risks

RESPONSIBLE DRINKING & MARKETING

SASB FB-AB-270a.1

For FY23, FB-AB-2701a.1 is omitted because the data is not currently available. Please see [FB-AB-2701a.4](#) for initiatives focused on preventing underage drinking.

Percentage of total advertising impressions made on individuals at or above the legal drinking age

SASB FB-AB-270a.2

We have had zero instances of non-compliance upheld during FY23 at the time of publication.

Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes

SASB FB-AB-270a.3

We have had zero monetary losses as a result of legal proceedings associated with marketing and/or labeling practices during FY23.

Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices



UNIVERSAL STANDARDS

SASB CONT'D

RESPONSIBLE DRINKING
& MARKETING CONT'D

SASB FB-AB-270a.4

Description of efforts to promote responsible consumption of alcohol

As part of the Bacardi Limited Good Spirited ESG strategy, we are dedicated to marketing responsibly and reducing alcohol-related harm. As an organization, we work hard to help people make good decisions, to live a mindful lifestyle and reduce alcohol-related harm on a global scale.

We do this by focusing on three key areas:

- **Preventing underage drinking**
- **Reducing excessive consumption**
- **Discouraging impaired driving**

To make progress in this area, Bacardi has partnerships in place with social organizations and industry trade associations in a number of its key markets and provides funding to ensure impactful responsible drinking initiatives are executed.

These social organizations and trade associations work to deliver responsible drinking initiatives on behalf of the alcohol industry in each market. This is in line with the Bacardi external ESG commitment to have responsible drinking initiatives in place in the top 80% of our markets. For FY23, our progress against this KPI is 92% with 11 of 12 top markets delivering an initiative of some sort. Russia is the exclusion from this list, given the ongoing geopolitical situation. Markets that delivered an initiative include the U.S., the U.K., Italy, France, Spain, Germany, India, Mexico, Canada, Belgium and the Netherlands.

There are a multitude of initiatives delivered by the social organizations and trade associations, with some examples as follows:

- **Educating the bartending community about alcohol units (SpiritsNL, Netherlands)**
- **Encouraging groups of friends to have a designated driver (Stiva, Netherlands)**
- **Educating university students about responsible consumption and running a competition for student-created “alcohol responsibility” advertising materials (Federvini, Italy)**
- **Working with schools to teach children about the dangers of underage drinking (Responsibility.org, U.S.)**
- **Offering digital tools to help people struggling with alcohol usage identify pathways for support (DrinkAware, U.K.)**

In addition, in France and Italy, the Bacardi-owned and managed Slow Drinking site and social media platform promotes regular content on responsible consumption to help educate consumers on this topic. In India, the team focused on promoting mindful hosting via product neck tags that drive consumers to an engaging document on how to host events in a responsible manner. Similar messaging on mindful hosting has been shared in Belgium via a digital campaign.

The above are just a cross section of the initiatives Bacardi is involved in. Measures of success are determined by each lead organization but can include: reach, initiative engagement, action taken, behavior change and more.



UNIVERSAL STANDARDS

SASB CONT'D

PACKAGING LIFECYCLE MANAGEMENT

SASB FB-AB-410a.1

- (1) Total weight of packaging
- (2) Percentage made from recycled and/or renewable materials
- (3) Percentage that is recyclable, reusable and/or compostable

For FY23, SASB FB-AB-410a.1 has been omitted because we are in the process of collecting and validating the data. To do so, we are implementing a data management system to be able to accurately and automatically account for parts 1-3 of the disclosure.

SASB FB-AB-410a.2

Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle

Bacardi cares as much about the bottle itself as it does about the liquid that goes inside, because Bacardi wants to deliver both a better spirit and a better world. Our packaging strategy is guided by five KPI targets:

1. **100% of paper and board used for shipping and labels sustainably certified by 2025**
2. **100% of product packaging to be recyclable by 2025**
3. **40% recycled content of product packaging materials by 2025**
4. **100% plastic-free by 2030**
5. **Zero single-use plastic in secondary packaging by 2023**

Our ability to achieve these targets relies on partnerships across our brands. For example, in India, we have partnered with a bottle collection agency that gathers used bottles, then washes, cleans, and de-labels them, allowing them to be repurposed in the bottling of various local products.

At MARTINI,[®] the team at Pessione is working with various partners to convert clean industrial plastic scraps into high-quality raw materials. For instance, 100% of plastic label liner scraps are converted into polyethylene terephthalate (PET) grains, which become raw material to be used in packaging and household products.

As part of our various packaging initiatives across our global operations, we have ensured that 99% of our primary packaging is recyclable, eliminated 254 tons of plastic in value-added packaging (VAP) from FY20-FY22, and are developing plastic alternative materials such as PHA in collaboration with Danimer Scientific.

ENVIRONMENTAL & SOCIAL IMPACTS
OF INGREDIENT SUPPLY CHAIN

SASB FB-AB-430a.1

- Suppliers' social and environmental responsibility audit
- (1) Non-conformance rate and
 - (2) Associated corrective action rate for (a) major and (b) minor non-conformances

Please see [GRI 308](#) for information on environmental assessments of suppliers.

Please see [GRI 414](#) for information on social assessments of suppliers.

UNIVERSAL STANDARDS

SASB CONT'D

INGREDIENT SOURCING

SASB FB-AB-440a.1

Percentage of beverage ingredients sourced from regions with high or extremely high baseline water stress

Fifty-two percent (52%) of our purchased beverage ingredients come from countries facing high water stress (using WRI as our classification system). The two main countries are Mexico and Italy. In Mexico, we are sourcing agave for our tequila products. In Italy, we are sourcing the wines for our Vermouth products.

SASB FB-AB-440a.2

List of priority beverage ingredients and description of sourcing risks due to environmental and social considerations

Main ingredients bought by Bacardi are agave for our tequila, alcohol for our vodka and gin, wines for our vermouth and sparkling, malted barleys and whisky for our single malts, molasses for our rum, botanicals for our gin/vermouth, corn for our bourbon, Cognac, flavors and fruit extracts/infusion.

Please refer to GRI [308](#), [407](#), [408](#), [409](#) and [414](#) for information on risks due to environmental and social considerations identified through SMETA audits of our suppliers.

As part of our Good Spirited strategy, we aim to have 100% of our key raw materials sourced from sustainably certified suppliers by 2025. Currently, we have 54% of our suppliers sustainably certified. Certifications accepted are Equalitas, GLOBALG.A.P., For Life, SAI, Bonsucro and EcoVadis ratings.

ACTIVITY METRIC

SASB FB-AB-000.A

Volume of products sold

6.66 Mhl (Millions of hectoliters)

SASB FB-AB-000.B

Number of production facilities

23

SASB FB-AB-000.C

Total fleet road miles traveled

In FY23, our total fleet miles traveled were 12,254,358 miles in the U.S. and Europe. In Europe, this figure represents road transports from Bacardi plants to Bacardi warehouses. In the U.S., this figure represents road transports from Bacardi plants to their final destinations.



BACARDI LIMITED