



BACARDI LIMITED

Corporate Responsibility Report 2009

At Bacardi our Values are: Trust, Caring, Passion, Excellence



100%

Percentage of our target who have completed our online Code of Conduct training.

120

People in our business who have received Responsible Sourcing awareness training.

\$3.9m

Reported giving by Bacardi companies and brands.

Bacardi has been elected to the Management Committee of the Better Sugarcane Initiative, a multi-stakeholder group working towards more responsible sourcing of sugarcane.



28%

Reduction in lost time accident rate.

19.3%

Reduction in water use over the past three years.

9.2%

Reduction in greenhouse gas emissions.

440

Number of people across the Company trained in the Global Marketing Principles through the Bacardi Marketing Way program.



1st

Place taken by the "Champions Drink Responsibly" campaign which won Best International Communications Programme for Social Responsibility in 2008 at the communication industry's European Excellence Awards.

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Trust, Caring, Passion and Excellence. These were the values our founder Don Facundo Bacardí Massó instilled in the family business he started in 1862 and they continue to guide us today – 147 years later. By caring deeply and passionately about our business and the world around us, we excel in creating brands consumers can trust. We aim to strengthen these bonds of trust by publishing an annual account of our Corporate Responsibility performance. This second report shows the progress we have made in the past year.

Our values

- TRUST** - True to each other
- CARING** - In ALL that WE do
- PASSION** - Inspired by OUR heritage and OUR vision
- EXCELLENCE** - Beyond what is expected

The world's largest privately owned spirits group... some of the world's leading spirits brands.

6

Core global brands and a strong portfolio of local brands.

100+

Markets in which our products are sold.

6,500+

Employees across the world.

HOW OUR PRODUCTS ARE MADE

Many stages are involved in the creation of our products. Every product starts with natural constituents (sugarcane or grain, herbs and spices or grapes) which are distilled or fermented from a long-established recipe and then bottled and shipped through complex distribution channels to our trade partners. Consumers purchase from bars or stores and packaging is ideally recycled.

BACARDI rum

World's number one selling premium rum.

GREY GOOSE vodka

World leader in super premium vodka.

DEWAR'S Scotch whisky

One of the world's most awarded Scotch whiskies.

MARTINI vermouth

World's number one vermouth.

BOMBAY SAPPHIRE gin

World's number one premium gin by value.

CAZADORES tequila

World's number one premium tequila.

OUR PRODUCTS ARE MADE AT 27 MANUFACTURING SITES IN 16 DIFFERENT COUNTRIES.



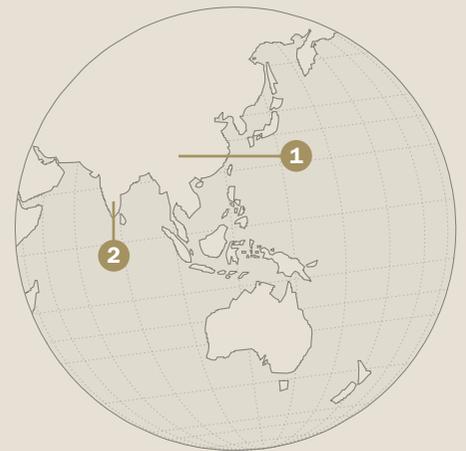
Americas

- 1 Brazil
- 2 Canada
- 3 Chile
- 4 Mexico
- 5 Puerto Rico
- 6 United States
- 7 Uruguay



Europe

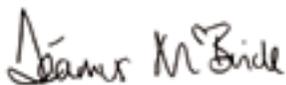
- 1 France
- 2 Germany
- 3 Italy
- 4 Portugal
- 5 Spain
- 6 Switzerland
- 7 United Kingdom



Asia

- 1 China
- 2 India

People and Brands are both core to our business, and each area brings specific responsibilities that we must uphold. Our brands rely on building trust, unwavering quality, and consumer loyalty. Our people rely on our unique combination of values, and our commitment to improve their knowledge and skill sets wherever possible for our mutual long-term benefit. Across our business, therefore, we are always driven by “doing the right thing” for all stakeholders.



Séamus E. McBride
PRESIDENT AND CEO



Facundo L. Bacardi
CHAIRMAN



Over the past year we launched a business transformation process. In doing this, we have reaffirmed our core Values of Trust, Caring, Passion and Excellence. These Values lie at the heart of everything we do, including our Corporate Responsibility Program.

In this, our second Corporate Responsibility Report, we present our progress in fiscal year 2009. During the year we became a signatory to the United Nations Global Compact (UNGC). We are committed to adhering to the ten principles of responsible business behavior articulated in the Global Compact. The inside back cover of this report shows our progress to date.

As an industry leader, we have a duty to encourage the responsible consumption of our products. To that end, the development of our award-winning global “Champions Drink Responsibly” campaign with seven-time Formula 1™ World Champion Michael Schumacher (Drinking and Driving Don’t Mix) has been a great success.

We are equally proud of the improvements in our safety and environmental performance this year. Our Lost Time Accident Rate has fallen significantly and we have made great strides in reducing our use of water. By being more efficient and increasing the use of renewable energy sources, we have also achieved a 9.2% reduction in our greenhouse gas emissions this year. These initiatives have improved our business efficiency, demonstrating how responsible business practices are good for us in the longer term.

Looking beyond our own facilities, we are making progress in sharing our Responsible Sourcing Standards with our suppliers. We are taking a strategic approach to this area, and are already engaging with those suppliers deemed to be the highest priority.

Our business transformation process has underlined the need to enhance and embed all aspects of Corporate Responsibility activities across the business. The next step is to roll out a number of significant initiatives and we will report on these in 2010.

We are a global business operating in over 100 markets across the world. While our local companies support their communities, at a group level we never lose sight of our roots in Cuba. Following the devastating hurricanes of 2008, it was only natural that we should work with the Pan American Development Foundation to support the people of Cuba at that difficult time.

We recognize the value of stakeholder views and have incorporated feedback on our first report into this year’s reporting.

We have started on a long journey to become a sustainable business. With our people dedicated to improving performance – through caring deeply and aiming for excellence – we will continue to make more progress in the years ahead.

Bacardi is one of the fastest growing spirits companies in the world, dedicated to making and selling great brands, but also focused on being a leader in Corporate Responsibility.

OUR VISION

In our 147 years, Bacardi has learned the importance of nurturing good relationships with, and caring for, all the people who come into contact with our business. We have a long-held commitment to act responsibly to benefit our stakeholders: our people, consumers, customers, suppliers and communities, as well as protecting the environment.

Management Leadership

In fiscal 2009, overall accountability for Corporate Responsibility (CR) rested with the General Legal Counsel, a member of the Bacardi senior leadership team (BLT). Individual members of the BLT are responsible for each of the five CR focus areas. These senior managers are supported by the members of the CR leadership team. The CR leadership team consists of senior managers from various global functions and operating companies, who develop and deliver management plans for each priority area. To provide a long-term strategic commitment to CR, supervision is now passing to the newly created role of VP Corporate Planning, a role coordinating all CEO initiatives.

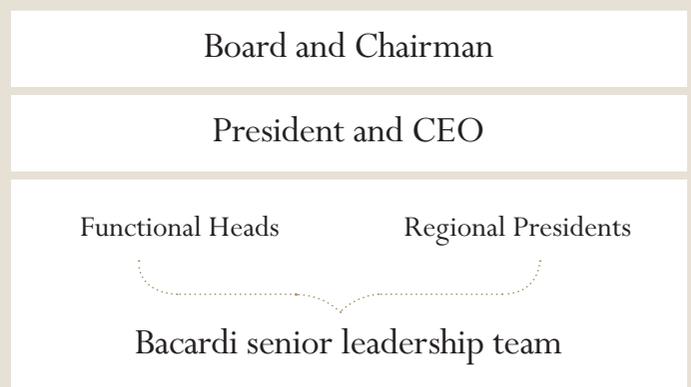
Our Policies

We have developed policies for each of the five key focus areas of our Corporate Responsibility Program (see opposite page) and a management plan that sets out how we will implement each policy. A member of the CR leadership team is responsible for ensuring the plan is implemented and targets are met. We review progress towards our targets in leadership team meetings.

Our Environmental Policy adheres to the Precautionary Principle established by the 1992 Rio Declaration on Environment and Development. This states that complete scientific certainty is not necessary before measures are taken to prevent environmental damage.

Our Employee Code of Conduct is based on widely recognized principles of sound governance and articulates our high standards on issues such as legal compliance, conflicts of interest, financial reporting, competition, anti-corruption practices and social responsibility.

OUR GOVERNANCE STRUCTURE



Trust, Caring, Passion, Excellence

OUR FIVE AREAS OF FOCUS

Based on our analysis of our business impacts and our stakeholders' concerns, we have developed five key areas of focus for our Corporate Responsibility Program.

1. Marketplace

Because the abuse and misuse of alcohol can cause harm, we are committed to marketing our products only to people of legal drinking age and encouraging consumers to drink responsibly.

More on page 6

2. Environment, Health and Safety

In operating distilleries and bottling plants we have to ensure the safety of our employees, the efficiency of our resource use and that we maximize the reduction of our carbon footprint and waste.

More on page 12

3. Responsible Sourcing

Our suppliers have to create safe and fair conditions for their workers as well as address environmental issues within their operations.

More on page 18

4. People

We constantly strive to give our employees the opportunity to grow and develop with the Company as we have done over the last 147 years.

More on page 24

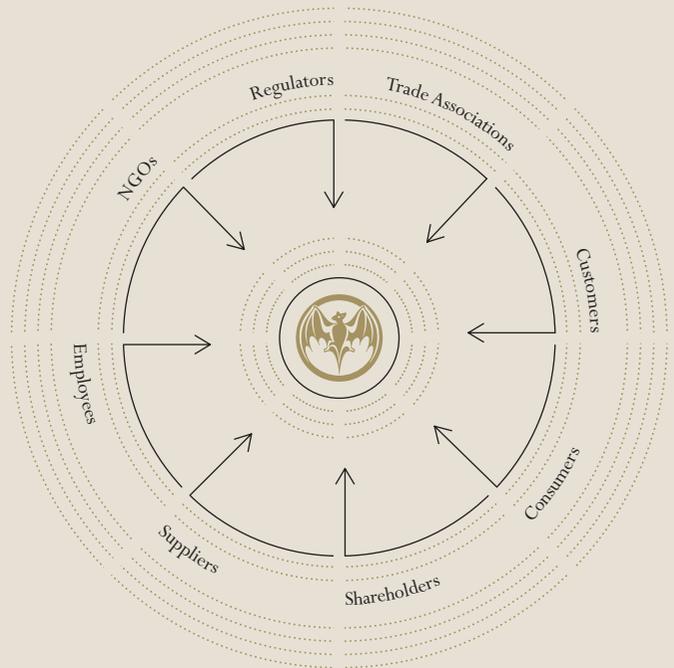
5. Philanthropy and Community Involvement

Giving something back is part of the Bacardi heritage. Our local and global management and employees find numerous ways to help support social and community projects.

More on page 26

OUR STAKEHOLDERS

We recognize that a global company has a range of economic, social and environmental impacts. Determining how we prioritize these impacts – defining which ones are “material” – is an important strategic step in addressing them. We have done this in our internal business planning processes, as well as through engaging with our stakeholders and exploring the issues that matter most to them.



Trade Associations

Our active involvement in trade associations helps us to stay at the leading edge in addressing issues of industry-wide concern such as responsible marketing and water use.

Customers

Our larger customers are increasingly requiring us to demonstrate that we have a robust approach to managing issues such as the carbon footprint of our products.

Consumers

One factor in gaining consumers' trust and loyalty is their assessment of the ethical credentials of the company that makes the brands they buy.

Shareholders

The family members and shareholders who own Bacardi are aware that the Company's future success relies in part on managing social and environmental issues.

Suppliers

We expect our suppliers to meet our Responsible Sourcing Standards and we engage with them through our normal procurement channels and through our ethical auditing program.

Employees

As our most valuable asset, we know how important it is to engage with our employees, and we have a strong culture of approachable management and team-building. We also hold formal meetings and employee appraisals.

NGOs

Issues of particular concern to non-governmental organizations include underage drinking, irresponsible consumption and drunk driving. We engage with NGOs in bodies such as the EU Alcohol and Health Forum.

Regulators

Regulators set the rules under which we operate and we engage with them through consultations, meetings and via our trade associations.

Premium products to be enjoyed responsibly

Most consumers who choose to drink alcoholic beverages do so sensibly and in moderation. However, we recognize that alcohol, if abused or misused, can cause consumers harm. As a consequence there are calls for ever tighter regulation of our industry. Our firm belief is that sound and clear self-regulation is the fastest and most efficient way to address these challenges.



KEY ACTIVITIES AND TARGETS FOR FISCAL 2009

— Expand and develop “Champions Drink Responsibly” campaign.

— Continue commitments to:
 — Achieve compliance with the European Spirits Organisation (CEPS) Charter on Responsible Alcohol Consumption by 2010, implementing the European Forum for Responsible Drinking (EFRD) marketing code in all EU countries
 — Deliver our three commitments to the EU Alcohol and Health Forum.

— Increase activity in our involvement in alcohol education and awareness programs working with government and industry partnerships in North America.

— Further update Bacardi Global Marketing Principles and policies.

— Strengthen trade association organizations in selected markets of Latin America and Asia Pacific.

PERFORMANCE AGAINST TARGETS

→ **Achieved** – International campaign has been supported by local activity in 34 different markets linked to major global initiatives. Over 250,000 online views of campaign adverts and virals.

→ **Partially achieved** – We focus on markets where we distribute our brands directly. We have met most of the Charter requirements and are working on the remaining ones.

→ **Achieved** – We have met all three commitments to the EU Alcohol and Health Forum.

→ **Achieved** – Created new partnerships with government officials in the U.S.A. with specific recognition for the Company.

→ **Partially achieved** – The digital guidance section was updated and the second issue of the principles was distributed in fiscal 2010.

→ **Achieved** – There is now a stronger trade association presence in markets such as Central America and Thailand.

We want our consumers to avoid alcohol-related harm so we encourage responsible consumption of our premium products. We aim to ensure this by reaching out directly to consumers, by working extensively with trade bodies and social aspects organizations (SAOs) and by complying with the national marketing codes that exist in many of the countries in which we operate. We also have our own self-regulatory marketing code, the Bacardi Global Marketing Principles, which is the basis of our responsible marketing approach.

The principles establish the minimum standards that must be met by all Bacardi marketing materials and promotional activity. During fiscal year 2009, we updated the Guidelines that set out how to implement the principles. The significant change was the addition of a section on how to comply with the principles when creating digital marketing material. The updated version was published early in fiscal 2010.

Around the world, nominated approvers are trained in how to apply the Global Marketing Principles and sign off marketing materials in their markets. These approvers are external affairs managers, in legal departments, or General Managers. They are always non-marketing staff. This approach is designed to ensure that we are complying with government and industry regulations.

Training in the Global Marketing Principles is conducted primarily through the Bacardi Marketing Way program. To date, 440 people across the Company have been trained.

The Bacardi Global Marketing Principles

Our Global Marketing Principles require materials to:

- Comply with local laws and regulations
- Not encourage the misuse of alcohol
- Provide clear information regarding alcohol content
- Target legal drinking age consumers only
- Avoid associating drinking with potentially dangerous activities
- Avoid claiming any medicinal or performance properties for Bacardi products
- Avoid associations with behavior that is anti-social, violent or destructive
- Be in good taste.



“Champions Drink Responsibly” campaign

This major international campaign was launched in early April 2008 in Brussels and promotes the message that drinking and driving don't mix. Seven-time Formula 1™ World Champion Michael Schumacher is Bacardi Limited's Global Social Responsibility Ambassador and the face of the campaign.

Our campaign reached 34 countries.

The launch event highlighted one of the campaign's key messages: to use a taxi rather than driving after a drink. It was a great success and was attended by more than 100 journalists resulting in extensive media coverage, including a 2.5 minute news clip on **CNN International**. The campaign Web site has attracted around 250,000 hits since its launch, and the campaign reached 34 countries around the world in the year under review.

Other key highlights in the year included the launch of the Champions Drivers Club Web site (www.championsdrinkresponsibly.com) in November 2008, which includes tips on how to avoid mixing drinking and driving. A consumer promotion to win a unique driving experience with Michael Schumacher, which was supported by viral advertising, was a major

attraction. Entrants had to demonstrate they were aware of the dangers of drinking and driving and the alternatives to it. More than 25,000 entries were received and 28 consumer winners were selected from 34 countries. A staff recognition program was also run and two staff winners from Singapore and Mexico also participated in the driving experience.

The campaign was effective in using both social media networks and print to reach its target audience of legal drinking age (LDA) – 30 year-old male drivers. Dedicated **Facebook™** pages were created and the TV adverts and virals were uploaded onto **YouTube™**, where they attracted over 200,000 hits.

Successful local campaigns ran in several markets including Mexico, Italy, Thailand, U.K., Spain, Russia, Australia and India.

The campaign's success was recognized with an award at the European Excellence Awards ceremony in December 2008 where it won Best International Communications Programme for Social Responsibility in 2008.

The campaign Web site has attracted around 250,000 hits since its launch.

REACHING CONSUMERS

We are committed to promoting the responsible enjoyment of our brands to our consumers. We do this through global programs such as our Consumer Information Web site, and through country-specific initiatives such as at the FedEx Orange Bowl Game in the U.S.A.

Caring about responsible drinking

We run programs all over the world to ensure that consumers everywhere are exposed to responsible drinking messages. A key focus for us is tackling the issue of drinking and driving.

FedEx Orange Bowl

Bacardi U.S.A., Inc. was a sponsor of the FedEx Orange Bowl and the Bowl Championship Series (BCS) National Championship, held in January 2009. Each game attracted more than 80,000 fans. The Bacardi-produced “Whatever Your Reason” commercial about social responsibility was displayed in-game on the scoreboard along with responsible drinking messages. Event parking passes directed fans to the www.b4Udrink.org Web site, which features an interactive program designed by The Century Council (see opposite page) to educate legal drinking age adults about factors affecting blood alcohol concentration.

“Champions Drink Responsibly” campaign

A number of local markets have run Champions Drivers Club Lounges as part of our international “Champions Drink Responsibly” campaign. These lounges are available at Bacardi Limited owned or controlled events and create a premium consumer experience – with no alcoholic drinks – for those who are planning to drive home. Champions Drivers Club Lounges serve non-alcoholic cocktails in a glamorous environment and promote alternatives to drunk driving.

In the U.K., the “Champions Drink Responsibly” campaign was highly visible at the 2008 British Grand Prix weekend. The campaign sponsored the “Park and Ride” scheme, reaching 30,000 people. Our field marketing team spoke to 18,000 race-goers and the campaign was advertised in the Grand Prix program and national motor press. The initiative was supported by the U.K. Department for Transport's “Think!” campaign, which promotes road safety.

Consumer Information Web site

During fiscal 2009 we launched a dedicated Web site to provide consumers with information about our major brands and responsible drinking. The Web site includes information about the ingredients of our drinks and their nutritional information, background information on their production, and some responsible drinking guidelines. The Web site www.enjoyourbrandsresponsibly.com covers our top 20 markets and our major global brands and gives consumers more information than can be contained on a back label.

WORKING TOGETHER WITH INDUSTRY TRADE BODIES

There are two main strands to our work with industry trade bodies. We work with trade associations to engage with regulators and to develop and implement self-regulatory tools such as industry codes of conduct. And together with our SAOs, we promote responsible drinking to consumers through campaigns, Web sites and events. We actively participate in these bodies, including chairing committees, because we believe it is important to promote industry-wide excellence.

Global Alcohol Producers Group

We are one of the multi-national drinks companies that have come together in the Global Alcohol Producers Group (GAPG) to engage with the World Health Organization (WHO) and contribute towards reducing alcohol-related harm. The group includes several of our peers such as Diageo and Anheuser-Busch InBev. By working together, we believe we can make a difference. Our CEO currently chairs the CEO group within GAPG. We will cover the work of GAPG in more detail in next year's report.

U.S.A.

We are founding members of the Distilled Spirits Council of the United States (DISCUS), a national trade association comprised of producers and marketers of distilled spirits sold in the U.S.A. We have adopted and actively participated in the development of the group's voluntary code of advertising practices, the DISCUS Code of Responsible Marketing Practices, including the latest version dated January 2009. The new Code has been expanded to apply to video games, music videos, sponsorships, and product placements.

Bacardi U.S.A. also supports The Century Council, which aims to eliminate drunk driving and underage drinking and promote responsible decision-making regarding beverage alcohol. The Company joined with The Century Council to promote several new programs this year.

Public Service Announcements with Attorneys General

In fiscal 2009 we worked with The Century Council on a program to record public service announcements (PSAs) with 25 state attorneys general and Olympic gold medalist and professional volleyball player Misty May-Treanor. These PSAs promote healthy lifestyles to help prevent underage drinking. The PSAs were televised across the country beginning in April 2009.

Congressional Stop DUI Caucus

In December 2008, Bacardi U.S.A., in association with The Century Council, partnered with the Congressional Stop DUI (Driving Under the Influence) Caucus, consisting of Members of Congress concerned about drunk driving. Together, we hosted an event to highlight the start of the holiday season and the need for responsible decision-making as regards beverage alcohol. The event served as a way to educate Congressional staffers who work on transportation and crime issues about the effects of alcohol impairment.

Pre-Oscar events to promote responsible drinking

GREY GOOSE sponsored three pre-Oscar receptions with RADD, which is the entertainment industry's charity promoting road safety and responsible drinking. RADD works with celebrities to reduce injuries by promoting safe driving, including designated driver programs and the use of public transportation. At these pre-Oscar events, celebrities from film, TV, music and fashion worlds were encouraged to nominate a designated driver in their party and to sample special non-alcoholic cocktails.

Deepening our relationship with the International Bartenders Association



Bartenders are a link with the people who consume our products. They are in a position to promote both our brands and drinking in moderation.

The International Bartenders Association (IBA) bartenders' course trains servers about alcohol legislation, legal drinking ages and how to handle people who have had too much to drink. Bacardi has supported the program since 2006, including

covering the production costs of the IBA 'Moderation and Responsibility' server training guide, as well as the training manual 'Guide to Social Responsibility'.

In fiscal 2009, the IBA server training program reached Asia for the first time with courses in Hong Kong, Taiwan, Macau and Singapore. In Europe, the program moved into a new phase with the first train-the-trainers course. Seven countries participated: Greece, Portugal, The Netherlands, Finland, Ireland, Estonia and Sweden. This course is set to expand in fiscal 2010 and Bacardi remains committed to supporting the work of the IBA social responsibility program.

EU

European Union Alcohol and Health Forum

Along with our trade body, CEPS, we are active members of the EU Alcohol and Health Forum, which is an initiative of DG Health and Consumer Protection, the European Commission's health department.

In order to become a member of the EU Alcohol and Health Forum, stakeholders are required to take verifiable steps towards contributing to reducing alcohol-related harm in the EU. Bacardi has made three commitments to the Forum:

- To create internal mechanisms for ensuring responsible marketing, which we have delivered through our Global Marketing Principles
- To develop a consumer information Web site, which now exists at www.enjoyyourbrandsresponsibly.com
- To work with the International Bartenders Association, which we are doing through our support for their training courses and in other ways.

Working with social aspects organizations

We are also working with SAOs across the EU to run industry campaigns educating consumers about alcohol and responsible drinking, sponsoring specific drink/drive projects and working with third parties to tackle underage drinking.

A good example of this in the U.K. is the "Campaign for Smarter Drinking," which encourages consumers to drink in moderation. The slogan is: "Why let good times go bad?" See www.drinkaware.co.uk for the latest information.

Signed EU Road Safety Charter

On April 6, 2008 Bacardi Limited signed the European Union Road Safety Charter, which encourages organizations to share good practices on road safety. We have profiled our "Champions Drink Responsibly" campaign on the charter Web site. Bacardi is one of more than 1,000 signatories, who share the EU's commitment to halve road accidents by 2010.



EU Transport Commissioner, Jacques Barrot, acknowledges Bacardi signing the EU Road Safety Charter, with Michael Schumacher looking on.

Helping parents talk to their children about alcohol

Studies show that adolescents respond to what they learn from their parents about alcohol. So Bacardi has supported two creative web-based initiatives – one in the U.S.A. and one in the Netherlands – to provide parents with the resources they need to talk about alcohol with their children.

In the Netherlands, Bacardi-Martini BV has provided an educational grant to the Quest for Quality BV charity. At the center of the project is a Web site – www.oudersvoorouders.info – that offers a search tool to help parents navigate through alcohol

information available on the Internet and a discussion forum so parents can learn from others' experiences of talking with their children about alcohol.

In Arizona, Bacardi U.S.A. and The Century Council partnered with Arizona Attorney General Terry Goddard to bring "Ask, Listen, Learn" to the Arizona Alliance of Boys and Girls Clubs. Developed by The Century Council and Nickelodeon, "Ask, Listen, Learn" provides parents and children with engaging and practical resources about alcohol and minors. These include a booklet for parents on how to

sustain a conversation about alcohol and answer typical objections as well as two Web sites:
www.asklistenlearn.com
www.asklistenlearnparents.com

“““
A discussion forum helps parents learn from others' experiences.



EFRD and CEPS

We are members of the European Forum for Responsible Drinking (EFRD), the spirits industry's European SAO, which has developed evaluated template programs on responsible consumption for adaptation locally.

The European spirits industry, represented by its trade association, the European Spirits Organization (CEPS), has a long-standing commitment to responsibility – the CEPS European Compliance Charter commits all CEPS members to promote the responsible consumption of spirit drinks. For example by 2010, where permitted under national law, 75% of advertising (print, including billboards, TV/cinema and Web site) undertaken by members will include responsible drinking messages. Bacardi has already achieved this particular target and we are working to fulfill our remaining commitments.

European Wine Association

Bacardi is playing a leading role in the European Wine Association's (CEEV) development of the Wine in Moderation program. This program has established a Wine Information Council that will scientifically validate moderate consumption guidance, and also create a self-regulatory code for commercial communication in the wine sector.



Bacardi works to develop self-regulatory tools and to promote responsible drinking through active participation in industry trade bodies.

Strengthening trade bodies

We recognize that in developing countries where governance systems may be weaker than they are in the developed world, we have a particular responsibility to contribute to the strengthening of trade bodies. In the past year we have been taking a leadership role in new developments in several markets:

- Contributed to setting up an SAO in Chile
- Developed a Central American trade association
- Reached agreement with other spirits companies to strengthen the secretariat of the trade associations in both India and China
- Helped establish a new SAO in Thailand which Bacardi now chairs.

NEXT STEPS

- Develop “Champions Drink Responsibly” campaign and increase media coverage of the campaign by 10% in fiscal 2010 compared to 2009.
 - Evaluate the benefit of the three commitments made to the Alcohol and Health Forum in reducing the overall impact of alcohol-related harm by March 2010. Determine extent of future commitments by March 2010.
 - Take a leadership role in global alcohol initiatives through GAPG.
 - Enhance work with IBA to train bartenders in responsible serving with the aim of training 20,000 bartenders/IBA members by end of fiscal 2010.
 - Strengthen trade associations in developing markets, by improving existing programs and setting up strengthened organizations during fiscal 2010.
 - Include responsibility messages on all packaging and marketing communication materials by March 2010.
 - Achieve compliance with the CEPS European Compliance Charter by 2010, and complete implementation of the European Forum for Responsible Drinking marketing code in all EU countries by implementing the updated Bacardi Global Marketing Principles in EU countries by March 2010.
-

Minimizing our impact on the environment and maintaining safe workplaces

Promoting safety in the workplace ensures the long-term health of our people and efficiency with the resources we use reduces our environmental impacts. The greatest business risk we need to manage is climate change, given it has the potential to reduce the availability of key resources such as natural ingredients or water.



KEY ACTIVITIES AND TARGETS FOR FISCAL 2009

- Continue to implement International Organization for Standardization ISO 14001 and Occupational Health and Safety Assessment Specification OHSAS 18001.
- Continue to implement Global Standards and Codes of Practice.
- Deliver continual improvement in environmental performance.
- Reduce lost time accident rate to less than 7 per million worked hours.
- Incorporate sustainability criteria into packaging developments.

PERFORMANCE AGAINST TARGETS

- **Achieved** – We are on track to achieve certification of our global facilities by the end of 2009.
- **Achieved** – 92% of our core standards have been implemented globally.
- **Achieved** – We have delivered significant improvements in water use, energy use and greenhouse gas emissions.
- **Achieved** – We reduced our lost time accident rate by 28% to 6.7 per million worked hours.
- **Partially achieved** – We now review carbon footprint implications as part of the standard packaging development process.

We care for the natural environment and so we have set ourselves five-year improvement targets for our environmental performance from a base year of 2006. We have adopted a management systems approach to help us meet these targets. We are working towards external certification to the widely recognized international standards OHSAS 18001 for health and safety and ISO 14001 for the environment. We are on track for all our facilities to be certified compliant with these standards by the end of calendar year 2009. We have already achieved compliance with the quality standard ISO 9000.

The management systems approach has helped us to determine where we should focus our efforts and we have been able to reduce our energy use, increase our water efficiency and register fewer lost time accidents.

HOW WE HAVE IMPROVED OUR PERFORMANCE

Our business responds to the marketplace and we manage any associated environmental risks. We focus our efforts on more efficient use of resources, particularly energy and water, which we have accomplished through better working practices, capital investments and transferring production to newer facilities.

Better working practices

All around the world at our facilities, our teams have found many ways to improve working practices.

Bottling facilities have been diligent in turning on equipment and water flows only when they are needed. Similarly, distilleries have been more efficient in their use of water when cleaning equipment. They have also been proactive at saving energy by idling boiler systems when they are not needed and lowering system pressure and water or steam temperature.

Capital improvements

We have invested capital where necessary to improve our plant performance. For example, our Pessione, Italy, plant has replaced old boilers with new ones which are 20% more efficient. In Montevideo, Uruguay, we have replaced an old bottle rinser, delivering a 90% reduction in water use and lower energy costs. And in Arandas, Mexico, the team has installed high-pressure hydro-cleaners to significantly reduce the water needed for tank cleaning.

Moving production

Since 2007, three older, less efficient facilities have been closed and we have moved production to more efficient existing plants and one new facility.

All of these changes are evidence that Bacardi people readily embrace the concept of “continuous improvement” which lies at the heart of the ISO 14001 environmental management system. Questioning accepted ways of doing things and finding innovative solutions are consistent with our long-held value to strive for excellence in everything we do.



OUR PERFORMANCE DATA

Improving how we measure our performance

Tracking our overall efficiency in reducing the consumption of key resources (e.g., energy, water) or the generation of greenhouse gases is a complex process because we distill and bottle a variety of products. There are significant differences between the copper pot stills used to make Scotch whisky and the column stills used to make rum. And sometimes we distill product but do not bottle it straightaway, for example when laying down rum for aging.

So measuring our efficiency per bottle produced will not therefore provide us with an accurate picture of our progress. Our solution is to use an index which is weighted by activity and product mix so we can track our underlying performance in the use of resources. More detail on the index is available on the Bacardi Limited Web site.

The data presented here covers our own directly-owned and managed operations. It does not include data from our joint ventures or from our suppliers.

Water use

In fiscal 2009, total water used to manufacture our products decreased 4.0% from the previous year, to 2.6 million m³. Total water used has been reduced by 19.3% over the past three years, enough to fill 250 Olympic swimming pools.

Water use efficiency, the amount of water we use per unit of output, improved by 2.8% over fiscal 2008, and has improved by 9.5% over the past three years – on track to achieve our five-year target of 15% water use efficiency reduction by 2011.

Energy use

To calculate the total energy used by our production facilities we combine the energy that we derive from fuels consumed on site (e.g., fuel oil, natural gas) with electricity that we purchase. We estimate the amount of fuel the power companies have consumed to generate electricity for our facilities by dividing the quantity of electricity we consume by the average efficiency of the power industry.

In fiscal 2009, we reduced our total energy used by 6.1% from the previous year, down to 2,225,000 Giga-Joules. Our overall energy use has reduced by 9.2% over the past three years.

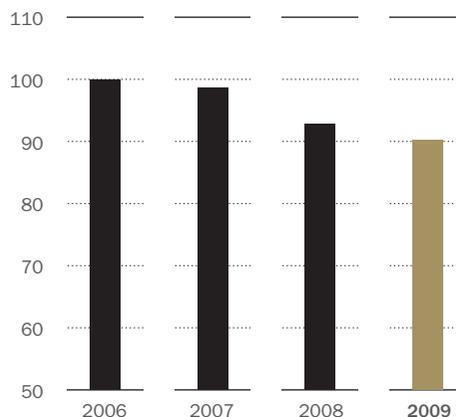
This improvement has been the result of considerable energy efficiency gains in our production processes, particularly in our distilleries. Energy efficiency was 7.2% better in fiscal 2009 than in the previous year and has improved by 11.2% over the past three years, well ahead of schedule to achieve our five-year target of 12% improvement by 2011.

2.8%

more efficient in our use of water this year and a 4.0% decrease in total water use this year.

WATER USE PER UNIT PRODUCTION

Performance is indexed to a baseline year of 2006, which is represented as 100.

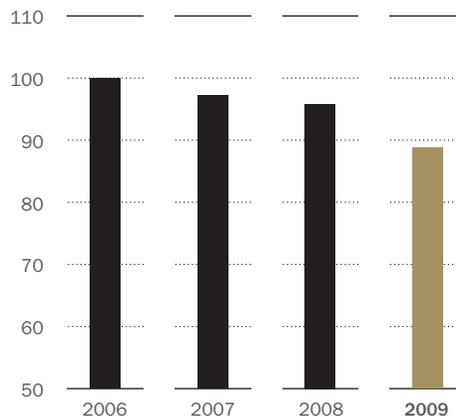


7.2%

more energy efficient in 2009, with a 6.1% reduction in total energy use this year.

ENERGY USE PER UNIT PRODUCTION

Performance is indexed to a baseline year of 2006, which is represented as 100.



Energy sources

Bacardi tracks the amount of both indirect and direct energy used by its production operations. Indirect energy (purchased electricity) used has dropped by 22.8% in three years, to 235,000 Giga-Joules last year.

We have reduced our use of fuel oils (down by 12.5% in the last three years) using more cleaner-burning fuels such as natural gas and liquefied petroleum gas (LPG) (up 25%). We used 18.8% more renewable biogas last year, following investments in a new boiler and power generator at our Cataño, Puerto Rico, distillery. (During start-up of this new system, the plant had to rely on its oil-fired boilers so our use of renewable energy dipped in fiscal 2008.) In 2009, 12.6% of our direct energy requirements were provided from renewable sources – a 20% improvement in the last three years – helping us to meet our target for 2011 two years ahead of schedule. All these improvements result in lower greenhouse gas emissions.

Greenhouse gases

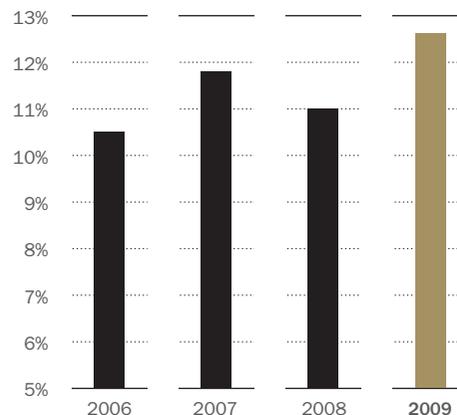
In fiscal 2009, we reduced our greenhouse gas emissions (GHGs) by 9.2% over the previous year and have achieved a three-year reduction of 14.5%. Our total CO₂ equivalent emissions were 121,598 tonnes in 2009 down from 142,212 tonnes in 2006. Our fiscal 2009 GHG emissions per unit of production improved by 11.1% over 2008, and by 17.5% over the last three years.

12.6%

of direct energy requirements provided from renewable sources this year.

RENEWABLE FUEL CONSUMED

As percentage of total fuel consumed on site.



Calculating our environmental footprint

The aim

We wanted to establish a clearer picture of how Bacardi interacts with the environment overall to inform our future environment strategy. We already understood impacts such as energy and water use in our plants, but we wanted to better understand effects outside our “factory gates”. So we established a process to evaluate all stages in our value chain: how products are sourced, made, distributed and used – and what happens to waste packaging.

The process

We set up a working group of internal staff and expert advisors to examine each stage, tracking inputs such as crops (e.g., sugarcane), crop intermediates (e.g., molasses) and the materials needed for our packaging and point-of-sale promotions. For each stage we evaluated a number of environmental parameters such

as energy and water use, global warming potential, waste, effluent and air emissions. Ranking the results allowed us to identify those elements of our environmental footprint that demanded further analysis.

The results

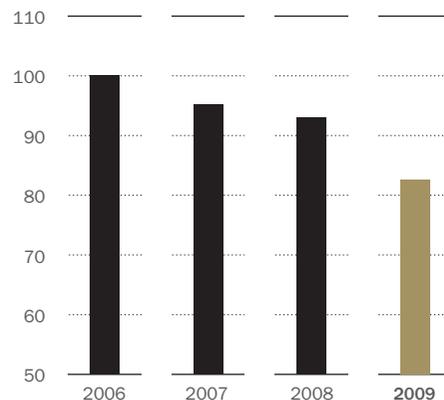
Some of the priority issues which emerged were the energy demands of glass manufacture for bottles and the amount of water, wastewater and energy used in growing and transporting agricultural ingredients. The footprint exercise confirmed that our distilleries are responsible for a significant proportion of our company-wide emissions. It also helped us to establish the impacts of other areas of our operations such as our global transport networks. Through this work we have identified our priority areas of action and strategies have been created to address them.

11.1%

improvement in greenhouse gas emissions per unit of production this year, with a 9.2% reduction in total emissions this year.

GHG EMISSIONS PER UNIT OF PRODUCTION

Performance is indexed to a baseline year of 2006, which is represented as 100.



Lost Time Accident Rate (LTAR)

Caring for our people is fundamental to the way we do business. Bacardi has continued to stress health and safety in the workplace and fiscal 2009 proved to be another year of improvement. We reduced our LTAR by 28% over the previous year and have a three-year improvement record of 49%. We are well on our way to achieving our fiscal 2011 target of fewer than 6.0 lost time accidents per million worked hours.

Absence rate

In fiscal 2009, our absence rate, which is defined as the percentage of absence on all working days, increased from 2.0% to 2.2%, but still remains below our fiscal 2007 rate of 2.4%. The quality of reporting in fiscal 2009 considerably improved over previous years and much of the increase in the rate may be the result of better reporting. We have not yet established improvement targets for this metric and will do so only when we have improved our reporting systems.

Spills and releases

In fiscal 2009, Bacardi had two minor spills, both at the rum distillery in Cataño, Puerto Rico. While the environmental impact of these releases was minor and short-term, the site was required to notify authorities. The first spill occurred in September 2008 and consisted of about 400 liters of rum being released into San Juan bay. The second release took place in November 2008 and consisted of nearly 19,000 liters of partially treated wastewater being released to the storm water collection system from which it was able to enter the adjacent bay.

Fines and penalties

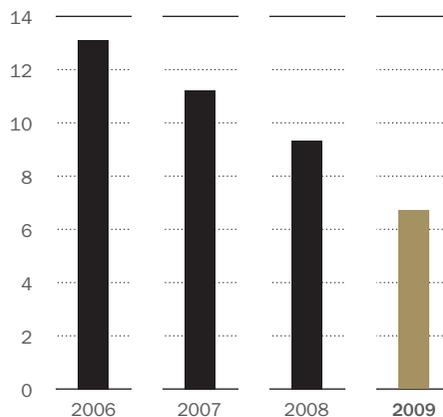
During fiscal 2009, Bacardi settled three environmental enforcement actions with government agencies, two in the United States and one in Italy. One of the enforcement actions was brought by the U.S. Department of Justice and the U.S. Environmental Protection Agency for a breach of the wastewater discharge consent in Cataño, Puerto Rico. That action was settled for \$550,000 in a cash penalty and participation in a Supplemental Environmental Project. Bacardi donated a parcel of undeveloped land to a local university that plans to convert the area into wetlands to help enhance and protect the local watershed. The other two penalties were \$2,750 for a technical violation of the air permit at the Jacksonville, Florida, bottling plant and \$5,000 for minor waste management violations at our Pessione, Italy, bottling facility.

28%

reduction in our Lost Time Accident Rate this year and a 49% decrease over the past three years.

LOST TIME ACCIDENT RATE

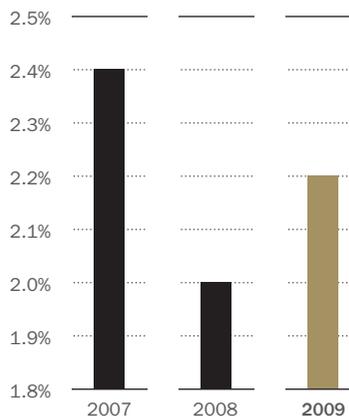
Number of lost time accidents per million worked hours.



Note: 2008 figures have been restated following improved data reporting.

EMPLOYEE ABSENCE RATE

the percentage of absence on all working days.



Note: 2008 figures have been restated following improved data reporting.

Sustainable packaging

Bacardi recognizes that the packaging used to contain, preserve and transport our products has an impact on the environment. The energy used in making packaging – and the fuel used to transport packaged goods – can contribute to climate change. Waste from packaging can end up in landfill sites if it is not reused or recycled.

As well as encouraging recycling of our glass bottles, we aim for “right-weighting” of our bottles: striking a balance between the need to reduce weight and therefore energy used in production and transport, with the need to protect and promote our products. Every project to change a product’s packaging includes a stage at which opportunities to improve sustainability are reviewed. In order to better understand the relationship between bottle weight and perceived quality we have worked with WRAP (Waste and Resources Action Programme) in the United Kingdom. We are reviewing the results of this research to inform our future strategy.

Working with industry colleagues

Soon after it was formed in 2006, Bacardi became a member of the Beverage Industry Environmental Roundtable (BIER), which brings together global beverage companies to define a common framework for improving environmental performance across the sector.

Bacardi has been particularly involved in climate change initiatives such as helping to develop the draft of the Beverage Industry Sector Guidance for Greenhouse Gas Emissions Reporting.

We are also active in the area of water management, participating in the annual benchmarking study on water use, as well as working on defining the methodology for calculating a beverage company’s water footprint.



Using lighter weight bottles cuts fuel use and, in a year, this initiative will save 1,232 tonnes of greenhouse gas emissions generated in transporting the product from bottling plant to retailers.

PET works for Canada

In Canada, we have reduced the environmental footprint of BACARDI BREEZER. The entire product line-up has now been switched over to PET (polyethylene terephthalate) plastic bottles, reducing the weight of a filled case of BACARDI BREEZER by 33% to 9.9 Kg. Using lighter weight bottles cuts fuel use and, in a year, this initiative will save 1,232 tonnes of greenhouse gas emissions generated in transporting the product from bottling plant to retailers – as well as saving the Company money on fuel costs.

The PET solution makes particular sense in large countries such as Canada where our products have significant distances to travel. We are conscious that local market conditions need to inform our packaging solutions and so we decide on our packaging options on a market-by-market basis.

NEXT STEPS

- Continue to implement Global Standards and Codes of Practice, expanding the codes as necessary to manage Environment, Health and Safety risks.
 - Achieve certification of all facilities under ISO 14001 and OHSAS 18001 by December 2009.
 - Improve our Environment, Health and Safety reporting, including more comprehensive accident statistics.
 - Reduce lost time accident rate to 6.1 or less per million worked hours.
 - Deliver continual improvement in environmental performance.
 - Continue to develop sustainability criteria into innovation activities.
-

Sourcing materials in a responsible way

We buy natural ingredients such as molasses and agave, as well as packaging and point-of-sale materials, from suppliers all over the world. We care about the way our suppliers treat their workers and their local environments and their performance reflects on us. So we have established the Bacardi Responsible Sourcing Standards, based on international guidelines, which we help our suppliers to meet.



A mechanized sugarcane cutter at a Central Romana plantation in the east of the Dominican Republic. Central Romana supplies Bacardi with molasses.

KEY ACTIVITIES AND TARGETS FOR FISCAL 2009

PERFORMANCE AGAINST TARGETS

— Implement risk-based approach to supplier assessment.	→	Achieved – We based our supplier engagement in fiscal 2009 on the results of our supply chain risk assessment.
— Extend implementation and follow-up of Bacardi Responsible Sourcing Program and Standards to our supply base through supplier questionnaires.	→	Achieved – By the end of fiscal 2009 we had processed self-assessment questionnaires from 60% of our suppliers we consider to be at a higher risk of non-compliance.
— Conduct and assess responsible sourcing audits of suppliers with a potential high risk of non-compliance with the Bacardi Responsible Sourcing Standards.	→	Partially achieved – We are working through audit reports of some suppliers as well as deploying our own audit schedule.
— Put in place responsible sourcing Key Performance Indicators.	→	Partially achieved – We are investigating which KPIs would be appropriate to drive improvement within the supply chain.
— Play an active role within industry bodies.	→	Achieved – We have increased our engagement with industry bodies, for example by joining the Management Committee of the Better Sugarcane Initiative.

The initial focus of our Responsible Sourcing Program is on agricultural products and packaging materials from countries with a potential high risk of non-compliance with the Bacardi Responsible Sourcing Standards, which are drawn from international guidelines such as those set out by the UNGC and the International Labour Organization (ILO). We are also increasing our focus on the engagement of suppliers of our point-of-sale materials such as glassware, barware and textiles. We put our Responsible Sourcing Program into action by:

- Taking a focused approach to supplier engagement
- Managing supplier compliance with our Responsible Sourcing Standards
- Working in collaboration with other companies and industry bodies
- Embedding Responsible Sourcing Standards into the business.

A FOCUSED APPROACH TO SUPPLIER ENGAGEMENT

Agricultural suppliers

In line with the results of our supply chain risk assessment which we undertook in fiscal 2008, our main priority in 2009 has been the responsible sourcing of agricultural products – mainly molasses and light cane distillate from countries such as Brazil, Dominican Republic and Fiji, plus agave from Mexico.

Packaging suppliers

Packaging represents more than US\$500m spend globally. We have an ongoing program of engagement with suppliers in this area, focusing on geographical areas where compliance awareness needs to be further developed. A robust Compliance and Audit Guidelines Policy is currently being rolled out, the goal being that local procurement functions will be able to take responsibility for responsible sourcing of packaging.

Point-of-Sale

The point-of-sale business in Bacardi is an important strategic element in the growth of our brands. We are developing a category-focused point-of-sale business which supports our core global brands through the sourcing of items such as glassware, barware, print and textiles. The initial focus for responsible sourcing within the point-of-sale business is to ensure that our major manufacturers and intermediates are engaged in our Responsible Sourcing Program and are fully aware of what is expected of them. The objective is to roll out a global process which will be framed within a new policy.

MANAGING SUPPLIER COMPLIANCE

Our objective has been to get close to our key suppliers and to work with them in order to help them comply with our standards. Our structured approach begins with us encouraging our suppliers to join Sedex – the Supplier Ethical Data Exchange – a system for companies and their suppliers to share ethical data (see page 22 for further details). Our suppliers have to complete either the Sedex self-assessment questionnaire or our own self-assessment questionnaire if they do not join Sedex. This is followed by a visit from Bacardi. If necessary, we then ask expert external auditors to audit the supplier.

We will not walk away from a supplier that fails to comply with our standards. On the contrary, we work with them to help them improve their performance. In the case of persistent failure to address issues within an agreed timeframe we will terminate a contractual arrangement with a supplier. The diagram below details the process which we follow.



We work with our suppliers to help them improve their performance. In the case of persistent failure to address issues within an agreed timeframe we will terminate a contractual arrangement.

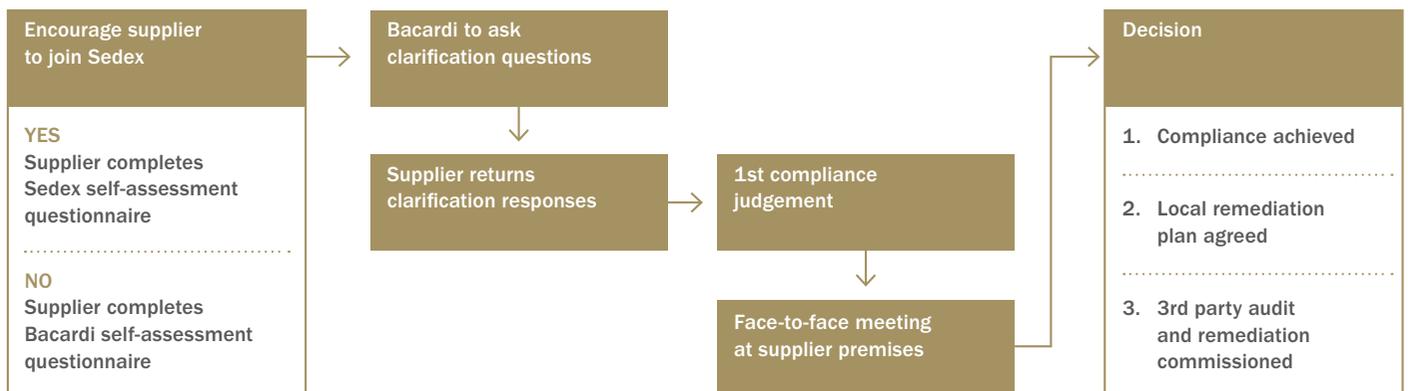
50%

For Bacardi’s potentially high risk direct spend suppliers, 52 out of a total of 103 suppliers – 50% – were screened for human rights in fiscal 2009.

Our Global Standards on Responsible Sourcing

1. Employment is freely chosen.
2. Freedom of association and the right to collective bargaining are respected.
3. Working conditions are safe and hygienic.
4. Child labor shall not be used.
5. Living wages are paid.
6. Working hours are not excessive.
7. No discrimination is practiced.
8. Regular employment is provided.
9. No harsh or inhumane treatment is allowed.
10. Protection of the environment is part of business practice.
11. Bribery and corruption are not part of business practice.

Our supplier compliance process



WORKING IN COLLABORATION WITH OTHER COMPANIES

We care about the raw materials that we source and we recognize the best way to make a difference is to ensure our suppliers receive a consistent responsible sourcing message from all their customers. So we collaborate with other companies in initiatives such as the Better Sugarcane Initiative (BSI), AIM-Progress and Sedex. Working together increases our influence with our suppliers and gives them more encouragement and reason to strive for excellence in their ethical performance.

Better Sugarcane Initiative

In 2009, Bacardi was elected to the Management Committee of the BSI, a multi-stakeholder group that is working towards more responsible sourcing of sugarcane. This is recognition by BSI members, including other multi-national companies, that Bacardi is making a sustained effort to source sugarcane responsibly. Over the past year, with the input of experienced industry experts, the group has been developing a BSI Standard for all sugarcane growers and producers, based on legal, social and environmental principles, as well as farming efficiencies and agronomy. The aim is that growers and producers will be audited and will achieve certification to the BSI Standard. Bacardi is encouraging its sugar supply chain partners to participate.

Following a rigorous consultation process, the deadline for agreeing a first version of the Standard is the end of March 2010.



In 2009, Bacardi was elected to the Management Committee of the Better Sugarcane Initiative.

AIM-PROGRESS

Bacardi is continuing to collaborate with other consumer goods companies as a member of the AIM-PROGRESS group, which is an initiative of AIM (the European Brands Association). AIM-PROGRESS is dedicated to promoting efficient, responsible sourcing practices through the mutual recognition of information on responsible sourcing within companies' respective supply chains.

One example of this is the agricultural workstream's focus on sugar which began in February 2009. AIM-PROGRESS members saw no reason to establish another sugarcane initiative. Instead they were keen to align with a credible sugarcane program, which the Better Sugarcane Initiative represents. And because of Bacardi's involvement in the BSI, we are leading this workstream.

Our ongoing work aims to enable all AIM-PROGRESS audits to be shared among members. Over time, we hope to see a common approach to auditing.

Tate & Lyle mills in Fiji



Bundles of cane awaiting processing; workers walking through a field after harvesting.

Tate & Lyle supplies Bacardi with molasses from four sugar mills in Fiji. In September 2008, an audit of these mills, two bulk terminals and selected farms was initiated. The aim was to comply with certain standards which are used by commodity crop producers which focus on ethics and social responsibility, environmental sustainability and product traceability.

Recognizing its role as an important supply chain partner, Tate & Lyle agreed to share the completed audit documentation and resulting action plans with Bacardi.

The audits checked the areas of legislation, wages and benefits, worker welfare and personnel policies, health and safety as well as the mills' environmental impact, assessment planning and energy management. They also covered training, product traceability and continuous improvement.

We are currently in the process of providing feedback to Tate & Lyle on the important aspects of our Responsible Sourcing Standards and where they link up with the remediation plan in place with the Fijian mills. Bacardi will continue to work closely with Tate & Lyle on progressing this over the coming months.

BSI

Bacardi is taking a leadership role in the BSI, which brings together multi-national companies and others to develop industry-wide programs for the responsible sourcing of sugarcane.



Engaging Central Romana in the Dominican Republic

The agricultural sector in the Dominican Republic has faced challenges in meeting labor standards, particularly in relation to the high number of migrant workers from Haiti.

Central Romana Corporation is an agro-industrial company based in La Romana in the east of the Dominican Republic (DR) which supplies Bacardi with molasses. The company employs approximately 25,000 employees, which rises to about 30,000 at the peak of the harvest, in plantations stretching over 155,000 acres. Central Romana dominates the city of La Romana and is responsible for subsidizing many of the local amenities such as housing, schooling and medical care.

Our regional procurement team visited Central Romana in January 2009 to engage the company in our Responsible Sourcing Program. During our visit, Central Romana demonstrated the work which has been done or is underway to improve the welfare and conditions of both their permanent and migrant workers, examples of which are listed here.

Central Romana is responsible for subsidizing many of the local amenities such as housing, schooling and medical care.

- The weighing process and payment system which ensures the cane cutters are paid in full for the cane they cut each day.
- The free accommodation provided by Central Romana for their field workers.
- Small shops where the workers can buy basic items and a weekly market of produce at subsidized prices.
- Central Romana has built and maintains 57 schools, which are operated by the country's Ministry of Education. More than 8,500 students are enrolled with ages ranging from six to 18. Every child that lives in the area and has a parent working in the company attends school for free.
- A clinical support network with three mobile clinics, ambulances and a hospital in La Romana. The mobile units make daily routine stops around the fields. The ambulances take serious cases to the hospital.
- A \$20 million investment in a new state-of-the-art hospital which will be open to all employees, cutters and townspeople. With 150 beds, it will be the DR's second largest.
- A \$7 million investment in their mill to reduce polluting emissions and to improve energy efficiency.

““

Membership in Sedex has given Bacardi the opportunity to work alongside other multi-national companies and, where relevant, share data about common suppliers.

Sedex and the PROGRESS-Sedex Work Group

Bacardi is a member of Sedex (Supplier Ethical Data Exchange), which is a system for reporting on labor, health and safety, environmental and business integrity standards. Suppliers that are members of Sedex share self-assessment questionnaires and audit reports with those customers which are members of Sedex. The benefit for suppliers is that they should be able to avoid “audit fatigue” by completing one questionnaire.

Bacardi is also a member of the PROGRESS-Sedex Work Group (PSWG), which is a work stream within AIM-PROGRESS made up of 11 of its members. The PSWG has co-funded a project manager who is tasked with approaching suppliers and recruiting them to Sedex. The other companies in the PROGRESS-Sedex Work Group are: Mars, PepsiCo, Danone, Diageo, Kraft, Britvic, United Biscuits, Nestlé, Cadbury and Unilever. Over the next two years, this process will capture most of our suppliers of packaging and ingredients.

““

In line with the results of our supply chain risk assessment, which we undertook in fiscal 2008, our main priority in 2009 has been the responsible sourcing of agricultural products.

EMBEDDING RESPONSIBLE SOURCING STANDARDS IN THE BUSINESS

So far, nearly 120 people in our business have received responsible sourcing awareness training. This ongoing program will capture new recruits and existing Bacardi team members moving into supplier-related roles.

Responsible sourcing clauses have been added to the vendor qualification process for our suppliers of packaging, ingredients, point-of-sale items and suppliers of general services. And we make Responsible Sourcing checks on all new deals for molasses, agave, light cane distillate and point-of-sale items.

In addition, the performance-related objectives of all procurement senior managers now include responsible sourcing elements.

While we have made some good progress in integrating responsible sourcing targets within day-to-day procurement, challenges still remain. Responsible sourcing adds an additional layer of complexity to our efforts to meet the exacting quality standards of our premium brands while delivering outstanding value to our customers. It is a relatively new concept for Bacardi and consistently implementing the ways of working required by our commitment to responsible sourcing will demand ongoing focus.

NEXT STEPS

- Put in place Responsible Sourcing Key Performance Indicators.
 - All our suppliers of agave, molasses and light cane distillate either to achieve compliance or have a compliance action plan in place by March 2010.
 - Implement our “Responsible Sourcing Compliance and Audit Guidelines Policy” in the key markets of Mexico, Brazil, India and China.
 - Implement a Responsible Sourcing audit schedule in line with industry benchmarks regarding frequency and ensure these audits can be mutually recognized to reduce the risk of supplier audit fatigue.
 - Continue to encourage suppliers to join Sedex. Our target for the next year is to engage over 200 suppliers in the Sedex database and for at least 50% of them to become fully linked.
 - Add a responsible sourcing screen to the supplier quality assessment audit schedule.
-

Supplier engagement in Mexico



Bottles of CAZADORES tequila, sourced from suppliers in Mexico.

Our Mexico operation and market is a significant part of our Americas business. We have many important packaging and ingredients suppliers in Mexico and we are engaging with them to discuss our expectations of compliance to our Responsible Sourcing Standards.

So far we have been in discussion with 23 key suppliers of packaging and ingredients. Seventeen have completed and returned Bacardi's Responsible Sourcing Self-Assessment Questionnaire and the other

six have either joined or committed to join Sedex. We have visited numerous suppliers including those of glass, cartons and molasses and we are checking the audit data to see whether they are in compliance with Bacardi Responsible Sourcing Standards.

Discussions held with 23 key suppliers of packaging and ingredients in Mexico.

Bringing together many cultures and building One Bacardi

We nurture our family Company culture and provide our employees with exciting opportunities to grow and develop. This is good for our people and good for the business too: it helps us recruit talented new staff, retain experienced employees and leads to better all-round Company performance.



CEO Séamus McBride (centre, red tie) visiting the Martini production facility in Pessione, Italy.

KEY ACTIVITIES AND TARGETS FOR FISCAL 2009

- Complete the Bacardi Code of Conduct training.
- Continue to enhance communication across all geographies and functions.
- Engage senior leadership on values, vision, strategy and organizational effectiveness.

PERFORMANCE AGAINST TARGETS

- **Achieved** – 100% of target employees have completed our online Code of Conduct training tool.
 - **Achieved** – The new CEO held two global webcasts and employee surveys were carried out.
 - **Achieved** – We aligned the organization behind the new vision, mission and values and created specific workstreams tasked with driving transformational change.
-

GLOBAL TEAMWORK INITIATIVE

More than 6,500 people work for the Company around the world. During the last financial year, the Bacardi senior leadership team has reviewed how it could best reinforce the spirit and practices of teamwork across these employees. The outcome has been the creation of workstreams to tackle a series of strategic initiatives under the “One Bacardi” umbrella that will make us a more effective and successful global company leveraging our values, our heritage and our people.

DEVELOPMENT AND TRAINING

One of these workstreams has identified how to establish and embed a way of working in a matrix organization that will allow us to operate as a high-performing team.

This concept was first developed in Bacardi U.S.A., which used “alignment” workshops to build employee engagement. It has been so successful that it will become a core development program for Bacardi worldwide in fiscal 2010.

EMPLOYEE RIGHTS AND RESPONSIBILITIES

Our high employee retention rate is evidence that Bacardi has a long tradition of treating employees fairly. However, from time to time, we have needed to restructure and redeploy resources, which has in some cases led to redundancies. At these times Bacardi continues to support its people appropriately.

Last year we managed the closure of one facility: in The Bahamas. We took special care to work closely with employees and their representatives on transition plans.

COMMUNICATION

Bacardi believes in building greater engagement through improved communication. During fiscal 2009, our new CEO held two global webcasts. In these webcasts, the CEO discussed business performance and short- and long-term priorities, as well as dealing directly with various questions raised by employees. Due to their success, we are now planning

regular webcasts with a wider group of Bacardi senior executives. These will incorporate some of the suggestions employees made about the format of webcasts.

Surveying employees’ views can provide valuable feedback to management. For example, last year our whisky operation in Scotland carried out an in-depth attitude survey. It found that employees had a strong personal commitment to continuous improvement and clarity around roles and expectations. Areas to improve upon included communication and training. Together with the staff, senior executives created action plans to address the shortcomings identified in the survey.

NEXT STEPS

- Develop a leadership development strategy by January 2010.
 - Reinforce and cascade the four Bacardi Values by end December 2010.
 - Roll out a high-performing teams workshop to management.
 - Develop key competencies for our people and cascade these throughout the business.
 - Pilot the first company-wide intranet by end of fiscal 2010.
-

100%

Percentage of target employees who have completed our online Code of Conduct training tool.

Fostering healthy and vibrant communities

We recognize the support local communities give to our businesses and we play an active role in contributing to those communities. Our programs are also good for the Company as they extend our brands' reach, motivate staff and encourage them to become ambassadors for our wider Corporate Responsibility Program.



Bacardi Thailand employees planting seedlings in Ampawa.

KEY ACTIVITIES AND TARGETS FOR FISCAL 2009

- Roll out database to improve gathering, reporting and sharing of activities.
- Establish a methodology to better quantify and benchmark the effectiveness of our investments.

PERFORMANCE AGAINST TARGETS

- **Achieved** – The database was successfully launched and is being used by all relevant stakeholders.
- **Partially achieved** – This study has begun and will be continued in fiscal 2010.

The roots of Bacardi philanthropy and community involvement go back a long way. In 1852, ten years before the Company was established, founder Don Facundo Bacardí Massó volunteered as a key organizer to secure and distribute aid after a devastating earthquake struck Santiago de Cuba. Thus began a legacy of giving.

Don Facundo's descendants and Company followed his example – in donating the first public museum, library and schools in Santiago de Cuba, as well as establishing orphanages and funding public works throughout Cuba. Such a commitment to “giving back” continues globally to this day.

BACARDI LIMITED AND ITS BRANDS

In fiscal 2009, the total monetary amount of our Philanthropy and Community Involvement support was \$3,921,479. But that is not the whole picture. Bacardi and its brands also supported communities through employee volunteering and partnering with organizations to leverage events through in-kind donations.

In this chapter we describe some of the year's initiatives, which illustrate the range and diversity of our community involvement around the world.

Bacardi giving is focused in five principal areas:

- Environment
- Education
- Health and Social Services
- Arts and Culture
- Disaster Relief Assistance

Bermuda Employee Choice Awards



For the third year, Bacardi in Bermuda sponsored the Employee Choice Awards in which employees voted on their favorite charities to support. In 2009, five charities each received a donation of \$10,000. Representatives of the charities chosen were featured in an advertisement in Bermuda's leading newspaper, each pictured receiving their check from a Bacardi employee.



Bacardi Germany employees presenting a check to “Viva con Agua.”

Environment

The Bacardi Corporation in Puerto Rico financially supported the Fundación Luis Muñoz Marín, an educational and conservation foundation dedicated to recovering land and creating an arboretum of trees from around the world. Bacardi Thailand fostered team spirit by involving employees in planting seedlings in the eroded coastal mangrove ecosystems of the Ampawa district of Thailand, about 90 kilometers from Bangkok. Employees of Bacardi Germany made contributions throughout the year to support “Viva con Agua,” dedicated to providing clean drinking water in developing countries.

Education

Bacardi U.S.A. continued its long-standing support of educational diversity by donating to the Medgar Evers College Educational Foundation to endow scholarships. Bacardi U.S.A. also supported The Thurgood Marshall College Fund as the presenting sponsor of its annual Awards of Excellence. The contributions allowed for merit scholarships for undergraduate and graduate students attending 47 historically black public colleges and universities.

In Spain, Bacardi continued as a corporate partner in both the school of law and business school at the Escuela Superior de Administración y Dirección de Empresas (ESADE), one of the top global centers of management education. Similarly, Bacardi in Italy made a donation to the Torino branch (near the Bacardi facility) of the European School of Management, to support students achieving master's degrees in management and European business.

Health and Social Services

As a company that has spanned eight generations of the Bacardi family, it is perhaps not surprising that employees around the world are drawn to helping children. For example, in India employees raised funds to build a home for children living with the HIV virus. In Russia, Bacardi supported the Action for Russia's Children ball, raising funds to provide alternatives to the Russian state orphanage system. In the Dominican Republic, the Company has helped produce a documentary promoting the inspiring work of the International Children's Heart Foundation, which organizes teams of medical volunteers to help infants with congenital heart problems. In France, Bacardi-Martini employees had the opportunity to volunteer for Les Toiles Enchantées, an organization which brings entertainment to children in hospitals. And Bacardi in Switzerland chose to make donations in suppliers' names to UNICEF, instead of purchasing holiday gifts.

As well as helping children, Bacardi has provided support for adults in need. The U.K. Company made a donation to the Parkinson's Disease Society while Bacardi Canada helped sponsor an event in Montreal supporting women with cancer.

Arts and Culture

Bacardi Mexico regularly supported featured art exhibits at the Mexico City International Airport and the Architecture Museum, and also sponsored the opening of the "Love till Madness" exhibition at the Soumaya Museum in Mexico City, which featured paintings on love spanning the centuries. Bacardi Corporation in Puerto Rico has also been active in supporting the arts including the Museo de Arte de Ponce, which promotes a deeper understanding and enjoyment of art and fosters awareness of Puerto Rico's cultural heritage. In Italy, Martini & Rossi, along with other companies, is working to preserve the historical heritage and support the restoration of Turin.

Disaster Relief Assistance

Bacardi has a long history of giving back to the community, especially when aid is most urgently needed. In response to devastating natural disasters, Bacardi and its operating companies contribute much needed support to various relief efforts. Such support includes financial assistance, employee volunteer time and donation, as well as aid and supplies.



Russian child's drawing thanking Bacardi for raising funds towards alternatives to the state-run orphanage system.

GREY GOOSE Charitable Activities



Tiger Woods speaks at the 2008 Tiger Jam. Singers John Mayer and Queen Latifah at the Keep a Child Alive event.

In fiscal 2009, GREY GOOSE Vodka sponsored high profile events that attracted celebrity and media attention and raised US\$15 million for various organizations in the U.S.A.

As a four-year sponsor of the Tiger Woods Foundation's annual Tiger Jam, GREY GOOSE Vodka helped raise more than US\$1 million at its annual event. Since 1996 the Tiger Woods Foundation has reached more than 10 million young people by delivering unique experiences and innovative educational opportunities for youth worldwide.

In Los Angeles, GREY GOOSE Vodka has been a long-time sponsor of Chrysalis, an organization dedicated to helping the homeless and economically disadvantaged become self-sufficient. With the support of various celebrities and GREY GOOSE Vodka, the Chrysalis Butterfly Ball raised more than US\$1 million.

Keep a Child Alive has served over 250,000 people affected by HIV/AIDS in Africa and India. More than 1,000 guests, including many celebrities, gathered in New York City on November 13, 2008 at the Black Ball to

honor humanitarians for their immense efforts in the fight against AIDS. GREY GOOSE supplied the cocktails for the ball. The event raised more than US\$2.4 million for Keep a Child Alive's life-saving work.

Globally, the GREY GOOSE brand collaborated with the Elton John AIDS Foundation for its annual "GREY GOOSE Character & Cocktails" events, which take place in London. Bars designed by celebrities are auctioned, raising to date £700,000, receiving media coverage around the world.

GAINING A BETTER PICTURE OF OUR GLOBAL ACTIVITY

We aim to promote best practice across the Company through sharing experiences with each other. To this end we developed and launched a database for recording Bacardi philanthropic and community activities from around the world in a consistent format.

In fiscal 2010, we will be further developing the database by encouraging our brand and country operating company colleagues to provide us with more comprehensive descriptions of the programs they support, including more detail about how their initiatives have benefited the local community.

COMPARING PERFORMANCE

Bacardi Limited conducted an internal review of industry competitors and corporate peers to benchmark our philanthropic activities. Our findings indicated that Bacardi – the portfolio of brands and companies – was comparable to others in the industry.

We have started to investigate possible external methodologies for benchmarking our performance in this area and will continue to explore this further in fiscal 2010.

US\$3.9m

Reported giving by Bacardi companies and brands around the world in fiscal 2009.

NEXT STEPS

- Launch phase two of the database enhancing the technical elements to ensure greater data collection.
 - Further explore how we can better quantify and benchmark the effectiveness of our social investments.
-



Cuban children who benefited from the Bacardi donation to the Cuban hurricane fund.

Responding to Disaster in Cuba

Following a legacy of giving in Cuba, Bacardi Limited came to the aid of the Cuban people when the island was devastated by three powerful storms in 2008. The losses – in damaged infrastructure, food shortages, broken homes and lives – were estimated by the United Nations to be in excess of US\$4 billion.

Bacardi Limited responded with a US\$120,000 donation for both immediate humanitarian relief and to fund a targeted communications campaign to encourage giving. Bacardi worked with the Pan American Development Foundation's (PADF) Cuba Development Initiative, an independent non-profit organization, and an affiliate of the Organization of American States. The Bacardi grant was leveraged to obtain major public and private donations, multiplying the impact of the Bacardi Limited contribution fourfold.

Bacardi's donation provided emergency food and shelter packages – all distributed through PADF's established network to ensure all the aid

went to the people who needed it most. In the end, 3,842 people received help and more than 2.8 million individuals were reached by the fundraising campaign. We have been advised the project reached every province in Cuba.

Bacardi, through PADF, received multiple letters, photos and emails from recipients in Cuba, thanking the Company for its help.



Through Bacardi Limited's leadership, the Company has created a highly successful and replicable model of a private-public-civic society strategic alliance.

Pan American Development Foundation (PADF)

Bacardi's aid to Cuban hurricane victims



3,842

Cuban hurricane victims who received help.

During Hurricane Ike, Miguel's house was severely damaged and his crops and animals were destroyed. Bacardi's donation allowed Miguel to replace the roof, purchase new seeds and supplies enabling him, his wife and two young children to start again.

Program Overview

	Marketplace	Environment, Health and Safety
Mission	To achieve industry leadership by taking a socially responsible approach to brand building and by providing information to encourage all those who choose to drink to do so responsibly.	To protect the environment, optimizing the use of raw materials, minimizing CO ₂ emissions throughout our supply chain, reducing water use and improving wastewater effluent.
Longer-Term Objectives	<p>Achieve 100% compliance with regulators and voluntary codes on marketing materials.</p> <p>Train a defined percentage of bartenders in major markets on Social Responsibility issues.</p> <p>Facilitate best practice in implementation and communication of effective alcohol policies, education programs and initiatives.</p>	<p>Targets for end 2011 (from base year 2006):</p> <ul style="list-style-type: none"> • Improve energy efficiency at our operating sites by 12%. • Increase proportion of renewable energy to 12%. • Improve water efficiency at our sites by 15%. • Establish and publish data on greenhouse gas emissions. • Reduce lost time accident rate to less than 6 days of work lost per million worked hours. • New best practice approach to wastewater treatment.
Strategy to Deliver Objectives	<p>Communicate our responsible brand building approach through the Global Marketing Principles.</p> <p>Deliver the Bacardi Marketing Way training program globally.</p> <p>Contribute to the work of industry organizations and experts to present the industry case for more effective policies to tackle alcohol harm and misuse, and to develop better alcohol education programs.</p> <p>Continue to actively participate in discussions at the global level with WHO and WTO.</p>	<p>Systematic approach to environmental and health and safety aspects through ISO 14001 and OHSAS 18001 management systems at all facilities by end of 2009.</p> <p>Continually improve treatment of distillery wastewaters.</p> <p>Increase energy efficiency and use of renewable energy sources.</p> <p>More efficient use of water in production facilities.</p>
Progress against targets for fiscal 2009	<p>Continue "Champions Drink Responsibly" campaign. </p> <p>Continue commitments to:</p> <ul style="list-style-type: none"> • achieve the European Spirits Organisation (CEPS) European Compliance Charter by 2010.  • deliver our three commitments to the EU Alcohol and Health Forum.  <p>Increase activity in our involvement in alcohol education and awareness programs working with government and industry partnerships in North America. </p> <p>Further update Bacardi Global Marketing Principles and policies. </p> <p>Strengthen trade association organizations in selected markets of Latin America and Asia Pacific. </p>	<p>Continue to implement ISO 14001 and OHSAS 18001. </p> <p>Continue to implement Global Standards and Codes of Practice. </p> <p>Deliver continual improvement in environmental performance:</p> <ul style="list-style-type: none"> • Increase proportion of renewable energy to more than 10%.  • Improve energy efficiency at distilleries by 2% and at bottling plants by 3.5%.  • Improve water use efficiency at distilleries by 2% and at bottling plants by 1.5%.  <p>Reduce lost time accident rate to less than 7 per million worked hours. </p> <p>Incorporate sustainability criteria into packaging developments. </p>
Key activities and targets for fiscal 2010	<p>Develop "Champions Drink Responsibly" campaign and increase media coverage of campaign by 10% in fiscal 2010 compared to 2009.</p> <p>Determine extent of future commitments to EU Alcohol and Health Forum.</p> <p>Take a leadership role in global alcohol initiatives through GAPG.</p> <p>Enhance work with IBA to train bartenders in responsible selling with the aim of training 20,000 bartenders/IBA members.</p> <p>Strengthen trade associations in developing markets.</p> <p>Include responsibility messages on all packaging and marketing materials.</p> <p>Achieve compliance with the European Spirits Organisation (CEPS) European Compliance Charter by 2010 and implement the Bacardi Global Marketing Principles in EU countries.</p>	<p>Continue to implement Global Standards and Codes of Practice, expanding the codes as necessary to manage Environment, Health and Safety risks.</p> <p>Achieve certification of all facilities under ISO 14001 and OHSAS 18001 by December 2009.</p> <p>Improve our Environment, Health and Safety reporting, including more comprehensive accident statistics.</p> <p>Reduce lost time accident rate to 6.1 or less per million worked hours.</p> <p>Deliver continual improvement in environmental performance.</p> <p>Continue to develop sustainability criteria into innovation activities.</p>

Responsible Sourcing

To achieve the highest standards of responsible sourcing throughout our supply chain by engaging and working with our suppliers.	
Ensure our suppliers understand our responsible sourcing requirements.	
Evaluate all our suppliers to understand potential risks in our supply chain.	
Implement a methodology to manage suppliers who do not initially meet our standards.	
Communicate our responsible sourcing policy.	
Use a risk-based approach to prioritize suppliers.	
Work with those suppliers that have difficulty complying with our Responsible Sourcing Standards.	
Embed responsible sourcing within all procurement processes.	
Implement risk based approach to supplier assessment.	●
Extend implementation and follow-up of Bacardi Responsible Sourcing Program and Standards to our supply base through supplier questionnaires.	●
Conduct responsible sourcing audits of potentially higher risk suppliers.	●
Put in place responsible sourcing Key Performance Indicators.	●
Play a full role within cross industry collaborative bodies e.g., Supplier Ethical Data Exchange (Sedex), AIM-Progress, the European Brands Association Program for Responsible Sourcing.	●
Put in place Responsible Sourcing KPIs.	
All our suppliers of agave, molasses and light cane distillate either to achieve compliance or have a compliance action plan in place.	
Implement our "Responsible Sourcing Compliance and Audit Guidelines Policy" in Mexico, Brazil, India and China.	
Implement a Responsible Sourcing audit schedule in line with industry benchmarks regarding frequency and ensure these audits can be mutually recognized to reduce the risk of supplier audit fatigue.	
Continue to encourage suppliers to join Sedex. Our target for the next year is to engage over 200 suppliers in the Sedex database and for at least 50% of them to become fully linked.	
Add a responsible sourcing screen to the supplier quality assessment audit schedule.	

People

To develop and empower our people to continue the heritage of building strong brands responsibly.	
Maintain Code of Conduct training for everyone in Bacardi including new employees.	
Ensure Corporate Responsibility Program is communicated to all staff.	
Build capability among senior managers to drive global teamwork initiatives and the corporate responsibility agenda throughout Bacardi.	
Promote a culture of continual improvement and development.	
Provide our people with tools and resources to encourage personal responsibility and corporate citizenship.	
Encourage a diverse and inclusive workplace and evaluate progress.	
Complete the Bacardi Code of Conduct training.	●
Continue to enhance communication across all geographies and functions.	●
Engage senior leadership on values, vision, strategy and organizational effectiveness.	●
Develop a leadership development strategy.	
Reinforce and cascade the four Bacardi Values.	
Roll out a high-performing teams workshop to management.	
Develop key competencies for our people and cascade these throughout the business.	
Pilot company-wide intranet.	

Philanthropy and Community Involvement

To support philanthropic and local community efforts aligned with brand building and Bacardi values.	
Ensure our corporate programs are focused on our five principal areas:	
<ul style="list-style-type: none"> • Education • Environment • Health and Social Services • Arts and Culture • Disaster Relief Assistance. 	
Ensure alignment of local giving with Bacardi values.	
Maximize the effectiveness of philanthropy and community investment.	
Implement a strategy for goodwill and philanthropy.	
Careful selection of business and community partners to support our key focus areas.	
Roll out database to improve gathering, reporting and sharing of activities.	●
Establish a methodology to better quantify and benchmark the effectiveness of our investments.	●
Launch phase two of the database enhancing the technical elements to ensure greater data collection.	
Further explore how we can better quantify and benchmark the effectiveness of our social investments.	

Further Information

ABOUT THIS REPORT

This is the second annual Corporate Responsibility Report produced by Bacardi Limited, the largest privately held spirits company in the world. It focuses on what Bacardi has done to manage the social and environmental impacts of its businesses in the fiscal year ending March 31, 2009 (fiscal 2009) and builds upon our first report, which covered the previous fiscal year 2008. The report is not externally assured.

The only acquisition or divestment in the year was the Company's purchase of a 30% minority interest in Patrón Spirits International AG, the parent company of the producers of Patrón tequila. This year the Company managed the closure of one facility in The Bahamas.

The data presented in the report covers our own directly-owned and managed operations. It does not include performance data from our suppliers, outsourced bottlers or co-packers. There have been no significant changes in the scope or boundaries of the data we are reporting this year. However, to improve how we track progress, we have introduced an index for reporting on the resources we have used, which is weighted by activity and product mix. Due to improved reporting processes, we have restated Lost Time Accident Rate and Absence Rate figures for 2008.

A summary table of our Corporate Responsibility Program may be found in the Program Overview section on pages 30 and 31.

Further information about Corporate Responsibility, including policy statements, is available on our Web site www.bacardilimited.com.

Any reference to "Bacardi" as a company in this report refers to Bacardi Limited, one of its subsidiaries, or a group of Bacardi companies.

REQUEST FOR FEEDBACK

Bacardi would like to hear from our stakeholders on our 2009 Corporate Responsibility Report. We are particularly interested in your views on:

- The information which we included
- Any information which we did not include
- The case studies
- The data reported
- The design of the report

You can send your comments by going to www.bacardilimited.com and using the "Contact Us" form.

Thank you.

BACARDI LIMITED PORTFOLIO INCLUDES:

RUM:

BACARDI, CASTILLO, SEVEN TIKI

VODKA:

GREY GOOSE, ERISTOFF, 42 BELOW

SCOTCH WHISKY:

DEWAR'S, WILLIAM LAWSON'S, ABERFELDY

GIN:

BOMBAY SAPPHIRE, BOMBAY ORIGINAL, BOSFORD, OXLEY

TEQUILA:

CAZADORES, CORZO, CAMINO REAL

VERMOUTH:

MARTINI, NOILLY PRAT

SPARKLING WINES:

MARTINI ASTI, MARTINI PROSECCO, MARTINI BRUT, MARTINI ROSE

COGNAC:

OTARD, GASTON DE LAGRANGE

LIQUEUR:

BÉNÉDICTINE, B&B, GET 27/31, CHINA MARTINI, NASSAU ROYALE

READY-TO-DRINK PRODUCTS:

BACARDI AND COLA, BACARDI BREEZERS, ERISTOFF ICE

BACARDI, the Bat Device and all names, logos, trade dresses and other marks related to products appearing or quoted in this Corporate Responsibility Report are trademarks and/or registered trademarks of Bacardi & Company Limited or of other subsidiaries of Bacardi Limited. "DRINK RESPONSIBLY!"



UN GLOBAL COMPACT – COMMUNICATION ON PROGRESS

As a signatory to the UN Global Compact (UNGC) we are committed to meeting the ten internationally accepted principles in the areas of human rights, labor standards, the environment and anti-corruption in all our global business operations.

UNGC principles	Bacardi approach	Where to find out more
HUMAN RIGHTS		
<p>Businesses should:</p> <ol style="list-style-type: none"> 1. support and respect the protection of internationally proclaimed human rights; and 2. make sure that they are not complicit in human rights abuses. 	<p>Maintaining the health and safety of all our employees is a high priority for us. All our manufacturing sites will be certified to the international health and safety standard OHSAS 18001 by December 2009.</p> <p>Our suppliers have to meet our Responsible Sourcing Standards, which commit them to complying with human rights principles.</p> <p>We have a structured process for engaging suppliers with our standards. This includes supplier self-assessments and on site inspections.</p>	<p>Environment, Health and Safety, pages 12–17</p> <p>Responsible Sourcing, pages 18–23</p>
LABOR STANDARDS		
<p>Businesses should uphold:</p> <ol style="list-style-type: none"> 3. the freedom of association and the effective recognition of the right to collective bargaining 4. the elimination of all forms of forced and compulsory labor 5. the effective abolition of child labor; and 6. the elimination of discrimination in respect of employment and occupation. 	<p>We respect the right to freedom of association among all our employees.</p> <p>Our Responsible Sourcing Standards require our suppliers to respect freedom of association and the right to collective bargaining.</p> <p>We do not use forced or child labor in any of our operations. Our Code of Conduct includes a commitment to equal opportunities and non-discrimination.</p> <p>We aim to achieve the elimination of all forms of forced labor, child labor and discrimination through our Responsible Sourcing Standards.</p> <p>We are also members of industry-wide partnerships such as the Better Sugarcane Initiative, which aims to ensure minimum labor and environmental standards are achieved within the sector.</p>	<p>Corporate Responsibility at Bacardi, page 4</p> <p>Responsible Sourcing, pages 18–23</p>
ENVIRONMENT		
<p>Businesses should:</p> <ol style="list-style-type: none"> 7. support a precautionary approach to environmental challenges 8. undertake initiatives to promote greater environmental responsibility; and 9. encourage the development and diffusion of environmentally friendly technologies. 	<p>Our group-wide Environmental Policy adheres to the precautionary principle.</p> <p>We aim to drive continuous improvement in our facilities' performance through a management systems approach. All our facilities should be certified to the ISO 14001 international environmental management system standard by December 2009.</p> <p>We are actively promoting the wider use of renewable energy sources in our facilities.</p> <p>We work with partners such as the Beverage Industry Environment Roundtable to drive industry-wide performance improvements.</p> <p>Our Responsible Sourcing Standards require our suppliers to protect the environment as part of business practice.</p>	<p>Corporate Responsibility at Bacardi, page 4</p> <p>Environment, Health and Safety, pages 12–17</p> <p>Responsible Sourcing, pages 18–23</p>
ANTI-CORRUPTION		
<p>Businesses should:</p> <ol style="list-style-type: none"> 10. work against corruption in all its forms, including extortion and bribery. 	<p>Our Code of Conduct details the behaviors we expect of our people and it addresses issues of conflicts of interest and bribery and corruption.</p> <p>Our Responsible Sourcing Standards state that bribery and corruption are not tolerated.</p>	<p>Bacardilimited.com > Corporate Responsibility > Governance</p> <p>Corporate Responsibility at Bacardi, page 4</p> <p>Responsible Sourcing, pages 18–23</p>



BACARDI LIMITED

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