

Baileys® Dublin



R & A BAILEY & C

Baileys[®] Dublin

Nangor Road, Dublin, is the home of a world-class facility producing Baileys Original Irish Cream for markets worldwide. The site was first opened in 1983 and is now regarded as the 'home of Baileys'. As well as producing over **3.8 million cases of Baileys Original Irish Cream annually**, the site manufactures Smirnoff Vodka for distribution throughout the island of Ireland and Sheridan's, a coffee based double liqueur, for global distribution.



Home of world leading brands

Baileys® Original Irish Cream

Over 30 years ago a small team of people investigated if they could produce a top class cream liqueur. They were inspired by the quality of Irish dairy products and Ireland's tradition of distilling. The end product was Baileys Original Irish Cream. These factors continue to be an integral part of the process today as quality ingredients are combined with high production standards to produce the world's leading liqueur.

Since its launch, Baileys Original Irish Cream has been an international success story. This success continues with over 6.6 million cases of Baileys Original Irish Cream being sold annually in 130 countries.



Today the original cream liqueur accounts for 6% of all Irish food and drink exports. Baileys manufacturing is shared between the Nangor Road site in Dublin and the new facility at Mallusk, just outside Belfast.

Smirnoff®

Smirnoff, the world's leading premium vodka, is also produced at Nangor Road. It is manufactured to the original Russian recipe using spirit from the finest grain and pure filtered water. The spirit itself is triple distilled and 10 times filtered. Over 750,000 cases of Smirnoff are distilled and packaged annually for distribution throughout the island of Ireland.



Working as a team

As demand for its premium collection of drinks continues to grow Diageo invests in the optimum skill and technology mix in each of its production locations. At the core of all activity is the continued development of world-class production facilities. Throughout the Diageo network skilled, expert personnel implement industry-leading technology. In Nangor Road, the team work closely to support and drive the continued success of the brands. Also, through the Diageo graduate programme we continue to enhance our talent base and further develop the team.



World-class production facility

The 25 acre Nangor Road site contains a state-of-the-art production facility with full end to end manufacturing capability, including processing, bottling and packaging. There are five processing units dedicated to the production of Baileys, Smirnoff and Sheridan's. The seven

bottling and packaging lines produce many millions of cases of Baileys, Smirnoff and Sheridan's annually.

Quality standards throughout the process

Rigorous standards are applied to all aspects of the production process,

beginning with the vetting of raw ingredients through to the dispatch of the finished, packaged product and its onward shipment to customers.



Brand technical team

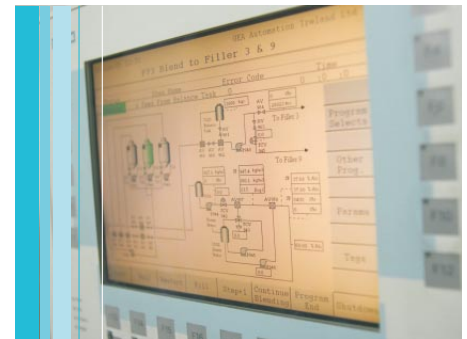
Baileys Original Irish Cream is produced on two sites in Ireland, at Nangor Road, Dublin, and Mallusk, Co Antrim. The brand technical team, based at Nangor Road, is responsible for all research and development activity, including brand services and innovation. The team is also responsible for compliance with Diageo's Risk Management Standards which include management of Safety, Quality and the Environment. Working closely with the production teams in Dublin and Mallusk, they ensure new developments are implemented efficiently and effectively.



Quality assurance and control standards established by the brand technical team are implemented across both sites to ensure consumers experience consistent quality and taste whenever and wherever they consume Baileys.

Procurement

Procurement teams, working with suppliers throughout the island of Ireland and further afield, source the finest ingredients for the manufacturing process. Detailed specifications have been developed to ensure that all ingredients and materials meet Diageo's high standards.



Processing

The manufacturing technique used in the production of Baileys Original Irish Cream combined with the highest quality ingredients creates its unique smooth taste and quality texture. This process is closely monitored by a specially trained team. Quality control checks are conducted throughout the process and each blend is checked in the on-site laboratory. Tests are conducted to measure taste, consistency and aroma.

Diageo are investing in the on-going development of the Nangor Road site's



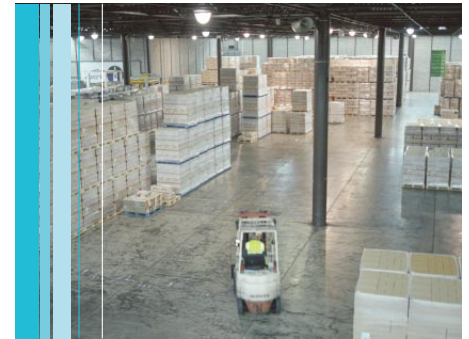
processing capabilities. Investments in recent years include a cream blend processing plant, a dedicated Sheridan's processing plant and a new chill facility. A significant investment is being undertaken to upgrade the process software used throughout the site.

Bottling and packaging

As demand continues to grow for Baileys Original Irish Cream, Sheridan's and Smirnoff, Diageo is investing in new packaging equipment at Nangor Road. Investments include a new labeller installation on a Baileys Bottling line and



a new packer on the Sheridan's line. Each year in Nangor Road over 5 million cases of Baileys Original Irish Cream, Smirnoff and Sheridan's, in 700 different formats are bottled and packaged ready for distribution.



Environment

Central to the operation of the site is the drive to reduce waste, maximise energy efficiency and minimise the impact production activities have on the environment. These aims are supported by an environmental co-ordinator working as part of the brand technical team. This person ensures the implementation of the standards set by Diageo for environmental practice as well as compliance with all national and EU legislation. The site's long-standing commitment to achievements in the areas of waste management and recycling was recognised by Repak when R & A Bailey & Co received the prestigious Best Member Award in 2004.

Part of the community, locally, nationally and internationally

As the home of one of Ireland's leading brands, R & A Bailey & Co's role as a citizen takes many forms. Locally, R & A Bailey & Co has taken part in Diageo's Celebrate Our People Initiative which saw over 50% of employees carry out improvement works initiatives within the area. Diageo volunteers worked on neglected local



properties, upgrading six different Dublin community projects including crèches, social clubs and facilities for the elderly.

Nationally, in partnership with three of the main suppliers, R & A Bailey & Co sponsors and supports a charity Golf Classic fund-raising event. Each year a charity is nominated by one of the sites and all proceeds from the event are donated to it. Charities benefitting to date from this event include St. Michael's House, Cystic Fibrosis Association, The Ellie Walsh Trust in Fermanagh and The

Marie Curie Trust. Throughout the year, a number of fundraising activities are initiated by the staff in support of diverse charities such as the Beaumont Foundation, Our Lady's Hospice and St. Vincent de Paul.

As part of the global community, Diageo employees participate in an Earthwatch project. Recently one of the Nangor Road employees spent a number of weeks in Brazil as part of this initiative. Since returning to Nangor Road, she has developed an eco-trail environment



initiative for the site, supported financially by Diageo. To date this initiative has included cleaning of the Camac River which runs through the site and developing a nature walkway for use by fellow employees.



Investments

- > €5 million in software technology
- > €3.7 million in labelling equipment
- > €6 million in cream processing and associated equipment

Facts

- > Baileys Original Irish Cream is the world's number 1 liqueur
- > Over 3.8 million cases of Baileys Original Irish Cream are produced annually at Nangor Road
- > Over €65 million is spent annually in Ireland on ingredients, packaging and services
- > 1,500 farms supply milk and cream to Diageo to produce Baileys Original Irish Cream
- > Smirnoff is produced in Nangor Road for distribution throughout the island of Ireland
- > Over 75% of ingredients and packaging used for Baileys Original Irish Cream is sourced on the island of Ireland

Baileys® Dublin

Producers of
Baileys & Smirnoff



Diageo Global Supply distribute to:

- | | | | |
|-------------------------|------------------|----------------|--------------------|
| 01 UAE | 25 Curacao | 45 Iraq | 66 Qatar |
| 03 Anguilla | 26 Cyprus | 46 Israel | 67 Romania |
| 04 Argentina | 27 Czech | 47 Italy | 68 Russia |
| 05 Aruba | 28 Denmark | 48 Japan | 69 Senegal |
| 06 Australia | 29 Dubai | 49 Jordan | 70 Singapore |
| 07 Austria | 30 Estonia | 50 Kazakhstan | 71 Slovakia |
| 08 Azerbaijan | 31 Finland | 52 Lithuania | 72 Slovenia |
| 09 Bahamas | 32 France | 53 Macedonia | 73 South Africa |
| 10 Bahrain | 33 French Guyana | 54 Madeira | 74 South Korea |
| 11 Barbados | 34 Georgia | 55 Malta | 75 Spain |
| 12 Belarus | 35 Germany | 56 Martinique | 76 St. Helena |
| 13 Belgium | 36 Ghana | 57 Mexico | 77 St. Maarten |
| 14 Bermuda | 37 Gibraltar | 58 Montserat | 78 Surinam |
| 15 Brazil | 38 Greece | 59 New Zealand | 79 Sweden |
| 16 British Virgin Isles | 39 Guadeloupe | 60 Nigeria | 80 Switzerland |
| 17 Bulgaria | 40 Holland | 61 Norway | 81 Taiwan |
| 18 Canada | 41 Hong Kong | 62 Oman | 82 Thailand |
| 19 Canary Isles | 42 Hungary | 63 Pakistan | 83 Trinidad |
| 20 Cape Verde | 43 Iceland | 64 Poland | 84 Turks & Caicos |
| 21 Cayman | 44 India | 65 Portugal | 85 Ukraine |
| 22 China | | | 86 US Virgin Isles |
| 23 Costa Rica | | | 87 USA |
| 24 Croatia | | | |



Perfection in a glass

Baileys® Original Irish Cream



Baileys Original Irish Cream's rich marriage of fresh dairy cream, Irish whiskey, finest spirits and natural flavours provides a luxurious drinking experience. The great taste of Baileys Original Irish Cream is fundamental to its success, giving consumers the chance to indulge in a sensuous pleasure.

Baileys Original Irish Cream is sold in over 130 countries worldwide and is the world's number one selling liqueur. It accounts for 6% of all Irish food and drink exports.

Smirnoff® Premium Vodka



Smirnoff was first launched in Ireland in 1961. Today, it is the best-selling premium vodka in Ireland. The success of the brand continues with the introduction of a range of Smirnoff flavoured vodka: Smirnoff Vanilla twist®, Smirnoff Raspberry twist®, Smirnoff Citrus twist® and Smirnoff Orange twist®.

It is the world's leading premium vodka and is the number one spirit's brand in Ireland.

Sheridan's®



Sheridan's was first launched during 1993 and today is sold in 20 countries around the world plus Duty Free.

Sheridan's, which delivers an original, sensuous and captivating experience, is an exciting blend of dark, rich coffee liqueur layered with a cool smooth vanilla cream. Sheridan's is supplied in an unique two compartment bottle with a patented single pouring unit which ensures the optimum delivery and separation of the different liquids.

Diageo in Ireland,
celebrating life,
every day, everywhere,
responsibly.

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