



## DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

**This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.**



## DISCLOSURE QUESTIONNAIRE

Company Name: R&A Bailey & Co  
Date Submitted: 10/06/2022

Industries & Products	Yes	No
Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply.		
Animal Products or Services		✓
Biodiversity Impacts		✓
Chemicals		✓
Company Explanation Of Disclosure Item Flags		✓
Disclosure Alcohol	✓	
Disclosure Firearms Weapons		✓
Disclosure Mining		✓
Disclosure Pornography		✓
Disclosure Tobacco		✓
Energy and Emissions Intensive Industries	✓	
Fossil fuels		✓
Gambling		✓
Genetically Modified Organisms		✓
Illegal Products or Subject to Phase Out		✓
Industries at Risk of Human Rights Violations		✓
Monoculture Agriculture		✓
Nuclear Power or Hazardous Materials		✓
Payday, Short Term, or High Interest Lending		✓
Water Intensive Industries	✓	
Tax Advisory Services		✓

Supply Chain Disclosures	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		✓
Child or Forced Labor		✓
Negative Environmental Impact		✓
Negative Social Impact		✓
Other		✓

Outcomes & Penalties	True	False
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior		✓
Breaches of Confidential Information		✓
Bribery, Fraud, or Corruption		✓
Company Explanation Of Disclosure Item Flags		✓
Company has filed for bankruptcy		✓
Consumer Protection		✓
Financial Reporting, Taxes, Investments, or Loans		✓
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		✓
Labor Issues		✓
Large Scale Land Conversion, Acquisition, or Relocation		✓
Litigation or Arbitration		✓
On-Site Fatality		✓
Penalties Assessed For Environmental Issues		✓
Political Contributions or International Affairs		✓
Recalls		✓
Significant Layoffs		✓
Violation of Indigenous Peoples Rights		✓
Other		✓

Practices	True	False
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		✓
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		✓
Company Explanation Of Disclosure Item Flags		✓
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		✓
Conduct Business in Conflict Zones		✓
Confirmation of Right to Work		✓
Does not transparently report corporate financials to government		✓
Employs Individuals on Zero-Hour Contracts		✓
Facilities located in sensitive ecosystems		✓
ID Cards Withheld or Penalties for Resignation		✓
No formal Registration Under Domestic Regulations		✓
No signed employment contracts for all workers		✓
Overtime For Hourly Workers Is Compulsory		✓
Payslips not provided to show wage calculation and deductions		✓
Sale of Data		✓
Tax Reduction Through Corporate Shells		✓
Workers cannot leave site during non-working hours		✓
Workers not Provided Clean Drinking Water or Toilets		✓
Workers paid below minimum wage		✓
Workers Under Bond		✓
Other		✓



## B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY:

R&A Bailey & Co

UPDATED AS OF:

08/25/2022

DISCLOSURE QUESTIONNAIRE CATEGORY	Alcohol
TOPIC	Company produces and sells alcohol products
SUMMARY OF ISSUE	R&A Bailey & Co is a beverage manufacturer that earns a material amount of revenue from the sale of alcohol
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	In the previous fiscal year, 100% of R&A Bailey & Co's revenue was earned from the sale of alcohol
IMPACT ON STAKEHOLDERS	Alcohol may have a negative impact on the health and well-being of individuals and their communities
IMPLEMENTED MGT PRACTICES	<p>Across all markets, R&amp;A Bailey through its operations with parent company Diageo, ensures compliance with all local laws and regulations in relation to the sale of alcohol. <a href="#">The Diageo Marketing Code (DMC)</a> is the mandatory minimum marketing standard which includes requirements that meet all national laws, local regulations and self-regulatory codes of practice, and in some cases, goes beyond what is required by law for alcohol marketing. All employees of Diageo, its subsidiaries and third-parties who are responsible for or are involved in the marketing activities and marketing of Diageo's brands must comply with the DMC.</p> <p>R&amp;A Bailey as part of Diageo believes that responsible and moderate drinking can be part of a balanced lifestyle. Diageo has a strategic goal as part of its <a href="#">Society 2030: Spirit of Progress</a>, to leverage Diageo marketing and innovation to make moderation the norm, and reach one billion people with messages of moderation by 2030.</p> <p>Diageo provides its consumers with the tools to make informed choices about drinking or not drinking. Such as:</p> <p>A. The Diageo Consumer Information Standards, and DMC - which are used to communicate responsibly about its brands, and ensure that there are minimum standards covering all of its labeling, advertising and promotion activities.</p> <p>B. <a href="#">DRINKIQ.com</a> - an online public resource that houses best-practice tools, information and initiatives on the effects of alcohol for consumers.</p> <p>C. Consumer awareness initiatives designed to reduce alcohol related harm. For example, these include showing the potential downsides or consequences associated with excessive drinking, such as violence, aggression or anti-social behavior (Provisions 8 and 9 of the DMC);</p> <p>R&amp;A Bailey does not sell directly to consumers in any instance outside of e-commerce and promotional experiential events. In both instances, completion of the DMC training is required by all staff members. Where experiential events are planned, training in the Responsible Service of Alcohol may be required. This training ensures that members of staff working in licensed Baileys premises understand licensing law and responsible serving practices as part of their responsibilities in serving alcohol.</p> <p>Where the company sells directly to consumers via owned e-commerce retail channels or through D2C operators, the DMC and Diageo Digital Code must be followed. For example, ID verification must be built into D2C platform processes; the company does not work with platforms which are unable to ensure this requirement.</p>

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R&A Bailey & Co

UPDATED AS OF:

10/06/2022

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Environmentally Intensive Industries
<b>TOPIC</b>	Water Intensive Industries
<b>SUMMARY OF ISSUE</b>	As an alcoholic beverage manufacturer, R&A Bailey & Co operates in an industry that is water intensive.
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	In the previous fiscal year, 100% of revenue was earned from the sale of alcohol.
<b>IMPACT ON STAKEHOLDERS</b>	As a water intensive industry, dairy based liquor production poses risks such as water stress or depletion of local water sources if water use is not appropriately managed. The main water intensive impact of the company's manufacturing operation is in relation to the steam used for product heating and pasteurization. The water used at Baileys Nangor Road is from the Dublin municipal area. The supply is from Irish Water and the volume used on site does not impact other stakeholders that also rely on this water source.
<b>IMPLEMENTED MGT PRACTICES</b>	<p>The Baileys Nangor road site continuously monitors and measures site water usage. Annual water reduction targets are set against the production annual operating plan and water is measured against litres of Baileys produced.</p> <p>R&amp;A Bailey conducts an annual assessment of how it compares with others in the industry in terms of water usage. Within the drinks industry, R&amp;A Bailey would be most comparable to a winery and a brewery, this is due to the nature of the production processes which would include pasteurisation.</p> <p>For the 2020 benchmarking exercise the water efficiency for R&amp;A Bailey was 2.78 L/L and when compared against the efficiency to that of breweries and wineries, (3.04 L/L and 4.0 L/L respectively) the water efficiency for R&amp;A Bailey is significantly below both industries, (<a href="#">ref. 2021 Benchmarking Study Trends &amp; Observations, Beverage Industry Environmental Roundtable 2022, p 11 &amp; p 15</a>). To monitor and achieve targets, water usage is reported and reviewed weekly at the Baileys Business Overview and the monthly usage is reported and reviewed at the Business Performance Meeting. Monthly water usage is also reported on a centralised database.</p> <p>The site has targeted and implemented water saving measures through various initiatives, e.g., elimination of water rinsing on all bottling lines, Cleaning In Place Optimisation and post detergent removal. Employees, contractors and visitors are encouraged to conserve water and report poor water behaviour, water leaks, steam leaks and or any water related issues through the Compliance Incident Report Card (CIRC) reporting system.</p> <p>The company also conducts an annual review and completion of the WBCSD Pledge for Access to Safe Water, Sanitation and Hygiene to minimise its water use.</p>
<b>MANAGEMENT COMMENTS</b>	Water Management is a key focus area for the Baileys Management team and as such is monitored closely at our weekly Baileys Business Operations review and our monthly Business Performance meeting. Over the last number of years the management team have sponsored or led water reduction projects, e.g. CIP optimisation and removal of water rinsing for bottling, and this work will continue into the future.



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UPDATED AS OF:

10/06/2022

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Environmentally Intensive Industries
<b>TOPIC</b>	Energy and Emissions Intensive Industries
<b>SUMMARY OF ISSUE</b>	As an alcoholic beverage manufacturer, R&A Bailey & Co operates in an industry that is energy and emissions intensive.
<b>SIZE/SCOPE OF ISSUE</b> (e.g. \$ financial implication, # of individuals affected)	In the previous fiscal year, 100% of revenue was earned from the sale of manufactured alcoholic beverages with fuel used to produce steam as the primary contributor to the company's energy consumption and emissions.
<b>IMPACT ON STAKEHOLDERS</b>	R&A Bailey is a manufacturing and packaging facility that uses electricity and carbon-based fuels to produce Baileys cream liqueur. R&A Bailey is a manufacturing and packaging facility of Baileys Cream Liqueur. The company contributes to global carbon emissions by using electricity and carbon-based fuels for the production of steam for heating and pasteurization, a central part of the company's production process.

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R&A Bailey & Co

UPDATED AS OF:

10/06/2022

<b>DISCLOSURE QUESTIONNAIRE CATEGORY</b>	Environmentally Intensive Industries Cont.
<b>TOPIC</b>	Energy and Emissions Intensive Industries cont.
<b>IMPLEMENTED MGT PRACTICES</b>	<p>R&amp;A Bailey has a well-established Energy Management System Policy, which is ISO50001 certified. Energy use and emissions are monitored via the building management system and reported throughout the organisation. Various CIP optimisation and reduction projects, LED lighting installations and building management systems have been completed to reduce onsite Scope 1 and 2 emissions.</p> <p>Annual energy reduction targets of 3% are set based on the process outlined in the Energy Management System Manual. Whilst R&amp;A Bailey allows for swing within year-on-year reductions to account for capex implementation, its absolute carbon reduction target is 0 eCO<sub>2</sub>t by 2030 as determined by the SBTi approved targets for Diageo, which filter down to R&amp;A Bailey. These targets are fixed regardless of company growth.</p> <p>R&amp;A Bailey conducts annual assessments of how it compares with others in the industry in terms of carbon intensity. For the 2020 benchmarking exercise the carbon intensity for R&amp;A Bailey was 62.76 gCO<sub>2</sub>e/L and when compared against breweries and wineries, (74.14 gCO<sub>2</sub>e/L and 77.78 gCO<sub>2</sub>e/L respectively) the emissions ratio for R&amp;A Bailey is significantly below both industries, (<a href="#">ref. 2021 Benchmarking Study Trends &amp; Observations, Beverage Industry Environmental Roundtable 2022, p2</a>). The Energy Use Ratio for R&amp;A Bailey was 2 MJ/L, which is higher when compared against breweries and wineries, (1.05 MJ/L and 1.32 MJ/L respectively). The higher electricity demand compared to brewing and wine production is likely due to the more electrically demanding process required for cream liqueur production and packaging, however, a focus on efficiency at the site has resulted in a significant improvement to 1.39 MJ/L over the last two years.</p> <p>To monitor and achieve targets, carbon emissions and electricity usage are reported and reviewed weekly at the Baileys Business Overview and the monthly usage is reported and reviewed at the Business Performance Meeting. Carbon Emissions are also reported on a centralised database.</p> <p>The R&amp;A Bailey site has several best practice examples in place which reduce energy usage and maximise efficiency. Sensor-controlled LED lighting has been installed in production and office areas, sleep mode supports management of electricity for when machines are not in use, e.g., on production conveyors, and ongoing CIP optimisation work supports the reduction in onsite steam demand. Energy Management System operating procedures and processes and automated HVAC controls enable heating demand to be controlled centrally. Aligned with the ISO5000 energy management system, a full site energy review is completed every three years. These are examples of ongoing projects supported by the environmental and engineering teams to ensure that the SBTi targets are met by 2030.</p>