

Diageo US Virgin Islands Rum Distillery Passes Halfway Construction Milestone

Company Appoints Four USVI Residents to Key Positions

NEWS PROVIDED BY

Diageo →

May 17, 2010, 12:10 ET

ST. CROIX, U.S. Virgin Islands, May 17 /PRNewswire-FirstCall/ -- Diageo USVI, the Virgin Islands' newest rum distiller, announced today that construction of its rum distillery and barrel warehouse has passed the halfway construction milestone, and is on schedule to become operational by January 2011. The company also announced the appointment of US Virgin Islanders to four key positions at the distillery, in addition to other strategic hires.

"Construction of the distillery in St. Croix is moving at an impressive pace and we look forward to an on-schedule completion of the project. The diligence, dedication and hard work of the local construction workers have enabled us to reach this exciting milestone," said David Cutter, Chairman, Diageo USVI. He continued, "We all look forward to the day when Captain Morgan will truly be able to call St. Croix home."

"We are also very proud to say that this project has consistently exceeded safety goals," said Cutter. "With such a complex and large site, this is a true accomplishment and I want to thank all the people who have been part of this construction project who have worked together to not only build a modern and efficient distillery on time and on budget, but also with safety in mind."

US Virgin Islands Governor John P. deJongh, Jr. said, "We thought Diageo would be a good partner to the US Virgin Islands when we signed our 30-year agreement almost two years ago. Since then, Diageo has not only achieved all of their construction milestones, they have also

met all of our expectations." He continued: "They are creating jobs using local contractors for work at both the distillery and warehouse, investing in improving our environment and contributing to our community organizations. We are delighted that construction is ahead of schedule and look forward to seeing the first of many barrels of Captain Morgan to be produced on St. Croix."

Construction of the 20 million proof gallon rum distillery began in August 2009. In addition, Diageo USVI has committed that at least 80 percent of the full-time employees at the distillery will be from the USVI. The company expects to fill a total of about 60 full-time employees to operate and manage the distillery. To date, Diageo USVI has named six strategic hires, four of whom are native USVI residents, to fill the positions of Human Resources Director, Maintenance Team Lead, Quality Manager, Executive Administrative Assistant, Finance Manager, and Engineering Manager.

"We welcome these new employees to the business and are delighted to deepen our roots within the local community by having native Virgin Islanders join the team," said Dan Kirby, Vice President, Operations, Diageo USVI. "I know they look forward to helping build this organization for the long term."

In addition, the distillery will retain local businesses that provide maintenance and other business services to the facility, creating jobs and business opportunities for the local economy.

In recognition of the safety record of the future distillery site, a \$6,000 check was presented to the St. Croix Special Olympics on behalf of the all of the construction workers who have contributed to the building of the distillery.

"This check signifies a perfect six-month safety record and is a tribute to the safety ethic of over 300 construction employees," said Tony Conboye, Process Project Engineer from the PM Group who is acting as Owners Engineer on the project.

The Diageo USVI rum distillery will be constructed with Leadership in Energy and Environmental Design (LEED) certification principles. Some of the 21st century ecological and environmental controls incorporated in the design include a closed-loop water system that will

eliminate the need for any wastewater disposal into the nearby Caribbean Sea. The company also is incorporating organic solids reclamation and storm water best management practices into its construction plans and its day-to-day operation.

ABOUT DIAGEO USVI

In June 2008, Governor John P. deJongh, Jr. and Diageo USVI jointly announced a public-private initiative for the construction and operation of a high capacity rum distillery on St. Croix, USVI. This 30-year commitment will provide a major economic stimulus for the entire Territory of the U.S. Virgin Islands. Once in operation the distillery will have the capacity to distill up to 20 million proof gallons of Captain Morgan rum per year and is expected to generate an estimated \$130 million in new tax revenue for the Virgin Islands Government. Construction of the facility, located on Melvin Evans Highway, began in August 2009.

Beginning in 2012, the distillery will supply all rum used to make Captain Morgan branded products for the United States. Captain Morgan is a global leader among premium spirits and is the second leading rum in the world.

For our global resource that promotes responsible drinking through the sharing of best practice tools, information and initiatives, visit DRINKiQ.com.

Celebrating life, every day, everywhere.

SOURCE Diageo