Diageo employs and manufactures locally throughout Africa, producing local brands with locally sourced materials. It has scale, depth, and a significant footprint as a committed local investor.

Our success in Africa is built on a rich heritage. Since the 1820s, when Guinness first shipped to Sierra Leone, we have grown through our brands. In the 1890s Johnnie Walker arrived in Kenya and in 1962 the first Guinness brewery outside the British Isles was built in Nigeria.

Our strategy is to participate across all price points and to grow our beer portfolio fast and our spirits brands faster.

Our company is sustained through innovation. We constantly look to create new experiences such as Serengeti Lite, a lighter lager in East Africa, and Orijin Bitters, which blends the popular bitters flavour with fruits and herbs to create a unique bittersweet taste.

We seek to have a positive impact across Africa as both employer and manufacturer. We source locally (at 82%) and invest in sustainable agricultural and brewing operations. We are careful stewards of water, with our Water of Life programme providing 10 million people access to clean water since 2007. We also want our products to be enjoyed responsibly and campaign to ensure we all #drinkpositive.

At a glance

- **12%** of Diageo net sales are generated in Africa*
- **£1.6** billion in annual sales in F18*
- **7%** sales increase and a **5%** beer sales increase

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**Our brands**

We offer consumers in Africa a range of over 100 local and global brands, from world-famous names like Guinness to Senator, a brand that is unique to African markets.

**Beer**

Our beer brands are at the heart of our portfolio in Africa. From Guinness Foreign Extra Stout to Tusker, we have brands for every taste and price point in each.
An investor in Africa

In Africa, we are a manufacturer and employer first, a drinks company second. We operate 12 breweries, and numerous plants, blending and malting facilities. We directly support our communities by sourcing and producing locally.

Sourcing local raw materials is key to our strategy in Africa and has a positive impact, creating employment and revenue in our communities. We currently source over 82% locally, a figure we have achieved ahead of our original goal.

We are committed to managing our water use efficiently and increasing access to clean water in water-stressed areas. In 2019, we provided 164,791 people with safe water or sanitation.

In 2019 we completed our new Senator Keg brewery in Kisumu, Kenya. At Kisumu and across Africa we work with smallholder farmers, to provide the sorghum and cassava needed for our beers. Today we work with over 72,000 small holder farmers, and buy from a further 39,000.

In 2019 we committed to investing £180m in renewable energy and water efficiency for our African brewing sites. Putting solar panels, water recovery facilities and biomass boilers in 13 brewing sites across seven of our African markets.

Our people in Africa

Diageo directly employs over 4,000 talented people across Africa to grow our business, nurture our brands and create new products.

A great place to work

We are particularly focused on driving diversity and inclusion and have developed strong women's networks in each market, including the Spirited Women’s Network. Nearly 30% of senior leaders in Africa are women. 4 of 11 country leadership teams are either at gender parity or majority female. Across Africa we encourage mobility and experience by giving employees the opportunity to move between markets and continents.

Tackling illicit and informal alcohol

Illicit alcohol is a major public health issue across Africa. According to the World Health Organisation, about half of all the alcohol drunk in sub-Saharan Africa is produced illegally, with the informal brewing market believed to be three to five times the value of the beer market.

In Africa we play a role in reducing the consumption of dangerous illicit brews by producing quality, affordable alternatives that also offer employment and economic benefit. Senator Keg, which was introduced to Kenya in 2004, demonstrates how we are doing this.

Senator Keg was developed to fight the consumption of illicit alcohol. This was done through a range of measures including a lower tax regime, which increased affordability, and special packaging to ensure that the beer was consumed where it was sold, that it would not be sold to minors and would not be sold above a set price.

Senator has become a flagship beer in Kenya, produced using locally sourced sorghum and employing local farmers while offering consumers a safe and affordable alternative to illicit alcohol.
Promoting Positive Drinking

We believe that responsible drinking can be part of a balanced lifestyle and we encourage people to enjoy alcohol safely. We provide the information and tools for consumers to make informed choices, targeting specific issues and working to change harmful behaviour and ensure we can all #drinkpositive.

Our initiatives

- Our DRINKIQ programme is hugely versatile a tool which we are bringing to different markets across Africa in different ways to inform and engage.
- This year we launched Smashed our global underage drinking programme in the Seychelles while building out our existing programmes in Nigeria and Ethiopia.
- Our focus on responsible consumption is evolving to ensure we deliver a strong and clear message around #drinkpositive. This will enable our markets across Africa to educate and support consumers make informed decisions around alcohol.

Our results so far

- We have expanded our 'Smashed' underage drinking programme in Nigeria & Cameroon to reach 114,000 students while in Uganda we kicked off our Red Card and #coolkidsdontdrink campaigns.
- In Ghana we now partner with the national Driver&Vehicle Licensing Authority to include drink driving e-module in the national theory test – ensuring 50,000 new drivers are equipped with the information they need to consume responsibly.
- In South Africa Drive Dry garnered 134,000 pledges to never drink and drive by signing up to #JoinThePact.

CASE STUDY

Nurturing African talent at home and abroad

In Africa we are committed to building a diverse and highly engaged workforce and we offer our people opportunities to travel the world and develop their careers.

This is in line with the growth of African talent across the continent and globally. Over the last six years Africans have moved from being 18% to 27% of the global expat community.

Diageo is committed to increasing African representation across our business. We currently have 12 non-Africans assigned in Africa and 22 African nationals on assignment somewhere in the world.

Our senior leaders in the continent are increasingly drawn from a growing pool of African talent – 84% of our Country Leadership Teams and 8 of our 13 General Managers are African.
Sustainable development
We always seek to empower the communities we work in and to support the wider development and progress of the countries in which our brands are sold. While our programmes are driven by local priorities, the themes we focus on are sustainable agriculture, creating employment, providing skills and access to clean water.

Our initiatives
• We know that reforestation across Africa is vital in supporting water systems across Kenya, Uganda and Ethiopia this year employees have planted over 104,000 trees.
• In Ghana we have helped establish GRiPE to help build a recycling infrastructure for plastics in Accra including collection and reprocessing. Pioneering concrete blocks made of recycled plastic.
• Our longstanding connection with farmers has resulted in some of our most developed programmes, we continued to support groups of smallholder farmers through a selection of training, access to seeds and fertilisers, access to capital through micro-loans, and engagement with NGOs and other stakeholders to build financial resilience.

Our results so far
• In Kenya we added 15,000 new small holder farmers to our supplier network in an around our new Kisumu Brewery to supply sorghum to make the local Senator beer.
• Across our African markets we launched the Africa Plastics Recycling Alliance with a number of peers this year, designed to facilitate viable recycling infrastructure across African markets.
• In Tanzania, last year we piloted training for smallholder farmers to support their resilience to climate change.

Building stronger communities
Across Africa we work on campaigns which align with our global goals, focusing on empowering women and the provision of clean and safe water.

Our initiatives
• Our Water of Life programme provides a pan-regional and effective water management programme on a community and commercial basis.
• Our Water Blueprint aligns with the UN global sustainability goals on water stewardship. We also focus on access to safe sanitation and hygiene facilities across Africa.
• We aim to empower women in different ways, including through supportive internal and external networks and initiatives like working with CARE International to support entrepreneurial female farmers.

Our results so far
• We initiated WASH projects across Africa this year, one in Cameroun, enabled 15,000 people around Moinam & Marouar to access clean water. We also led child labour and positive drinking awareness events, and encouraged women to take part in a hygiene session helping 150 women create new water-related businesses in the area
• Project Heshima, in Kenya, provides vocational training to women at risk of consuming or producing illicit alcohol, empowering them economically cutting down the public health risk.
• Lake Victoria in East Africa, provides clean water essential in sustaining the communities and ecosystems nearby. At our site in Kampala our new water treatment plant means the water we return to the Lake Victoria area is of higher quality than what we extract.

To find out more visit: www.diageo.com

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