

FACT SHEET

Diageo Africa has the scale, depth, infrastructure and brands to take advantage of the many opportunities the continent has to offer.

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.

Over the years we have expanded both organically and through acquisitions such as Meta Abo in Ethiopia. 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 Dubic Malt, an affordable addition to the non-alcoholic malt market, and Orijin Bitters, which blends the popular bitters flavour with fruits and herbs to create a unique bittersweet taste.

Above all, we want to have a positive impact across Africa as an employer and manufacturer. We source locally and invest in local agriculture. We are careful stewards of water, and our Water of Life programme has provided 10 million people with 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

13%

of all Diageo net sales are generated in Africa*

£1.5 billion

in annual sales – a growth of 11% year over year in F17*

5%

sales increase, with all markets in growth in F17*

*Source: Diageo Annual Report 2017.



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 key to success in Africa. From Guinness Foreign Extra Stout to Tusker, we have brands for every taste and price point in each of our markets.



An investor in Africa

In Africa, we are a manufacturer and employer first, a drinks company second. We operate 12 breweries, three sorghum beer sites, one cider plant and five 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 by creating employment and revenue in the communities we work in. We currently source over **75% locally**, a figure that will grow to **80% by 2020**.



We are committed to managing our water efficiently and enhancing access to clean water in water-stressed areas. In 2017 we provided **173,000 people** with safe water or sanitation in local communities.



In 2017 we committed to investing **15 billion Kenyan shillings** to build a new Senator Keg brewery in Kisumu, Kenya. This significant investment underlines our position as an important employer and manufacturer in Kenya.



We are working with more and more smallholder farmers, particularly in Kenya and Ethiopia, to provide the sorghum and cassava needed for our beers. Today we work with over **40,000 farmers**, a number that is growing all the time.



Our people in Africa

Diageo directly employs over 5,000 talented people across Africa to grow our business, nurture our brands and create new products.

A great place to work

We are committed to developing local talent and ensuring that Diageo is a great place to work. In 2017 we were named employer of the year by the Federation of Employers in Uganda.

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 – with some markets like Ghana already at 50%, our target for 2020.

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.



Alcohol in society

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

- We've trained **1,000 bartenders** in Nigeria, Kenya, Uganda, Ghana and South Africa through our **DRINKiQ** programme.
- Our **Drive Dry** campaign uses award-winning TV commercials and radio dramas to raise awareness of drink driving in South Africa.
- We work with the Federal Road Safety Commission in Nigeria to celebrate **Embers** month, with activities ranging from donating breathalysers to hosting anti-drink driving roadshows.



Our results so far

- Our underage drinking education programme in Ethiopia educated **44,000 young people** on the danger of underage drinking.
- In Ghana we educated over **20,000 commercial drivers** on the dangers of drink driving in collaboration with the Ghana Medical School.
- **Party Central Kenya**, a vibrant platform on Twitter, Facebook and Instagram that provides information on how to "party smart", has a community of **over 50,000 followers**.

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 the opportunity 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 five years Africans have moved from being 18% to 25% of the global expat community. At the same time, the number of non-Africans working in Africa has reduced by 47%.

Diageo is committed to increasing African representation across our business. We currently have 28 non-Africans assigned in Africa and 32 African nationals on assignment somewhere in the world. Our senior leaders in the continent are increasingly drawn from a growing pool of African talent – 75% of our Market Executive Teams are African while 9 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.

Sustainable agriculture

A robust, resilient and thriving agriculture is fundamental for Africa, enhancing productivity and building sustainable supply chains.



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

- **Sourcing 4 Growth** works with smallholder farmers in Ethiopia to help increase productivity and has pioneered the use of sorghum in brewing a unique beer in northern Ethiopia.
- In Kenya we partner with the **Kenya Cereal Enhancement Programme** to provide local sorghum and millet farmers with access to direct markets for their cereal produce.
- Our breweries in Ghana have a range of measures to **reduce their environmental impact** from recovering carbon dioxide and reducing water and energy usage to achieving zero waste to landfill.



Our results so far

- In Ethiopia the number of farmers we work with has increased from **800 to well over 6,000**. We estimate this will rise to **20,000** as we continue to source more and more grain locally.
- In Kenya we are committed to sourcing **80%** of our sorghum locally and currently work with **30,000** farmers, supporting over **100,000** people in the wider value chain.
- Our water replenishment strategy in Ghana has returned over **300,000 cubic meters** of water to water-stressed areas. We are also working on reforestation projects to alleviate water stress.



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

- Water of Life in Ghana has supported over **50,000** people. It has seen water-borne diseases fall from **15% to 3%** and a **92%** increase in girls attending school.
- Water of Life has provided access to clean water to over **10 million** people in 10 years. In 2017 the programme supported **173,044** people through initiatives such as building boreholes and local sanitary facilities.
- The Diageo Cameroon Women's Association has sponsored the education of **65 young orphan girls**, and has committed to sponsor scholarships for up to **500 girls** by 2020.