

Diageo Unveils The YunTuo Single Malt Whisky Distillery in China

ERYUAN, 15 NOVEMBER 2024, — Diageo, the world’s leading whisky producer and premium beverage alcohol company, today unveiled the YunTuo 云拓 Single Malt Whisky Distillery in Eryuan County, Yunnan Province, opening an exciting new chapter for Chinese whisky and further cementing Diageo’s position as a whisky leader in China.

With an investment of US\$120 million (RMB 800 million) that will span nine years, the YunTuo 云拓 Single Malt Whisky Distillery is Diageo’s first whisky production site in China and represents the Group’s ongoing commitment to provide Chinese consumers with the finest products and contribute to the sustainable and innovative development of China’s beverage alcohol sector.

“This stunning new distillery marks a significant milestone for Diageo in China and reflects our confidence in the future of Chinese whisky,” said Debra Crew, Diageo CEO. “We are proud of the leading role we have played to grow whisky in China with our iconic brands. Our ambition is to combine our global heritage and whisky making craftsmanship with deep local insights to create the highest quality China-origin single malt whisky that will fire the imagination of whisky enthusiasts worldwide and place China firmly on the global whisky map.”

The name ‘YúnTuò’ 云拓 expresses the brand’s natural surroundings and vision; ‘Yún’ (云) meaning ‘clouds’ and synonymous with ‘Yunnan’, evokes a highland of unparalleled natural beauty. ‘Tuò’ (拓) meaning ‘exploration’ captures the brand’s spirit of enterprise and innovation to explore new frontiers in the art of whisky making.

At 2,100 metres above sea level, the distillery benefits from a temperate climate, rich biodiversity and natural resources, including access to fresh spring water that feeds the region’s pristine Erhai highland lake. This unique terroir will provide YunTuo 云拓 with abundant raw materials to innovate, such as Yunnan oak for cask maturation, and other local ingredients.

Drawing on Diageo’s 200 years of whisky heritage, YunTuo 云拓 will be crafted by a team of remarkable young talents led by Distillery Head Jiao Changyi, who will in time become the next generation of Chinese whisky masters. This journey of creativity and exploration will be supported by globally renowned whisky legends Jim Beveridge OBE, Master Blender Craig Wallace, and Master Distiller Andrew Millsopp, who will bring their rich experience and knowledge to the process.

Designed by award-winning architects OLI, the state-of-the-art distillery incorporates local cultural elements and blends seamlessly into its surroundings, complementing the area’s natural beauty. The distillery also features a visitor centre which will immerse whisky lovers and tourists in an interactive Chinese whisky experience including a holistic tour of YunTuo’s 云拓 production, craftsmanship, tasting, gifting and cultural elements, and culminating in the centrepiece 29 metres high whisky barrel tower decorated with 1,000 original used whisky barrels from iconic distilleries around the world. The visitor centre will in time become a popular tourist destination which will contribute to the development of the local tourism economy.

Reinforcing the Diageo Spirit of Progress sustainability action plan’s commitment to grain-to-glass sustainability, the YunTuo 云拓 distillery is 100% carbon neutral thanks to sustainable production technologies such as highly efficient electric boilers, and the sourcing of renewable green energy. All

production water is recycled for industrial purposes, maximising water use efficiencies and reducing waste.

Diageo has established a local Community Fund to promote inclusion and diversity around the distillery, and a new community centre is expected to be completed by the end of the year. Partnering with the Tourism Association in nearby Dali, the Fund is also supporting business and hospitality skills training for young adults under Diageo's Learning for Life programme, improving local employment opportunities for over 600 graduates.

Debra Crew concluded, "The beauty of Eryuan has inspired us to build this wonderful beacon of local whisky culture that will make YunTuo the pride of Chinese whisky and a jewel in our global whisky portfolio. We look forward to an exciting journey filled with adventure, exploration and discovery."

About Diageo

Diageo is the world's leading premium beverage alcohol company with an outstanding collection of more than 200 brands sold in over 180 countries around the world. These include iconic Scotch whiskies such as Johnnie Walker, The Singleton, Mortlach, Talisker, and Lagavulin, as well as other leading brands such as Baileys liqueur, Tanqueray gin, Smirnoff vodka, Don Julio tequila and Guinness beer. Diageo is also the only international company to participate in the Chinese Baijiu sector with its majority shareholding of the historic Shuijingfang national heritage Baijiu brand.

Diageo is deeply committed to the development of the international spirits category in China and to catering to the needs and tastes of Chinese consumers with premium products and innovations. Diageo is also driving its environmental, social and corporate governance responsibilities with global initiatives that promote positive drinking, champion inclusion and diversity, and pioneer grain to glass sustainability. More information on our China responsible drinking resources can be found on [DRINKiQ.com](https://www.diageo.com.cn/DRINKiQ).

Diageo is listed on the London Stock Exchange (DGE) and the New York Stock Exchange (DEO). For more information about Diageo China, our people, our brands, and performance, visit us at www.diageo.com.cn.

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