2022 SUSTAINABILITY REPORT

Bey



The report assesses the dynamics of the interaction between business operations and Society 2030: Spirit of Progress – EABL's long term plan on Sustainability.



RESILIENT IMPACTFUL SUSTAINABLE

Foreword

A Foreword by Mr. Keriako Tobiko, Cabinet Secretary Ministry of Environment and Forestry, Kenya (2018-2022)

EABL's Sustainability Report 2022 is the second Sustainability report to be produced as part of EABL's Annual Statement to stakeholders, and society at large, on the Company's impact, strategic progress and learning on Environment, Social and Governance issues (ESG).

This report highlights the multiple interactions between business operations and responsible practices, showing that both facets are inseparable. In today's world, where we are faced with some of the biggest challenges society has ever experienced, including the climate crisis, it is impossible for any business to have profit as a sole mission.

The report assesses the dynamics of the interaction between business operations and Society 2030: Spirit of Progress – EABL's long term plan on Sustainability. It expressly shows how EABL views Sustainability as more than an "add on" or a "good to have", but rather how the business has made Sustainability part and parcel of its business model. It addresses the Economic and Social dimensions of tackling the challenges of water quality, emissions, inequity and resource security in a changing climate. It is also transparent and honest about decision-making across multiple scales to ensure that EABL's Sustainability agenda is well implemented.

This report is also reflective in nature, in that it brings together the voices of the different stakeholders who have directly benefited and learnt from Society 2030: Spirit of Progress, in action, over the past year. This indicates the important role that Sustainability reporting plays in highlighting the potential of the private sector to champion innovation, which in turn, spurs national development and growth that is harmonious with the Sustainable Development Goals.

We have many goals as a Ministry, and we recognize that to realise them, we need to work closely together with our private sector partners. I, personally, acknowledge the active role that EABL played in rolling out the National Billion Tree Planting Campaign, a campaign that is very important to us as we work towards improving our forest cover nationally.

I am also aware that EABL is celebrating its Centenary Anniversary this year. I want to congratulate the Company on reaching this milestone. I believe that this has been achieved largely due to a continuous focus on sustainable development by the Company. As I celebrate open, transparent and authentic statements on progress against key ESG topics to the public, by EABL, I look forward to seeing how the lessons identified in this report inform future planning as the Company continues to grow in its scope and purpose.

I wish EABL all the best in its journey of the next 100 years, sustainably!

Mr. Keriako Tobiko, EGH, SC.

Cabinet Secretary, Ministry of Environment and Forestry, Republic of Kenya (2018-2022)

CONTENTS





OUR APPROACH TO REPORTING ON KEY ENVIRONMENTAL, SOCIAL AND GOVERNANCE TOPICS







RESPONDING TO GLOBAL CHALLENGES – CLIMATE CHANGE AND COVID 19



ABOUT THIS REPORT

This Sustainability Report 2022, aims to complement our 2022 EABL Annual Integrated Report by providing a detailed overview of our performance against Society 2030: Spirit of Progress. It is prepared in accordance with the GRI Standards: Comprehensive Option.



MESSAGES FROM FROM OUR LEADERSHIP	6
MESSAGE FROM THE GROUP BOARD CHAIRMAN	
MESSAGE FROM THE GROUP MD & CEO	
MESSAGE FROM THE FORMER KBL MANAGING DIRECTOR	
MESSAGE FROM THE SBL MANAGING DIRECTOR	
MESSAGE FROM THE UBL MANAGING DIRECTOR	
MESSAGE FROM THE GROUP CORPORATE RELATIONS DIRECTOR	18
OUR SUSTAINABILITY STRATEGY	20
OUR APPROACH TO REPORTING ON KEY ENVIRONMENTAL, SOCIAL	
AND GOVERNANCE TOPICS.	30
OUR SUSTAINABILITY REPORT STRUCTURE	
TRANSLATING OUR SOCIETY 2030: SPIRIT OF PROGRESS PLAN TO GRI	
OUR PROGRESS AGAINST SOCIETY 2030	
STAKEHOLDER ENGAGEMENT	
MATERIAL TOPICS AND THEIR BOUNDARIES	
PROGRESS AGAINST SOCIETY 2030	67
OUR MATERIAL TOPICS	
PILLAR: PROMOTE POSITIVE DRINKING	71
CONTEXT OF OUR WORK	72
PILLAR: CHAMPIONING INCLUSION AND DIVERSITY	81
GRI 400 SOCIAL	
CONTEXT OF OUR WORK	83
PILLAR: PIONEERING GRAIN TO GLASS SUSTAINABILITY	
PILLAR: PIONEERING GRAIN TO GLASS SUSTAINABILITY	
PILLAR: PRESERVE WATER FOR LIFE	97
CONTEXT OF OUR WORK	
ACCELERATE TO A LOW CARBON WORLD	
PILLAR: BECOME SUSTAINABLE BY DESIGN	
CONTEXT OF OUR WORK	112
PILLAR: DOING BUSINESS THE RIGHT WAY	115
A PAN ORGANISATIONAL APPROACH TO SOCIETY 2030:	
SPIRIT OF PROGRESS	134
PUBLIC POLICY	135
COMMERCIAL	
MARKETING	138
SUPPLY	148
KBL SUPPLY OVERVIEW	149
SBL SUPPLY OVERVIEW	154
UBL SUPPLY OVERVIEW	160
CELEBRATING 100 YEARS, OUR ONGOING SUSTAINABILITY JOURNEY	164
CASE STUDIES	171
AWARDS AND ACCOLADES	180
	IXI

MESSAGES FROM OUR LEADERSHIP



MESSAGE FROM THE GROUP BOARD CHAIRMAN

We firmly believe that a focus on sustainability is the right thing to do, integral to our culture of "bold, progressive, connected" and a central enabler of our continued success.



t gives me immense pleasure to share our Annual Sustainability Report for 2021-2022 and to celebrate our achievements and performance improvements this past year. We have earnestly continued to accelerate our sustainability efforts in 2021, challenging ourselves to ensure that sustainability is central to the mission and drive of every single EABL employee, department and market where we operate.

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We firmly believe that a focus on sustainability is the right thing to do, integral to our culture of "bold, progressive, connected" and a central enabler of our continued success. As a business, our ten-year plan on sustainability - Society 2030: Spirit of Progress, takes into account the influence and impact of our decisions and actions on our stakeholders and the environment.

As we share our second Annual Sustainability Report, we are excited to continue a legacy of transparency, accountability and commitment to progress against our ambitious social, economic and environmental goals.

It goes without saying that we are currently facing the biggest challenges of our time. We have endured a global pandemic, and are in the middle of the climate crisis. A crisis that daily threatens the global advancements we have made in gender equality, poverty eradication and global health. A crisis that will continue to disproportionately affect Africa for years to come if we do not make the drastic changes that we need to. We cannot afford to do business

60,000

EABL currently contributes about 1% of Kenya's Gross Domestic Product (GDP) and engages over 60,000 farmers across our supply chain. as usual and we cannot afford to separate our business responsibility from a need to empower the communities that we work in.

One of the most pressing concerns for us is the global call to make deeper carbon emissions reductions, in response to accelerating climate change. As part of Society 2030, we have set ourselves on a necessitous path towards net zero carbon in our direct operations - Scopes 1 & 2. Launching our Biomass plants earlier on this year was one of our most significant highlights, and we anticipate major emissions reductions across our operations in the coming financial year and beyond.

I want to reiterate what I said this time last year, EABL will continue to be a force for good. This report is simply another step in our ongoing journey. In documenting our successes and highlighting the experiences of our stakeholders, we hope to provide a platform for continuous learning and growth.

As we mark our centenary anniversary, and embark on the next 100 years, I remain optimistic about the prospects of our business. Our various stakeholders continue to refresh our thinking and ensure that this positive momentum continues. My sincere thanks to everyone guiding the moving parts in this everevolving system for positive impact.

Dr. Martin Odvor-Ofiero. CBS

Group Board Chairman





As we mark our centenary anniversary, and embark on the next 100 years, I remain optimistic about the prospects of our business.

> RESILIENT MPACTFUL USTAINABLE

MESSAGE FROM THE GROUP MD & CEO

When we work together as a business and with every single one of our stakeholders, we can accelerate our performance against each of our strategic goals.



he release of our Annual Sustainability Report 2021-2022 offers an opportunity to reflect on the resilience and growth of our comprehensive, collaborative approach to sustainability.

I look back on the last year with a lot of gratitude, joy and pride of what we were able to achieve as a business. We covered a detailed report of our performance in our

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100 Years

As we mark our centenary anniversary, I want to thank the Board, my Leadership Teams at KBL, SBL and UBL, and all our staff across EABL for having closely embraced our Sustainability Strategy, Society 2030: Spirit of Progress.

recently launched Annual Report, that was unveiled to our shareholders and other stakeholders on 15th September, 2022. During the launch, I was pleased to note the keen interest in sustainable production, which remains the anchor of our business both from a Diageo Global and EABL Group point of view.

Our business depends on natural resources, from farming and production of our ingredients to the manufacturing and distribution of each and every one of our products. However, every other day, another research finding, news story or environmental-related disaster comes with more evidence that our planet is in a crisis. In spite of these seemingly insurmountable challenges, EABL is taking the lead in developing solutions. We are purposefully driving a shared prosperity agenda to guarantee value for our employees, consumers and business partners including our distributors and retailers.

We acknowledge and commend the Nairobi Securities Exchange (NSE) for issuing their Environment, Social and Governance (ESG) Disclosures Guidance Manual – a process that we contributed to during their key stakeholder dialogues in 2020. This is the type of bold action that the private sector needs in order to drive strong environmental safeguards, improve social welfare and ensure transparent governance mechanisms as part and parcel of doing business. This year, in addition to our material topic disclosures against key performance indicators detailed in Society 2030: Spirit of Progress, we chose to use our Sustainability Report to share the approaches of our various departments in implementing our strategic goals. Key departments of our business have operationalised sustainability thinking across their functions. We highlight their efforts - What does Society 2030 mean to them? How can we ensure that as a business, we are consistently speaking the same language on sustainability? Ensuring that sustainability is part and parcel of our group think is a work in progress, but one that we acknowledge will significantly amplify our sustainability efforts.

When we work together as a business and with every single one of our stakeholders, we can accelerate our performance against each of our strategic goals. At the same time, we play our part in protecting, renewing and restoring the planet for generations to come.

As we mark our centenary anniversary, I want to thank the Board, my Leadership Teams at KBL, SBL and UBL, and all our staff across EABL for having closely embraced our Sustainability Strategy, Society 2030: Spirit of Progress. I also want to take this opportunity to thank our Shareholders, Government Partners and all our other external partners for continuing to be a part of our ambition to "Build Value Together". There is truly no limit to how far we can go when we work together.

Jane Karuku. MGA

Group MD & CEO



depends on natural resources, from farming and production of our ingredients to the manufacturing and distribution of each and every one of our products.

RESILIENT MPACTFUL USTAINABLE

MESSAGE FROM THE FORMER KBL MANAGING DIRECTOR



s we unveil our Annual Sustainability Report, I am pleased to note the progress that we have made against our Sustainability strategy – Society 2030: Spirit of Progress. It is very clear to us that sustainability is the foundation for our business' success. We continue to look at our operations, from the production to the distribution of our products, with a sustainability lens, consistently asking ourselves how we can further enhance our business practices with the goal of contributing towards sustainable development.

We continue to look at our operations, from the production to the distribution of our products, with a sustainability lens, consistently asking ourselves how we can further enhance our business practices with the goal of contributing towards sustainable development.

RESILIENT MPACTFUL USTAINERE Our staff have continued to be our anchor in bringing our sustainability initiatives to life. Various departments, and products, have ensured that sustainability is engrained as part of our business activities.

In the last financial year, we made significant strides against our three pillars namely: Promote Positive Drinking, Champion Inclusion and Diversity and Pioneer Grain to Glass Sustainability.

To pick a few of the successes I would like to highlight the following:

- Last year, we reported an investment in Biomass, which will reduce our carbon emissions by 95%

 about 34,000 tonnes of carbon a year. This was the single largest climate action investment by Diageo across Sub-Saharan Africa. I am pleased to report that our Biomass Plants in Kenya, both at our Nairobi and Kisumu Plants, became operational in June, 22, and are currently operating at optimal capacity.
- Promoting Positive Drinking is the lifeblood of our business. We want all our consumers to 'Celebrate Life Every Day, Everywhere' responsibly. I am pleased that we achieved and significantly exceeded our targets for Positive Drinking on visits to our DRINKiQ main site, which is a responsible drinking educational site.

KBL continues to be recognised for various awards and accolades for our strong performance on sustainability. For example, our inaugural Sustainability Report was awarded the Public Relations Society of Kenya, PRSK, Publication of the Year Award, 2021.

Ranging from exceeding our targets on some of our key performance indicators for each pillar, to introducing new sustainability initiatives, we recorded a positive outcome for most of our targets.

Our staff have continued to be our anchor in bringing our sustainability initiatives to life. Various departments, and products, have ensured that sustainability is engrained as part of our business activities. As a market leader in driving sustainable businesses and development, we believe in the power of partnerships. We believe that partnerships make our agenda stronger and more impactful.

Looking ahead, we are well prepared: sustainability is deeply anchored in our business strategy and alive in our purpose. With that foundation, our sustainable transformation continues. On behalf of everyone at KBL, I would like to thank you for your interest in our Sustainability Report.

Mr. John Musunga

Former KBL Managing Director



MESSAGE FROM FROM THE SBL MANAGING DIRECTOR





21st century choice: Look after our planet and it will look after us, or don't and face the consequences - *Phil Harding*.

purposely choose to start with British archeologist Phil Harding's quote as I give an overview of SBL's Sustainability initiatives in F22. The quote speaks not only to the responsibility that we have as individuals and corporations to look after our planet, but also to the hard fact that there will be repercussions if we don't take up the mantle.

RESILIENT MPACTFUL USTAINERE At SBL, in F22, we continued to prioritize sustainability as a key foundation of our business. We looked at an end-to-end approach to production and distribution of our products against the backdrop of our strong Sustainability Strategy - Society 2030: Spirit of Progress. We looked at our targets for the three pillars: Promote Positive Drinking, Champion Inclusion and Diversity, and Pioneer Grain to Glass Sustainability as a compass towards contributing to a sustainable business in Tanzania.

As we mark our twelfth year since SBL became part of EABL, we are cognizant of the legacy that we have as a Group, particularly as we mark our centenary anniversary this year. At SBL, our aim is to also progress towards a similar milestone for our operations here in Tanzania, and we are well on our way to achieving this. A sustainable approach to our business, therefore, continues to be the pillar for us to actualize this, and more.

Looking back on F22, we have had some key successes from the execution of our Sustainability Strategy, ranging from actualizing our 'Promoting Positive Drinking' pillar using research data on the extent and impact of underage drinking for youth in Tanzania.

Against the backdrop of a study done by the country's leading medical college on the prevalence of underage drinking, we fully embraced the SMASHED program as one of the pilot countries. As at Q4, F22, we had reached over 8,200 students with the SMASHED program. This program will continue in earnest in F23.

Additionally, in our endeavor to preserve our environment and contribute to climate action, we planted over 5,000 trees in F22.

Partnerships towards driving a sustainable business continue to be a priority for us. We have, during the period, partnered with various organizations to drive our initiatives around availing clean and safe

8,200 students

Against this backdrop, and given our presence in the most affected regions, we fully embraced the SMASHED program as one of the pilot countries. As at Q4, F22, we had reached over 8,200 students with the SMASHED program.

water to Tanzanians, as well as educating youth on modern ways of farming through our 'Kilimo Viwanda' Sponsorship Initiative.

As we look ahead to F23, we remain cognizant of the fact that the country's growth relies heavily on its environmental and natural resources. According to UNDP's Environmental Sustainability, Climate Change and Resilience Strategy Paper (2016), 80% of Tanzania's population depends on the country's environmental and natural resources. There, however, remain critical challenges to the sustainability of these resources. According to the report, some of these challenges include the unsustainable harvesting and use of natural resources, unchecked cultivation practices, degradation of and encroachment on water sources, and the environmental impacts of climate change. All these combined, can seriously undermine the country's development goals including poverty eradication.

At SBL, our Sustainability Strategy speaks to these challenges, and we will, therefore, continue in our steadfast commitment to tackle them, working together with the right partners, to ensure that we not only grow our business to the next level, but that we do so with sustainability at the core of all that we do.

Mr. Mark Ociffi

SBL Managing Director



our endeavor to preserve our environment, thereby contributing to tackling climate change, we planted over 5,000 trees in F22.

15

MESSAGE FROM THE UBL MANAGING DIRECTOR

Having marked over 60 years of our presence in Uganda, we pride ourselves of our deep understanding of the local business operating environment.



ganda Breweries Limited has a deeply rooted heritage dating back to 1959 when it became part of EABL to allow for a regional presence as a pioneer in the brewing industry in East Africa. Having marked over 60 years of our presence in Uganda, we pride ourselves of our deep understanding of the local business operating environment.

In this report, which primarily addresses our non-financial performance, I would like to focus on our physical business environment which spans around the natural resources

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that we all rely upon for our existence. More than ever before, we at UBL, have heightened our focus on end-to-end sustainable production and distribution of our products.

As is the case with the rest of the Group, we launched our Sustainability Strategy – Society 2030: Spirit of Progress, in 2020. We have continued to make tremendous progress on the three pillars, namely: Promote Positive Drinking, Champion Inclusion and Diversity, and Pioneer Grain to Glass Sustainability. Being a 10-year action plan, we are geared towards achieving and exceeding the expectations that we have set for our business in Uganda - This was the case for some of the initiatives that we did in F22.

Looking back on F22, I am pleased to report that UBL had key successes both on the Society 2030: Spirit of Progress targets, as well as on some key projects that we are doing in the market, which will further contribute towards conserving our environment.

Starting with our first pillar 'Promote Positive Drinking', we continued to leverage our worldclass educational platform, DRINKiQ, to educate the public on responsible drinking. We achieved over 3,000 website visits and the module quiz completions, exceeding our target by more than 100%. Additionally, our brands leveraged their creativity and influence to communicate messages that promote drinking in moderation, reaching over 7.5 million consumers, more than thrice the target.

I am also happy to report that UBL is leading the way, within the Group, on 'Champion Inclusion and Diversity', with female representation at the

7.5 million

Additionally, our brands leveraged their creativity and influence to communicate messages that promote drinking in moderation, reaching over 7.5 million consumers, more than thrice the target. executive level clocking 50% in F22. This is a great achievement both internally and within the wider corporate sector in Uganda.

As we increased our focus on inclusion and diversity as an organization, we replicated our efforts in our community initiatives in which we significantly surpassed our target to ensure that 77% of our community programme beneficiaries are women.

Our focus on the pillar of 'Pioneer Grain to Glass' Sustainability also yielded great results through strategic partnerships. We continued with our partnership with the Buganda Kingdom Foundation whose sphere of influence covers an estimated quarter of Uganda's population. This partnership enabled us to enhance access to clean and safe water, alongside sanitation in public spaces. We constructed eight sanitation facilities which will benefit over 15,000 people in public markets across the country. In Northern and Eastern Uganda alone, we drilled and equipped 20 boreholes serving over 6,000 people across the Teso and Lango subregions.

F23 provides us with yet another great platform to implement our Sustainability initiatives as we prepare to launch our state-of-the-art biomass driven plant. Once fully operational, we will be able to cut down our carbon emissions by 90%.

Additionally, in line with Uganda's third National Development Plan (2020/21-2024/25), which is a vehicle for accelerating SDGs and Vision 2040, we will continue to leverage the critical partnerships we have garnered this year to further enhance business growth in a sustainable manner in Uganda.

Mr. Andrew Kilonzo

UBL Managing Director



MESSAGE FROM THE GROUP CORPORATE RELATIONS DIRECTOR

From a Governance perspective, Sustainability has become a key agenda item both at our Board and Executive Meetings. These actions, among others, were a catalyst for the permeation of Sustainability savviness to a wider population at EABL.



There is no business on a dead planet. David Browner, US Conservationist.

s we report on our non-financial performance for F22 through our Sustainability Strategy, I can't help but think of some of the startling occurrences that we are seeing in the world today, mainly as a result of climate change. From floods to prolonged droughts, many parts of the world have become affected and are grappling to reverse or even deal with these effects. This brings us to the realization that we must all play a part in ensuring that we are collectively working towards having sustainable operations in our organizations.

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Inclusion 50%

In driving Inclusion and Diversity, where we had target of ensuring that 50% of all our community programmes beneficiaries are women, we achieved a 63% success rate with our business in Uganda, UBL, leading at a 77% success rate.

Collective responsibility, collaboration and ownership are the highlight of this year's nonfinancial performance report for EABL. More than ever, we joined hands across the various departments to drive our Sustainability Strategy – Society 2030: Spirit of Progress.

From our Supply and Marketing Departments to our Commercial and Legal Departments and across all three markets, we rallied towards achieving and exceeding our Society 2030: Spirit of Progress targets. We were especially committed to ensuring that our sustainability plan was well embedded across the entire business. We recognize that translating our plan into action requires that it is well understood by all of our employees. We want every member of our team, through every single department to be part and parcel of creating a common sustainability language that conveys what sustainability means for the day-to-day business as well as to the employees across the different functions and levels.

Against this backdrop, we strengthened our approach from both a training and governance point of view. During the period, we strengthened our network of Sustainability Champions constituted of staff from various departments. The Champions were involved in various projects including sensitizing their colleagues in their respective Departments on sustainability.

From a governance perspective, sustainability has become a key agenda item both at our Board and Executive Meetings. These actions, among others, were a catalyst for the permeation of sustainability savviness to a wider population at EABL.

As I look back at our successes in F22, I am pleased to share with you some of the key highlights, across

our markets, which are extensively covered in the 'Progress against Society 2030: Spirit of Progress' chapter of this report.

In our 'Promote Positive Drinking' pillar, which is geared towards driving moderate consumption of alcohol as part of a balanced lifestyle, we were able to educate over 100,000 individuals via our online DRINKiQ training platform which also tests the understanding of the audience after the training. This was a 317% achievement of our target across the three markets.

In 'Champion Inclusion and Diversity', where we had a target of ensuring that 50% of all our community programmes beneficiaries are women, we achieved a 63% success rate with our business in Uganda, UBL, leading at a 77% success rate.

In our endeavor to drive the third pillar of 'Pioneer Grain to Glass Sustainability', we made a big stride by the completion of Kenya's biomass-driven plants at our Kisumu and Tusker-Nairobi Sites.

I also want to highlight that we have incorporated both global and local reporting standards leveraging the Global Reporting Initiative (GRI) and Nairobi Securities Exchange (NSE) reporting guidelines. This speaks to our unwavering commitment to transparency and accountability, as you will see in the report.

In F22, we built a strong foundation of a unanimous approach towards sustainable operations throughout our departments and markets at EABL. As we build on our adherence to both global and local reporting guidelines, F23 can only get better for us. We shall continue with our steadfast commitment to driving the next 100 years of our business Sustainably.

Mr. Fric Kinifi

Group Corporate Relations Director



Individuals via our online DRINKiQ training platform which also tests the understanding of the audience after the training. This was a 317% achievement of our target across the

three markets.



OUR SUSTAINABILITY STRATEGY





Society 2030: Spirit of Progress is Diageo's 10 year action plan to help create a more inclusive and sustainable world. Building on the legacy of our founders to create a positive impact in our company, with our communities and for society. It is how we will continue to celebrate life, every day, everywhere.

SPION INCLUS

WE WANT TO **CHANGE** THE WAY THE WORLD **DRINKS FOR THE BETTER...**

by celebrating moderation and continuing to address alcohol-related harm, expanding our programmes that tackle underage drinking, drink-driving and binge drinking.

ROMOR

CELERATE

WE BELIEVE THE MOST INCLUSIVE **AND DIVERSE** CULTURE...

makes for a **better business and a** better world so we will champion inclusion & diversity across our business, with our partners and communities, to celebrate diversity and help shape a tolerant society.

DIAGEO

THE PLANET NEEDS SIGNIFICANT SCIENCE-BASED ACTION...

ONE SUSTAIN

to create a sustainable low-carbon future, so we commit to decarbonising our own operations and to partner with our suppliers to halve the carbon in our supply chain.

WATER IS THE BASIS OF LIFE AND OUR MOST PRECIOUS RESOURCE

By 2030, every drink we make will use 30% less water than today and by 2026 we will replenish more water than we use in all our water-stressed areas.

WE ALL HAVE A **RESPONSIBILITY** TO **RESTORE THE NATURAL** WORLD ON WHICH LIFE DEPENDS

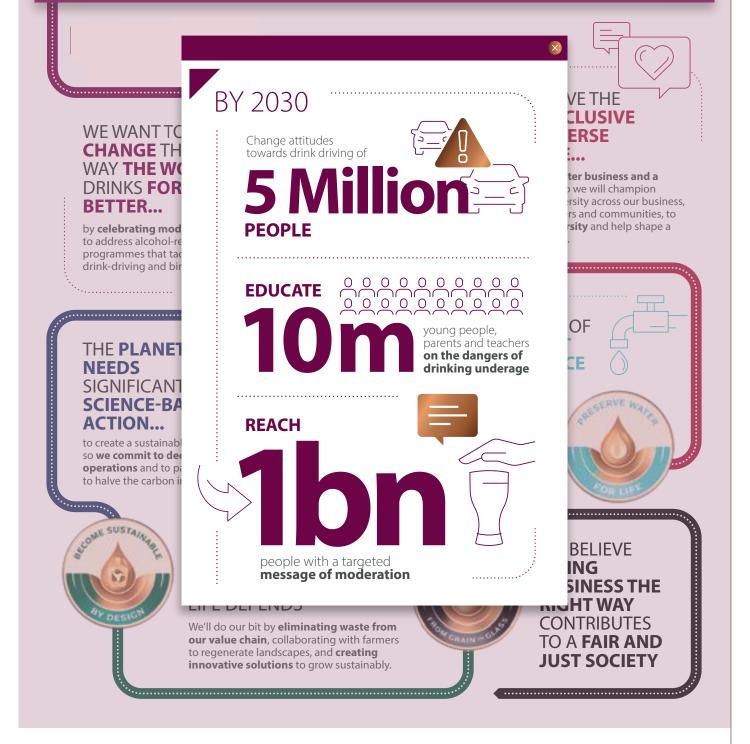
We'll do our bit by eliminating waste from our value chain, collaborating with farmers to regenerate landscapes, and creating innovative solutions to grow sustainably.



WE BELIEVE DOING **BUSINESS THE RIGHT WAY** CONTRIBUTES TO A FAIR AND JUST SOCIETY



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23



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BY 2030 We will support a thriving and inclusive **IE** hospitality sector WE W/ Championing gender **CHAN** LEARNING FOR LIFE diversity with an ambition to achieve WAY T DIAGEO ss and a DRINK ampion our business, BETT munities, to Improving employability elp shape a by **celebr**a to address and livelihoods for programm 0,' drink-driv representation of **women** in leadership roles people through Learning for Life and other skills initiatives Championing ethnic diversity with an ambition to increase THE P representation of leaders Providing skills NEED from ethnically diverse and resources to backgrounds to SIGNI **SCIEN** ACTIC to create a so we con operation people through the Diageo to halve th **Bar Academy** COME SUSTAIA WEALL HAVE A **RESPONSIBILITY** TO WE BELIEVE MESS **RESTORE THE NATURAL** DOING WORLD ON WHICH **BUSINESS THE** LIFE DEPENDS **RIGHT WAY CONTRIBUTES** We'll do our bit by eliminating waste from our value chain, collaborating with farmers TO A FAIR AND to regenerate landscapes, and creating JUST SOCIETY innovative solutions to grow sustainably. •••••••••••••••••••••••



Society 2030: Spirit of Progress is Diageo's 10 year action plan to help create a more inclusive and sustainable world. Building on the legacy of our founders to create a positive impact in our company, with our communities and for society. It is how we will continue to celebrate life, every day, everywhere.



DIAGEO



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Society 2030: Spirit of Progress is Diageo's 10 year action plan to help create a more inclusive and sustainable world. Building on the legacy of our founders to create a **positive impact** in our company, with our communities and for society. It is how we will continue to celebrate life, every day, everywhere.

ALL OUR OPERATIONS WILL BE: WE WA CHAN WAY T DRINK BETTE by celebra to address

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BY 2030

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Renewable Energy

We will partner with

the carbon in our

supply chain

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WE ALL HAVE A **RESPONSIBILITY** TO **RESTORE THE NATURAL** WORLD ON WHICH LIFE DEPENDS

We'll do our bit by **eliminating waste from** our value chain, collaborating with farmers to regenerate landscapes, and creating innovative solutions to grow sustainably.



WE BELIEVE DOING **BUSINESS THE RIGHT WAY CONTRIBUTES** TO A FAIR AND JUST SOCIETY



BY 2030

ZERO

Achieve zero waste in our direct operations and zero

our supply chain

waste to **landfill** throughout

Society 2030: Spirit of Progress is Diageo's 10 year action plan to help create a more inclusive and sustainable world. Building on the legacy of our founders to create a **positive impact** in our company, with our communities and for society. It is how we will continue to **celebrate life**, every day, everywhere.

We are providing all our local sourcing communities with agricultural skills and resources, supporting



DIAGEO

150,000 SMALLHOLDER FARMERS

OF OUR PACKAGING WILL

BE WIDELY RECYCLABLE

WITH MADE FROM **RECYCLED MATERIAL**



RESPONSIBILITY TO **RESTORE THE NATURAL** WORLD ON WHICH LIFE DEPENDS

We'll do our bit by **eliminating waste from** our value chain, collaborating with farmers to regenerate landscapes, and creating innovative solutions to grow sustainably.



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WE WANT TO CHANGE THE WAY THE WOR DRINKS FOR TH BETTER...

by **celebrating moderat** to address alcohol-relate programmes that tackle drink-driving and binge

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THE PLANET

SIGNIFICANT

ACTION... to create a sustainable lo so we commit to decarb operations and to partne

SCIENCE-BASE

to halve the carbon in ou

SUSTAIN

NEEDS

All our people are treated **fairly** and with **respect** ensuring no one compromises

on their values, and everyone goes home safe and healthy, every day, everywhere





DIAGEO

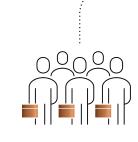
better business and a Id so we will champion diversity across our business, rtners and communities, to **liversity** and help shape a ciety.



VE BELIEVE DOING SUSINESS THE SIGHT WAY CONTRIBUTES TO A FAIR AND JUST SOCIETY



In 2014, we signed the **UN Guiding Principles** on Business and Human Rights committing to embed a **respect for human rights into everyone's working day**



We work with **peers** and trade associations to take collective action to bring about **peace** and justice and build the strong institutions we all need to thrive

We'll do our bit by **eliminating waste from our value chain**, collaborating with farmers to regenerate landscapes, and **creating innovative solutions** to grow sustainably.



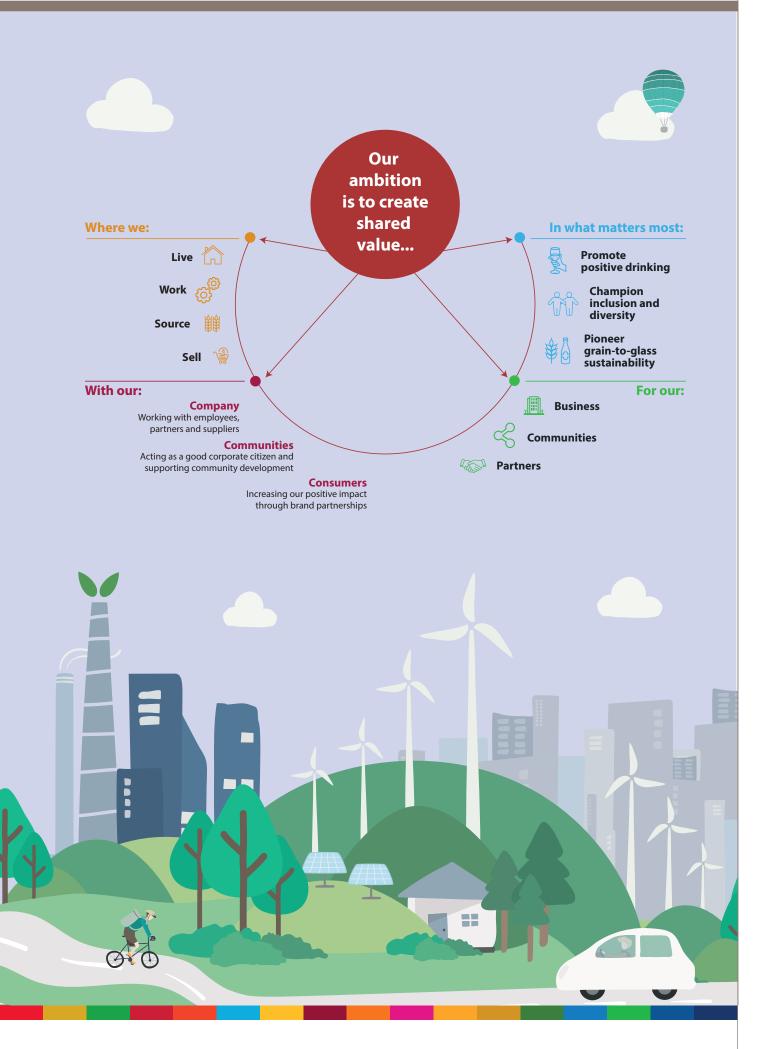
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We aim to be the best that we can be at work, at home and in the community. We are passionate about our high-quality brands to suit every consumer occasion and economic level, and the role they play in celebrating life.

OUR APPROACH TO REPORTING ON KEY ENVIRONMENTAL, SOCIAL AND GOVERNANCE TOPICS

Our ambition is to be one of the best performing, most trusted and respected consumer products companies in the world. To achieve that ambition, we need to make sure we are doing business the right way, from grain to glass. This means thinking about the long-term value and impacts we create, and the risks and opportunities of our operating environment and business model.

We aim to be the best that we can be at work, at home and in the community. We are passionate about our high-quality brands to suit every consumer occasion and economic level, and the role they play in celebrating life. At the core of our approach is a commitment to serving the communities in which we operate by ensuring alcohol continues to play a positive role in society as part of a balanced lifestyle: doing so is good for consumers and good for business. We believe that our responsibility and influence extend beyond our direct operations. Our 'Society 2030: Spirit of Progress' Environmental, Social and Governance action plan sets ambitious goals that support our commitment to shaping a more sustainable and inclusive business and society. We take great care in building sustainable supply chains; in protecting the environment and the natural resources we all rely on; and in our commitment to skills development, empowerment, inclusion and diversity.

Reporting transparently on Environmental, Social and Governance (ESG) issues plays a vital role in delivering our strategy. It helps us to manage ESG risks, seize opportunities and promote sustainable development everywhere we live, work, source and sell.

We provide comprehensive and comparable disclosures for a broad range of stakeholders on our ESG progress through:



Our Integrated Annual Report with an entire section dedicated to progress against our ESG Strategy – Society 2030.



We publish our annual Sustainability Report detailing progress on specific key performance indicators on Society 2030.

We track our Sustainability performance internally on a quarterly basis. We have developed an integrated reporting system that consolidates cross-functional non-financial performance data at market levels, which gives senior internal stakeholders a clear view of our performance. Our aim is to enable early action to amplify opportunities and address risks, ensuring we stay on track to deliver our Society 2030 plan.

Non-financial reporting is a rapidly evolving area. We are committed to continual evaluation and improvement of our approach and we actively track emerging ESG frameworks and best practices.

RESILIENT

Recognition of Diageo's Approach

Diageo submits non-financial information to a range of indices throughout the year. This enables us to benchmark our sustainability work against our peers and the wider business community and is an important way for us to understand how our approach measures up to current standards, best practice and expectations. We are very pleased that our progress on ESG issues continues to be recognised externally.

	Index	2020 rank or rating		
	CDP	Climate Change A, Water Security A: Diageo was one of only eight beverage companies globally and 65 companies overall (out of 9,617) to achieve A for both Water Security and Climate Change		
	Bloomberg Gender Equality Index	Member of the index since its inception		
CHRB	Corporate Human Rights Benchmark	Scored 18.5 out of 26, well above the Agricultural Products industry category average, which was 10.3 out of 26		
Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA	Dow Jones Sustainability Index	Member of the Dow Jones World Index, ranked as one of the top four beverage companies worldwide		
MSCI 💮	MSCI ESG Rating	AAA rating: Diageo has scored a AAA rating for the past six years		
	Sustainalytics ESG Risk Rating	Score 16.7 (low risk): as of July 2022, Diageo was ranked sixth out of 582 companies in the food product industry*		



OUR SUSTAINABILITY REPORT STRUCTURE

or EABL, the reporting process is quite reflective in nature. We use this opportunity to gauge our progress, identify our challenges and plan for the next financial year. We organize a series of dialogues with our advisors (particularly from academia) to ensure that we are aware, and are capturing emerging trends in our non-financial modelling and forecasting. We view our sustainability reporting process as a fundamental learning experience, with valuable insights to inform key decision making across our operations.

At the same time, it is about being increasingly transparent and accountable to our stakeholders. For example, this year we have included information around our total spend by each Society 2030 pillar.

With this in mind, we have organized this year's report according to three crucial propositions:

2

Compliance with regulatory prescriptions: we acknowledge and welcome increasing requirements to submit progress on nonfinancial topics to the public. While this is something we have been doing for some time, we align our report with mandatory conditions that is; Nairobi Securities Exchange Guidance Manual on ESG Disclosures.



Establish progress against Society 2030: Spirit of Progress: This year we have included our key performance indicators as part of our progress summary. In addition, we contextualise our work n terms of emerging trends around Environmental, Social and Governance (ESG) topics. We also hear directly from a range of internal stakeholders and external project beneficiaries on their experiences mplementing this expansive agenda.



Emphasise significant learning and plan for future commitments in line with strategic reflections: We honestly and openly discuss our commitments made in 2021 (under the banner looking ahead), reflecting on our challenges and update our commitments for 2023 and beyond. We also include two case studies in this report, highlighting the history of our approach in line with the history of our Company and how we have responded to global challenges.

TRANSLATING OUR SOCIETY 2030: SPIRIT OF PROGRESS PLAN TO GRI



e adopted the GRI definition of materiality and conducted our own intensive materiality assessment process between 2020-2021. This is additional to the global materiality assessment process conducted by Diageo, our parent company. The outcome of our materiality process and our material issues are illustrated on page 59.

We will continue to develop our approach to reporting, following closely in the footsteps of our parent company Diageo, and report as fully as we can on our most material issues. We have reported against the priorities set by our strategic plan – Society 2030 and have included our key performance indicators as part of our report on progress. This year we are staying true to our philosophy of reporting in a transparent manner on a range of Environment, Social and Governance (ESG) topics.

Statement of Use	EABL h 2022	nas reported in accordan	ce with the GRI Standards for the peri	iod from September 2021 to August
GRI STANDARDS				Our Strategic Focus Area
Universal Standards	1	Foundation – reporting principles	Approach to Reporting	• Doing Business the Right Way from Grain to Glass
	2	General Disclosures	 Organisational Profile Strategy Ethics and Integrity Governance Stakeholder Engagement Reporting Practice 	• Doing Business the Right Way from Grain to Glass
	3	Material Topics	 Material Topics and their boundaries Management approaches Evaluation of management approaches 	• Doing Business the Right Way from Grain to Glass
Topic-specific standards	200	Economic Environmental		 Champion Inclusion and Diversity Pioneer Grain to Glass Sustainability Doing Business the Right Way from Grain to Glass Pioneer Grain to Glass Sustainability Doing Business the Right Way from Grain to Glass
	400	Social		 Pioneer Grain to Glass Sustainability Champion Inclusion and Diversity Promote Positive Drinking Doing Business the Right Way from Grain to Glass



How we have complied with the GRI Standards

EABL has reported in accordance with the GRI Standards comprehensive option for the period from September 2021 to August 2022 with reference to the Nairobi Securities Exchange (NSE) Guidelines – Mandatory Disclosures.

The material in this report references the following disclosures:

FOUNDATION	SOCIAL
GRI 1-1 to 1-8 from GRI 1: Foundation 2021	GRI 412-01 to 412-03 from GRI 412: Human Rights Assessment 2016
General	GRI 403-01 to 403-10 from GRI 403: Occupational Health and Safety 2018
GRI 2-1 to 2-30 from GRI 2: General Disclosures 2021	GRI 404-01 to 404-03 from GRI 404: Training and Education 2016
MATERIAL TOPICS	GRI 405-01 to 405-02 from GRI 405: Diversity and Equal Opportunity 2016
GRI 3-1 to 3-3 from GRI 3: Material Topics 2021	GRI 402-01 from GRI 402: Labour/Management Relations 2016
	GRI 418-01 from GRI 418: Customer Privacy 2016
GRI 201-01 to 201-04 from GRI 201: Economic Performance 2016	•
GRI 205-01 to 205-03 from GRI 205: Anti- corruption 2016	
GRI 207-01 to 207-04 from GRI 207: Tax 2019	
ENVIRONMENTAL	
GRI 305-01 to 305-07 from GRI 305: Emissions 2016	
GRI 308-01 to 308-02 from GRI 308: Supplier Environmental Assessment 2016	

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Governance	GRI 1-1 to 1-8 from GRI 1: Foundation 2021	Economic Performance	Doing Business the Right Way	Human Rights		Environmental Compliance	Pioneer Grain to Glass Sustainability
	GRI 2-1 to 2-30 from GRI 2: General Disclosures 2021		GRI 201-01 to 201-04 from GRI 201: Economic Performance 2016		dri 11.2-U1 to 41.2-U3 from GRI 412: Human Rights Assessment 2016		
Environmental and social risk	Pioneer Grain to Glass Sustainability	Taxes	Doing Business the Right Way	Labour and Working	Doing Business the Right Way GRI 402-01 from GRI 402:	Emissions (Carbon Econtextint	Pioneer Grain to Glass Sustainability
	Promote Positive Drinking		GRI 207-01 to 207-04 from GRI 207: Tax 2019	-	Labour/Management Relations 2016	Assessment)	GRI 305-01 to 305-07 from GRI 305: Emissions 2016
Stakeholder engagement	GRI 1-1 to 1-8 from GRI 1: Foundation 2021	Anti-corruption	Doing Business the Right Way	Occupational Health and	Doing Business the Right Way		
	GRI 2-1 to 2-30 from GRI 2: General Disclosures 2021		GRI 205-01 to 205-03 from GRI 205: Anti- corruption 2016	Safety	403: Occupational Health and Safety 2018		
Regulatory	GRI 1-1 to 1-8 from GRI 1:			Training and	Doing Business the Right Way		
compliance	Foundation 2021			Education	GRI 404-01 to 404-03 from GRI		
	GRI 2-1 to 2-30 from GRI 2: General Disclosures 2021				404: Training and Education 2016		
Supply chain screening	Pioneer Grain to Glass Sustainability			Diversity and Equal	Championing Inclusion and Diversity		
	GRI 308-01 to 308-02 from GRI 308: Supplier Environmental Assessment			Opportunity	GRI 405-01 to 405-02 from GRI 405: Diversity and Equal Opportunity 2016		
				Consumer Protection	Doing Business the Right Way		
				Data privacy	Doing Business the Right Way		
					GRI 418-01 from GRI 418: Customer Privacy 2016		

SOCIETY 2030: SNAPSHOT **OF OUR RESULTS**

POSITIVE DRINKING

.

What we did well - surpassed our annual targets for 2022:

- Championing health literacy and tackling harm through DRINKiQ, we had 104,489 unique site visits to DRINKiQ. This is 317% achievement of our annual target for 2022 to reach 33,000.
- We have launched SMASHED, our programme to educate young people, parents and teachers on the dangers of underage drinking this year, but we managed to surpass our annual target of reaching 35,500 people, achieving a success rate of 137%, which is a reach of 48,690 people.

Where we didn't meet our 2022 targets:

- We aimed to educate 45,000 people through our Wrong Side of the Road programme, however we managed to reach 66% of our annual target of 29,729 people.
- We aimed to reach 21,000,000 people with messages of moderation this year, however we were able to reach 7,577,715 people.

Where we did better than 2021:

- 2,245 people reached via SMASHED in 2021 which we have significantly surpassed this year owing to SMASHED launches in Kenya and Tanzania.
- 8,158 unique site visits to DRINKiQ in 2021 which we have also significantly surpassed this year.
- Launched our Wrong Side of the Road programme with the goal to promote changes in attitude to drink driving.

What we are doing to fix the gap :

- We are working towards streamlining our methodology in reporting and validation of our results.
- Across the business, we will continue to ensure that our strategy is well aligned to every department to improve our results. This includes investing in training across the different departments.

CHAMPION INCLUSION AND DIVERSITY

What we did well - surpassed our annual targets for 2022

- 5,327 people reached via business and hospitality skills training programmes, which is 165% achievement of our target to reach 3,220 people.
- 63% of our community programme beneficiaries are women which is above the annual target to ensure 50% representation of women in our community programmes.
- We are at **36%** representation of women in leadership roles.

Where we did better than 2021:

We have increased the number of women represented in our community programmes from 54% in 2021, to 63% in 2022.

We met all of our 2022 targets around this pillar.

achievement in championing health literacy and tackling harm through Drink

IQ of our annual target for 2022 to

reach 33,000.

representation

of women in **leadership** roles



PRESERVE WATER FOR LIFE

What we did well – surpassed our annual target for 2022

- We reached a total of 99,317 people with our WASH (water, sanitation and hygiene) programme. This is 311% above our annual target to reach 31,885 people
- We completed 100% of our water collective action projects.

Where we didn't meet our 2022 targets

- We aimed to utilize **2.78 litres** of water per litre of packaged product, however we surpassed this slightly by **0.25 litres.** We used **3.03 litres** of water per litre of packaged product across all our sites in EA.
- We aimed to replenish a total of **459,300m³** of water from our operations in water stressed areas, however we were able to replenish a total of **362,248 m3**.

How have we performed 2022 vs 2021?

- As much as we didn't meet our 2022 goal on our target to replenish more water than we use for our operations for all of our sites in water stressed areas by 2026, we did surpass our water savings for 2021 by a significant 77% 362,248m³ of water replenished in 2022, versus 203,640m³ in 2021.
- We have increased our beneficiaries under the WASH programme by 28% -In 2021 we reached 24,832 people and increased this to **31,885** people in 2022.
- We did not reach our 2022 goal on water used per litre of packaged product; however, we have improved water efficiency by **9.6%** from our 2020 baseline. This is in line with our target to improve water efficiency in our operations by **30%** across the company.

What are we doing to fix this?

- We recognize that the full beneficial use from water recovery and reuse at all our sites is still not realized. But we do have the infrastructure in place to realise our 2030 targets.
- We are looking into reporting on investment data from supply to better understand our potential to meet targets around water efficiency.

ACCELARATE TO A LOW CARBON WORLD

What we did well – surpassed our annual target for 2022

- Our sites run on 96.97% renewable electricity for our operations, above our internal target to use 95%.
- This is also an increase in the renewable electricity utilized from our baseline recording in 2020 of 93%.

Where we didn't meet our 2022 targets

- Our target is to become Net Zero in our direct operations (Scope 1&2 emissions) by 2030, and our goal for 2022 was
 46.90 total direct GHG emissions (kt CO2e). However, we are slightly off track, with our Scope 1&2 total direct GHG emissions at 63.40 (kt CO2e).
- We are also off track on our use of renewable energy in our own operations, as our target was 43% use of renewable energy and we achieved 25.87%. We are however, using 1.8% more renewable energy in our operations from our baseline in 2020 (24%).

What are we doing to fix this?

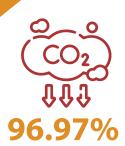
 We expect to see a turnover in our Scope 1&2 emissions once biomass is completely operational in both Uganda and Kenya. Our biomass plants in Kenya (at Kisumu and Nairobi) became operational in May and June 2022,

BECOME SUSTAINABLE BY DESIGN

- We have maintained **0 tonnes** of waste to landfill from our direct operations.
- **100%** of all our plastics used are widely recyclable, reusable and compostable. This is higher than 2021, where **90%** of our plastics were widely recyclable and also higher than our 2022 target of 98%.



total number of people reached with our WASH (water, sanitation and hygiene) programme

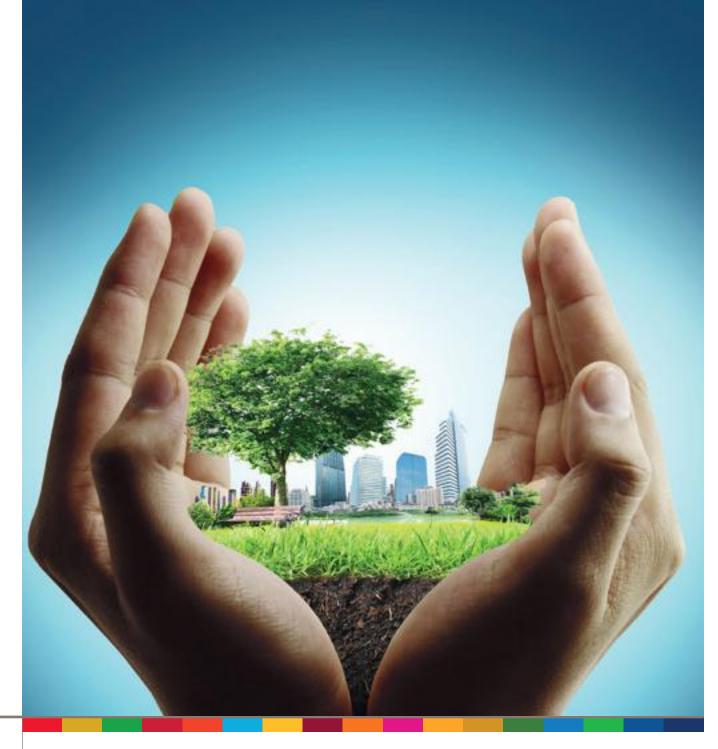


Of our sites run on renewable electricity for our operations, above our internal target to use 95%



OUR PROGRESS AGAINST SOCIETY 2030

ncreasingly, our work around governance, environment and societal issues is equally as important as our financial performance. Rightfully so, our stakeholders are highly perceptive as well as demanding in terms of our disclosures around these issues. In 2021 we published our inaugural Sustainability Report, following our year-long materiality assessment process. This report has, indeed, situated the organization within a global compendium on sustainability. It is within our company's mission to chart a new standard, that is globally comparable, on sustainability reporting in East Africa.



TARGET		
(NKING
Champion health literacy and tackle harm through DRINKiQ in every market where we live, work, source and sell. 5DG alignment: 3.4; 3.5; 12.8; 17.16 3GOOD HEALTH WELL-BEING WIELL-BEING WIELL-BEING WIELL-BEING WIELL-BEING	Unique site visits to DRINKiQ 104,489	This is 317% of our annual target for 2022 to reach 33,000 people. It is also a significant increase from 2021, where we had 8,158 unique site visits to DRINKiQ. This increase is predominantly due to the launch of DRINKiQ in Tanzania and Kenya, in both English and Swahili. DRINKiQ is our mobile friendly, e-learning tool designed to provide consumers with the information they need to make positive decisions around drinking responsibly and tackle myths around drinking alcohol.
Scale up our SMASHED partnership, and educate 10 million young people, barents, and teachers on the dangers of underage drinking. SDG alignment: 3.5; 12.8; 17.16	People educated through SMASHED partnership 48,690	This is 137% of our annual target for 2022. We surpassed our annual target of 35,500 people to reach a total of 48,690 young people, parents and teachers across East Africa. We were able to surpass our 2021 numbers (2,245 people) due to the launch of our SMASHED partnership in Tanzania and Kenya. SMASHED partnership was piloted in regions where our research showed high prevalence of underage alcohol consumption.
Promote changes in attitudes to drink driving reaching five million people.	People educated via Wrong Side of the Road programme	We aimed to educate 45,000 people through our Wrong Side of the Road Programme, however we managed to reach 66% of our annual target – 29,729 people.
SDG alignment: 3.5; 3.6; 12.8; 17.16	29,729	The gap was mainly as a result of an online access issue which led to a change in the mode of delivery of the program. In 2023 the program will be mainly delivered through face-to-face interactions.
Leverage Diageo marketing and nnovation to make moderation the norm – reaching one billion people with dedicated responsible drinking messaging by 2030.	People reached with messages of moderation 7,577,715	We aimed to reach 21,000,000 in 2022 with messages of moderation this year, however we fel below our target. At the same time, we enhanced our methodologies around data capture and measuring, to a more systemic process that is corroborated across all sectors of our business.
DG alignment: 3.5; 12.8; 17.16		
3 GOOD HEALTH AND WELL-BEING		

TARGET		
	CHAMPION INCLUSION AND	DIVERSITY
Champion gender diversity with an ambition to achieve 50% representation of women in leadership roles by 2030. 5DG alignment: 5.5; 8.1; 10.2; 10.4 5 GENER COLORING CONVILUENT COLORING CONVILUENT	Percentage of female senior leadership 36%	Whilst this is a Global 2030 goal for Diageo, we have seen great improvements across EABL. For example, in Tanzania, we have achieved 26% of women employees up from 17% in 2021. This has included an all women team to run the end-to end operations of our new Spirits production facility at our Moshi brewery. Similarly, one of our production lines in Uganda is managed by a team made up of 75% women. We also credit our STEM apprenticeship program as a key contributor in ensuring that more opportunities are afforded to women who have the technical skills.
ncrease the percentage of diverse suppliers across our value chain: 10% by 2025 and 15% by 2030. CDG alignment: 5.5; 5B; 10.2; 10.4	Spend with diverse suppliers as % of total influenceable spend	We are designing the frameworks to be able to report on market level performance, as our target and outlook are set for 2025. But it is worth noting the work we are doing with people with disabilities (PWDs) to ensure that they have opportunities to contribute to our supply chain as well as work directly in our operations. SBL launched a three-pillar strategy to promote inclusion of PWDs as an employer; advocate and partner. SBL now has six employees with disabilities with the goal to get to 4% representation in its labour force. KBL has onboarded a total of seventy one farmers with disabilities as part of our contractual farming programme, with the goal to get to 3% representation in our supply chain. Additionally, UBL has developed an inclusive internship programme to recruit PWDs. The program has so far introduced 10 interns with disabilities for a 6-month tenure.
Provide business and hospitality skills to 200,000 people, increasing employability and improving livelihoods. SDG alignment: 4.4; 8.1; 8.6; 10.2; 17.16 UULITY U	People reached via business and hospitality skills programmes 5,327	We accomplished 165% of our target to reach 3,220 people through our business and hospitality skills training in 2022. This can be attributed to the transformative work being done through Learning for Life (L4L). KBL focused L4L on farmers, providing an in-depth life skills curriculum that included training on budgeting, time management and responsible drinking. Further SBL implements the Kilimo Viwanda scholarship, an award-winning program that aims to provide support to needy students from agricultural communities across Tanzania. This year 102 students (50% of which represented vulnerable groups: women and PWDs) were awarded scholarships to pursue diploma level agricultural courses in local colleges

TARGET	KEY PERFORMANCE	
hrough the Diageo Bar Academy, we vill deliver 1.5 million training sessions providing skills and resources to help build a thriving hospitality sector that vorks for all.	Training sessions delivered through the Diageo Bar Academy N/A	While COVID 19 dealt a tremendous blow to the hospitality sector, the Diageo Bar Academy is aiming to rebuild the sector back better. We are designing the framework to report on our progress at a market level. KBL has currently trained 9,800 workers across Kenya in the
		Academy, 31 of which are PWDs.
iDG alignment: 4.4; 8.1; 8.6; 10.2; 17.16		
4 EQUATION 8 DECEMBENCE GROWTH		
10 REDUCED REQUALITIES 17 PARTNERSHIPS FOR THE GOALS		
nsure 50% of beneficiaries from our ommunity programmes are women.	Percentage of community programme beneficiaries who are women	We are proud to prioritise women's engagement in all of our community programs. To this effect, we are already surpassing our 2030 target to ensure 50% representation. This is also an increase
DG alignment: 5.5; 5A		
S GENDER S GENDER 좋고	63% PIONEER GRAIN TO GLASS S DESCENSE WATER FOR LIFE	in representation by 9% from 2021 (54%).
5 GENDER EQUALITY S T T T T T T T T T T T T T		in representation by 9% from 2021 (54%). USTAINABILITY: We aimed to utilize 2.78 litres of water per litre of packaged product, however we surpassed this slightly by 0.25 litres. On average across EABL, we
s controls of the second secon	PIONEER GRAIN TO GLASS S PRESERVE WATER FOR LIFE Litres of water used per litre of	in representation by 9% from 2021 (54%). USTAINABILITY: We aimed to utilize 2.78 litres of water per litre of packaged product, however we surpassed thi slightly by 0.25litres. On average across EABL, we are using 3.03litres of water per litre of packaged product. We may have not reached our 2022 goa however, we have improved water efficiency b 9.6% from our 2020 baseline. This is in line with
The same of the sa	PIONEER GRAIN TO GLASS S PRESERVE WATER FOR LIFE Litres of water used per litre of packaged product 3.031/1	in representation by 9% from 2021 (54%). USTAINABILITY: We aimed to utilize 2.78 litres of water per litre of packaged product, however we surpassed thi slightly by 0.25litres. On average across EABL, we are using 3.03litres of water per litre of packaged product. We may have not reached our 2022 goa however, we have improved water efficiency by 9.6% from our 2020 baseline. This is in line with our target to improve water efficiency in ou operations by 30% across the company. We aimed to replenish a total of 459,300m3 of water from our operations in water stressed area for 2022, and we were able to replenish a total of 362,248 m ³ . As much as we didn't meet our 2022
 SERVER SERVER SERVER SDG alignment: 6.4 SERVER S	Pioneer grain to glass s preserve water for life Litres of water used per litre of packaged product 3.031/1	in representation by 9% from 2021 (54%). USTAINABILITY: We aimed to utilize 2.78 litres of water per litre of packaged product, however we surpassed thi slightly by 0.25litres. On average across EABL, we are using 3.03litres of water per litre of packaged product. We may have not reached our 2022 goa however, we have improved water efficiency by 9.6% from our 2020 baseline. This is in line with our target to improve water efficiency in ou operations by 30% across the company. We aimed to replenish a total of 459,300m3 of water from our operations in water stressed area for 2022, and we were able to replenish a total of

~ [¢]	デロ KEY PERFORMANCE	
TARGET		NOTES ON OUR PROGRESS
Invest in improving access to clean water, sanitation, and hygiene (WASH) in communities near our sites and local sourcing areas in all of our water-stressed markets.	People reached with WASH 99,317	We achieved 311% of our target to reach 31,885 people. We have also increased our beneficiaries under WASH by 28% from 2021, where we reached 24,832 people.
SDG alignment: 6.1; 6.2; 6.6; 6B; 15.1		
6 CLEAN WATER AND SAMITATION		
Engage in collective action in all of our priority water basins to improve water	Water collective actions projects completed	We have completed 100% of our water collectiv action projects. These include:
accessibility, availability and quality and contribute to a net positive water impact.		 Eight water projects around Kenya with over 60,000 beneficiaries.
SDG alignment: 6.1; 6.2; 6.5; 6.6; 6A; 6B	100%	 SBL completed a water treatment plant Basuto, Tanzania with the capacity to serve 14,000 people. Prior to embarking on the project, water supply from Lake Basuto to the community required urgent treatment after laboratory tests revealed that the level of fluorice in the lake water was above the recommende World Health Organization (WHO) Standard The treatment Plant has a capacity to puri 900,000 litres of water in 12 hours, which sufficient to meet, and exceeds Basuto Ward current average daily water demand of 700,000 litres. UBL constructed eight sanitation facilities with urban markets in partnership with the Kabal
	PIONEER GRAIN TO GLA	Kingdom Foundation. Over 15,000 peop will benefit from this project. UBL also built water and sanitation facility for Kireka Home Disabled that looks after 80 individuals.
Become net zero carbon in our direct operations (Scopes 1 and 2). SDG alignment: 7.2; 7.3; 12.6; 13.3 7 AFFORDABLE AND CLEANENROY CLEANENROY	Total direct GHG emissions (Scope 1&2) (kt CO2e) 63.4	Whilst we are slightly off track our 2022 goal, wi our Scope 1&2 total direct GHG emissions abov our target of 46.90 (kt CO2e), we expect to see turnover in our Scope 1&2 emissions followir the operationalization of our biomass projects Uganda and Kenya. Rolling out biomass is pa of Diageo's biggest environmental investment Pan-Africa, positioning us as a trailblazer and lead in environmental stewardship and conservatio
		We have invested in four biomass boilers in o Kisumu and Tusker plants to help reduce o carbon emissions by 95% (about 34,000 tonne per year. In Uganda, the £8.56 million investme will be able to realize an unrivalled C02 emission reduction by 90%. SBL is also working toward curbing direct emissions and all three sites have transitioned to the use of LPG forklifts which have lower emission than the previous diesel forklifts.

M TARGET	KEY PERFORMANCE	
Use 100% renewable energy across all our direct operations SDG alignment: 7.2; 7A; 17.16	Percentage of renewable energy in our own operations 25.87%	We are behind target on our use of renewable energy given a target of 43% use of renewable energy in 2022, and an achievement of 25.87%. We are however, using 1.8% more renewable energy in our operations from our baseline in 2020 (24%). As noted above, with the completion of our biomass project, we expect to see a significant shift in our use of renewable energy in our operations.
		As a signatory to the RE100 global initiative we are also committed to 100% renewable electricity. Our sites run on 96.97% renewable electricity for our operations, above our internal target to use 95%. This is also an increase in the renewable electricity utilized from our baseline recording in 2020 of 93%.
	PIONEER GRAIN TO GLAS	
Achieve zero waste in our direct operations and zero waste to landfill in our supply chain	Total waste to landfills (tonnes) from our direct operations	We have maintained 0 tonnes of waste to landfill from our direct operations mainly through re- use, recycling and composting of all our waste generated through our supply processes.
SDG alignment: 12.5; 12.6	0	
Achieve 40% average recycled content in our plastic bottles by 2025 (and 100% by 2030)	Percentage of recycled content in plastics	Across our markets, we are using returnable glass bottles, except for our UBL business. We are currently looking for potential r-PET suppliers to partner with us at our UBL business, which will
SDG alignment: 12.5; 12.6	0%	lead us to start making traction on this target in 2023.
Ensure 100% of our plastics is designed to be widely recyclable (or reusable/ compostable) by 2025	Percentage of plastics that is widely recyclable/ reusable / compostable	Majority of all our plastics used are widely recyclable, reusable and compostable. In 2022 we achieved a success rate of over 99%. This is higher than 2021, where 90% of our plastics were widely
SDG alignment: 12.5; 12.6	100%	recyclable, and higher than our 2022 target of 98%.
	DOING BUSINESS THE	RIGHT WAY
Adherence and level of commitment to our codes of conduct and global policies	Total confirmed breaches of our Code of Business Conduct	All allegations are taken seriously, investigated and where required consequence management is performed. We monitor all breaches to identify trends and root causes where further action may be required.
	5	· · · · · · · · · · · · · · · · · · ·

GRI INDEX

Universal Standards

GRI 1: FOUNDATION

		REPORTING PRINCIPLES
Disclosure		Our Response
1-1	Accuracy	We clearly, consistently and transparently report our performance agains our Society 2030: Spirit of Progress plan on pages 71-133 of this Report. Ou methodology for calculating performance against targets is in line with the Diageo Reporting Boundaries and Methodologies as outlined in the Diageo Annual Report (pg. 90-110).
		PwC were engaged as our external auditors for the year ended 30 June 2022 and audited our financial statements accordingly. They also reviewed the integrated report which includes sustainability related disclosures. The outcomes reported in this sustainability report are extracted from the integrated report and have been subjected to our internal validation processes.
1-2	Balance	We report against our Society 2030 targets and GRI indicators (based on NSE mandatory topic disclosures), whether or not our performance has been strong This gives a balanced view of the impacts we make, which we have defined by considering the views of a range of stakeholders. We aim to present informatior in such a way that the reader can assess trends in performance year on year.
1-3	Clarity	Our performance against Society 2030 is highlighted in our 2022 EABL Integrated Report. We produce our Sustainability Report to give more context into our performance, as well as hear directly from our stakeholders. Our approach to ESG reporting is in line with Diageo's ESG Reporting Index outlined in pages 90 -110
1-4	Comparability	We continue to report against our targets, as well as respond to universa standards such as the GRI Standards/ NSE Guidelines. We have designed our Annual Integrated Report and this Sustainability Report to enable stakeholders to easily review our performance over time, and to help readers find comparable information.
1-5	Completeness	Our coverage of material topics is explained in our reporting approach and is in line with Diageo Reporting Boundaries and Methodologies (pg.90-110 of Diagec ESG Reporting Index)
1-6	Sustainability conte	Xt Our Annual Integrated Report explains the wider context in which we operate and presents a highlight of our sustainability performance in relation to our corporate performance. Our Sustainability Report presents how our material issues – that is, Economic, Environmental and Social issues – relate to our long-term strategy risks, opportunities and goals, including throughout our value chain.
1-7	Timeliness	We published our inaugural Sustainability Report in 2021, and will continue to publish this Sustainability Report alongside the Annual Integrated Report.
1-8	Verifiability	We report on our progress against Society 2030 in line with Diageo's Reporting
	(Reliability)	Boundaries and Methodologies.
		PwC were engaged as our external auditors for the year ended 30 June 2022 and audited our financial statements accordingly. They also reviewed the integrated report which includes sustainability related disclosures. The outcomes reported in this sustainability report are extracted from the integrated report and have been subjected to our internal validation processes.
How we have met each disclosure	by the GRI reporting mi	ially disclosed and Not disclosed Not considered material to ssing at least one our business at this time quired indicator

GRI 2: GENERAL DISCLOSURES

Organisational details	Legal name: East African Breweries PLC Nature of ownership and legal form: Public Listed Company
details	Nature of ownership and legal form: Public Listed Company
	Place of registration: Kenya
	Location of headquarters: EABL Bustani Office, 5th Floor, Garden City Business Par Block A, Garden City Road, off Exit 7 Thika Superhighway, Ruaraka, Nairobi
	Countries of operation: 3 Countries of operation Kenya, Uganda and Tanzania ar have market footprint in more than 10 African countries.
Entities included in the consolidated financial statements	We describe the entities included in our Sustainability reporting within the Reporting boundaries and methodologies section on page. It includes informatic about the difference between the list of entities included in our Financi Statements and our ESG reporting on this page, as well as an explanation of the approach used to consolidate information from multiple entities for the differen- indicators included in our ESG reporting.
Reporting period,	Reporting period: Year ended 31st June 2022
frequency and contact point	Frequency of reporting: We report every year in line with our financial reporting.
	Publication date: Our Annual Report published on 16 September 2022, and o Sustainability Report published October, 2022
	Contact information: growing.value.together@eabl.com
Restatements of information	Our approach to restating information from previous reporting periods is include within the reporting approach.
	This includes restatements of baseline environmental data and restatement code breach data.
External assurance	Assurance policy and practice
	Our policy is to align our sustainability reporting with the best and most up-to date standards and protocols available at the beginning of our fiscal year. We b lieve in reporting against reliable data, and strive to improve the quality of o non-financial disclosures.
	PwC were engaged as our external auditors for the year ended 30 June 2022 ar audited our financial statements accordingly. They also reviewed the integrate report which includes sustainability related disclosures. The outcomes reported this sustainability report are extracted from the integrated report and have bee subjected to our internal validation processes.
	the consolidated financial statements Reporting period, frequency and contact point Restatements of information

				WORKERS				
oisclosure		Our Respon	se					
-6	Activities, brands,	Activities, pr	roducts and	d services				
	products and services	brands. Key d the Annual Re year we made	letails about eport on pag e 109.4 billio	each of these ge 8 and a rev on in net sale	e brands can view of our pi s. More detail	be found in t roduct catego Is of our finar	n 30 alcoholic he'Our Brands' pries on pages ncial performar Annual Report.	' section 33-44. Tł
		Markets serv	ved					
		Our extensive network of breweries, distilleries, and distribution facilities span across the six markets within which we operate in East Africa, especially concentrated in the three core markets of Kenya, Uganda and Tanzania. Despite operating in East Africa, our unique products can be found in more than ten countries across Africa and beyond.						
		across catego	ories, occasio	ons and price	e points. We a	are proud of t	global giants the brands we celebrate life	make a
		Supply chair	n					
		Many of our with thousan				y chains of t	heir own, conr	necting
7	Employasa	pages 134-19 Statements in see the Finar changes to relationships our supply ch	99. For mate n the Annua ncial Statem the overall with supplia nain occurre	rial organisat al Report on ents in the A location of ers during thi d as a result c	ional restruc page 142. Fo nnual Report suppliers, st is reporting p of our routine	turing progra or changes in on page167 ructure of the period. Other, tendering p		e Financ structu o mater ain or c
-7	Employees	We employ c	over one the	aucand civ bi				
			ide of the bu	usiness incluc	les 6 plants a	cross Kenya, ⁻	Tanzania and U	
		production si Employees by	ide of the bu y region, by Full-time (App	usiness incluc gender and k	les 6 plants a by employme Men	cross Kenya, ⁻	Tanzania and U	
			ide of the bu y region, by Full-time (App	usiness incluc gender and k licable for	les 6 plants a by employme Men	cross Kenya, ⁻ ent contract t	Tanzania and U ype	
			ide of the bu y region, by Full-time (App Permanent and	usiness incluc gender and b licable for d FTC employees)	les 6 plants a by employme Men	cross Kenya, ⁻ ent contract t	Tanzania and U ype	
		Employees by	ide of the bu y region, by Full-time (App Permanent and Permanent	usiness incluc gender and k licable for d FTC employees) FTC	les 6 plants a by employme Men	cross Kenya, ⁻ ent contract t Women	Tanzania and U ype Total	
		Employees by	ide of the bu y region, by Full-time (App Permanent and Permanent 787	usiness incluc gender and k licable for d FTC employees) FTC 59	les 6 plants a by employme Men 517	cross Kenya, ⁻ ent contract t Women 329	Tanzania and U ype Total 846	
-8	Workers who are not employees	Employees by Kenya Uganda Tanzania	ide of the bu y region, by Full-time (App Permanent and Permanent 787 302 451	usiness incluc gender and k licable for d FTC employees) FTC 59 2 33 on our beh es, we also o	les 6 plants a py employme Men 517 207 337 alf are emplo employ cont	cross Kenya, ent contract t Women 329 101 147 oyed by EAE ractors, the	Tanzania and U ype Total 846 310 484 3L – although, numbers of w	Iganda.
-8		Employees by Kenya Uganda Tanzania Most people manufacturin significantly b	ide of the bu y region, by Full-time (App Permanent and Permanent 787 302 451 • who work by country. F	usiness incluc gender and b licable for d FTC employees) FTC 59 2 33 on our beh es, we also of For the most p	les 6 plants a oy employme Men 517 207 337 alf are employ cont part, when w	cross Kenya, ent contract t Women 329 101 147 oyed by EAE ractors, the e use contract	Tanzania and U ype Total 846 310 484 3L – although, numbers of w	Iganda.
-8		Employees by Kenya Uganda Tanzania Most people manufacturin significantly b • Construct • Logistics (ide of the bu y region, by Full-time (App Permanent and Permanent 787 302 451 who work by compani by country. F ion projects	usiness incluc gender and b licable for d FTC employees) FTC 59 2 33 on our beh es, we also of for the most p resulting from	les 6 plants a py employme Men 517 207 337 alf are employ employ cont part, when w m investmen	cross Kenya, ent contract t Women 329 101 147 Dyed by EAE ractors, the e use contract ts we're maki	Tanzania and U ype Total 846 310 484 BL – although, numbers of w ctors, it's for:	Iganda.
-8		Employees by Kenya Uganda Tanzania Most people manufacturin significantly b • Construct • Logistics (truck drive	ide of the bu y region, by Full-time (App Permanent and Permanent 787 302 451 who work by compani by compani by country. F ion projects from the er	usiness incluc gender and b licable for d FTC employees) FTC 59 2 33 on our beh es, we also of for the most p resulting from and of the pacters.	les 6 plants a oy employme Men 517 207 337 alf are employ employ cont part, when w m investmen kaging line),	cross Kenya, ent contract t Women 329 101 147 Dyed by EAE ractors, the e use contract ts we're maki	Tanzania and U ype Total 846 310 484 BL – although, numbers of w ctors, it's for: ng in the busir	Iganda.
-8		Employees by Kenya Uganda Tanzania Most people manufacturin significantly b • Construct • Logistics (truck drive • Selected s	ide of the bu y region, by Full-time (App Permanent and Permanent 787 302 451 who work ng compani by country. F ion projects from the er ers and load sales and me	usiness incluc gender and b licable for d FTC employees) FTC 59 2 33 on our beh es, we also of for the most p resulting from	les 6 plants a by employme Men 517 207 337 alf are employ employ cont part, when w m investmen kaging line), activity.	cross Kenya, ent contract t Women 329 101 147 Dyed by EAE ractors, the e use contract ts we're maki	Tanzania and U ype Total 846 310 484 BL – although, numbers of w ctors, it's for: ng in the busir	Iganda.
-8 How we have met disclosure	employees	Employees by Kenya Uganda Tanzania Most people manufacturin significantly b • Construct • Logistics (truck drive • Selected s	ide of the bu y region, by Full-time (App Permanent and Permanent 787 302 451 • who work ag compani by country. F ion projects from the er ers and load sales and me catering and	usiness incluc gender and k licable for d FTC employees) FTC 59 2 33 on our beh- es, we also of for the most p resulting from ad of the pac- ers. erchandising a	les 6 plants a by employme Men 517 207 337 alf are employ employ cont part, when w m investmen kaging line), activity.	ent contract t Women 329 101 147 oyed by EAE ractors, the e use contract ts we're maki such as ware	Tanzania and U ype Total 846 310 484 BL – although, numbers of w ctors, it's for: ng in the busir	Iganda.

		GOVERNANCE
Disclosure		Our Response
2-9	Governance structure and	Our governance structure is included in the Governance section of the Anr Report on page 103.
-	composition	Our Chief Executive, Jane Karuku, is ultimately accountable for overall performa against ESG goals and targets, while responsibility for the component part Society 2030: Spirit of Progress is shared between members of our Execu Committee.
		In this way, Society 2030: Spirit of Progress is embedded across the whorganisation, with senior executives being accountable for its delivery.
		To continue to improve our oversight of ESG, our Board receives updates on ESG strategy and performance every quarter.
2-10	Nomination and selection of the highest governance body	See our Annual Report
2-11	Chair of highest governance body	See our Annual Report
2-12	Role of the highest governance body in overseeing the management of impacts	See our Annual Report
2-12	Role of the highest governance body in overseeing the management of impacts	See our Annual Report
2-13	Delegation of responsibility for managing impacts	See our Annual Report
2-14	Role of the highest governance body in sustainability reporting	See our Annual Report
2-15	Conflicts of interest	See our Annual Report
2-16	Communication of critical impacts	See our Annual Report
How we have met each disclosure		Illy disclosed and Not disclosed Not considered material to our business at this time
		uired indicator

	GOVERNANCE						
Disclosure		Our Response					
2-17	Collective knowledge of the highest governance body	See our Annual Report					
2-18	Evaluation of the performance of the highest governance body	See our Annual Report					
2-19	Remuneration policies	See our Annual Report					
2-20	Process to determine remuneration	See our Annual Report					
2-21	Annual total compensation ratio	See our Annual Report					

		STRATEGY POL	ICIES AND PRA		
Disclosure		Our Response			
2-22	Statement on sustainable development strategy	and our ESG strategy a	and targets suppo	ort our Performance Am	nent on how our role in socie abition to create one of the be companies in the world.
2-23	Policy commitments	highest standards of i values. It provides cla of everyone who inter standards and guideli	ntegrity and ethi rity on how we a racts with us. Ou nes covering spe take account of	cal behaviour. It is guic are expected to behave r Code is underpinned cific areas of our work. any changes in our ext	s and how we demonstrate the ded by our strong purpose and to build the trust and respec- by a number of global policie We review each of these ever ernal environment and update
				our Environment Policy. Oneer Grain-to-Glass sus	We describe this in how we a stainability.
		and a list of specific intergovernmental ins and standards. These Rights, the Internation Rights to Work, the Ch	In Rights Policy c at-risk groups th struments that w include the Unite nal Labour Orga ildren's Rights an	overs a list of internatic nat we give particular e are committed to are ed Nations Guiding Prin nization's Declaration c d Business Principles, th	onally recognised human righ attention to. The authoritativ referenced within our polici- iciples on Business and Huma on Fundamental Principles ar ie UN Global LGBTI Standards es and the UN Global Compac
		Audit and Risk function available to both our	on and through employees and	analysing our breach r	viewed through Diageo's Glob eporting mechanism, which are also enhancing our intern igthen our approach.
How we have met disclosure	each Fully disclosed as outlined by the GRI reporting standards	Partially disclosed and missing at least one required indicator	Not disclosed	Not considered material to our business at this time	
			0		

		STRATEGY POL	ICIES AND PRA	CTICES	
Disclosure		Our Response			
2-24 Embedding policy commitments		approach to risk and in our people and to ever we set out which por responsibility to spece suppliers are responsib Standard. We support an annual, risk-based to	compliance help ensure responsible clicies and stand clific groups for ble for implement our employees to craining plan. This	ur business with integrity are negotiable - s us to encourage the right behaviours and e business conduct in everything we do. In ords are relevant for all our employees and others: for example, all employees who w ing the commitments of our Partnering with o embed Diageo global policies in their wor includes general awareness for all employe y related to managing specific business risk	l attitude our Code d allocat work wit Supplier k throug es, as we
				manages the integration of our commitm policies and procedures through the Glo	
		business relationships with Suppliers Standa	: for example, all rd, which sets ou	implement our commitments with and the suppliers will adhere and commit to our F the minimum expectations on environmer partnering with Diageo.	Partnerin
		This includes an integ direct reports, which t	grated Annual Ce akes in a total of	global training on our Code and key globa rtification of Compliance for all managers 15,522 eligible employees. Our Code is avail ees around the world can access the policy	and the
2-25	Processes to remediate negative impacts	business decisions. Or that could impact our is holistic and integrat	ur focus is to ide r current or futur ed, bringing toge	nt starts with the right conversations to dr ntify and embed mitigation actions for ma e performance, and/or our reputation. Our ther risk management, internal controls and s across this agenda focus on the risks that c	terial risk approac d busines
		and function undertak risk on a continual bas Board independently regular reports on the taken to mitigate thes proactive intervention advice of experts who	tes an annual risk sis. Similarly, our / reviews the asse e risks faced acro e risks. We use int ss. We also establ ere necessary to	bedded in our management structures. Eac assessment, establishes mitigation plans and widit & Risk Committee regularly assesses ris ssment. This Committee met quarterly and ss the business and the effectiveness of th ernal and external data to monitor our risks sh cross-functional working groups and dra ensure significant risks are effectively mana ecutive and Board for consideration.	l monitor sk and th d receive ne action and mak aw on th
2-26	Mechanisms for seeking advice and raising concerns	compliance with the compliance and ethic tool can be accessed and significant matte Committee. We do not an investigation in goo who has raised a cont	law, our Code, a s matters. Our Sp by all our employ rs are reported o t tolerate reprisal od faith. Anyone f cern will be subje	kUp) available for people to raise concerny of our global policies or standards, or eakUp whistleblowing phone line and web rees and by those in our value chain. Overal uarterly to our Executive Committee and s against anyone who reports a concern or hound to be involved in retaliation against an ct to disciplinary action. More information is gement section of the Annual Report on page	any othe reportin Il statistic our Aud nelps wit individua s include
How we have me disclosure	by the GRI reporting	Partially disclosed and missing at least one	Not disclosed	Not considered material to our business at this time	
	standards	required indicator	0	0	

		STRATEGY POI	LICIES AND PRA	CTICES			
Disclosure		Our Response					
2-27	Compliance with laws	Environmental com	oliance				
	and regulations	Our approach to wate in section GRI 300: Env			fluents and waste is described		
		complying with all le	ocal laws and re site. These are se	gulations, or with our	ar environmental impact and own standards – whicheve ent Policy and our supporting		
		There are also routine reports to the Executive Committee and an annual review of performance against yearly and longer-term targets.					
		There were 0 incident	s of non-complia	nce with environmenta	l consents this reporting year.		
		Socio-economic con	npliance				
		This year there were no charges to exceptional items in respect of non-compliance with social and economic laws and regulations. For more information on how we manage socio economic compliance, please see GRI 2-23 and 2-24.					
		Tax Compliance					
		Tax and regulatory lar with steep duty incre Uganda and Tanzania proposed inflationary the 2022 Finance Act respectively from 1st	eases impacting of remained stable increase of 4.97° that saw excise July 2022. A furth m 1st October 20	in F21, excise taxes in % in October 2021 foll duties on beer and spi er 6.3% increase in exc 22 to take into accour	Group's business performance income. While tax regimes in Kenya have increased with owed by a further increase in irits increase by 10% and 20% cise duty was implemented in the average rate of inflation		
2-28	Membership of Associations	As a part of Diageo, we are are proud signatories of a number of environmental initiat including Business Ambition for 1.5°C, UNGC/SBti Uniting Business to Recover Better, the F to Zero, Race to Resilience and the UNGC Government Letter on SDGs in Recovery and RE					
		EABL is a proud men (KAM), Kenya Private S			Association of Manufacturer		
How we have met	· · · · · · · · · · · · · · · · · · ·	Partially disclosed and missing at least one	Not disclosed	Not considered material to our business at this time			
disclosure	by the GRI reporting standards	required indicator					

STAKEHOLDER ENGAGEMENT

Approach to Stakeholder Engagement (GRI 2-29) Collective Bargaining Agreements (GRI 2-30)

e define our stakeholders as all those who affect, are affected or could be affected by our business. We engage internal and external stakeholders, ranging from employees, investors and commercial partners to governments, NGOs, local communities and consumers. A full list is included in the Stakeholder Engagement section of our Annual Report (page 12-13).

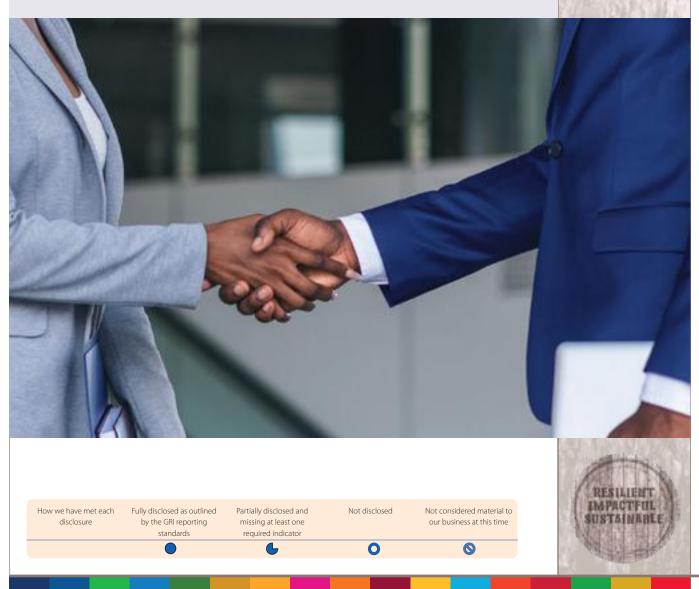
We actively engage stakeholders at both local, national and regional levels. At a local level, employees across our business engage their colleagues, local governments, customers, media and community groups on issues of immediate concern to them. At a regional level, we engage investors, customers, suppliers and multinational organisations such as UN agencies, regional and national networks, and NGOs. We aim to ensure meaningful engagement by working with a varied group of stakeholders and by maintaining open dialogue with them.

We have a strong commitment to transparent dialogue. In 2022, 24% of our employees were covered by collective bargaining agreements.

In F21 our Sustainability Department conducted an extensive stakeholder mapping exercise to identify external stakeholders that we could partner with on various initiatives of mutual interest.



to transparent dialogue. In 2022, 24% of our employees were covered by collective bargaining agreements.



External Stakeholders

Kenya



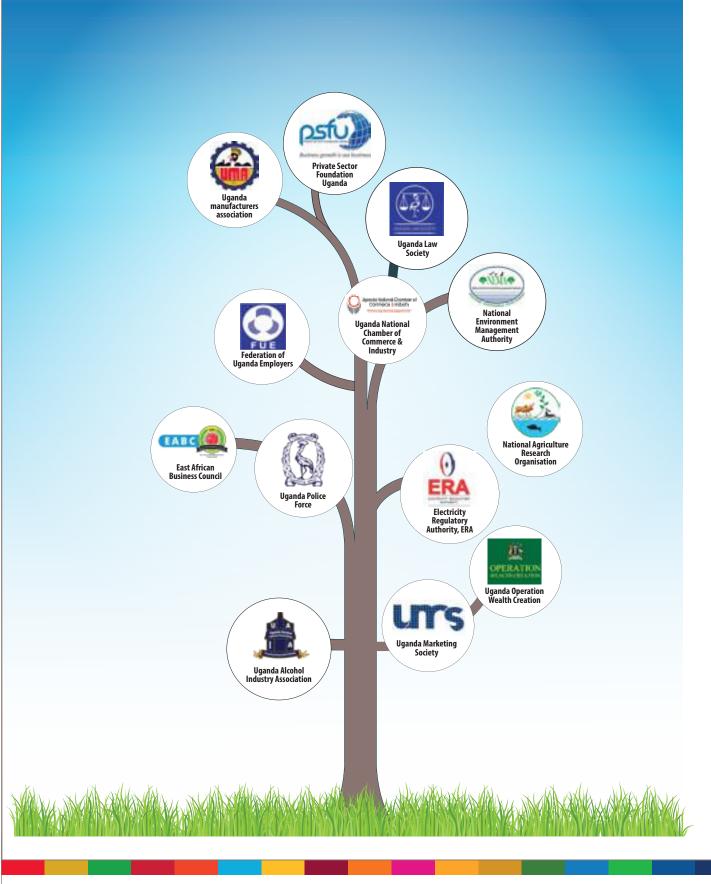
External Stakeholders

Tanzania



External Stakeholders

Uganda



I would like to thank the private sector, led by Uganda Breweries Limited, Safe Boda, NICE-UG, Coca-Cola, Vision Group, NBS, and others for contributing to our national vaccination effort. Our combined efforts have led to a steady increase in vaccination uptake in the country

H.E. Yoweri Museveni, President of the Republic of Uganda https://twitter.com/kagutamuseveni/ status/1467394867399643137?s=21&t=LQwn5ePCRt5cOfJBzSKfjQ Private sector support is key and EABL through SBL Tanzania, have been a key partner in driving our agenda to nurture more agricultural experts and contribute to Tanzania's economic growth. Through the Kilimo Viwanda program, SBL have provided technical and financial assistance to over 400 farmers and their communities, directly sourcing up to 18,000 tonnes annually. This effectively boosts our farmers' incomes, and contributes to our national economic growth through consistent tax remittance

Ministry of Agriculture, Republic of Tanzania

Our partnership with UBL has enabled us to transform our public markets in Kampala. They have supported us to build eight ablution blocks, supporting our communities that are in dire need of proper sanitation facilities, promoting a better quality of life. UBL demonstrates consistent progress towards building thriving communities through their sustainability and Corporate Social Responsibility work. We are proud to partner with them and look forward to transforming our communities one step at a time

Buganda Kingdom

Corporate sustainability starts with a company's value system and a principles-based approach to doing business. This report demonstrates EABL's commitment to transparency and accountability in line with the UN Global Compact Principles in the areas of Human Rights, Labor, Environment and Anti-corruption and contributions to the Sustainable Development Goals. EABL, through Society 2030 is among the global business leaders paving the way to creating a more equitable and sustainable world.

> Judy Njino, Executive Director, Global Compact Network Kenya Global Compact

In developing our Guidance Manual on ESG, we relied heavily on extensive stakeholder engagement to determine the scope of our expectations. Having launched their inaugural Sustainability Report in 2021, EABL was well up to this task. They supported our stakeholder dialogues that helped us determine the mandatory disclosures that listed companies should report on. Stakeholders expect to see a more comprehensive picture of how businesses are performing that exceeds financial results. They are interested in understanding the non-financial impact of a business as well as the potential to address global concerns. We issued the guidelines with the goal to improve and standardize information on ESG issues reported by listed companies in Kenya and are encouraged by companies like EABL which are reporting against these guidelines."

Geoffrey 0.0dundo, Chief Executive, NSE

To tap into the private sector potential in the restoration and conservation of trees, the Ministry of Water and Environment in 2019, approached a number of private sector partners and Uganda Breweries came out very handy and boldly to answer this call. Allow me to thank the management of UBL for taking this wholeheartedly and since then, they have attracted some of the biggest brands to the environment and water programme in this country

Alfred Okot Okidi, Permanent Secretary, Uganda Ministry of Water & Environment, during the launch of the National Tree Planting Day, 20th May 2022

We celebrate the significant strides that EABL is making towards building a resilient future through massive improvements in energy efficiency. Moving beyond fossil fuel reliance will be key for the manufacturing sector in this region to survive, as well as thrive amidst the growing challenges associated with climate change. EABL is continually evolving, and driving innovation to ensure that the manufacturing sector contributes to the region's Sustainable Development agenda

KAM Chief Executive Officer, Mr Anthony Mwangi.

EABL continues to champion sustainable and inclusive business practices that the world needs to embrace in order to deal with the pertinent planetary challenges, sustainability and climate change. They are driving the sustainability agenda through investments in the green and circular economy. At KEPSA, we advocate for the power of partnership and collaboration; and appreciate the vital role EABL played as a partner in contributing to the National Two billion Tree Growing Campaign spearheaded by the former President Kenyatta H.E Uhuru Kenyatta."

Carole Kariuki, Chief Executive Officer, KEPSA

MATERIAL TOPICS AND THEIR BOUNDARIES

OUR MATERIALITY ASSESSMENT PROCESS

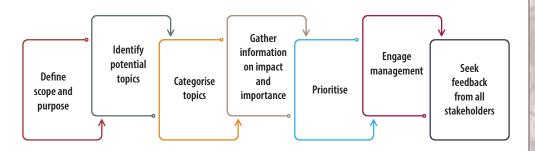
Process to determine Material Topics (GRI 3-1) List of Material Topics (GRI 3-2) Management of Material Topics (GRI 3-3)

What matters most - to our business and to our stakeholders

n late 2020, we carried out an in-depth materiality assessment to determine the Environmental, Social and Governance issues that matter most to our business and stakeholders. Following in the footsteps of Diageo, the materiality assessment looked at external trends shaping EABL's operating environment in the region and how we can most effectively align EABL's work with the UN's Sustainable Development Goals.

HOW WE DETERMINE OUR MATERIAL ISSUES

We view materiality as a participative process; a business tool that facilitates integrated thinking



We interviewed many internal and external stakeholders, analysing their interests and concerns as well as the risks and opportunities for EABL to ensure that our Sustainability work is focused on achieving the greatest impact and tackling the issues that matter the most. Data for our comprehensive materiality analysis process was collected using a series of participative, qualitative and quantitative methods, including questionnaires, one-on-one interviews and focus group discussions. We applied a snow balling sampling technique, to support our stakeholder mapping exercise, and identify additional stakeholders across our value chain. The analysis identified 85 material issues, which were then organised into 11 categories. The findings were collated, organized and plotted on a materiality matrix (see next page) with each issue positioned relative to the degree of internal and external stakeholder interest and perceived business impact. The results emphasise the priority given to issues of occupational health and safety, compliance and ethics and the primacy of water and energy use by our business and stakeholders.





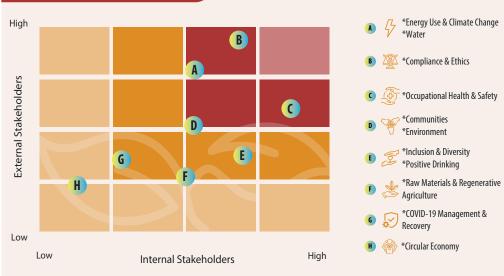
In late 2020, we carried out an indepth materiality assessment to determine the Environmental, Social and Governance issues that matter most to our business and stakeholders.

RESILIENT

EMPACTFUL

USTAINABLE

EABL Materiality Matrix



Material Issues Across the Value Chain

The 85 material issues identified were organised under 11 categories. Our stakeholders value occupational health and safety, compliance and ethics and water and energy use most.

Materiality Issue (prioritised highest to lowest)	Value Chain (Major – Signi	Value Chain (Major – Significant – Moderate)		
	SOURCE	MAKE	SELL	
Occupational Health & Safety				
Ensuring the occupational health, safety and wellbeing c employees, contractors and visitors based on a proactive culture in which all employees believe that all injuries an foreseeable and preventable. • Occupational risks & insurance e.g. Injury	safety	Major	Moderate	
Safety culture				
 Employee empowerment (better behaviours, or leadership) 	lecision making,			
Health and wellbeing				
Mental health				
Safety in the workplace				
Incident investigation				
Risk assessment				
Accident prevention and planning				
Severe and fatal incident prevention program	ne			
Embedding shared learning				
Safety alerts				
Benchmarking				
Dynamic hazard reporting and control				

Materiality Issue (prioritised highest to lowest)	Value Chain (Major – Significant – Moderate)		
	SOURCE	MAKE	SELL
Compliance & Ethics	•		
Compliance & Ethics Going above compliance, playing an active leadership role in the region in developing the standards and practices that help organisations proactively identify risks and improve ethical behaviour. • Relationships and partnerships • External communications and social media • Human rights • Culture of integrity • Best practice OHS policy • Legislative processes • Accredited management systems • Independent assurance • Assured OH&S global data • Develop and implement balance safety scorecard • Safety competencies framework	Significant	Major	Moderate
 Zero harm contractor assessment and management processes 			
Water			
Collaborating with local stakeholders to address local water challenges. This includes, promoting employee engagement, improving operational efficiencies and creating a range of engineering projects to increase efficiency in water use and access. • Water abstracted for production	Major	Major	Moderate
Water use agriculture			
Water discharge/quality/pollution			
Water-related risks and management			
Improving consumer use of water			
Supporting community access to water and water services			
Energy Use & Climate Change			
Collaborating with local stakeholders to address the global climate crisis. Reducing our emissions, contributing to the mitigation of, and adaptation to the effects of climate change.	Major	Major	Significant
GHG emissions from production			
GHG emissions from consumers			
Operational eco-efficiency			
Access to renewables for production			
Access to renewables across supply chain			
Climate change partnerships and advocacy			
Employee energy footprint			
Operations footprint (HQ, other offices)			
Climate change adaptation across supply chain			

Materiality Issue (prioritised highest to lowest)		Value Chain (Major – Significant – Moderate)			
		SOURCE	MAKE	SELL	
Communities					
Focus on sustainable growth and develop providing local jobs, building local talent enterprise culture throughout the value of and implementing community investment • Women's empowerment across	and leadership, fostering an hain, prioritising local sourcing nt programmes.	Major	Moderate	Significant	
Improving farmer knowledge					
Sustainable farming practices					
Community skills development					
Community access to clean/ sa	fe drinking water				
 Building farmers' resilience to e (drought, floods) 	nvironmental conditions				
Environment					
Proactively identifying and preserving nar services. Supporting local communities in and management. • Biodiversity		Major	Major	Moderate	
Environmental campaigns					
Tree planting					
Regular EIA and audits					
Disaster risk reduction					
Inclusion & Diversity					
Creating an inclusive culture where ever workplace. Empowering women to part economy across the value chain, in th Championing inclusion and diversity bey • Women's empowerment in the	icipate fully in society and the ne workplace and community. ond our business.	Significant	Major	Significant	
Safety of women in the workpla	ace				
Training & skills for women					
Gender equality					
• Maternity support / maternal h	ealth				
• 50/50 recruitment policy					
Gender diversity at board level					
Equal remuneration					
Positive Drinking					
Making a significant and sustainable imported for alcohol in society and making rest enjoyable part of life. • Drinking ambassadors/ positive	ponsible drinking a valued,	Moderate	Moderate	Major	
Alcohol-related harm					

Materiality Issue (prioritised highest to lowest)	Value Chain (Major – Significant – Moderate)		
	SOURCE	МАКЕ	SELL
Raw Materials & Regenerative Agriculture			
A commitment to local raw material sourcing that goes beyond ensuring supplies to forging sustainable partnerships with farmers and the agribusiness community. This includes working with technical and academic research institutions to develop high-yielding seed varieties and linking with regulatory agencies to ensure that the highest seed quality is supplied to our farmers. • Local sourcing	Major	Major	Moderate
Low carbon sourcing			
Food security & food loss			
• Traceability			
Responsible procurement			
Food commodity pricing			
Land use and land degradation			
COVID-19 Management & Recovery			
Supporting the safety and comfort of our customers, boosting trade and building resilience to the impacts of the COVID-19 pandemic. • COVID-19 safety across supply chain	Significant	Major	Major
• Hygiene			
Social distancing in the workplace			
Working from home			
Hand washing and sanitising			
Circular Economy			
Eliminating waste from our value chain and developing solutions to reuse materials, collaborating with farmers to regenerate landscapes, and creating innovative solutions to grow sustainably. • Manufacturing and office waste	Major	Major	Significant
Recycling (packaging)			
Packaging waste			
Water recycling & reuse			
Effluent analysis			
Job creation			
Youth employment			
Youth training			
Youth management opportunities			
Youth innovation			

EABL Materiality Matrix



We participated in Diageo's 2019 Materiality Assessment, leading to the Society 2030: Spirit of Progress Plan. Our analysis confirmed the importance of several key themes: promoting positive drinking by encouraging moderation and tackling the harmful use of alcohol; championing water stewardship and decarbonisation as part of Pioneering Sustainability from Grain to Glass; and Championing Inclusion and Diversity, both within our business and in the communities where we live, work, source and sell.



Our own materiality assessment supplemented Society 2030 and helped us to define our independent reporting scope. This year, we have refined our materiality assessment to include the Nairobi Securities Exchange (NSE) Mandatory Disclosures. Those risks considered most material from a Financial and Non-Financial perspective are included in our Annual Report. We have highlighted climate-related risks within the Top Risks section of our Annual Report: see page 76 for more information.

KBL

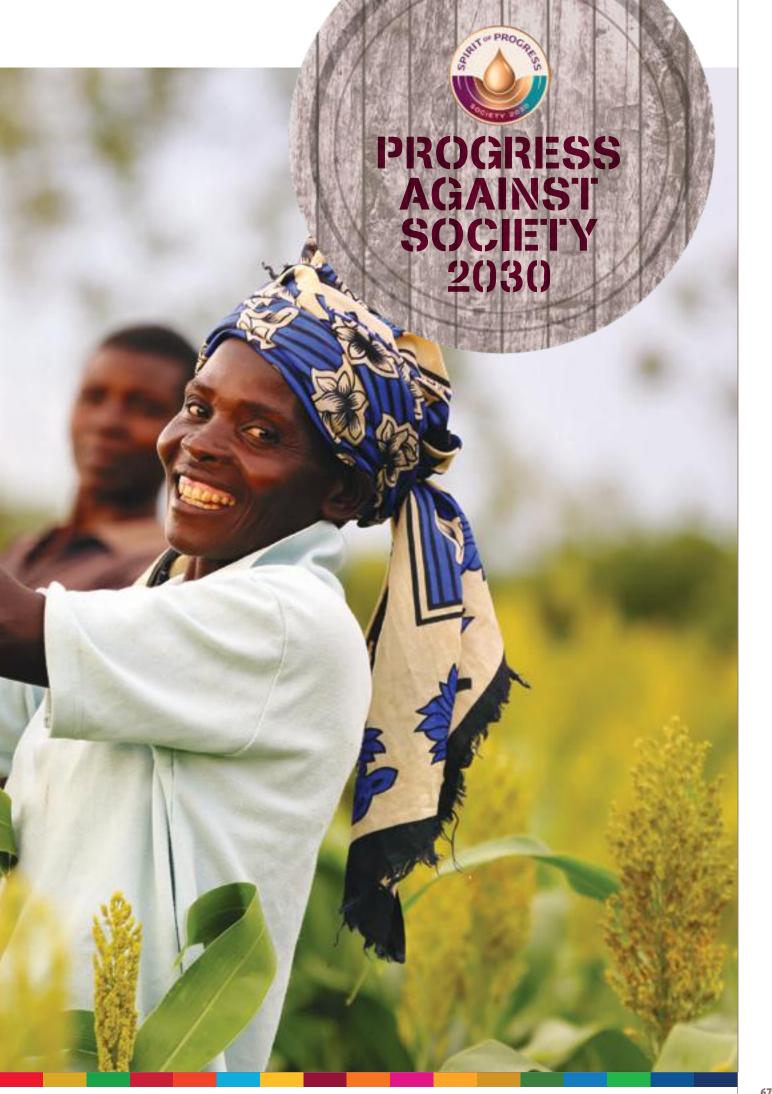
We describe our management of material topics, alongside the relevant indicators (Performance against Society 2030) – including emissions. We include the management approach and evaluation of our additional material topics under the Doing Business the Right Way. This includes Economic Performance, Tax, Supply Chain Screening, Anti-Corruption, Human Rights Assessment, Labour /Management Relations, Occupational Health and Safety, Customer Privacy, Training and Education.

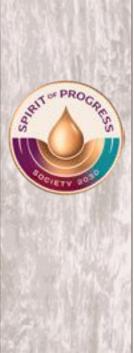


MAK









OUR MATERIAL TOPICS

s market leaders of SBL, UBL and KBL, we play a significant role in ensuring that Environmental, Social and Governance safeguards permeate every level of EABL's work. These safeguards are no longer an option, but rather a necessity to demonstrate how good sustainability management creates shared business value. Improved customer satisfaction, reduction of risks associated with production, better focus on research & development and timely adaptation of supply chains are just some of the benefits we continue to accrue as we implement Society 2030: Spirit of Progress. We recognize that our responsibility extends beyond achieving strong financial returns, and that we must take action to create real impact on our economies, environment and society through our investments and our operations. We are doing so with a clear strategy and razor-sharp focus.

This section of the report provides more detail on how we are advancing Society 2030: Spirit of Progress – our ten-year sustainability plan of action. Central to our progress is the belief that we cannot achieve our goals alone. We are working together with a wide array of partners to accelerate our mission and provide the solutions the world is looking for.



In line with the Group, KBL has worked very hard this year to ensure that we are integrating Sustainability thinking throughout our operations. We are moving away from the idea of Sustainability as a stand-alone function, and embracing Sustainability thinking as core to our mandate as a business. We also see this as tantamount to our continued expansion and growth. As you will read more about in this section of our report, we are on track to reduce our carbon emissions by 95% at our Kisumu and Tusker Plants. This is as a result of implementing biomass boilers, proven to deliver significant greenhouse gas reductions when used to replace fossil fuels to generate power. In recognition of Kenya (and Africa's) disproportionate contribution to global greenhouse gas (GHG) emissions, we are committed to promoting co-benefits in our climate action initiatives. To us, this means implementing initiatives that achieve substantial emissions reductions while promoting resilience and climate change adaptation in our communities.

Our biomass project will create an entirely new value chain for our farmers, providing raw materials such as coffee husks, macadamia shells and rice husks to drive the biomass boilers. We continue to show that we are providing the necessary solutions to the climate crisis

F22 has been an impactful year for SBL. We have doubled down on our efforts towards implementing Society 2030: Spirit of Progress, which is apparent in the exceptional results against our KPIs. But at the same time, we have placed emphasis on risk-informed interventions to ensure that we are continuously giving local context to our global strategy. A recent study conducted by the Muhimbili University of Health and Science (MUHAS) and Columbia University captured our attention, alerting us to a high prevalence of underage drinking in the Mwanza and Kilimanjaro regions of Tanzania. We identified this risk and responded by scaling up our SMASHED program in schools around Mwanza and Kilimanjaro. The SMASHED program is geared towards curbing underage drinking. Through the program we educated over 8,000 students on the ills of underage drinking. In addition, we continue to support the Government of Tanzania in their mission to increase opportunities for Youths in the agricultural sector. This is in line with the Government's goal to promote agriculture as an engine of inclusive and accelerated livelihood growth and development, providing many with economic security. This year, our award-winning program Kilimo Viwanda Scholarship program directly supported 102 students to pursue Diploma level agricultural courses in local colleges. We continue to demonstrate the transformative potential of partnerships, and look forward to extending our impact in the coming years

In line with the strategic goals set out by Society 2030: Spirit of Progress, UBL recognizes that the diversity and talent of our people will ultimately define our business' success. By having a balanced workforce of men and women, we are able to capitalize on their complementary strengths, allowing us to meet the needs of our consumers better and generate sustainable growth for the organization. At the entry level, UBL has continued to employ women in production processes that were previously men's stronghold. Currently, one of the production lines at the brewery is managed by a team consisting of 75% women. In fostering a strong womenfocused STEM program, UBL is not just giving more women economic opportunities for the sake of it, we are empowering women to take up more roles to accelerate inclusion and enhance productivity in our work force. Further, F22 has been pivotal for UBL in streamlining and embedding sustainability thinking across our operations. We are actively creating a common language by adopting better tools to define our sustainability performance







According to an OECD report published in June 2022, the global COVID-19 pandemic provided wide opportunities for illicit traders to adjust and expand their operations as government lockdowns, bans and other restrictions disrupted the alcohol market and created shortages.

PILLAR: PROMOTE POSITIVE DRINKING

Context of our work:

llicit trade in alcohol (unregulated, untaxed and potentially toxic) has a wide range of negative socio-economic impacts including:

- When substandard products are manufactured using dangerous, unapproved ingredients, it can pose significant health risks to consumers,
- Disproportionally affecting poorer and uneducated consumers,
- Deprives governments of tax revenues that would otherwise have been paid had the goods been sold in approved channels,
- Reduces sales by legitimate, tax-paying businesses

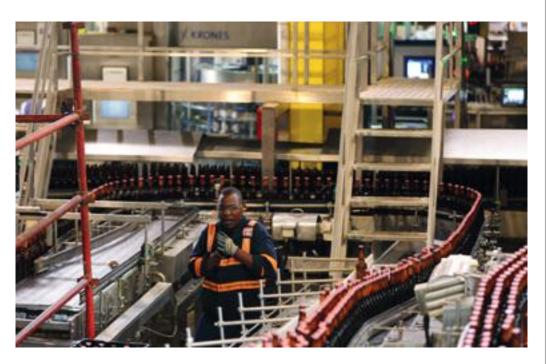
We know that excessive drinking can cause significant harm to individuals, their families and society. We share our stakeholders' concerns about this and are working with others as part of a whole-of society approach to address it. This is why promoting positive drinking is central to our 'Society 2030: Spirit of Progress' plan – and why, as we emerge from COVID-19, we are innovating, enhancing and increasing the scale of our programmes.

Responding to Emerging Trends in 2022:

According to an OECD report published in June 2022, the global COVID-19 pandemic provided wide opportunities for illicit traders to adjust and expand their operations as government lockdowns, bans and other restrictions disrupted the alcohol market and created shortages. In addition, the pandemic, economic recession and other losses have had numerous implications on binge and heavy alcohol use, affecting different groups disproportionately. In response, we rolled out our SMASHED program, geared towards curbing underage drinking, in two new markets (Tanzania and Kenya) as well as our Wrong Side of the Road Program.

Where are we from our 2021 'Looking Ahead'?

We have since launched SMASHED in all three markets: Uganda, Tanzania and Kenya responding directly to our observations around underage drinking. Being a new entrant for the SMASHED program, our business in Kenya reached over 25,000 youths, with over 22,000 recording attitude change, which is a key achievement for us as we continue to drive positive and responsible drinking.



RESILIENT MPACTFUL USTAINABLE

HOW ARE WE ACHIEVING OUR TARGETS?

Tackling underage drinking through



SMASHED is an award-winning alcohol education programme, developed by Collingwood Learning and implemented across our markets. It is an inspiring live theatre experience touring schools with interactive workshops for students, resources for teachers and a parent's guide. The program actively measures changed attitudes in young people who participate. We launched SMASHED in Kenya and Tanzania in F22, after launch delays as a result of the COVID-19 pandemic. We adopted a riskbased analysis to inform our roll out of SMASHED, particularly in relation to vulnerability of our communities. In Tanzania for instance, a recent study conducted by the country's leading medical college, Muhimbili University of Health and Allied Science (MUHAS), in collaboration with Columbia University, revealed that Tanzania had one of the highest incidences of underage drinking. The study showed that two Northern Tanzania regions, Mwanza and Kilimanjaro, where SBL has its production Plants, were specifically affected. Therefore, we rolled SMASHED out in high schools within the affected regions.

UBL: 18,878 students reached SBL: 8,200 students reached KBL: 25,873 students reached





Tanzania for instance, a recent study conducted by the country's leading medical college, Muhimbili **University of Health and Allied** Science (MUHAS), in collaboration with Columbia University, revealed that Tanzania had one of the highest incidences of underage drinking.

RESILIENT MPACTFUL USTAINERE

Acting against drink driving with responsible messaging through the Wrong Side of the Road Campaign (WSOTR)

SOTR was developed in partnership with the United Nations Institute for Training and Research (UNITAR). It is our digital learning experience to help as many people as possible understand the consequences of drink driving. It uses real-life experiences to teach consumers about the dangers of drink driving. It involves consumers visiting the platform to have a virtual conversation with a drunk-driving survivor. Together we continue to support the second UN Decade of Action for Road Safety. Our own 'Society 2030: Spirit of Progress' plan commits us to changing the attitudes of five million people globally, towards drink driving by 2030.



KBL: 16,278 individuals visited the site UBL: 8,315 individuals visited the site. SBL: 5,136



Overall, as a Group, we achieved a 66% success rate, reaching a total of 29,729 individuals. The gap was mainly as a result of an online access issue which led to a change in the mode of delivery of the program. In 2023 the program will be mainly delivered through face-to-face interactions.



Our own 'Society 2030: Spirit of Progress' plan commits us to changing the attitudes of five million people globally, towards drink driving by 2030.

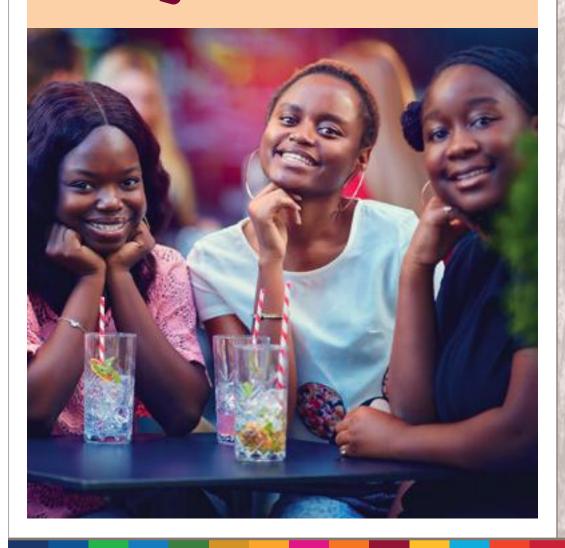
RESILIENT MPACTFUL ISTAINERE

Encouraging people to make DRINKIO

Ur enhanced DRINKiQ.com platform is a dedicated responsible drinking tool that provides facts about alcohol, the effects of drinking on the body and mind, and the impact of harmful drinking on individuals and society. It's one of our most important tools in promoting positive drinking. DRINKiQ aims to inspire consumers to take action and empower them to achieve a balanced lifestyle – inviting them to change their attitudes to alcohol. The platform enables alcohol

consumers to discover how responsible drinking can be part of a balanced lifestyle. Available in both English and Kiswahili, the DRINKiQ e-learning tool has been designed to provide consumers with the information they need to make positive decisions about drinking responsibly and tackle any myths around drinking alcohol. The new mobile-friendly, online tool is the first of its kind within the alcohol industry in East Africa, using interactive learning and tests to give people information about the content of their drinks and how alcohol can affect them.

SBL: 2,900 visits UBL: 3,263 visits KBL: 97,915 visits





GLOBAL SOCIETY 2030 TARGET	KEY PERFORMANCE INDICATOR	EABL TARGET FOR F22	F21	F22	PROGRESS TO DATE	NOTES ON PERFORMANCE
Champion health literacy and tackle harm through DRINKiQ in every market where we live, work, source and sell SDG alignment: 3.4; 3.5; 17.16	Unique site visits to DRINKiQ	33,000	8,158	104,489	112,647	This is 317% of our annual target for 2022 to reach 33,000 people. It is also a significant increase from 2021, where we had 8,158 unique site visits to DRINKiQ. This increase is predominantly due to the launch of DRINKiQ in Tanzania and Kenya, in both English and Swahili. DRINKiQ is our mobile friendly, e-learning tool designed to provide consumers with the information they need to make positive decisions around drinking responsibly and tackle myths around drinking
Scale up our SMASHED partnership, and educate 10 million young people, parents, and teachers on the dangers of underage drinking SDG alignment: 3.5; 12.8; 17.16	People educated through SMASHED partnership	35,500	2,245* (Uganda)	48,690	50,935	alcohol. This is 137% of our annual target for 2022. We surpassed our annual target of 35,500 people to reach a total of 48,690 young people, parents and teachers across East Africa. We were able to surpass our 2021 numbers (2,245 people) due to the launch of our SMASHED partnership
AND WELL-BEING	17 PARTNERSHIPS FOR THE GOALS					in Tanzania and Kenya. SMASHED partnership was piloted in regions where our research showed high prevalence of underage alcohol consumption.
Promote changes in attitudes to drink driving reaching five million people. SDG alignment: 3.5; 3.6; 12.8; 17.16	People educated via Wrong Side of the Road programme	45,000	N/A	29,729	29,729	We aimed to educate 45,000 people through our Wrong Side of the Road Programme, however, we managed to reach 66% of our annual target – 29,729 people.
3 GOOD HEALTH AND WELL-BEING -WC	17 PARTNERSHIPS FOR THE GOALS					The gap was mainly as a result of an online access issue which led to a change in the mode of delivery of the program. In 2023 the program will be mainly delivered through face-to-face interactions.

GLOBAL SOCIETY 2030 TARGET	KEY PERFORMANCE INDICATOR	EABL TARGET FOR F22	F21	F22	PROGRESS TO DATE	NOTES ON PERFORMANCE
Leverage Diageo marketing and innovation to make moderation the norm – reaching one billion people with dedicated responsible drinking messaging by 2030	People reached with messages of moderation	21,000,000	16,000,000	7,577,715	23,577,715	We aimed to reach 21,000,000 in 2022 with messages of moderation, however, we fell below our target. At the same time, we enhanced our methodologies around data capture and measuring, to a more systemic process that is corroborated across all
SDG alignment: 3.5; 12.8; 17.16						sectors of our business.
3 GOOD HEALTH AND WELL-BEING 	FOR THE GOALS					

0:0

Cumulative Investment F22: **£403,703**

LOOKING AHEAD

- Scale up SMASHED and Wrong Side of the Road Program
- Further incorporate risk-based analysis into where we implement our programs and interventions
- Refine our reporting frameworks, in order to capture work that is being done across all of our departments

MEET SOME OF OUR EABL FAMILY

SMASHED

Our form one to form four students were engaged in seminars through the SMASHED campaign. They are still engaged in a variety of social projects as a result of the campaign. The campaign really built the leadership capacity of our students, to the extent that some of our students were featured on International DW radio talking about the challenges around underage alcohol consumption. Our students want to empower more and teach even more students about the dangers of underage drinking. We would like to keep implementing SMASHED and go beyond our school and reach other schools in the region.

> Mwalinu Rana Namonde, Temeke Secondary School, Tanzania





CHAIVIPIONING INCLUSION AND DIVERSITY

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GRI 400 SOCIAL

Disclosure		Our Response							
103-02	Our management approach to diversity and equal opportunity	We are committed to creating the most inclusive and diverse culture, not just because it's the right thing to do, but because we believe this commitment also allows us to recruit and retain the best employees, achieve better performance and have a greater impact on society. For more information about our approach to diversity and equal opportunity, see this section on our pillar - Championing inclusion and diversity.							
		Evaluation of the management approach:							
		We have a number of inclusion and diversity goals, which we track each month, and which are reviewed by our Executive Committee each quarter.							
405-01	Diversity of governance bodies and employees	Women comprise 36% of top leadership roles across the company (see table in this section on page 88). We strive to cultivate a diverse leadership group. Our leadership and talent programmes are structured to promote a balanced intake of talent across a wide spectrum of markets.							
		Omissions: Employee profile information by age and specific group.							
		Reason: not applicable.							
		Explanation: Membership of other groups, is not typically analysed for additional insight.							
405-02	Ratio of basic salary and remuneration of women to men.	Omissions: ratio of basic salary and remuneration of women to men. Reason: information unavailable/incomplete.							
		Explanation: given the complexity of our operations, we don't currently collect this data at a market level.							
How we have met disclosure	by the GRI reporting missing	tisclosed and at least one d indicator							

PILLAR: CHAMPIONING INCLUSION AND DIVERSITY

Context of our work:



very individual who works for, or with EABL, should feel like they belong and know that they can thrive. To achieve that, we embrace diversity in every possible sense, including gender, ethnicity, ability, age, sexual orientation, neurodiversity, social class, education, experience and ways of thinking. We have put significant focus on two areas: empowering women to flourish in all roles, and increasing the representation of those from vulnerable backgrounds including people with disabilities. It is both the right thing to do and a critical driver of our 'Society 2030: Spirit of Progress' ambitions.

The International Labor Organization, ILO, reports that the current global labour force participation rate for women is just under 47%, while for men it is 72%. Workplace gender equality will be achieved when people are able to access and enjoy equal rewards, resources and opportunities regardless of their sex. Part of the work we need to do, is to remove the barriers to the full and equal participation of women in the workforce. In addition, the East African Community (EAC) has a strong policy on people with disabilities (PWDs) aimed at the provision of an enabling environment by Partner states for the empowerment of PWDs to facilitate their effective participation in, and their eventual benefit from development initiatives. At EABL, we respond to the global and regional development agenda.

We are committed to creating the most inclusive and diverse culture, as well as shaping marketleading policies and practices. This helps us attract the best and most diverse talent – driving both innovation and commercial performance. Beyond our workplace, through our partnerships, creative skills and media spend, we help educate and make society more equitable. Because championing inclusion and diversity is central to our purpose of 'Celebrating life, every day, everywhere' – and it is simply the right thing to do

Responding to Emerging Trends in 2022:

One trend we have observed and see as a top focus for organizations in the years to come is a focus on workplace inclusion and diversity, that is equitable. Representation in the workforce is increasingly about including people from various backgrounds, perspectives and experiences as one part of the equation, and the other part, is making space and amplifying the voices of everyone in the workplace equally. In response to this, our marketing department, in particular, has taken significant steps to ensure that our diverse suppliers and partners are also receiving equal compensation (see pg. marketing department work on I&D).

Where are we from our 2021 'Looking Ahead'?

We committed to enroll 30 women in our Commercial Department's Early Career Programme in 2022 and we enrolled 20. We also committed to increasing the number of PWDs in our supply chain, particularly by extending our work to Tanzania and Uganda. We are happy to announce that both Tanzania and Uganda have launched specific interventions with PWDs



The International Labor Organization, ILO, reports that the current global labour force participation rate for women is just under 47%, while for men it is 72%.

RESILIEN

MPACTFUL

How are we achieving our targets

Gender Diversity across EABL:

We are passionate about including more women from STEM -Science, Technology, Engineering and Mathematics - fields. In this regard, we have apprenticeship programs running for women university students in STEM. The programme entails a one-onone, one-year foundational internship that is followed by a robust selection and vetting process to identify potential candidates who will be picked for permanent employment based on business needs. STEM apprentices have an opportunity to gain hands-on experience, giving them a head start in their careers in our supply chain.

In addition to the hands-on experience, each candidate is assigned a coach who is responsible for supporting him or her throughout the programme to ensure they are continually learning and growing their skills:



A focus on People with Disabilities (PWDs):

We continue to work hard to ensure that there are more PWDs represented across our supply chain as suppliers, distributors and employees.

- KBL has worked towards this through their ongoing partnership with SightSavers, mobilizing and onboarding 71 farmers with disabilities into our contractual farming program. We also launched our Diageo Bar Academy program, and ensured that we had representation of 31 PWDs in the trainees across the country.
- UBL developed an innovative inclusive internship program to specifically recruit PWDs. The programme brought on board 10 persons with disabilities for a 6-month tenure. UBL is also a founder member of the Uganda Business and Disability Network and has held several debiasing sessions to empower and prepare staff

to be inclusive and ensure that at least 10% of new recruits represent Persons with Disabilities. SBL developed a three-pillar strategy to guide our effort in promoting the plight of PWDs in Tanzania. It focuses on SBL as an Employer, SBL as an Advocate and SBL as a Partner. As an employer, SBL has set an inclusion target of 4% of total labor force by 2025 and currently has 6 employees representing PWDs. As a partner, SBL in partnership with the Government of Tanzania, is supporting training programs for PWDs in the areas of entrepreneurship and economic empowerment. As an advocacy partner, SBL will encourage their third-party business partners to embrace the inclusion of PWDs. SBL is planning a multi-stakeholder conference later in the year where PWDs will also get an opportunity to showcase their businesses, innovation and creativity.



As an employer, SBL has set an inclusion target of 4% of total labor force by 2025 and currently has 6 employees representing PWDs.



Creating an inclusive culture through our progressive portrayal policies:

PILLAR 1

Representation and talent planning

Our ambition for ethnic diversity is to export a minimum of five percent of East African talent (based on performance and potential) by 2025. EABL is currently a net exporter of talent, leveraging the multi-country market structure with 50 percent of outbound assignees being East Africans working within the region, but outside their own country of origin.

Our goal is to ensure gender parity through insight-driven, accelerated and multifaceted actions. We have broadened the scope of representation to include the third-party workforce, which acts as a significant source of early career talent specifically in sales and supply. Setting similar representation goals for suppliers of the extended workforce will ensure gender parity in the FTE base and offer a balanced talent pool for future hiring. In addition, we have initiated specific acceleration programmes in supply and commercial functions.

PILLAR 2

Inclusive leadership and capability

Our leaders will play a key role in the achievement of our diversity and inclusion goals. We will invest in capability that drives our leaders to be more progressive and disruptive, whilst challenging all forms of bias and removing stereotypes that reinforce inequality. Our leaders will leverage the existing culture of high engagement, strong collaboration and inclusive decision making through cross-functional teams. To arrive at the right set of goals for inclusive leadership, we will drive actions focusing on the role of leaders, the role of learning and the role of our ways of working to effectively embed an inclusive culture.

PILLAR 4

Our Brands and Employer Brand

Our brands and employer brand will play a key role in dismantling harmful stereotypes that impact equality. We will leverage the power of our brands and employer brand to contribute to building a better-informed and more inclusive society. Our plans for this pillar will be based on working with local partners on progressive portrayal (media agencies, brand promoters and content creators), influencing policy (government institutions, global influencer institutions and other corporates), providing thought leadership, and building capability consistently.

PILLAR 3

Our Suppliers, Partners and Communities

We will invest in and build structures that ensure we have a diverse and inclusive supplier base. The supplier diversity dimensions we are prioritising are aligned to our overall priority areas of gender diversity, ethnic diversity, and persons with disabilities.



Progressive Portrayal

Progressive Portrayal is essentially recognizing that

we all have an unconscious bias that may have an impact on various groups in society. Progressive Portrayal focuses on bias against gender, ethnicity, sexual

orientation, ageism, and more. We drive Progressive

Portrayal via four pillars that are:

Twofold goals for our brands:

Deliver brand-promoted gender parity and respectful representation.

Roll out a progressive media index, buy media for domestic and ethnic diversity and not just reach.

Pillar 1: Creative Excellence

Creating work that changes representation and encourages progressive portrayal. The goal is to equip our marketers in the creation of work, which is significantly more representative, progressive and equal.



Pillar 2: Closing the Gap

Driving and accelerating diversity in our creative agencies and production partners. The goal is to promote equal representation of who's behind the camera: agency, directors, influencing the industry through our creative selection process.

Pillar 3: Changing the media Context

Shaping the progressive media landscape of tomorrow through Media Investment Activism. The goal is to change the context of our advertising and ensure our content is in line with our progressive values.



Pillar 4: Innovation & Design

Creating consumer and customer propositions that reflect the diverse groups we serve.

Learning for Life

Under the Learning for Life initiative, SBL has continued to focus on the awarding of the Kilimo Viwanda scholarships that are geared towards supporting gifted, needy students from agricultural communities across the country. In F22 we awarded Kilimo Viwanda scholarships to a group of 102 students pursuing Diploma level Agricultural Courses in local colleges. 50% of the Kilimo Viwanda scholarships recipients are female students, and some are PWDs. This is yet another intervention by SBL to

demonstrate commitment and partnership with the government, in developing the agricultural sector in Tanzania.

Similarly, KBL surpassed their Learning for Life F22 targets by reaching 5,100 beneficiaries. Focusing on farmers, the beneficiaries were taken through a life-skills development curriculum that included courses such as budgeting, time management and responsible drinking. Over 60% of the participants of the program were women. The program targets various players in our value chain ranging from farmers and the distribution channel which includes stockists, transporters, bookkeepers and security personnel.



Diageo Bar Academy (DBA)

DBA delivers a variety of courses, both online and in-person. This year, as the COVID-19 pandemic restrictions eased, we returned to face-to-face training in addition to virtual training, allowing us to reach people at scale and with more intensive, hands-on learning experiences. We modified many of our courses to help address the unique challenges of the industry re-opening. DBA

also supports the development of a more diverse and inclusive hospitality sector; we continue to increase the participation of women. KBL trained 9,800 workers in the hospitality industry sector across various regions in the country. 31 Persons with Disabilities were part of the program during the year. We are walking the talk, clearly demonstrating the power of women leadership for business performance and success. EABL is one of the only companies in Africa to boast this level of women leaders:

GLOBAL SOCIETY 2030 TARGET	KEY PERFORMANCE INDICATOR	EABL TARGET FOR F22	F21	F22	PROGRESS TO DATE	NOTES ON PERFORMANCE
Champion gender diversity with an ambition to achieve 50% representation of women in leadership roles by 2030 SDG alignment: 5.5; 8.1; 10.2; 10.4	Percentage of female senior leadership	N/A (Maintain 2030 target)	14% (Average senior leadership representation across SBL, UBL and KBL)	36%	36%	Whilst this is a Global 2030 goal for Diageo, we have seen great improvements across EABL. For example, in Tanzania, we have achieved 26% of women employees up from 17% in 2021. This has included an all women team to run the end-to end operations of our new Spirits production facility at our Moshi brewery. Similarly, one of our production lines in Uganda is managed by a team made up of 75% women. We also credit our STEM apprenticeship program as a key contributor in ensuring that more opportunities are afforded to women who have the technical skills.

Provide business and hospitality skills to 200,000 people, increasing employability and improving livelihoods	People reached via business and hospitality skills programmes	3,220	521	5,327	5,848	We accomplished 165% of our target to reach 3,220 people through our business and hospitality skills training in 2022. This can be attributed to the transformative work being done through Learning for Life (L4L).
SDG alignment: 4.4; 8.1; 8.6; 10.2; 17.16 UCATION COLORIDON COL	IN AND NOWTH INCOMALTIES	ARTNERSHIPS R THE GOALS				KBL focused L4L on farmers, providing an in-depth life skills curriculum that included training on budgeting, time management and responsible drinking. Further SBL implements the Kilimo Viwanda scholarship, an award-winning program that aims to provide support to needy students from agricultural communities across Tanzania. This year 102 students (50% of which represented vulnerable groups: women and PWDs) were awarded scholarships to pursue diploma level agricultural courses in local colleges.
Ensure 50% of beneficiaries from our community programmes are women SDG alignment: 5.5; 5A	Percentage of community programme beneficiaries who are women	50%	54% (Average representation across SBL, UBL and KBL)	63%	63%	We are proud to prioritise women's engagement in all of our community programs. To this effect, we are already surpassing our 2030 target to ensure 50% representation. This is also an increase in representation by 9% from 2021 (54%).

Cumulative Investment F22: £95,834

LOOKING AHEAD TO F23:



- Scale up our efforts to champion Inclusion and Diversity across our operations, including tracking and reporting against representation throughout our supply chain. For example, we do not yet report on our spend with diverse suppliers as a % of total influenceable spend.
- Also, we are designing the measurement and evaluation framework (including KPIs) to allow us to report against target number 7 of this pillar: increase the % of creative and media spend that supports progressive voices. We discuss some of our work around this in the departmental level section on page 138.
- We will include market level performance for target 10 under this pillar: provide 1.5 million training session through Diageo Bar Academy. We discuss some of our work around this target in the departmental level section on page 135.

Celebrating our EABL Family:

We are walking the talk, clearly demonstrating the power of women leadership for business performance and success. EABL is one of the only companies in Africa to boast this level of women leaders:

We are walking the talk, clearly demonstrating the power of women leadership for business performance and success. EABL is one of the only companies in Afric to boast this level of women leaders:



Ms. Jane Karuku, MGH, EABL Group MD & CEO

Ms. Jane Karuku is the Group Managing Director and CEO at East African Breweries Limited (EABL PLC) since January 2021. Ms. Karuku is not new to the EABL business, having joined the company's Board in 2013, before being appointed Managing Director for Kenya Breweries Limited (KBL) in mid-2015.

As the EABL Group MD & CEO, she is among the most senior women leaders in East Africa, driving East and Central Africa's largest manufacturing business to greater heights with iconic brands such as Tusker, Bell, Serengeti, Senator, Guinness and Johnnie Walker.

Ms. Karuku is a dynamic business leader, with strong management experience spanning over 25 years in fast-moving consumer goods (FMCG) and non-governmental organisations. Her expansive experience straddles strategy development, operational management, marketing as well as organisational change management.

Ms. Karuku is currently the Chair of the Vision 2030 Delivery Board. The Board is mandated to deliver a policy making and advisory role and provide overall leadership, oversight, guidance, and policy direction in implementation of the Kenya Vision 2030 Strategy. She has served on several boards including Barclays Bank (now ABSA Kenya).

She has been recognized and awarded for her contribution to the country's social and economic development by the President of Kenya. She has been awarded the Presidential Order of Service, Uzalendo Award in May 2020 and the Moran of Golden Heart (MGH) award in December 2020.



Ms. Risper Ohaga, EABL Chief Finance Officer

Ms. Risper Genga Ohaga was appointed as Group Chief Financial Officer and Executive Director of the Company on 1st May 2020. Ms. Ohaga brings a wealth of experience to the Board and to the Company, spanning over 20 years, as a seasoned finance professional and is an experienced Board member.

Ms. Ohaga joined EABL from the Absa Group (previously Barclays Africa Group) where she held various senior roles across several African markets with the most recent posting being Finance Director of Absa Bank Zambia Plc.

Prior to that, she held the role of Managing Director for Internal Audit based in Johannesburg. She has extensive regional experience in tax and regulatory matters, strategy, risk management, and corporate finance, having started her career in KPMG Kenya.

Ms. Ohaga is passionate about people, enjoys traveling and sightseeing with her family, and is an avid reader. She is a CPA (Kenya) and holds a BComm (Hons) in Accounting from The University of Nairobi.

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Ms. Anne Joy Michira, Marketing & Innovations Director, EABL

Ms. Anne Joy Michira was appointed Marketing & Innovations Director, EABL on 1st May 2022.

Prior to her current acting role, Anne Joy had been holding fort as acting Marketing Director for KBL. Prior to that she was the Head of Marketing – Beer for EABL where she led a team of award-winning marketers to building and growing some of East Africa's biggest brands, revitalizing Tusker and Bell, awakening WhiteCap and strengthening Guinness across East Africa. Prior to this, she led the Spirits portfolio in Kenya transforming the business.

Anne Joy has built an extensive commercial career spanning over 16 years, working in both trade & brand marketing roles.

Over the period, she has worked diligently to build empowered and engaged teams that deliver sustainable, vibrant P&Ls. She is a big business leader, passionate about propelling young Africans to action enabling them to recognize and leverage their purpose to deliver transformation.

Anne Joy's desire is to infect them with enthusiasm for continuous excellence, drive innovative thinking and work with them to inculcate a culture of respect, integrity, and responsibility.

Her appointment is a testament to the Marketing talent in East Africa and EABL's Inclusion & Diversity agenda.



Ms. Temitope Akinsanya, EABL Group HRD

Ms. Temitope Akinsanya was appointed to the role of Group Human Resources Director, EABL effective 1st October 2021.

Temitope "Tope" brings a wealth of experience as a HR professional and business leader with over 20 years working experience across Consulting, Banking & Finance, and Manufacturing sectors, in West Africa.

The role also doubles up as the Human Resources Director for Kenya Breweries. Tope has a broad range of HR experience having worked with multinational organizations namely KPMG, Stanbic-IBTC and BAT.

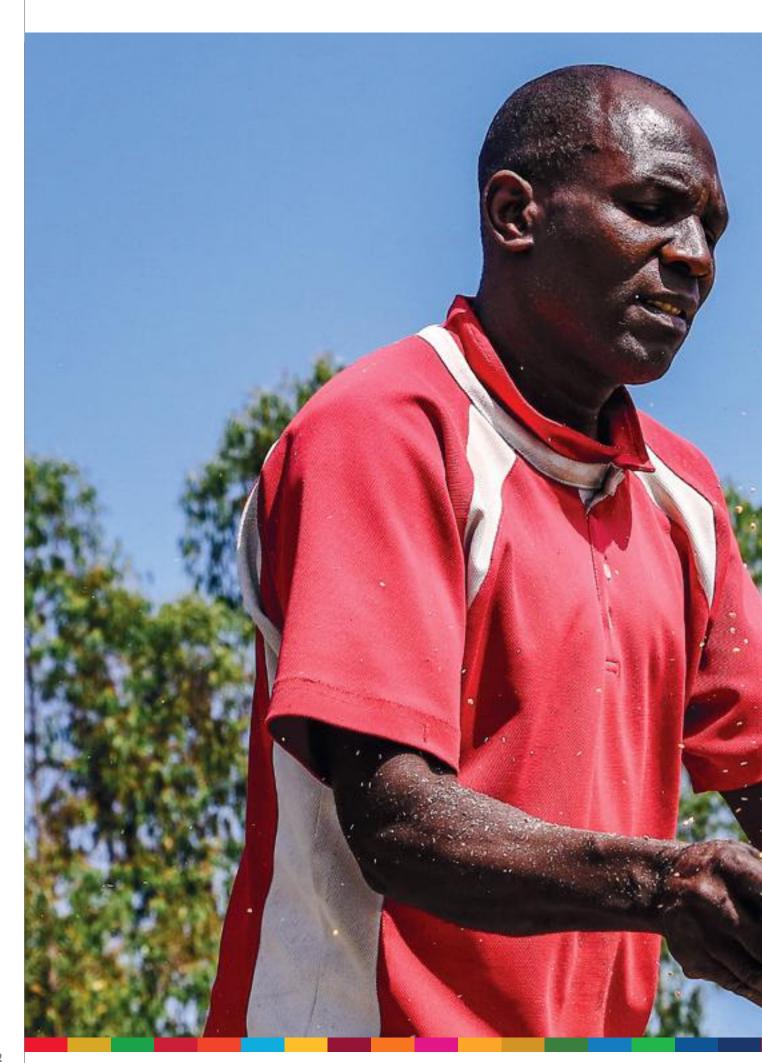
While at KPMG, she was Head of the Reward & Benefits Practice where she led consulting engagements for various clients on rewards strategy development, compensation positioning, pay structure design, development & implementation of short term and long term (equity) incentive schemes, in line with industry trends.

At Stanbic-IBTC she played a pivotal role as the Head of HR Shared Services with a remarkable track record of leading the full range of HR transactional services, including payroll management and tax structuring, benefits structuring and management, headcount budgeting and monitoring, international mobility services, HR policy review and administration. She subsequently joined British American Tobacco in 2012 and held various HR roles within the business.

She was appointed as Area Head of Human Resources for West Africa in 2017, where she has been driving the delivery of the HR Strategy and Agenda across 16 BAT markets in West & Central Africa Area. This includes providing strategic HR leadership and business partnering support as a member of the West & Central Africa Area Leadership team in the pursuit of the overall business objectives.

She holds a Masters in Business Administration from the University of Leicester, UK and a B Sc Accounting from the University of Lagos. She is also a Certified Global Professional in Human Resources (GPHR) and an Associate in the Chartered Institute of Personnel Managers of Nigeria (ACIPM).







PIONIEIERING GRAIN TO GLASS SUSTAINABILITY



As a result of our operations and our ongoing materiality process, we recognize that we have a responsibility to manufacture our award-winning brands sustainably across our supply chain.

PILLAR: PIONEERING GRAIN TO GLASS SUSTAINABILITY

Context of our work:

s a result of our operations and our ongoing materiality process, we recognize that we have a responsibility to manufacture our award-winning brands sustainably across our supply chain. We view this as a "Grain to Glass" approach, which means that we think through each aspect of our production process. For us, the 'Grain to Glass' approach addresses:

Focus	Issues	Pillar
WATER	Water regeneration:	Preserve Water for Life
	 how much water we use to produce our products, 	
	• how much water we save and	
	 how much we are able to replenish. 	
	Improving water quality in the areas that we operate through community water projects aimed at improving access and availability of water.	
	Restoring and protecting water catchment areas: re-afforestation activities aimed at protecting and restoring key water catchment areas.	
CLIMATE CHANGE & OUR CARBON	Mitigation: reducing our Scope 1, 2 and 3 emissions.	Accelerate to a low carbon world
EMISSIONS	Adaptation: investing in co-benefit projects that boost the resilience of our communities as well as reduce our carbon emissions.	
	Regenerative agriculture through a farmer-led approach.	400
	Recycle – the amount of waste that we are able to convert into reusable material.	Becoming Sustainable by Design
	Reuse – driving innovation in the design of our products to ensure that they are reusable, keeping value across lifetimes.	
1	Reduce – keeping our waste to a minimum and reducing the amount of raw materials used.	

RESILIENT IMPACTFUL UISTAINEBEE





PRESERVE WATER FOR LIFE

PILLAR: PRESERVE WATER FOR LIFE

Context of our work:

Water is a critical resource, as well as our most important ingredient. Preserving it is crucial to our communities and business – and remains a strategic priority for us, especially in water-stressed areas.

- Water scarcity in Africa is expected to reach dangerously high levels by 2025
- East Africa's freshwater resources are among the lowest in the world, decreasing by two thirds in the last forty years
- Studies suggest that East Africa water resources are expected to drop further by 50% by 2050

'Preserve Water for Life' outlines how we'll manage water in our supply chain, operations and communities, as well as advocate collective action to improve water outcomes.

Responding to emerging trends in 2022:

Water is on the frontline of the climate emergency and needs an urgent process and culture re-set in order to make sure there is sufficient water for everyone, especially the most vulnerable. We know there is a connection between climate, water, people and regenerative agriculture. We continue to prioritise climate adaptation to support our vulnerable local communities and strengthen the resilience of our supply chain, by addressing our most important climate risks. Our analysis shows we must do more on indirect water use, especially in our agricultural supply chains in water-stressed areas.

Where are we from our 2021 'Looking ahead'?

We continue to pursue systemic change in water use by strengthening partnerships with our suppliers, industry peers, governments, academia, scientists and sustainability organizations in order to better the lives of communities in water stressed areas. We are also actively working towards 100% replenishment of water used in water stressed areas where we operate.



SBL's Nalgonda Water Treatment Plant at Basuto in Manyara Region

We continue to prioritise climate adaptation to support our vulnerable local communities and strengthen the resilience of our supply chain, by addressing our most important climate risks. Our analysis shows we must do more on indirect water use, especially in our agricultural supply chains in water-stressed areas.

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SBL treatment Plant has a capacity to purify 900,000 liters of water in 12 hours, which is sufficient to meet, and exceed Basuto Ward's current average daily water demand of 700,000 liters.

HOW ARE WE ACHIEVING OUR TARGETS?

Water of life

Under the Water of life banner, we are implementing a series of community-based water projects aimed at providing safe, reliable and sustainable supply of water to communities across East Africa.

- KBL completed eight water projects in Nairobi, Tharaka Nithi, Homabay, Siaya, Nyamira, Nakuru, Kitui and Murang'a counties. The projects will benefit over 60,000 people, giving them access to clean and safe drinking water.
- UBL began construction on 4 sanitation facilities within urban markets in partnership with the Kabaka Kingdom Foundation, enhancing access

to water and sanitation in public spaces. UBL also built a water and sanitation facility for Kireka Home of Disabled that looks after 80 PWDs.

 SBL targets impoverished rural communities where, previously, women and children journeyed many kilometers to ponds and perennial rivers to fetch water. This year, SBL delivered a Water Treatment Plant to residents of Basuto village in Hanang District of Manyara region. Known as the Nalgonda Water Treatment Plant, and with a capacity to serve 14,000 people, the project is set to deliver safe and clean water to four villages in Basuto Ward.



UBL officials pose for a picture upon inspecting the water and sanitation facility as the Kireka Home of Disabled.

Risk-based interventions:

SBL's community water projects highlight a true integrated water resources management approach – allowing research to guide our interventions. Prior to embarking on the project, lab tests on water supply from Lake Basuto revealed that the level of fluoride in the lake water was above the recommended World Health Organization (WHO) Standards. SBL treatment Plant has a capacity to purify 900,000 liters of water in 12 hours, which is sufficient to meet, and exceed Basuto Ward's current average daily water demand of 700,000 liters.

The project was done in partnership with WaterAid Tanzania and the Government of Tanzania to support the community in accessing clean, safe water for consumption.

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Tree planting to restore water catchment areas

KBL has partnered with the Kenyan Government as a co-chair of the National Environment Campaign, mobilizing the private sector around tree planting. The Government has committed to planting 2 billion trees by 2027 in a bid to achieve 10% forest cover. These efforts are particularly focused on restoring key water catchment areas around the country. KBL has committed to planting 1 million trees as part of this initiative (200,000 per year until 2027).

Leveraging on prior partnerships, KBL has, in the last 10 years, planted 1,323,468 trees with an impressive survival success rate of 85%. Almost 400,000 of these trees were planted between 2017 and 2021.

Maintaining technology for water recovery and efficiency on site:

- KBL water treatment plant (worth \pm 5.7 million –

Ksh 750 million) - 3 million litres of water treated via the water recovery and purification technology before being released from the factory.

- UBL water treatment plant valued at £ 1.9 million, treating 1000 cubic meters of water per day.
- Effluent treatment with the ability to deliver 80% permeate recovery, improving efficiency to 30% at minimum use and 80% at maximum use.
- SBL's water usage ratio improved to 3.95 L/L which represents a reduction of 7.6% compared to the same period in F21. This reduction is equivalent to water saving of 40 million liters, and has been achieved through the implementation of focused improvement projects across the various sections of our brewing sites, and robust short interval controls.



Leveraging on prior partnerships, KBL has, in the last 10 years, planted 1,323,468 trees with an impressive survival success rate of 85%. Almost 400,000 of these trees were planted between 2017 and 2021.



Hon. Charles Eng'ola (State Minister for Labour and Social Welfare) flanked by Ben Mbuvi (UBL Sales Director) commissioning 20 boreholes in Teso Lango region that were funded by UBL.

SELIENT ACTFUL CAINERE

GLOBAL SOCIETY 2030 TARGET	KEY PERFORMANCE INDICATOR	EABL TARGET FOR F22	F21	F22	PROGRESS TO DATE	NOTES ON PERFORMANCE
Improve water efficiency in our operations by 30% across the company (40% in water stressed areas). SDG alignment: 6.4 6 clean water AND SAMITATION	Litres of water used per litre of packaged product	2.78/1	3.34/I	3.031/1	3.03/1	We aimed to utilize 2.78 litres of water per litre of packaged product, however we surpassed this slightly by 0.25litres. On average across EABL, we are using 3.03litres of water per litre of packaged product. We did not reach our 2022 goal; however, we have improved water efficiency by 9.6% from our 2020 baseline. This is in line with our target to improve water efficiency in our operations by 30% across the company.
Replenish more water than we use for our operations for all of our sites in water-stressed areas by 2026 SDG alignment: 6.1; 6.2; 6.6; 6B; 15.1 6 CLEAN WATER NO SAMITATION CONTRACTOR STATES AND SAMITATION CONTRACTOR STATES AND SAMITATION	Volume of water replenished (m3)	459,300 m ³	198,501 m ³	362,248 m ³	N/A	We aimed to replenish a total of 459,300m3 of water from our operations in water stressed areas for 2022, and we were able to replenish a total of 362,248 m3. As much as we didn't meet our 2022 goal, we did surpass our water savings for 2021 by a significant 77%. 362,248m3 of water replenished in 2022, versus 203,640m3 in 2021. Looking forward, we are keen to meet our 2023 targets, and we have the infrastructure in place to realize the targets.
Invest in improving access to clean water, sanitation, and hygiene (WASH) in communities near our sites and local sourcing areas in all of our water-stressed markets SDG alignment: 6.1; 6.2; 6.6; 6B; 15.1	People reached with WASH	31,885	30,748	99,317	161,950	We achieved 311% of our target to reach 31,885 people. We have also increased our beneficiaries under WASH by 28% from 2021, where we reached 24,832 people.
6 CLEAN WATER AND SAMITATION						

Engage in collective action in all	Water collective actions projects completed	N/A	N/A	100%	100%	We have completed 100% of our water collective action projects. These include:
of our priority water basins to improve water accessibility,						 Eight water projects around Kenya with over 60,000 beneficiaries.
availability and quality and contribute to a net positive water impact						 SBL completed a water treatment plant in Basuto, Tanzania with the capacity to serve 14,000 people. Prior to embarking on
SDG alignment: 6.1; 6.2; 6.5; 6.6; 6A; 6B						the project, water supply from Lake Basuto to the community required urgent treatment after
6 CLEAN WATER AND SANITATION						laboratory tests revealed that the level of fluoride in the lake water was above the recommended World Health Organization (WHO) Standards. The treatment plant has a capacity to purify 900,000 litres of water in 12 hours, which is sufficient to
						Which is sufficient to meet, and exceeds Basuto Ward's current average daily water demand of 700,000 litres.
						• UBL constructed eight sanitation facilities within urban markets in partnership with the Kabaka Kingdom Foundation. Over 15,000 people will benefit from this project. UBL also built a water and sanitation facility for Kireka Home of Disabled that looks after

Cumulative Investment F22: £ 455,655*

*Investment data is not currently reported for our supply KPIs

LOOKING AHEAD TO F23:

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80 individuals.

As we scale up our efforts around integrated water resources management, we want to especially focus on:

- Exploring new and capitalizing on our existing technologies to provide sustainable solutions on water use.
- Wastewater management and work on cultivating the culture of water re-use.
- Track our investment around our supply KPIs on water use.

MEET SOME OF OUR EABL FAMILY

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The previous sanitation facilities here were constructed for a much smaller population and of course, the community has since outgrown it. The facilities were in dire need of a facelift. As the enrolment numbers grew, so did the need for larger and better facilities. The continued existence of this home has largely been made possible by friends like UBL. Without this external support, we would not be able to adequately provide the important needs of a community like ours. Thank you to the Nnabagereka Foundation, and Uganda Breweries Foundation, for responding when we called. This facility means that we now have decent and adequate sanitation facilities.

> Mwalinu Mr. George Akera Chairman of Home Management Committee, Uganda

ACCELERATE TO A LOW CARBON WORLD

GRI 300 ENVIRONMENTAL

		EMISSIONS				
Disclosure		Our Response				
103-02	Our management approach to emissions	See our Pioneer grain-to-glass sustainability, accelerate to a low carbon world as part of Society 2030 Strategy for our approach (targets and key performance indicators).				
		As part of our Society 2030: Spirit of Progress plan, we have two targets around carbon emissions – see this report section on how we are performing against our targets.				
		Evaluation of the management approach:				
		Our performance against our Society 2030: Spirit of Progress targets, including those focused on energy and carbon, is reported every quarter. Performance is reviewed at market level by stakeholders throughout the business. More broadly, we are taking steps to better understand the direct and indirect impacts of climate change and, as part of this, we continually evaluate our energy approach.				
305-01 and	Direct and indirect GHG emissions	See table in this section of the report – accelerate to a low carbon world				
305-02	(location and market based)					
305-03	Other indirect (Scope 3) GHG emissions	We are working towards reporting on our Scope 3 emissions in line with industry standards and best practices to establish the most complete consistent and accurate GHG footprint as required by the GHG protocol See Diageo ESG Reporting Index 2022 for global performance.				
		Omission: our tracking of our Scope 3 emissions is not complete.				
		Reason: we are generating the systems to support reliable tracking across our market operations.				
		Explanation: This is a function that is being designed in collaboration with our procurement.				
305-04	GHG emissions intensity	Market-based (net) intensity ration of our GHG emissions reported see Diageo ESG Reporting Index 2022 (page 47).				
305-05	Reduction of GHG emissions	See table in this section of the report – accelerate to a low carbon world				
305-06	Emissions of ozone-depleting substances (ODS)	Reported at global level – see Diageo ESG Reporting Index 2022 fo global performance (page 47).				
305-07	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	Reported at global level – see Diageo ESG Reporting Index 2022 fo global performance (page 47).				
How we have met	· · · · · · · · · · · · · · · · · · ·	Not disclosed Not considered material to				
disclosure	by the GRI reporting missing at least one standards required indicator	our business at this time				
	• •	O O				



Rolling out biomass boilers in Kenya and Uganda as part of our net zero strategy was a major pledge in our 2021 Sustainability report.

Context of our work:

n as much as we are committed to net zero across our operations, the harsh reality is that Africa accounts for only 2-3% of the world's carbon dioxide emissions from both energy and industrial resources. East Africa is highly vulnerable to the impacts of climate change and according to the latest Intergovernmental Panel on Climate Change (IPCC) Report, we are already experiencing warming of 1-1.5° above pre-industrial times. Irrespective of Africa's minimal contribution to global GHG emissions, we want to transition our operations to net zero. We believe that this is part of ensuring a sustainable future for generations to come. But at the same time, we are being more context specific in our response, ensuring that we build the resilience and adaptation capacity of the communities that we work with.

Responding to emerging trends in 2022:

Seeing the bigger picture of climate risks where multiple socio-economic risks compound, will remain important for our business model in an increasingly warmer world. We work with our whole value chain to look after the people and resources that contribute to our success. We're engaging with suppliers to identify common challenges and accelerate our journey to net zero together. As we grow, reducing emissions and the consumption of raw materials are among our biggest challenges. It's why we take an integrated approach to sustainability – making improvements and launching initiatives that support climate, water and biodiversity.

Where are we from our 2021 'Looking ahead'?

Rolling out biomass boilers in Kenya and Uganda as part of our net zero strategy was a major pledge in our 2021 Sustainability report. We commissioned biomass boilers in our Nairobi Tusker Plant early this year, and our biomass project in Uganda is approximately 85% complete. We expect to achieve impressive emissions reductions across East Africa as a result of implementing our biomass Plants. We expressed the desire to focus on our Scope 3 emissions in the future as a significant amount of our emissions comes from activities within our supply chain, and we are still committed to achieving this.



Moshi Brewery staff pose for a picture following the installation of LPG forklifts at the site

RESILIENT MPACTFUL USTAINABLE

HOW ARE WE ACHIEVING OUR TARGETS?

Substantial investments in transitioning to net zero:

Transitioning to renewable sources to power our manufacturing plants is key. But we are also improving energy use and efficiency across all of our operations as part of reducing our overall emissions.

- We have invested in four biomass boilers in our Kisumu and Tusker Plants to help reduce our carbon emissions by 95% (about 34,000 tonnes) per year.
- UBL biomass project is approximately 85% complete. When operational, we expect to demonstrate a 90% reduction in our CO2 emissions.
- Both biomass Plants are contributing to a new value chain, enabling farmers to supply fuel alternatives such as macadamia nut shells, bagasse, coffee husks and rice husks.
- SBL has improved energy usage ration by 1% and are instituting interventions to further accelerate energy usage reduction in F23.
- All three SBL sites have transitioned to the use of LPG forklifts which have lower emissions than the previous diesel forklifts.

*More information on our biomass roll out is on page 173 in our case study

Planting trees to sustain our future

- All three markets have embraced tree planting as part of our mandate in building a more resilient future. Tree planting is a sure way to mitigate against climate change effects and trees remain a vital resource for rural poor farming families across East Africa.
- KBL has committed to 200,000 trees annually as part of the national 1 billion tree planting campaign.
- UBL planted 1 million trees as part of their Running Out of Trees (ROOTs) Campaign. ROOTs is a running partnership with the Uganda Ministry of Water and Environment, and private sector peers.
- SBL planted over 5,000 trees in Kongwa district, Dodoma region.



KBL has committed to 200,000 trees annually as part of the national 1 billion tree planting campaign

RESILIENT MPACTFUL USTAINERE

GLOBAL SOCIETY 2030 TARGET	KEY PERFORMANCE INDICATOR	EABL TARGET FOR F22	F21	F22	PROGRESS TO DATE	NOTES ON PERFORMANCE
Become net zero carbon in our direct operations (Scopes 1 and 2) SDG alignment: 7.2; 7.3; 12.6; 13.3 7 AFFORDABLE AND CLANENROY	JCTION	46.90	59.99	63.40	N/A	Whilst we are slightly off track our 2022 goal, with our Scope 1&2 total direct GHG emissions above our target of 46.90 (kt CO2e), we expect to see a turnover in our Scope 1&2 emissions following the operationalization of our biomass projects in Uganda and Kenya. Rolling out biomass is part of Diageo's biggest environmenta investment in Pan-Africa, positioning us as a trailblazer and leader in environmental stewardship and conservation. We have invested in four biomass boilers in our Kisumu and Tusker plants to help reduce our carbon emissions by 95% (about 34,000 tonnes) per year. In Uganda, the £8.56 million investment will be able to realize an unrivalled CO2 emissions reduction by 90%. SBL is also working towards curbing direct emissions and all three sites have transitioned to the use of LPG forklifts which have lower emission than the previous diesel forklifts.
Use 100% renewable energy across all our direct operations SDG alignment: 7.2; 7A; 17.16 7 AFFORDABLE AND CLEANENREY	Percentage of renewable energy in our own operations	43.00%	24.00%	25.87%	N/A	We are behind target on our use of renewable energy given a target of 43% use of renewable energy in 2022, and an achievement of 25.87%. We are however, using 1.8% more renewable energy in our operations from our baseline in 2020 (24%). As noted above, with the completion of our biomass project, we expect to see a significant shift in our use of renewable energy in our operations.
Percentage renewable electricity in our own operations* SDG alignment: 7.2; 7A	Percentage of renewable electricity in our own operations	95.00%	93.00%	96.97%	N/A	As a signatory to the RE100 globa initiative we are also committed to 100% renewable electricity. Ou sites run on 96.97% renewable electricity for our operations, above our internal target to use 95%. This is also an increase in the renewable electricity utilized from our baseline recording in 2020 of 93%.

*This is an internal metric only, but is part of the R100 commitment and is included due to the link to emissions reductions in our operations.



Cumulative investment for F22:

Part of Diageo's **£180 million** investment in renewable energy resources across its African sites to ensure that its breweries are the most carbon and water efficient possible.

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UBL Biomass investment: **: £8.49m** KBL Biomass investment: **: £25.77m**

LOOKING AHEAD TO F23

We can't achieve net zero alone. In pursuit of our Scope 3 target, we plan to partner with our suppliers on renewable energy solutions, circular-designed products, increasing the recycled content of packaging and regenerative agriculture. More investment in our regenerative agriculture programme is another key element of our integrated approach to climate adaptation. Our approach supports farmers, improves water-use efficiency in agricultural and production operations, replenishes water in water stressed catchments and provides clean water to our communities.









BECOME SUSTAINABLE BY DESIGN



A comprehensive circular economy is an approach to plastic waste that will match the scale of the problem.

Context of our work:

ith the climate in crisis, we're committed to reducing our footprint by reducing packaging and increasing recycled content. A linear plastics economy (take, make, waste) has significant negative impacts on the environment and local communities, with lowincome and vulnerable communities often being the most heavily impacted. Also, the rate of plastic waste entering the ocean represents a potential threat to food security and economic development, and unmanaged waste on land may also contribute to the spread of diseases and viruses, such as malaria or Ebola. Plastic pollution is not just an environmental issue, but also a major socio-economic and development challenge. A comprehensive circular economy is an approach to plastic waste that will match the scale of the problem.

Responding to emerging trends in 2022:

Research shows that agriculture and manufacturing are key sectors in delivering the most promising circular economy opportunities, when measured against the criteria of resource and energy intensity, waste management and emissions management. We're focused on innovations that improve circularity and reduce waste – for our business and the planet. Given we purchase much of our packaging materials, effective partnerships will be critical to achieving our ambitions.

Where are we from our 2021 'Looking ahead'?

UBL has since launched a project around the circular economy, geared towards raising awareness on the irresponsible use and disposal of plastics and we are looking to implement similar initiatives in SBL, while implementing new projects across our markets.

How are we achieving our targets?

Leading and Collaborating

UBL partnered with Vivo Energy Uganda and the National Environmental Management Authority (NEMA), Stanbic Bank, Vivo Energy and NBS on the Taasa Obutonde campaign to raise awareness of the growing environmental hazard caused by irresponsible use and disposal of plastics. The project called on all stakeholders to act in reducing, reusing, and recycling their plastic waste to mitigate against environmental harm.

KBL sponsored the third Kenya Association of Manufacturers (KAM) Youth Sustainability Conference, which brought together Youths from across the country, to discuss and collaborate on championing behavior change towards sustainability, waste and environmental conservation.



RESILIENT MPACTFUL ISTAINEREI

GLOBAL SOCIETY 2030 TARGET	KEY PERFORMANCE INDICATOR	EABL TARGET FOR F22	F21	F22	PROGRESS TO DATE	NOTES ON PERFORMANCE
Achieve zero waste in our direct operations and zero waste to landfill in our supply chain	Total waste to landfills (tonnes) from our direct operations	0.00	0.00	0.00	0.00	We have maintained 0 tonnes of waste to landfill from our direct operations mainly through re- use, recycling and composting of all our waste generated through our supply processes.
SDG alignment: 12.5; 12.6						
12 RESPONSIBLE CONSUMPTION AND PRODUCTION						
Achieve 40% average recycled content in our plastic bottles by 2025 (and 100% by 2030)	Percentage of recycled content in plastics	0.00%	0.00%	0%	N/A	Across our markets, we are using returnable glass bottles, except for our UBL business. We are currently looking for potential r-PET suppliers to partner with us at our UBL business, which will lead us to start making traction on this target in 2023.
SDG alignment: 12.5; 12.6						
12 RESPONSIBLE CONSUMPTION AND PRODUCTION						
Ensure 100% of our plastics is designed to be widely recyclable (or reusable/ compostable) by 2025	Percentage of plastics that is widely recyclable/ reusable / compostable	98.00%	97.00%	100.00%	100%	Majority of all our plastics used are widely recyclable, reusable and compostable. In 2022 we achieved a success rate of over 99%. This is higher than 2021, where 90% of our plastics were widely recyclable, and higher than our 2022 target of 98%.
SDG alignment: 12.5; 12.6						
12 RESPONSIBLE CONSUMPTION AND PRODUCTION						

Cumulative Investment F22: N/A

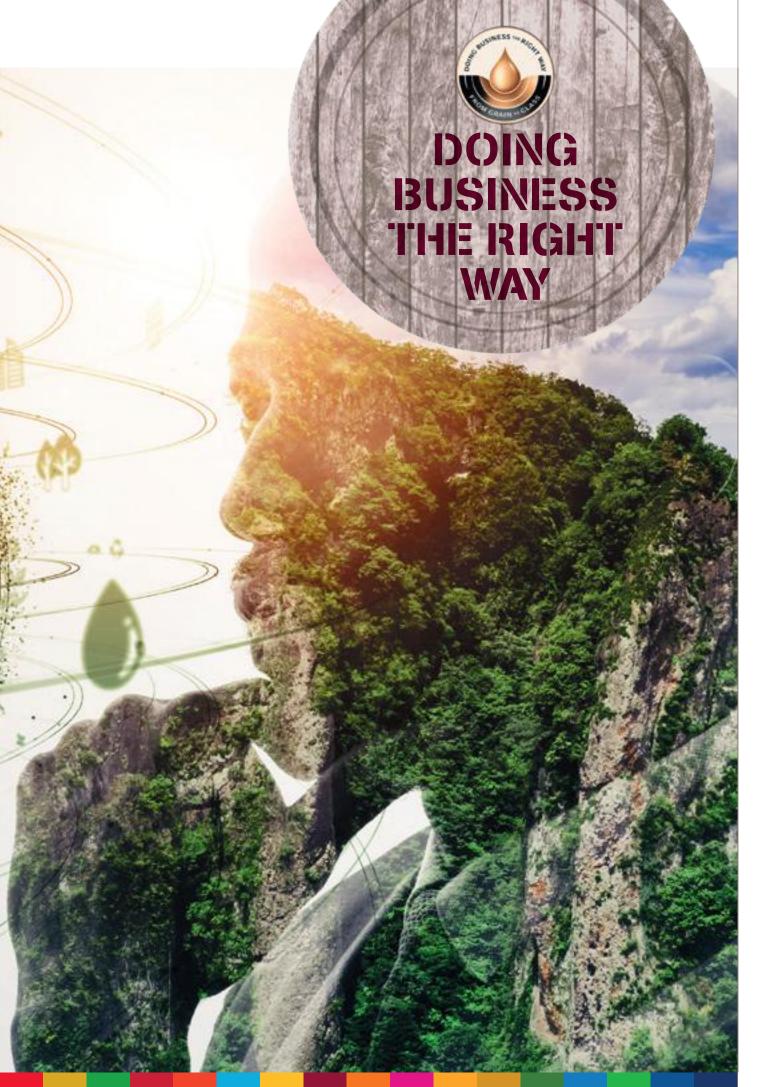
LOOKING AHEAD TO F23:

We acknowledge that we are still in the early stages of implementing our Society 2030 targets around the circular economy. In this regard:

- We are in the process of designing the measurement and evaluation framework to realise our target on achieving zero waste to landfill in our supply chain.
- We are in the process of designing quarterly reporting frameworks for our targets on reducing packaging weight and increasing the percentage of recycled content in our packaging. We are doing the same for our target on ensuring 100% of our packaging is widely recyclable/ reusable or compostable.
- We are developing a program to implement our target on providing all local sourcing communities with agricultural skills and resources.

We are in the process of designing the measurement and evaluation framework to realise our target on developing regenerative agriculture pilot programmes in 5 key sourcing landscapes.







Accountability for managing risk is embedded in our management structures. Each market and function undertake an annual risk assessment, establish mitigation plans and monitor risk on a continual basis.

PILLAR: DOING BUSINESS THE RIGHT WAY Context of our work:

Our commitment:

To operate in the right way in everything we do. This means embedding business integrity in the way we work, every day, everywhere.

Our objective:

To create the best performing, most trusted and respected consumer products company in the region.

Our approach

e believe that great risk management starts with the right conversations to drive better business decisions. Our focus is to identify and embed mitigation actions for material risks that could impact our current or future performance, and/or our reputation. Our approach is holistic and integrated, bringing together risk management, internal controls and business integrity, and ensuring that our activities across this agenda focus on the risks that could have the greatest impact.

Accountability for managing risk is embedded in our management structures. Each market and function

undertake an annual risk assessment, establish mitigation plans and monitor risk on a continual basis. Similarly, our Audit & Risk Committee regularly assesses risk and the Board independently reviews the assessment. This Committee met quarterly and received regular reports on the risks faced across the business and the effectiveness of the actions taken to mitigate against these risks. We use internal and external data to monitor our risks and make proactive interventions. We also establish cross-functional working groups and draw on the advice of experts where necessary to ensure significant risks are effectively managed, and where appropriate, escalated to the Executive and Board for consideration.



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Progress Against Society 2030

GLOBAL SOCIETY 2030 TARGET	KEY PERFORMANCE INDICATOR	Last year (YTD)	F22 (Q3)
Adherence and level of commitment to our Code of Conduct and global policies *	Breaches of our Code of Conduct – Related Leavers	1	0
Adherence and level of commitment to our Code of Conduct and global policies *	Total confirmed breaches of our Code of Business Conduct	1	5

*We report confirmed breaches with a time lag of one quarter – to account for the time that it takes us to investigate and close on a case.

For the purposes of aligning our approach with the Nairobi Securities Exchange (NSE) ESG Disclosures Guidance Manual - Mandatory Disclosures, we have organised our functional approach against the following GRI Topics:

ENVIRONMENTAL	ECONOMIC	SOCIAL
Supplier	Economic performance	Human Rights Assessment
environmental assessment	Anti-Corruption	Occupational Health & Safety
	Tax	Training & Education
		Labour/Management Relations
		Customer Privacy







regulatory landscape remains a key challenge to the Group's business performance with steep excise duty increases impacting consumers' disposable income.

ENVIRONMENT

SUPPLY ENVIRONMENTAL ASSESSMENT

GRI 103-02 🔵

Our management approach:

We are working on a market level approach to assessing our suppliers on environmental issues – in particular climate change, water and on implementing our sustainable agriculture strategy. For example, KBL has created a distributor environmental tool to allow them to map carbon emissions by distributor (in terms of fuel consumed and electricity utilized) and the number of trees that it would take to offset each distributors carbon footprint.

To develop our engagement with participating suppliers, in support of our Society 2030: Spirit of Progress Scope 3 emissions reductions target, Diageo will implement supplier questionnaires that include a suite of KPIs relating to climate change and water security. We endeavor to implement the climate change questionnaire, whereby suppliers are assessed on their transparency, their ability to report Scope 1 and 2 emissions data, what reduction initiatives they have in place, how they are setting targets against those initiatives, their ability to transition to renewable energy and how they are managing their supply chain and Scope 3 emissions. We will also implement the water security questionnaire, whereby suppliers are assessed on their transparency, how they report their operational water risk, their water accounting information, the governance structures they have in place, their water usage targets and how they engage their supply chain. Our Procurement Function reviews suppliers' environmental performance across the programmes and the KPIs outlined above.

Evaluation of our Approach:

At global level, Diageo assesses environmental performance, which is reviewed by the Procurement

function, which reports to the 2030 Grain to Glass Strategy Business Review (SBR) team, which meets quarterly. We are in the process of working with our own procurement department to align with global standards of supplier screening.

GRI 308-01

New suppliers that were screened using environmental criteria

We are yet to screen suppliers according to their category and spend when considering environmental criteria. Our marketing department is in the process of designing an ESG metric to guide procurement within the department. This is to make sure we're driving the greatest impact within our supply chain when working with suppliers on carbon and water improvement programmes.

GRI 308-02 🔵

Negative environmental impacts in the supply chain and actions taken

We have identified a variety of environmental impacts associated with our supply chain. Some, such as climate change through GHG emissions, are relevant to the majority of our suppliers. Other impacts, such as on biodiversity, are most relevant to our agricultural raw material suppliers.

At global level, see Diageo ESG Reporting Index on progress. For EABL, our Supply Department is working on actively tracking and managing the carbon footprint of our supply chain across Uganda, Kenya and Tanzania operations. This is underway but will be a key part of implementing our Society 2030 Strategic Goals.



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ECONOMIC PERFORMANCE

GRI 103-02 🔵

Our management approach:

Our relationships with suppliers, investors, lenders, governments, employees and local community stakeholders have direct economic and social impacts, which we measure, manage and evaluate. Our Annual Report explains how we manage financial performance and includes financial KPIs. Each market and function is responsible for monitoring and reporting economic performance against annual plans and targets. That allows us to report on overall performance against strategy.

Evaluation of our Approach:

The Board, the Executive Committee and Management Teams at Market and Function levels review economic performance at each of their meetings, tracking KPIs and annual operating plans. Details of financial KPIs are in the Annual Report. Where necessary, we develop or adapt our activities to improve performance against our targets or in response to external factors.

GRI 201-01

Direct economic value generated and distributed

Net revenue grew 27% to Kshs 109.5 billion (2021: Kshs 85.9 billion) as volumes increased following the re-opening of bars and outlets after the lifting of COVID-19-related restrictions across the region. Profit after tax grew 124% to Kshs 15.5 billion (2021: Kshs 6.9 billion). The growth in profit and margin expansion is as a result of strategic price increases and effective management of costs offsetting the impact of rising inflation, currency volatility, and increases in excise duties. The improved performance is reflected in higher earnings per share of Kshs 15.00 (2021: Kshs 5.51). The tax and regulatory landscape remain a key challenge to the Group's business performance with steep excise duty increases impacting consumers' disposable

income. While tax regimes in Uganda and Tanzania remained stable during the period, excise taxes in Kenya have increased with a proposed inflationary increase of 4.97% in October 2021 followed by a further increase in the 2022 Finance Act that will see excise duties on beer and spirits increase by 10% and 20% respectively with effect from 1st July, 2022.

Omissions: Direct economic value by local market.

Reason: Information unavailable/incomplete.

Explanation: We do not currently break down direct economic value by local market.

GRI 201-02 🔵

Financial implications and other risks and opportunities due to climate change

Climate-related risk is identified as one of our principal risks at global level (see pages 42-46 of Diageo Annual Report). It has the potential to impact our business in many ways, which we are working towards incorporating more directly in our business model. We are taking steps to better understand the direct and indirect impacts of climate change and water stress on our business, so that we can develop plans to ensure our supply chains remain resilient.

We acknowledge the impact of climate change in our risk assessment detailed in our annual report (page 78) - supply chain disruptions and impact of geopolitical tensions.

- We have applied more detailed and robust planning processes throughout our supply chain. This includes providing early warning and assessment services to our suppliers to promote better long-term planning and production, as well as cultivation of alternative suppliers in case of supplier failure.
- We have adapted our grain varieties to secure grain supplies amidst unpredictable rainfall.
- We continue to focus on building government stakeholder relationships to build a better support network throughout our supply chain.



We are taking steps to better understand the

direct and indirect impacts of climate change and water stress on our business, so that we can develop plans to ensure our supply chains remain resilient.

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- Resource scarcity issues identified and mitigated, especially within agricultural ingredient sourcing and manufacturing as well as efficiencies in water and energy usage.
- 'Society 2030: Spirit of Progress' strategy launched and operationalised to deliver against key targets and longer-term goals.

GRI 201-03 🕒

Defined benefit plan obligations and other retirement plans

See our annual financial statement for information on our pensions plan.

Omissions: The number of employees included in the schemes or the percentage of salary contributed by employer and employee.

Reason: Information unavailable/incomplete.

Explanation: This information is not readily available.

GRI 201-04

Financial assistance received from the government

We are a publicly listed company and not partowned by any government. Tax credits are included in the Financial Statements in our Annual Report.

Omissions: Information broken down by country.

Reason: Information unavailable/incomplete.

Explanation: This information is not broken down by country.

ANTI CORRUPTION

GRI 103-02 🔵

Our management approach:

We have an internal Anti-Bribery Policy and Anti-Fraud and Corruption Policy. This policy prevents employees and agents from giving or receiving bribes (directly or indirectly) and attempts to induce favours by way of bribes. We review compliance with regulatory obligations, particularly those surrounding fraud, corruption and Anti Money Laundering.

Evaluation of our Approach:

The Company pursues ethical decision making and leadership to promote Corporate Social Responsibility, Fair Business Practices, Sustainability and the Triple Bottom Line that focuses on the Society, the Environment and Profitability. The Board has implemented a Code of Ethics and Conduct which binds Directors and employees and is subscribed to by all members of the Company. Initiatives to ensure its application include training, monitoring, mechanisms for whistle blowing, taking disciplinary actions, etc. The Code has been integrated into the Company's operations through the development of various policies and reporting mechanisms.

GRI 205-01 🔵

Operations assessed for risks related to corruption

We carry out a Legal Compliance Risk Assessment each year, including considering Human Rights, Bribery and Corruption, and to develop mitigation plans for their most significant risks. Every business unit must also carry out assessments of the risk of corruption.

Our risk management framework:

Addendum to the Global Anti-Bribery and Corruption Policy

In line with our commitment to working against corruption in all forms including bribery, EABL has created an Addendum to the Global Anti-Bribery and Corruption (ABC) Policy. The Addendum policy was created in compliance with guidelines to assist Public and Private Entities in the preparation of procedures for the prevention of Bribery and Corruption which impose a duty on Public and Private entities to establish corruption and bribery prevention procedures, dependent on their size, scale, and nature of the operation.



The Addendum policy supplements the Global Anti-Bribery and Corruption Policy and covers the additional statutory requirements to ensure compliance with the legislations on bribery in Kenya.

GRI 205-02 🔵

Communication and training about Anti-Corruption policies and procedures

Everyone who joins the business has to complete training on our Code of Conduct within 30 days. The training covers Anticorruption policies and procedures. All employees at manager level, and above, complete an Annual Certification of Compliance (ACC). By completing the ACC, employees are confirming that they have read and understood our Code and global policies, including our policy on Anti-corruption. Our compliance programme uses a risk-based approach to identify where we should focus our Anti-corruption communication and training. This approach considers the external context, geographic and functional risks, and the output of our own reviews, including input from SpeakUp data. An example of our Anti-corruption procedures is our Third-Party Business Partner Due Diligence programme, Know Your Business Partner (KYBP), which was refreshed at the end of 2021, in line with our external risk landscape.

GRI 205-03 🚫

Confirmed incidents of corruption and actions taken

We report material cases in the Financial Statements of the Annual Report.

Omissions: Non-material incidents.

Reason: Not applicable.

Explanation: We disclose details of such matters to the extent that it is required as part of our contingent liability disclosure. This does not include details of all ongoing regulatory investigations or penalties.

TAX

GRI 103-02

Our management approach:

We pay tax in accordance with all relevant laws and regulations in the countries where we do business. Our approach to tax seeks to enable and support our ambition and business strategy, as well as balance the various interests of our stakeholders, including shareholders, governments, employees, customers, consumers and the communities in which we operate. Our approach to tax, including our commitments, core principles and governance mechanisms, are described in detail in our publicly available Tax Policy.

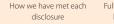
Evaluation of our Approach:

As a Group we remain a major contributor to the revenues of governments in the region, and in the current fiscal year paid total taxes of Kshs 87.7 billion to the revenue authorities in the countries in which we operate.

GRI 207-01 🔵

Approach to tax

Information about our Tax Strategy, our approach to regulatory compliance and how our approach to tax links to our business strategy can be found in our Tax Policy on pages 3-5.



Fully disclosed as outlined by the GRI reporting standards Partially disclosed and missing at least one Not disclosed Not considered material to our business at this time







GRI 207-02 🔵

Tax governance, control and risk management

Risk and impact	How we mitigate
Regulation and indirect tax	
 Unpredictable and aggressive tax, legislative and regulatory environment results in unexpected changes in legislation, government directives and/ or restrictions on the marketing and sale of alcohol. Implementation of Data privacy regulation coupled with any failure or perceived failure regarding protection of personal data may result in significant fines, which could have a material adverse effect on our business, operating results or reputation. 	 Monitoring and, where appropriate, express views on th formulation of tax laws either directly or through trad associations or similar bodies. We have continued to be at the forefront of industrinitiatives to promote positive drinking, including responsible drinking at home, and other awareness building programmes. We run multi-year public policy engagement to minimis risk and unlock tax, trade and regulatory opportunities. Our vendors must comply with our standards of collecting and processing of personal data relating to consumer employees and partners. • All customer and consumer activities that include processing of personal data must comply with our internal controls, codes of conduct and data privacy policies. We deliver mandatory annual data privacy training to a employees.



Contraband beer in Kenya keeps increasing due to the widening tax gap between Kenya and neighboring EAC countries. For instance, beer excise rates in Tanzania are a third of the rates in Kenya while in Uganda, the government has provided several local raw material tax concessions to promote investment. In Kenya, the government has increased the applicable excise duty in the financial year 2022/23 at the rate of 10% in respect of beer and at 20% for spirits. We continue to monitor this development even as we contribute to national dialogue to adopt a more sustainable fiscal policy towards excisable goods generally, and alcohol products in particular. The Government of Kenya is also set to implement a 6.3% adjustment to the excise rates payable effective 1st October 2022. The unpredictable and steep excise increases continue to adversely impact the ability of consumers to afford products leading to a higher possibility of illicit trade at the expense of the legitimate industry. Across the region, the East African Community ("EAC") Council of Ministers on 5th May 2022



adopted 35% as the 4th band of the EAC Common External Tariff (CET) aimed at boosting intra-EAC trade and increasing revenue. The revised EAC CET, 2022 and EAC Gazette was published and took effect on 1st July 2022. The products that have been assigned the maximum CET rate include spirits and beverages, having a direct impact on the business. The unintended consequences of increased taxation may impact trade and investments, however, we remain committed to deliver for our customers and consumers.

GRI 207-03 🔵

Stakeholder engagement and management of concerns related to tax

A description of our approach to engaging with tax authorities, our public policy advocacy on tax and our process for collecting and considering the views and concerns of stakeholders, including external stakeholders, can be found in our Tax Policy.

EABL is committed to ensuring that there is regular interaction and communication with its stakeholders who include shareholders, investors and the financial markets among others. The Board has mapped all its stakeholders and ensures that they are provided with full and timely information about the Company's performance. This is achieved through the release of the half-year and annual results in the local press, distribution of annual reports and holding of investor briefings as appropriate. The Annual General Meeting provides a useful opportunity for shareholder engagement and in particular, for the Chairman to articulate the Company's progress, receive and answer questions from investors. The Board is convinced that there is an active and regular interaction with all its stakeholders. In addition to information on the Company's activities the following documents and policies are readily available to stakeholders on the Company's website: The Board Charter; Board Committees Terms of Reference; Past and current copies of the Annual Reports; Investor News and Share Price performance - Kenya, Uganda and Tanzania.

GRI 207-04 🚫

Country-by-country reporting

Omissions: Country-by-country reporting.

Reason: Not applicable.

Explanation: A breakdown of corporate tax information by jurisdiction is not included.

SOCIAL

Human Rights Assessments

GRI 103-02 🔵

Our management approach:

Our Diageo Code of Business Conduct (CoBC) includes our commitment as a business in upholding Human Rights across our business and our value chain. Our Global Human Rights Policy and the Global Partnering with Suppliers Standard defines the minimum standards expected for suppliers, including for Human Rights, and the same is further incorporated into our contractual arrangements. The policies also cover topics such as managing Human Rights risk and impacts; preventing child labour, preventing discrimination and bullying and harassment in the work place.

Evaluation of our Approach:

Everyone who works at EABL is a custodian of our trusted reputation. As part of the 2020 targets for societal impact, we made an external commitment to conduct Human Rights Impact Assessments in our markets in order to identify potential risks in our value chain and develop action plans to mitigate against those risks. These assessments identified three external risks as particularly salient to our business: Labor Rights, including the risk of child labour; Labour Standards for contract workers and sexual harassment in the hospitality sector. We have responded to these risks in a number of ways, including awareness programmes focused on child protection in Agricultural supply

 How we have met each disclosed as outlined by the GRI reporting standards
 Partially disclosed and missing at least one required indicator
 Not disclosed
 Not considered material to our business at this time

 Image: Construct of the temperature of the temperature of temperat





networks, commissioning an independent study into contracted labour, and developing our Brand Promoter Standards and training aimed at protecting brand promotion teams from harassment.

GRI 412-01 🔵

Operations that have been subject to Human Rights reviews or impact assessments

All our business units and operations (100%) are required to carry out a risk assessment, which includes Human Rights as part of the review process. Beyond this, as part of our commitment to act in accordance with the United Nations Guiding Principles (UNGPs), we have developed a comprehensive Human Rights Impact Assessment (HRIA) programme for Kenya, Tanzania and Uganda.

Brand Promoter Standards

In the course of our commercial activities, we engage Brand Promoters from third party agencies. We have a zero-tolerance approach with respect to abuse and sexual harassment of Brand Promoters, as captured in our Brand Promoter Standards. We expect our third-party suppliers, business partners and outlet owners to provide a safe and respectful working environment for Brand Promoters which we enforce and monitor in our contractual arrangements.

GRI 412-02 🕒

Employee training on Human Rights policies or procedures

All middle managers, and above, are required to complete an Annual Certification of Compliance, which certifies their compliance with, and understanding of, our Code of Business Conduct (Code), which includes Human Rights. Within the certification, those for whom the Human Rights Global Policy is most important are required to complete a certification of their knowledge and understanding of some of the key points of the policy.

We have implemented a Brand Promoters Standard and accompanying training aimed at protecting brand promotion teams from all forms of harassment. In 2021 we refreshed our training for people in our Procurement and Sustainability functions who have direct responsibility for our Human Rights, responsible sourcing or supply governance programmes. The training was focused on the impact of purchasing practices on our supply chain. We train our Procurement teams on our Partnering with Suppliers Standard, which includes guidance on how we manage Human Rights and Labour Standard Risks within our supply chain. We also train employees specifically at our supply sites about security standards and awareness to ensure the integrity of our supply chain and to reduce the risk of human trafficking.

Omissions: Total hours of training on Human Rights.

Reason: Information incomplete/unavailable.

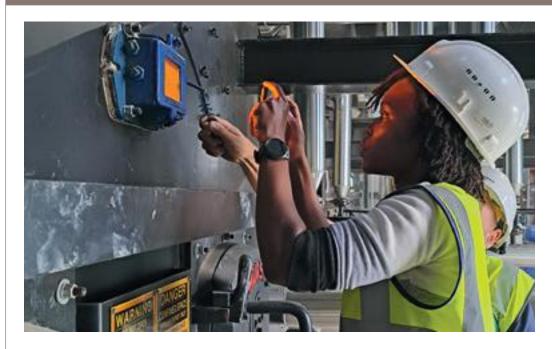
Explanation: Training sessions about our Code and policies vary in duration, so it's not possible to report accurately the number of hours spent on specific subjects during training sessions.

GRI 412-03 🔵

Significant investment agreements and contracts that include Human Rights clauses or that underwent Human Rights screening

All our suppliers are contractually obliged to abide by the standards set out in our Code or Partnering with Suppliers Standard, which includes specific Human Rights requirements – either through specific contract clauses or, if not bound by a contract, by the requirement to meet our Partnering with Suppliers Standard, which is stipulated in our standard purchase order terms and conditions.





Occupational Health & Safety

GRI 103-02 🔵

Our management approach:

We are committed to ensuring that the health, safety, and welfare of all our employees, contractors, and visitors while in any of our sites and office facilities and going home safe remains our number one priority. All these are achieved by enforcing occupational health and safety policies, compliance to all applicable occupational health and safety legislation and Global Risk Management Standards. This is conducted in line with Diageo Zero Harm Agenda driven to ensure our processes and activities are safely conducted.

Evaluation of our Approach:

Some of the key initiatives that were in place in F22 include:

- Implementation of the 'Diageo Life Saving Rules' programme with the key agenda being to raise the level of awareness on eleven Life Saving Rules and, as a result, mitigate all kinds of severe and potentially fatal accidents.
- Revision of the defensive driving curriculum to include 'Diageo Driving on the Road' standard operating procedures.

- SBL formed a sprint team tasked to deliver a step change in Third Party Logistics (3PL) Transport Safety anchored on the 5 pillars of Driver management, Vehicle management, Trip and Journey management, Health and Safety management and Safety Organisation structure.
- As part of a fleet safety programme, SBL has also mandated vehicle tracking for all distribution trucks to track the 3PL truck movements and monitor adherence by the drivers to all safety protocols with an intention to eliminate on-road safety incidents and accidents.
- A forklift safety sprint team has also been constituted to focus on winning the hearts and minds of forklift operators to reduce the number of near misses related to forklift operations onsite.
- Establishment of programmes that support mental and emotional well-being. This is in the form of engagements with subject matter experts on topics such as emotional well-being, personal financial management and work-life balance management.

As a result of the focus on health and safety, EABL supply continues to rank as leading on Total Recordable accidents per 1,000 full-time employees, with a score of 1.03 versus the Diageo target of 3.5.



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GRI 403-01 🔵

Occupational Health and Safety management system

We implement our Occupational Health and Safety Management System through a robust audit assurance programme and by adhering to our risk management standards. The system covers our workers and activities across our functions, from Procurement, Manufacturing and Production to Marketing, Sales and Distribution. It includes onsite third-party contractors and third-party logistics providers.

GRI 403-02 🔵

Hazard identification, risk assessment and incident investigation

extensive Risk Through an Management Programme, as well as compliance with Diageo Global Risk Management tandards, we assess risk, identify work-related hazards and implement appropriate mitigation measures and programmes. A key element to safety at all our locations is hazard reporting. It enables us to identify and rectify unsafe conditions or behaviours as well as recognise positive behaviours. Through Diageo's Global Health, Safety and Wellbeing Policy, all employees are encouraged to report work-related hazards as soon as possible and remove themselves from work situations they believe could cause injury or ill health. We also have recognition schemes in place to proactively encourage every employee to look after their own and their colleagues' health and safety. Diageo's global learning platform, My Learning Hub, has tailored guidance about how to report and investigate work-related incidents, how to identify hazards and how to assess risks to determine corrective actions.

GRI 403-03 🔵

Occupational health services

Our Occupational Health and Safety Strategy aims

to create a culture free of work-related injury and illness for workers and a happier, healthier and more engaged workforce. Our continued focus on our global risk management standards makes sure that health, safety and wellbeing controls are in place. Internal data protection and privacy policies and national regulations apply to recording or disclosing occupational health-related incidents, making sure that workers' participation in occupational health services is not used in any favourable or unfavourable treatment of workers.

GRI 403-04 🔵

Worker participation, consultation and communication on occupational Health and Safety

Diageo's Global Risk Management Standards (GRMS) mandate the use of employee consultation forums such as safety committees – at facility level. Diageo's GRMS also require employees to be involved in risk assessment and change management processes where they relate to health and safety. In April 2022 we updated our global COVID-19 protocols and processes, including removing and adjusting some previous guidelines. We continue to update the dedicated COVID-19 area of our Mosaic intranet site with information and supporting links that outline our updated protocols and processes. If employees have questions or concerns, they can flag those to their line manager or their HR manager. We also continue to use Diageo's Flex Philosophy, developed in 2021, which provides our employees with a framework and principles of working patterns. This year we refreshed our Health and Safety vision, aiming to create a world-class, high-performing Health and Safety culture - one where everyone, everywhere, is safer together when working on site, at home and on the road. Additionally, our dedicated Health and Safety Yammer page and Health and Safety channel on My Learning Hub, our internal learning management system, aims to improve Health and Safety communication and visibility across the end-to-end supply chain.



GRI 403-05 🔵

Worker training on occupational Health and Safety

Staff complete a training needs assessment to determine their occupational Health and Safety training requirements. We train our people on occupational health and safety through several channels, including:

• My Learning Hub, which is a learning management platform that our people can access every day for occupational Health and Safety capability and awareness content. Some of this training is mandated and assigned to workers and is based on the requirements of their role.

- Face-to-face occupational Health and Safety training, such as manual handling training, forklift truck training and explosive atmospheres training, which is delivered by approved and competent internal and external trainers.
- Other subject-matter-expert training, delivered through video conferencing.

GRI 403-06 🔵

Promotion of worker health

We promote worker health and encourage workers to access local services and systems, as and when required, through several channels:

- Our Benefits team facilitates non-occupational medical and healthcare services. We provide optional medical insurance, which is communicated to employees through internal communication channels
- We offer an Employee Assistance Programme, as well as access to voluntary health promotion training courses on My Learning Hub, including those that promote positive drinking behaviours.
- We offer a Wellbeing channel on My Learning Hub, where employees will find the most up-todate news and resources, and events. There are four sections covering mental, physical, social and financial wellbeing.

 Our Employee Engagement team runs health and wellbeing awareness capability weeks covering subjects including, for example, mental health, mindfulness techniques and nutrition.

GRI 403-07 🔵

Prevention and mitigation of occupational Health and Safety impacts directly linked by business relationships

We build core Health and Safety requirements and KPI deliverables into our third-party service-level agreements (SLAs). This lets us prevent and mitigate significant occupational Health and Safety impacts directly linked to our operations, products or services through our business relationships. We regularly meet third-party service providers to review their delivery against KPIs. We will also withdraw from business relations with service providers that put the Health and Safety of employees at risk or that do not consistently deliver the KPIs within the SLAs.

GRI 403-08 🔵

Workers covered by an occupational Health and Safety management system

All our employees must comply with the mandatory requirements of our Global Health, Safety and Wellbeing Policy, as well as adhere to all relevant Global Risk Management Standards. Adhering to these standards and requirements is continually assessed by Internal Audit teams. No employees or workers are excluded from the occupational Health and Safety management system. Health and Safety performance is monitored through regular site, regional and global business performance meetings.

GRI 403-09 🔵

Work-related injuries

Any work-related incident, involving injury or illness, where a healthcare professional or we as a business recommend one or more days away from work,







is reportable to us: for example, any unplanned, identifiable event that results in personal injury or harm.

Severe injury and fatality prevention

All business units are required to conform to Diageo's Global Severe and Fatal Incident Prevention Programme. This programme aims to eliminate the risks that lead to severe or fatal incidents and ensures suitable and sustainable controls are in place. Local and regional teams make sure employees and workers are trained on these requirements and conduct frequent, robust self-assessment audits to measure ongoing compliance to this mandatory programme.

Accident rates

We apply Diageo's broader Total Recordable Accident Frequency Rate (TRAFR) metric (developed in 2019), with the aim of achieving a leading TRAFR performance of lower than 3.5 per 1,000 people. This year there were no fatalities across our business.

GRI 403-10 🕒

Work-related ill health

Any work-related incident, involving injury or illness, where a healthcare professional or we as a business recommend one or more days away from work, must be reported to us. Internal data protection and privacy policies and national regulations prevent the recording or disclosure of any communicable 'serious diseases', as defined in the GRI implementation guidance.

Diageo's global Health and Safety standards require occupational health monitoring for new employees and specific worker groups and for specific conditions, including lung function and audiometry assessments for shift workers, and assessments for lone workers and for professional drivers. Diageo global standards also include industrial hygiene monitoring requirements for specific work groups or conditions, including workplace chemical exposures, noise, vibration and ionising radiation.

Omissions: Data on work-related ill health at EABL level.

Reason: Information not available/incomplete.

Explanation: We do not collate data on work-related ill health at EABL.

TRAINING AND EDUCATION

GRI 103-02 🔵

Our management approach

Training and education are central to our approach to developing our people. We have tremendous talent and we want to be known for creating an environment where our people are continuously learning, enjoy a culture that is truly inclusive and diverse, where people bring their best self to work and where we are a high performing team. Our People strategy lays out the pillars on how to have an engaged people, in that we provide learning opportunities that promote speed of performance, experimentation and deliver growth for the individual and the business. We accelerate the growth of our key talent, we drive inclusion in our business and society, inject speed and simplicity and focus our resources on the biggest growth opportunities that delight our customers and consumers, as well as fuelling fulfilling employee experiences.

Evaluation of our Approach

The process for analysing the efficacy of our management approach to occupational training and education is well-established, with monthly reviews of take-up, including strategic initiatives. Our Learning Centre of Excellence is responsible for carrying out these assessments, monthly, and on an ad hoc basis. Where potential improvements are identified, these are translated into an action plan, which is implemented by HR directors and their market teams.



GRI 404-01

Average hours of training per year per employee

Our measurement control system enables markets to track and capture training hours of employees – from both global and local programmes – within our My Learning Hub system.

Omissions: Training hours per employee, by gender.

Reason: Information unavailable/incomplete.

Explanation: Gender is a sensitive data field that is not included in our learning measurement systems. To protect the integrity of sensitive data, we collect it only when absolutely necessary. There is no current use case for learning and training data to be analysed by gender.

GRI 404-02 🔵

Programmes for upgrading employee skills and transition assistance

EABL Talent Programmes

We have made a conscious effort to boost our people's skills, embedded by our firm commitment to help our people realise and reach their full potential. To achieve this, we have numerous learning and development channels, but we also strongly believe that our leaders are key in creating the conditions for our people to succeed.

Some of these are:

• Partners for Growth (P4G) – This is our performance management system that puts performance and career conversations at the heart of the process, focusing on using and building strengths with two-way development conversations to deliver both business and personal outcomes. It supports individuals in identifying career aspirations with development actions as a priority. A philosophy of 70-20-10 principle has been adopted for development, with 70% practice and experience coming from one's day-to-day job, 20% through coaching and mentoring, and 10% from formal traditional learning experience and e-learning.

Our reward system encourages equal pay for equal work while it also recognises and rewards exceptional individual performance in alignment with real business outcomes. In the last year we have seen an acceleration in business performance delivered through quarterly goal setting aligned to business priorities driving a culture of agility and performance with pace and urgency.







- Graduate Programme A process that assesses entry-level talent with high potential to join a 3-year rotational programme in Sales, Marketing, Supply, Finance, Human Resources or Corporate Relations.
 LEAP – A programme designed to create breakthrough in leadership capability demonstrating the leadership standard at senior management level with a view to shift from functional to cross-functional business knowhow and impact.
- Fast Forward A unique learning journey for aspiring leaders who want to develop their next leadership level with increased self-awareness exploiting their full potential and supporting our business objectives. Two of our executive leaders are currently on this programme.
- Advanced Leadership Management Programme

 A unique learning journey designed for senior leaders to accelerate their career. 10 of our senior leaders from EABL are currently on this programme. Women In Leadership Management Programme – In partnership with Strathmore Business School, we have continued to run a 'Women in Leadership' programme business since 2015 and have built the leadership capability of over 360 women in our business.

Continuous Learning:

Building critical skills for the future continuous and purposeful learning powers our performance and growth. We provide learning opportunities that drive learning in four key areas i.e., formal education, providing exposure through coaching and other interactions, providing the right tools to support learning and creating meaningful on-thejob learning experiences. Our learning strategy is designed to equip learners with the best capabilities and tools to seize growth opportunities and tackle new challenges. 63 percent of our employees feel that they have access to learning and development opportunities that support their performance and growth.

My Learning Hub is our e-learning platform that provides access to hundreds of courses that employees would need for their own development, making it easy to find, use, share and comment on a huge range of learning options. This platform has seen completion of over 100,000 courses. To drive functional learning in the Commercial Function, we launched a monthly session dubbed 'Speak to the Expert' in which we invite professionals and experts to speak to certain topics of relevance to our business and to our people. Topics have ranged from leadership, values, business sustainability, governance, marketing in a digital world etc. This has provided an opportunity to search and spin on topical issues creating value for our employees and for the business.

In Kenya, we launched the first ever Reserve and Key Accounts Academy in Africa, a 12-month capability programme aimed at securing in-house talent by establishing a pipeline from our internal pool. The select cohort will go through a training programme that will build their skills and expertise in driving reserve and luxury brands.

At EABL supply, we launched "Elevate, let's talk careers", a career engagement platform that aims to elicit exciting and thought-provoking career development conversation that is unique to Supply Chain Functions in East Africa. During the inaugural session, we had an Executive Leader in Supply Chain sharing his personal career journey and thereafter, a career master class delivered by the HR Director at UBL. The supply leadership team in Kenya also completed Good to Great coaching training to equip them with coaching skills that will enable high performing teams.

GRI 404-03

Percentage of employees receiving regular performance and career development reviews

In fiscal 22, 100% of our employees received regular performance reviews. Our annual performance review process is supported by a quarterly business planning process, encouraging more regular quality manager-and employee conversations. Setting clear goals and discussing achievements is key for our people on a regular basis.





Omissions: Data by gender.

Reason: Information unavailable/incomplete.

Explanation: Performance review processes, in many parts of the world (and especially in some of our Supply roles), are managed outside our Human Resources Information System (HRIS) platform. In some cases, markets will follow locally defined or required guidelines.

GRI 103-02 🔵

Our management approach

Our employee wellbeing continues to be our utmost priority. We believe the ideal wellbeing state is achieved when everyone is physically and mentally thriving, emotionally balanced, financially secure and socially connected. With our purpose front of mind, we have embraced flexible working, learnt the importance of sleep, exercise, nutrition and moderate alcohol consumption, discovered practices that support mental health, and explored the role the environment and technology play in our working lives. Our wellbeing philosophy makes wellbeing part of our everyday culture. We also work with Labour Unions across the region on Collective Bargaining Agreements and other staff welfare matters.

Evaluation of our Approach

We measure employee engagement as one of our overarching KPIs. Based on the outcomes of this survey and our ongoing engagement programmes, each team develops its own action plan to improve employee engagement and satisfaction. Our Human Resources team routinely reviews our policies and standards to ensure they are sufficiently rigorous and will continue to strengthen our reputation as an employer. This helps us retain our employees while also attracting new people to the business.

Dignity at Work Policy

At EABL we endeavour to provide a safe and supportive work environment and are guided by our Dignity at Work Policy. Harassment of any kind and nature is not tolerated. All Employees are expected not to engage in discriminatory, bullyish or retaliatory behavior towards any colleagues or other individuals whilst at work or in the course of performing their work duties. This applies in work-related settings and outside the workplace



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including business trips and work-related events.

Domestic & Family Abuse Policy

On 22nd March 2022, we launched our Domestic & Family Abuse Guidelines as a step towards our Inclusion and Diversity commitments and protection of Human Rights for our employees across the business. The business is committed to creating an inclusive culture, where our people feel valued, can thrive, allowing them to be their best – both at home and at work.

Menopause Guidelines

In line with our commitment to creating a supportive workplace where everyone experiences dignity and feels valued, respected and free to succeed, we have recently enacted Menopause guidelines to raise awareness on menopause including resources that may be of benefit to employees who may be experiencing its impact.

EABL launched its localized guidelines on 15 March 2022 during the International Women's Day staff engagement. The guidelines complement our ongoing commitment to create a most progressive and inclusive culture.

EABL Kenya Disciplinary Policy

EABL has refreshed the Kenya Disciplinary Policy in line with our commitment to maintain a progressive people-first culture that carefully balances and delivers fulfilling employee experiences and enhanced business performance. The aim of this Disciplinary Policy is to establish a formal channel to manage disciplinary cases and outcomes fairly and professionally in accordance with the Employment laws applicable in Kenya.

GRI 402-01 🔵

Minimum notice periods regarding operational changes

We adhere to the law, in countries, that define a minimum consultation period and requirements for collective and individual consultation. We also aim to redeploy impacted employees or find suitable alternative employment for them wherever possible. If we can't do that, we pay severance or redundancy. We also offer outplacement support, which varies by market, to help those who leave Diageo to find another job.

Customer Privacy

GRI 103-02 🔵

Our management approach:

EABL has in place stringent product liability and assurance procedures in place to deliver high quality alcoholic beverages to our valued consumers. Our breweries are certified to international standards for quality and food safety. These standards, and the business procedures, are carefully designed to attain the highest standards of product quality, food safety and packaging quality assurance. We have cascaded consumer protection practices to our business partners through contracts which clearly set out the handling procedures to ensure that all products that get into the market are of the highest quality.

Evaluation of our Approach:

Personal Data Protection and Cyber Security

EABL has robust policies on Information Management and Security as well as Data Privacy and Protection, which are revised annually and as deemed necessary. There is clear guidance on the following:

- (i) Proper classification of critical and confidential business information.
- (ii) Proper handling of personal information entrusted to EABL during business partnering and relationships in accordance with applicable local data protection laws.
- (iii) Secure retention, use and access, and eventual disposal of both business and personal information.
- (iv) Acceptable use policy on devices, technology applications and cloud platforms to prevent business information from loss, theft, damage or inappropriate disclosure.
- (v) Multi-factor authentication, passwords.

The above were reinforced during the COVID-19 pandemic when most employees were expected to Work From Home (WFH) and the risk of cyberattacks (including malware intrusion and phishing), cyber hacks and email-based attacks were heightened.

EABL has also had to change a few data processing activities to ensure compliance with the Kenya Data Protection Act, 2019 and Data Protection Regulations, 2021.

We have an Information and Records Management Committee, chaired by the Legal Director, which exists to monitor compliance with the policies, procedures and controls regarding Information Management, Data Privacy and Protection and Cyber Risks.

GRI 418-01 🔵

Substantiated complaints concerning breaches of customer privacy and losses of customer data

We follow our internal procedures when we receive any requests by individuals to exercise their rights – for example, the right to access personal information or to unsubscribe – or receive reports of any personal data incidents. This year, there have been no known instances of regulatory action against, or investigation into, concerning consumer privacy.





A PAN ORGANISATIONAL APPROACH TO SOCIETY 2030: SPIRIT OF PROGRESS





aving a measurable plan on Environment, Social and Governance issues is mandatory, evidenced by the recent Nairobi Stock Exchange (NSE) Guidelines on ESG, as well as national and global private sector priorities.

It is one thing to have a Sustainability strategy, it is an entirely different one to translate that strategy into action. A common challenge across a range of businesses with sustainability plans, is that the strategies are not well understood by employees. One survey (ADL, 2022) indicates that less than one third of companies have a sustainability strategy whose impact is clear to all the employees. To contend with this, EABL as a business has sought to create a common sustainability language that conveys what sustainability means across different functions and levels.

Furthermore, the ADL, 2022 survey noted that one of the clearest indicators of the extent to which sustainability is embedded into a business, is how it is reflected in senior management incentives and bonuses.

For EABL, senior management bonuses are directly linked to performance against Society our 2030 targets.

While sustainability as a business function sits in our Corporate Relations Department, we are striving for strong sustainability principles, and reporting frameworks across the entire business. Building awareness and ownership around Society 2030 is a continuing priority for us, and as a result we can observe a positive correlation between the extent to which Society 2030 has affected the core operations of our business and the different departmental initiatives on sustainability. Our goal is to ensure that departmental and functional level work on sustainability is integrated into our strict frameworks on reporting progress around Society 2030. Further, we want sustainability to be central to our thinking, irrespective of department, function, or employee level. This year, we focus on the initiatives led by our Marketing, Commercial, Supply, Legal and Business Integrity, Human Resources and Public Policy Teams.

Mr. Fric Kinifi **Group Corporate Relations Director**

A common challenge across a range of businesses with sustainability plans, is that the strategies are not well understood by employees.



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PUBLIC POLICY

KBL partners with the Government of Kenya in 'RAISING THE BAR'



Zach Munyi - Head of Public Policy

OVID-19 brought on a host of challenges as a result of a series of significant disruptions to the hospitality sector. Some of the notable challenges included:

- Disruptions in the alcohol trade following a presidential directive to close all bars, restaurants, resorts and hotels
- Resource needs to respond to strict COVID 19
 protocols to re-open

In August 2020, the Government of Kenya challenged the industry to transform two bars in Nairobi to comply with COVID-19 rules as a condition for reopening – as concept of model outlets. The challenge came around the same period when Diageo launched the 'Raising the Bar' fund.

The Commercial and Corporate Relations teams collaborated with bar owner associations in the transformation of two outlets to be able to comply with COVID-19 rules.

The Raising the Bar recovery program sought to benefit 984 bars and eateries across the country by end of June 2022, and subsequently improve their operations in the wake of the pandemic.

The fund revived the operations of various bars and restaurants, in order to boost the economy which is dependant on the hospitality sector.

As a result of Raising the Bar program: Model outlets were created, generating a compelling case for bar reopening and on 28th Sept. 2020, bars & pubs were reopened, governed by Ministry of Health protocols Raising the Bar with Tusker Brand supported enforcement of COVID19 rules in 42 Counties in 07 Kenya outside the infection area - AMREF training created linkages with County government KBL, in partnership with Alcoholic Beverages Association of Kenya (ABAK), Bar, Hotels, Liquor Traders Assocation of Kenya (BAHLITA) and Pubs Entertainment and Restaurants 03 Association of Kenya (PERAK) continue to collaborate with the government on other self-regulating activities such as the National Transport Safety Authority (NTSA), COVID19 risk communication.



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COMMERCIAL

A major goal of Society 2030 is to reduce our value chain carbon emissions (Scope 3)

by 50%.



ncreasingly, businesses of all sizes have been recognizing the importance of incorporating Environment, Social and Governance (ESG) principles in their strategic decision making. Employees, customers, investors, lenders and government regulators are demanding that organisations consider how their operations are combatting issues such as climate change, workplace safety and equal opportunities. ESG has the power to build trust with stakeholders and achieve long term success. Our Commercial department is fully embracing our potential to drive our Sustainability strategy. We work directly with a range of our business's stakeholders, and are keen to translate our sustainability goals beyond internal

actors. It is clear to us that being an ESG-centric business is important."

A major goal of Society 2030 is to reduce our value chain carbon emissions (Scope 3) by 50%. Our commercial department is spearheading activities around this goal, to ensure that we support our distributors directly in understanding their independent emissions and ways in which they can reduce them.

Mr. Joel Kaman

KBL Commercial Director



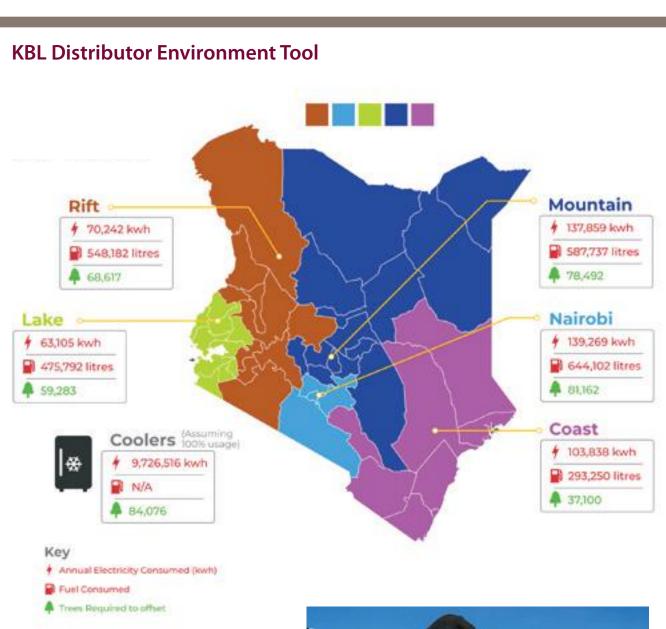
ESG has the power to build trust with stakeholders and achieve long term success.



We work directly with a range of our business's stakeholders, and are keen to translate our sustainability goals beyond internal actors.

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This tool is the first step, but we have a long way to go in supporting our distributors to scale up the number of trees planted annually, particularly as we hope to average around 375,000 trees per year to offset the carbon emissions of our distributors around the country.

In addition, some of our distributors have installed solar energy to entirely power their operations.

Looking ahead we are taking an active role in various policy processes, particularly those that push for green fiscal incentives to allow for more economic development via low carbon emission pathways.



MARKETING

Our brands are part of shifting narratives, impacting communities and changing lives. At the same time, in an era of 'greenwashing', we want to make sure that we are authentic and transparent in our storytelling.



where are well aware of how important ESG is to our stakeholders. As Marketing leaders, it has become critical for us to consider what our brands are doing to elevate, share and learn from our company's ESG story. The reputational impact associated with ESG is providing new opportunities for us to enhance our brands, particularly as sustainability as a concept, is something that we have been embracing for many years now. Environmental protection, social justice, carbon footprint and ethical management are not just important to our investors, they are increasingly meaningful to our consumers, and we want to ensure that our brands are well connected to each and every single one of these issues.

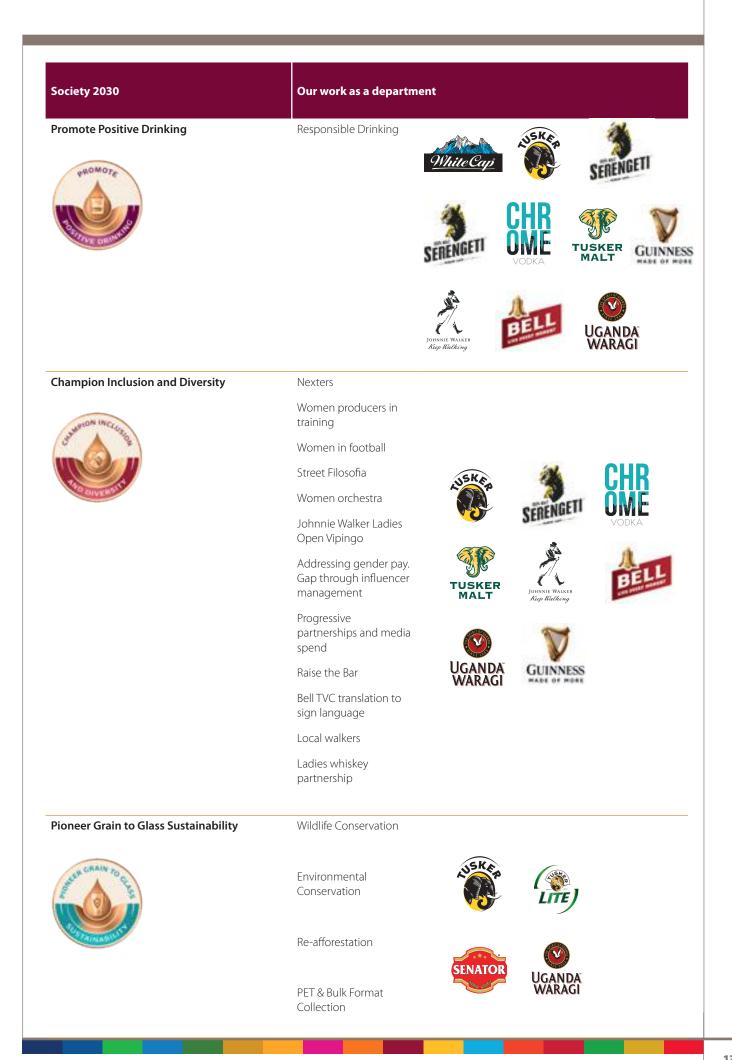
Our brands are part of shifting narratives, impacting communities and changing lives. At the same time, in an era of 'greenwashing', we want to make sure that we are authentic and transparent in our storytelling. Society 2030 gave us a great framework to operationalize our sustainability work. We will continue to drive action through each of our brands, continuously evolving in how we appropriate resources and how we tell our stories."

Ms. Anne Joy Michira

Marketing & Innovations Director, EABL

RESILIENT

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TUSKER

1922

usker Lager is not only one of our leading brands, it is also the brand where sustainability has been an integral part of the brand's story. From its inception, to growth in the market – Tusker Lager has always promoted a strong sense of responsibility for wildlife conservation and youth empowerment.

Tusker Lager has supported several projects undertaken by the

Kenya Wildlife Service, KWS, most notably around conservation of the African elephant. In F22 we adopted two elephants at Amboseli National Park namely Tusker and Serian, contributing to the preservation of the national park and educating the public on the importance of conserving the species. As part of our Centenary celebrations this year, EABL committed to donating Kshs. 100 million to the KWS to support elephant conservation efforts in the country.

Tusker Lite was instrumental in the Lewa Marathon, an annual fundraising event towards supporting the Lewa conservancy. The Lewa Wildlife Conservancy is home to a number of endangered and threatened species, and also a catalyst for community development for its neighboring communities.

Also, this year Tusker launched the Tusker Nexters campaign. This campaign is part of a broader initiative to celebrate Tusker's 100-year anniversary by identifying and rewarding the next generation of musical talent, as well as give a platform to the next era of sport - eSports, or electronic sports. Granted, the eSports industry is one that is still relatively new, but it is one which is growing quickly as technology advances and more people take up virtual gaming. Nexters kicked off on March 12th, 2022, in the Mountain region of Kenya in what was a five-part audition series that has seen them visit five regions

Kshs. 100M

As part of our Centenary celebrations this year, EABL committed to donating Kshs. 100 million to the KWS to support elephant conservation efforts in the country.

around the country to unearth the next big Kenyan talent.

Since then, the competition went to Kisumu, Nairobi, Eldoret and Mombasa.

The contest's popularity was propelled by the panel of renowned Kenyan musical stalwarts including Jua Cali, Mejja, Eric Wainaina, Buddha Blaze and Redsan, as well as Judge Ian Mbugua, who is well known across the country from his exploits back when Tusker Project Fame graced TV screens across East Africa.

Throughout the audition phase and eSports knockout stages, there has been an unprecedented turnout of young and energetic Kenyans hyped and ready to test their mettle against their peers and the best in the business. This is what Tusker set out to achieve with the establishment of the Nexters platform.

'A Nexter is a young pioneer, and is not confined to just music and eSports, but a whole host of other fields, such as conservation, using technology to solve modern problems, fashion and much more'.

As a brand, Tusker recognises and appreciates the power that harnessing creativity has when it comes to revitalising rural areas and uplifting communities. Through harnessing this, communities are empowered to make inroads towards eradicating marginalisation and promoting inclusivity in the society.

In Uganda, Tusker Malt sponsored a team of female golfers in the 2021 Uganda Golf Open as part of our efforts to increase the number of women who have access to, and are able to participate in the sport.



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RESILIENT

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WHITE CAP



ollowing in the footsteps of Tusker, WhiteCap has adopted environmental conservation and gender equality as part of the brand's identity. Whitecap targets motorsport as an ideal platform for the brand to connect with its consumers and further its sustainability efforts. Bushbabes. Through the 'Bushbabes', necessary resources went towards the Aberdares Fencing Project to reduce the occurrence of Wildlife Human Conflict in the forest. The White Cap brand was also part of the East African Classic Rally, Kenya local Rally Championship and the first all ladies rally event in the country - the Lioness Rally.



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This year, Whitecap was involved in the Rhind Charge, sponsoring an all-women team – the





RESILIENT MPACTFUL USTAINERE



As part of the campaign, over 500 customers received KSh.76 million in cash to lessen their economic burden.

SENATOR KEG

Senator Keg launched the 'Shikisha Form na Senator' national consumer promotion to enrich the lives of loyal Senator Keg consumers on the back of the COVID-19 pandemic. As part of the campaign, some customers won KSh. 2 million each in cash, out of which KSh. 1 million went to a community investment project of the winners' choices. The selected community development projects, run by Community Based Organizations, were from five regions in Kenya. They included:

1. Restoring Dignity - Korogocho Project: Restoring Dignity primarily focuses on uplifting the Korogocho community through infrastructure projects such as homes for the elderly, educational facilities and food banks among others. The elderly residents of Ruaraka Constituency have struggled with substandard housing facilities for over a decade. Through the Senator Keg beer brand, a family of an elderly man in the community received new housing after living in dire conditions for many years. The family of Francis Muigai, aged over a hundred years, was able to move into their new permanent home in March 2022.







2. Nyamila Community Centre - Siaya: Following the construction of a borehole, Nyamila Community Centre reached out to Senator Keg to support them in purchasing Water Tanks for water storage and piping to several households in the area. Through the Senator Keg brand, the community received four tanks and lay down pipes that currently serve between 15 to 20 households with clean and safe water.



RESILIENT MPACTFUL ISTAINABLI 3. Greenthumbs Community Based Organization - Nakuru: Greenthumbs is a Community Based Organization that works with youth venturing into the fish farming industry in Lanet, Nakuru. Senator Keg supported Greenthumbs to upgrade their fish processing facility with new machinery. They are now able to produce a wide range of fish-based foods including; Fish fingers, fish burgers, fish samosas and fish sausages.



 Mtito Andei Initiative - Makueni: With the area being predominantly semi-arid, water supply and distribution have been major issues. Senator Keg supported one of the Community



Based Organizations, in Makueni, in constructing four water stations across the Mtito Andei area, providing clean water and piping for several communities in Makueni County.



piping for several

communities in

Makueni County.



5. 'Anybody Can' Community Based Organization - Mombasa: 'Anybody Can' Community Based Organization equips local women's groups to generate income through the business of soap making. Senator Keg supported the CBO to purchase a soap making machine, allowing the organisation to produce over 1,000 litres of soap per week for sale, thus empowering the women's groups economically.







SLLIENT ACTFUL CAINERE



SERENGETI TM

Serengeti is committed to changing the way the world drinks for the better. This means promoting moderation and continuing to address the harmful use of alcohol and changing attitudes around the subject. In F22, we committed 10% of the Serengeti TM paid social spends and used these spends to promote tips on responsible drinking for example, avoid drink driving and binge drinking.

Furthermore, Serengeti sponsored The Mainland National Women's League, popularly known as the Serengeti Lite Women's Premier League (SWPL).

Through the sponsorship, SBL became the first ever sponsor to support women soccer in the country.



Through the sponsorship, SBL became the first ever sponsor to support women soccer in the country. The sponsorship deal has transformed the league, making it more competitive and vibrant with the emergence of such strong teams as Simba Queens, JKT Queens, Yanga Princess, Alliance Girls, Mlandizi Queens and Mapinduzi Queens.

BELL LAGER



Uganda's first beer, Bell Lager, is a symbol of the nation's irrepressible optimism. Bell promoted our 'Raising the Bar' initiative (page 135) supporting outlets in Uganda to prevail and build back stronger after the COVID-19 Pandemic. In the course of the initiative, the brand

In the course of the initiative, the brand reached 2,050 outlets, driving sustainable recovery in the medium to long-term.

reached 2,050 outlets, driving sustainable recovery in the medium to long-term.

Bell Lager also launched an innovative brand campaign that introduced sign language interpretation in its TVC to promote better inclusion and integration of people with disabilities in our brand marketing.

CHROME VODKA

Chrome Vodka has supported Shix and Brathela, two young talented artists from vulnerable backgrounds to showcase their talents since 2016. In 2020, as a result of the COVID 19 pandemic, Chrome Vodka created an inclusive platform through a campaign dubbed 'Flow na Chrome' to allow talented performers to keep showcasing their skills at a time when the performing artists were most affected. This year, Chrome Vodka went back to 'the hoods', reaching out to vulnerable communities to give even more



opportunities to budding producers, performers and artists. From 'Shine On' to 'Flow na Chrome' and now 'Street Filosofia', Chrome has endeavored to put consumer priorities at the core of all of the brand activities.

JOHNNIE WALKER



n Kenya, Johnnie Walker provided a memorable experience to both fans and players through a Kshs. 25.5 million sponsorship of the 2022 Magical Kenya Ladies Open.

The four-day Ladies European Tour (LET) sanctioned tournament was held on the 10th to 13th of February, 2022 at the 18-hole PGA Baobab Course at Vipingo Ridge, Kilifi County.

Johnnie Walker is part of supporting the growth of golf in the country, with a specific focus on women in the sport.

In Uganda, Johnnie Walker promoted the 'Local Walkers' campaign, recruiting local 'giants' and cultural icons who embody the values to drive cultural change in Uganda. One of the Local Walkers was Navio – an internationally celebrated Ugandan rapper who has remained steady in his trade of hip hop, performing globally, and mentoring young Ugandan talent.

In Tanzania, Johnnie Walker promoted purposeful content positioning to ensure that more women had opportunities in brand promotions. Alcohol consumption portrayal in Tanzania is very male centric with most communication championing

Kshs. 25.5M

In Kenya, Johnnie Walker, provided a memorable experience to both fans and players through a Kshs. 25.5 million sponsorship of the 2022 Magical Kenya Ladies Open.

the man and his group, while women are mainly portrayed as supporting acts. In fact, women openly consuming alcohol on mainstream media is widely frowned upon which has led to non-inclusion of women as influencers on most alcohol brands leading to a wide disparity in earnings between male and female influencers even where performance is comparable. Through purposeful content positioning, we were able to showcase inclusivity by centering well known Tanzanian women influencers beside male centric brands and amplified these partnerships to a point where other brands within the alcohol category followed suit. There has also been a spike in interest by other women influencers seeking to join the campaign, both occurrences signaling changing attitudes and mindsets.



UGANDA WARAGI

The brand took on two sustainability projects this year:

- Championing inclusion and diversity through Kyaddala, a TV series giving Ugandans an opportunity to tell their own life stories. The show, geared towards creating awareness on the challenges that youths face, and how they can navigate them, covers young people maneuvering everyday life situations and the realities around substance abuse, sex and diversity.
- Recycling The Uganda Waragi brand partnered with other brands to collect plastic from our products, and also led 'Tasa Obutunde' a campaign to increase awareness on the problems associated with plastic pollution.



All our Brands are fully engaged in promoting positive drinking as part of our brand messaging

Across all our markets, we have curated specific content on positive drinking to educate consumers on positive drinking behaviours. This includes encouraging our consumers to:

- Drink in moderation
- Eat before drinking
- Take water in between drinks
- Apply zero tolerance on drinking and driving

Across our marketing department, we are focused on progressive partnerships and media spend.

We have partnered with content creators across Kenya, Uganda and Tanzania to effectively connect our brands with consumers in an authentic way. In F22, we recorded the highest numbers of partnerships with over 100 signed partnerships with influencers in Kenya with a contractual value of over Kshs. 100million passed on to them and contributing significantly to the creative economy.

We ensured that;

- i) we had a gender balance of influencers we worked with, which currently stands at 60% women and 40% male, and
- ii) that influencers were compensated equally based on capabilities and experiences e.g., reach and engagement without bias to gender. We can proudly report we do not have a compensation gap between our male and female influencers.







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Through our Society 2030 Global Plan of Action, EABL is consistently pioneering alternative, innovative and better ways of producing the brands that our consumers have grown to love.

SUPPLY



or years, efficiency was the sole focus for Global Supply Chains. Operations were lean, down to a science, creating tremendous logistical advantages and costssavings.

Lately though, supply chains are under increased scrutiny by investors, consumers, shareholders and governments. And with this scrutiny comes the opportunity to improve supply chains and put them to work towards a company's overall goals. These goals include ESG—Environmental, Social and Governance.

Through our Society 2030 Global Plan of Action, EABL is consistently pioneering alternative, innovative and better ways of producing the brands that our consumers have grown to love. We have set ourselves some very ambitious targets - on an annual basis and for 2030. These targets allow us to identify hidden risks that have an impact on ESG - including natural resource depletion, human rights abuses, corruption and more. While most of our efforts are captured under our progress towards Society 2030 (page 45), The Supply Chain Department, across each market, is going beyond, guiding every employee to entrench Sustainability thinking in their day-to-day work".

Mr. Haiko Cremer

EABL Supply Chain Director



Operations were lean, down to a science, creating tremendous logistical advantages and costs-savings.



The Supply Chain Department, across each market, is going beyond, guiding every employee to entrench Sustainability thinking in their day-today work

KBL SUPPLY OVERVIEW

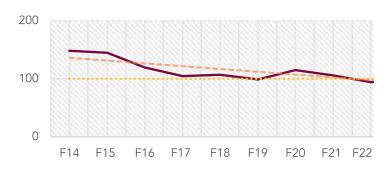
Improved on our water use and recovery: For example, here are some improvements in our water efficiency across three of our sites in Kenya, that is; KBL Kisumu, KBL Tusker and East Africa MaltingsEAML. The measurement of our water use targets is based on how much water is used to produce one litre of our products. At the EAML site the target is based on how much water is used to produce 1 metric tonnes of malt.

YEAR	Water Usage Ratio (L/L)			
	Tusker	Kisumu	EAML	
F20	3.24	3.07	5.00	
F21	2.96	3.30	4.78	
F22	2.68	2.48	5.15	

Our journey of water use reduction has been driven by:

- Recovery of effluent waste at our Kisumu and Tusker sites through investment of state-of-theart Water Recovery Plants. The 2 plants are a first in the country in terms of scale with a capacity to recover 1,200m3 and 768m3, per day, in Tusker and Kisumu respectively. So far, we recover an average of 20% and 65% of total effluent waste treated daily at our Tusker and Kisumu sites respectively.
- Good water practices (GWP) have gone a long way in preserving water. We have implemented intensive awareness drives and embedded the following practices across our Supply Chain operations:
- Prompt identification and resolution of water leakages
- Installation of sensor-based hand wash stations eliminating possibility of leaking taps
- Malting operations involving steeping of grains to prompt germination process. To reduce water used, we have automated the process to ensure optimal water usage.

ENERGY KPI TRENDS F14 to F22, MJ/HI



In the future we want to focus on further reducing our direct water use by:

- 1. Improving the Tusker site Water Recovery Plant by investing in a secondary effluent treatment plant to improve the quality of infeed into the water recovery plant . This will push our water recovery from an average of 20% to 40%.
- Investment in Zero Liquid Discharge (ZLD) technology in our water recovery process. This will achieve over 95% recovery of all our effluent waste.

Accelerating to a Low Carbon World is very high on our agenda. This is predominantly a Supply function and our approach has been to:

- 1. Reduce the energy use through efficient operations systems
- 2. Transition to greener and renewable energy sources

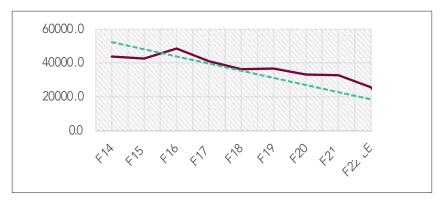
Both priorities benefit the company in reducing our overall energy use as well as lowering our Green House Gas emissions (GHGs).



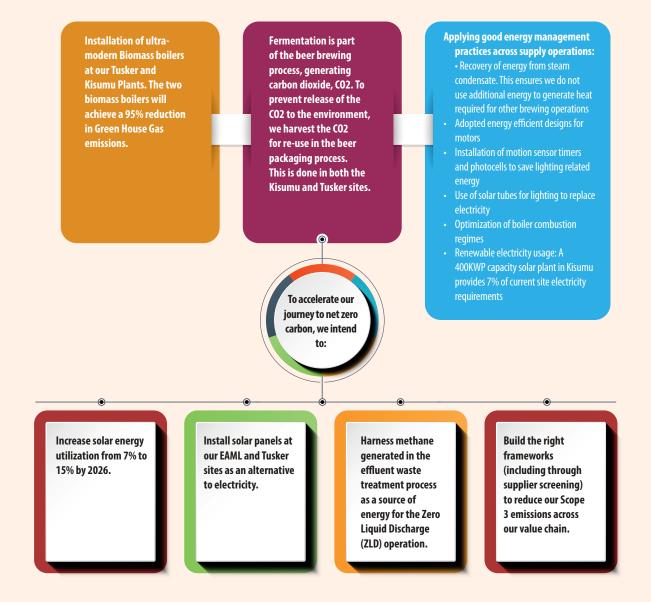
The measurement of our water use targets is based on how much water is used to produce one litre of our products.



GHGs TRENDS F14 to F22 (Tons)



Our journey towards Net Zero operations is driven by:







Across all our sites, we have maintained Zero Waste to Landfill. Across all our sites, we have maintained Zero Waste to Landfill.

We have embraced Circular Economy approaches in our waste and by-products management including:

- Reusable beer bottles backed by bottles takeback schemes that ensure we re-use all of our beer bottles
- Cullet (broken glass bottles) is collected and recycled into new glass through our partners
- Partnerships with our material suppliers for reuse of good pallets
- Supporting local farmers with our organic process by-products. For example; spent grain, autolyzed yeast and malt chaff, among other by-products, are utilized for animal feed, and compost. In F22, we supported farmers with over 33,000 tons of spent grain

- Diatomaceous earth used in our beer filtration process is currently being used to make organic fertilizer
- For incinerated waste we have partnered with our waste vendor to recover energy. Post combustion ash is used for brick making
- To reduce overall plastic impact on the general environment, we have implemented bottle-less water dispensers across our operations.
- Eliminated plastic disposable cups in our operations and with our service providers
- Embedding ICT to drive out the use of paper in our supply operations
- All our processes are designed to drive out waste, for example; infrastructure design and maintenance ensures reduced glass breakages

LOOKING AHEAD

Looking ahead, we are committed to ensuring we are fully Sustainable by Design. Our future initiatives are:

- Exploring further partnerships with our packaging materials suppliers to promote re-use of outer goods packaging, for example; cartons used for packaging crowns and containers for packaging flavors.
- Leveraging on our strong partnerships with local government and community to ensure the communities in which we operate are free of waste and promote public awareness on waste segregation.



We also implement a 'Safety Week'

Our safety Zero-Harm agenda aims at ensuring that everybody goes home safely, every day. The Zero-Harm agenda is anchored on four pillars namely:



Safety Week

Held on an annual basis, the Safety Week aims to achieve the following:

• Embed and improve our safety culture at KBL by engaging employees and our partners on safety matters



- Focusing on education, awards and recognition as well as refreshing our Safety Strategy.
- Our safety and wellness initiatives go beyond our internal operations. As part of our Safety Week activities, we undertake blood donation exercises in support of the national health agenda.
- In F23 we intend to expand the Safety Week to include all aspects of ESG. Additionally, we will be showcasing the strides made by a range of our business partners.



ACTFUI

SBL SUPPLY OVERVIEW

Improvements over the years have been driven through implementation of focused improvement projects aimed at reducing water usage ratio across all sections of the breweries



Anthony Njenga - Supply Chain Director, SBL

To Preserve Water for Life we have

Improved our water usage ration by 17% over the last 3 years (F20 – F22). This usage reduction is equivalent to saving of 128 million liters of water.

YEAR	Water Usage Ratio (HL/HL)			
	Dar	Mwanza	Moshi	
F20	4.16	4.77	4.89	
F21	3.59	4.43	4.43	
F22	3.64	3.94	3.99	

How have we contributed to this agenda?

- Improvements over the years have been driven through implementation of focused improvement projects aimed at reducing water usage ratio across all sections of the breweries
- Investments in meters across all key measurement points in order to improve data capturing
- Implementation of short interval controls to trigger timely actions to address out of standard performance
- Integration of water usage tracking in Daily and Weekly Tier meetings

Other tactical improvement initiatives include:

- Recovery and reuse of Reverse Osmosis reject
 (retentate) water
- Re-use of backwash recovery water from sand and carbon filters
- Optimization of Reverse Osmosis water treatment plans in Dar es Salaam to reduce reject levels
- Installation of water guns and pressure reduction
 for general cleaning
- Servicing of steam condensate systems to improve condensate return > 88%
- Servicing of steam condensate systems to improve condensate return > 88%

So far we have:

- Overall SBL energy usage ratio has improved by 12% over the past three years (F20 – F23) which also has had a positive impact on reduction of carbon emissions
- Power instability that has necessitated the running of generators has had a negative impact on carbon emissions. Despite this we are focused on reducing our carbon emissions by 9% in F23 vs F22

Future Plans:

- Installation of vacuum pump water recovery systems
- Installation of pasteurizer cooling tower system for Moshi and Mwanza
- Installation of STRATA system across sites to provide digital real time tracking and measurement of all identified water consumption points
- Investment in a Wastewater Recovery Plant (WWRP) for Mwanza to recover up to 80% of the effluent water for re-use within the brewery
- Explore rainwater harvesting in Moshi by taking advantage of the roof coverage across the site

RESILIENT MPACTFUL USTAINERE

In accelerating to a low carbon world, we are committed to:



Achieve net zero carbon (become carbon neutral) across all our breweries by 2030



YEAR

F20

F21

F22

Improve energy consumption across to benchmark levels by 2030

Carbon Emissions (tonnes)

Mwanza

4,233.9

4,541.3

5,666.1

Moshi

5,604.0

5,887.7

6,346.6



Implementation of focused improvement projects across three sites with focus on thermal and electrical energy reduction

YEAR	Energy Usage Ratio (MJ/L)		
	Dar	Mwanza	Moshi
F20	1.81	1.83	1.66
F21	1.69	1.84	1.5
F22	1.55	1.86	1.57

How have we contributed to this agenda?

- Implementation of focused improvement projects across three sites with focus on thermal and electrical energy reduction
- Various energy improvement initiatives implemented as follows:
- « Energy audit by Cotopaxis to identify quick wins and capex related initiatives
- « Servicing of steam systems to improve boiler energy efficiency and reduce thermal energy
- « Integration of energy usage tracking in daily and weekly tier meeting routines
- « Implementation of short interval controls for boiler efficiency
- « Synchronization of brewing and packaging operations

Our future plans:

Dar

2,171.6

2,370.7

2,191.6

- Installation of heat recovery (equitherm) system
 in Moshi
- Installation of evaporative vapor condenser system in Mwanza
- Installation of biomass boilers in Moshi and Mwanza
- Replacement of targeted less energy efficient electrical drives with higher efficiency drives
- Conduct sustainability master planning for Moshi and Mwanza sites to provide a structured roadmap to accelerate the journey to carbon neutrality
- Explore opportunities to source renewable energy for our sites including use of solar energy
- Replacement of LPG forklifts with electrical forklifts
- Installation of STRATA system across sites to provide digital real time tracking and measurement of all identified electrical and thermal energy consumption points





We all have a responsibility to restore the natural world on which life depends. We'll do our bit by eliminating waste from our value chain, collaborating with farmers to regenerate landscapes, and creating innovative solutions to grow sustainably. The following are our goals in line with the above commitment: -

- Achieve ZERO waste-to-landfill in our direct operations
- Ensure that 100% of packaging material used in our operations is recyclable and ensuring that 60% of it is made from recycled material
- Increase the representation of our irrigation-based farmers to at least 50%

To date we have achieved the following:

- Sustained zero waste-to-landfill for the last 2 years
- Dar es Salaam and Mwanza effluent treatment plans are fully functional and operating within the local regulatory and Diageo effluent discharge parameters
- Installation of additional 1,800m3 storage tank in Mwanza to mitigate municipal supply risk





We have worked closely with marketing teams to reduce the number of labels that we are using on our products for example we recently reduced number of labels in our Pilsner brand from 3 to 2 labels

To achieve our targets we have:

- Use of Returnable beer bottles for our beer operations
- Partnering with our glass supplier to collect broken glass (cullet) from our sites for re-use as input material for manufacturing of new bottles
- Partnering with our crates manufacturer to collect all broken plastic crates for re-use in manufacture of plastic crates
- We are actively partnering with local farmers to support them with our organic process byproducts like spent grain and autolyzed yeast which are utilized for animal feed.

- Elimination of disposable cups in all our operations and offices
- We are actively finding opportunities to reduce waste in our operations through improvement projects to improve material yields of the materials we are using like crowns, closures and labels
- We have worked closely with marketing teams to reduce the number of labels that we are using on our products, for example, we recently reduced number of labels in our Pilsner brand from 3 to 2 labels

Future Plans:

- Partnering with a reputable recycler company and our glass manufacturer to implement a scheme to collect non-returnable bottles for re-use in glass manufacturing
- Champion and support regenerative agriculture practices with our LRM farmers
- Expand footprint of irrigation-based farmers for LRM to mitigate impacts due to unfavorable weather
- Explore partnerships with our packaging material suppliers to increase ratio of recycled material in manufacturing of packaging materials supplied to us

ACTEIN

() Improved

female gender ratio in supply from 12% in F20 to 20% by end of F22

Championing gender diversity in SBL with a bold ambition to achieve 50% representation of women in leadership roles in Supply by 2030

- 78% of vacancies at L4 and L5 levels filled with female talent
- Achieved 35% female representation in L4 roles
- Recruited and trained an all ladies team to run the newly installed cube spirits facility in 2021



SBL's Women-only run Spirits production team

- Improved female gender ratio in supply from 12% in F20 to 20% by end of F22
- Recruited, trained and graduated the first cohort

of 10 STEM ladies who have now been absorbed into the business to run the new and automated beer packaging line in Moshi



SBL's STEM ladies

Currently we have:

- Recruited the second cohort of 10 female STEM apprentices for a one-year development programme
- Accelerated development of female leaders with L3 talent potential
- Working with talent management team to ensure that 50% of vacancies are filled with qualified female talent

TEM

CTFIT



Our future plans are to:

Enroll L5 female talent on development centers and acceleration programmes

Continued focus on recruiting high potential female talent for new and existing vacancies

Deliberate and conscious spotlighting of female talent in L6 and L7 roles that have potential for promotion to L4 and L5 roles

Increase female representation in our LRM farming community through targeted recruitment and onboarding of female LRM farmers



Continued focus on recruiting high potential female talent for new and existing vacancies

RESILIENT

UBL SUPPLY OVERVIEW



Alfred Balikagira - Supply Chain Director, UBL

In preserving water for life we have committed to use 30% less water than we did in 2020.

UBL	WATER (L/L)		ENERGY (Mj/L)	
	TARGET	ACTUAL	TARGET	ACTUAL
FY20	3.9	4.03	139	148
FY21	3.62	3.00	1.38	1.40
FY22	2.80	2.99	1.30	1.39

Our journey of water use reduction has been driven by:

 Installation of state-of-the art £3.2m Wastewater Recovery Plant. of capacity 1000m3 per day and the currently plant utilization is over 50%. The plant is able to recover over 45% of the total site influent.



UBL's biomas plant

Our Supply operations depend on various categories of energy supply, mainly electricity, Heavy Fuel Oil (HFO) and diesel.

RESILIENT MPACTFUL USTAINABE The water recovery plants have also enhanced our contribution to SDG 6 – clean water and sanitation for all. By recovering wastewater, we have ensured that the water we would have used is available for use by communities around us. A total of 98,277M3 was recovered in FY22 which is over 32% of site water abstraction in the same period. It is estimated that a person requires minimum of 50 litres of water a day. This translates to an annual supply of water to 1,965 people.

 Process water usage efficiency initiatives through water DMAIC projects. Brewing process water reduction DMAIC project in F22 improved brewing water KPI by 5% to 1.9L/L. Optimization of Line 5 Bottlewasher water consumption from 270ml/Bottle to 140ml/ Bottle translating into 25% packaging section water use reduction to 1.2L/L. Addition water reduction initiatives across our supply chain operations including:

- Re-use of Spirits Plant's Reverse Osmosis
 (RO) reject for sanitation purposes
- Improving water treatment losses at Carbon filter

Our Future Plans:

Continual improvement is the fabric of our excellence in supply chain journey. As such we intend to further reduce our direct water use in future through:

- 1. Improvement of water recovery output by 20% through effluent turbidity reduction initiative
- 2. Investment in zero liquid discharge (ZLD) technology in our water recovery process. This will achieve over 95% recovery of all our effluent and compliance to strict effluent standards.

In accelerating to a low carbon world:

Our Supply operations depend on various categories of energy supply, mainly electricity, Heavy Fuel Oil (HFO) and diesel. Our approach has been to:

- 1. Reduce the energy use through efficient operations systems
- 2. Transition to greener and renewable energy sources

The above give us double benefits i.e. energy use reduction and greenhouse gases reduction

Green House Gases tonnes CO2e		
	UBL	
FY20	9634	
FY21	11978	
FY22	13158	

How are we achieving our targets?

 Installation of two (2) ultra-modern Biomass boilers of capacity 8TPH. The biomass boilers will achieve a 95% reduction in greenhouse gases emissions.



Andrew Kilonzo MD UBL and Janelle Orozco, Diageo Chief Procurement Officer





embraced circular economy approaches in our waste and by-products management

- Recovery of carbon dioxide from the beer fermentation process for use in beer packaging. This prevents release of the CO2 to the environment.
- Rolled out Best Practice Energy Management across supply operations to improve energy efficiency and mitigate CO2 emissions. Some of the initiatives include:
 - « Brewing thermal energy optimisation through a DMAIC project .
 - « Reduction of electrical energy usage through refrigeration optimization.
 - « Use of low energy consuming lights across the site.

To accelerate our journey to net zero carbon, we intend

to: Install solar energy to support the grid.

In becoming sustainable by design:

UBL Supply Operations has instituted an effective waste management system that has ensured zero waste-to-landfill over the last 2 financial years

Waste to landfill (tons)		
Year	UBL	
FY15	106.22	
FY16	95.63	
FY17	81.41	
FY18	131.07	
FY19	149.51	
FY20	60.96	
FY21	0	
FY22	0	

BOD KPI TRENDS (tons)			
UBL			
5.7156			
3.6925			
2.7371			
2.3244			
2.6360			
2.0110			
1.1034			
1.2450			

We have embraced circular economy approaches in our waste and by-products management including:

- Reusable beer bottles backed by bottles takeback schemes that ensure we re-use all our bottles
- Cullet (broke glass bottles) is collected and recycled into new glass through our partners
- Partnerships with our logistics partners for reuse of good or repaired pallets
- Supporting local farmers with our organic process by-products e.g., spent grain and autolyzed spent yeast, and malt dust/chaff as animal feeds. In F22, we supported farmers with over 23,638 tons of spent grain as shown below:

RESILIENT MPACTFUL USTAINABLI

F22 partnership with farmers			
By-product	Amount		
Spent grain	23,638.98 tons		
Yeast	1,371.68 tons		

- For other non-recyclable waste we have partnered with Lafarge-Holcim to geo-process the waste into cement which is a higher level environmentally responsible waste management hierarchy
- To reduce overall plastic impact on the general environment, UBL has implemented bottle less water dispensers across our operations.
- Embedding ICT to drive out use of paper in our supply operations e.g. 'project Harford'
- Identified Post Consumer Recycled Plastic vendor to support in transition to rPET packaging of our PET SKUs which is target to roll out by P7 F23

Celebrating 100 years, Our Ongoing Sustainability Journey



100 years down the line, our business has shown interest in, and commitment to a number of issues that we now commonly classify under the banner of "Sustainability".



harles and George Hurst, two British brothers who had initially been farmers in Kitale, brewed the first beer in Kenya in 1922, just around the time when Kenya became a colony.

100 years down the line, our business has shown interest in, and commitment to a number of issues that we now commonly classify under the banner of "Sustainability". We have always valued investing in good causes, giving our workforce, and our external stakeholders, the necessary opportunities to grow and thrive, and we have consistently upgraded our facilities to mitigate against negative environmental impacts.

While the word'Sustainability' has its roots in forestry through German, Hans Carl von Carlowitz, the term was popularised as a result of the Sustainable Development Movement in the 70's. But the idea of Sustainability goes back to time immemorial, as our communities have always been concerned about the capacity of their environment to sustain them in the long run.

The idea of sustainability has been a core component of our operations from the very beginning.

Our Sustainability Origins:

When George and Charles Hurst made the decision to start a brewery off the banks of the river 'Rui Rwa Aka' (River of Women), now known as Ruaraka river, they were in effect responding to a sourcing problem. Waiting for imported gins and spirits to be sourced from 6,000 miles away in Europe, was part of the impetus to realize the dream of locally produced and sourced 'liquid gold'.

When production began, the business struggled with reliable water supply and access, and production was limited by having to fetch water from a nearby well with metal buckets. However, as the business grew, it quickly responded to the growing need for water to sustain demand for locally brewed beer. They installed piped water and eventually realized one of the most sophisticated, water efficient manufacturing sites in Africa to date.

Production has also evolved to have a significant focus on continuous water replenishment in addition to more efficient water use. Furthermore, the business has evolved into ensuring clean, reliable water supply for the thousands of people considered as part of our community.

A Business Focused on Empowering People

From as early as 1925, empowering Kenyan farmers and generating the right opportunities for them to supply raw materials was central to the founder's vision and growth strategy. By 1942, the ongoing war provided an avenue for local farmers to supply Kenyan grown barley as it was impossible for brewers to source barley from international suppliers anymore.

The business enlisted the services of Nairobi based Cecil Greene of Hartz and Bell engineers to redesign EABL's Ruaraka malting plant to handle Kenyan grown barley. At the same time, Dr. Howard Stent of the East African Industrial Research Board traversed

RESILIENT

45.5%

EABL, with five Women Directors on its 11-member board, scored a mark of 45.5%, and was hailed as the top-performing large company in Africa for Women on Boards.

the country training farmers on how to grow high quality barley for brewing.

To date, the business exclusively sources from local farmers, numbering to over 60,000, generating millions in revenue for farmers across East Africa.

It was in the same spirit of community that Senator Keg was born in 2004. A series of tax increases across the region in the 90's directly influenced the rise in the informal alcohol market. The business worked hard to develop an affordable alternative to curb illicit alcohol, whilst creating a new value chain from sorghum – a key ingredient in Senator Keg beer. Senator Keg has created employment for over 47,000 sorghum farmers and promoted a reduction in the sale of illicit alcohol.

A Gendered approach to Growth & Leadership

At the beginning of this century, EABL started the millennium in style. In 2001, the Board made a significant change when it appointed Wanjiku Mugane, the first ever Female Director.

When Wanjiku Mugane retired from the Board in May 2009, she was replaced by another Female Director, Constance Gakonyo, who was appointed a month later. And when Jeremiah Kiereini and Richard Kemoli resigned a few years later, three Female Directors, Tracey Barnes, Susan Githuku and Siobahn Moriarty, were appointed to the Board in February 2012, alongside the new Group Managing Director, Devlin Hainsworth.

The EABL Chairman acknowledged that the Board had benefited from having Non-Executive Women Directors.

In September 2013, Jane Karuku joined the Board and was appointed as the Managing Director of KBL

in 2015. Later that year, the company participated in the first-ever diversity study of Board members that was conducted by the African Development Bank. EABL, with five Women Directors on its 11-member board, scored a mark of 45.5%, and was hailed as the top-performing large company in Africa for Women on Boards. The brewer soared higher above the continental level, in 2017, when the company signed the UN Global Compact and UN Women Empowerment principles. At the time 7 out of of 19 people on its board and in senior management were women, a mark of 36%.

Linking People and Profit

In as early as 1926, KBL established a strong sense of purpose beyond profit, launching its first Corporate Social Responsibility initiative. KBL created a fund and raised \pounds 10 to do more charitable work. The anthem at the time was "The more we are together, together, the more we are together, the happier we shall be".

Since then, this commitment has grown by leaps and bounds. In 2005, the EABL Board approved an allocation of 1% of the company's annual aftertax profits to go to community programs through the EABL Foundation. The Foundation focuses on issues such as access to clean water, education, health, environment and life skills for communities across East Africa. It would also assist in supporting drives responding to national emergency issues and it could also attract more funding from other foundations and donors.

Following EABL's partnership with Diageo, the business welcomed 'Society 2030: Spirit of Progress', a range of 25 bold and ambitious goals designed to make a positive impact on the world by 2030. Society 2030, aligned to the Sustainable Development Goals (SDGs), presents the business perspective and case for the SDGs. When the SDGs were first introduced, they were mainly targeted at Governments. However, the relevancy and dependency on business to achieve the SDGs has become increasingly apparent.



To date, the business exclusively sources from local farmers, numbering to over 60,000, generating millions in revenue for farmers across East Africa.

RESILIENT MPACTFUL USTAINABLE

MEET SOME OF OUR EABL FAMILY

I have been with this company since 1996. By then it was called Associated Breweries. In 2002 the name changed to Serengeti Breweries Ltd, and in 2010 it was acquired by EABL. Looking back, I'm amazed at how we, presently, keenly focus on matters of how our operations impact the environment in which we operate, and how we are constantly avoiding activities that would adversely impact it. At the inception of the Company in Tanzania, and before its acquisition by EABL, the focus was majorly on getting the business moving and maximizing profits. Fast forward to the present times, we have daily reviews on how we are using water and energy at our three production plants in Tanzania, therefore minimizing the impact of our operations on our environment, which we not only need today, but also tomorrow, for our children, and their children, and for more generations to come. I am proud to be working for an organization that's careful enough to balance its ambitions to make Profits, with the wider aspects of People and the Planet. Employee Name: Donan Ritte Joined the Business: 1/1/1996 – Lab Technician Current Role: Brewing Manager- Dar Brewery

MEET SOME OF OUR EABL FAMILY

KGY II3

When you look at the history of EABL, going back to 1922, and when you look at some of the milestones, EABL has always been a very important part of the social fabric of this country and the socio-economic footprint of KBL then and now. EABL was always being felt. And EABL was already beginning conversations about how to formalise Sustainability; how to formalise our Corporate Citizenship agenda. This has been an evolution of growth and has been a subject of trends that are happening globally. And so one of the things that I'm really proud about is the amplification of the awareness of Corporate Citizenship issues. We were the first company in the whole of East Africa to launch the first ever Corporate Citizenship Report, which was in line with the Global Reporting Initiative, GRI, standards. We launched our foundation and set aside 1% of our profits towards community wellbeing. A number of other organisations also followed us and it's been a continued conversation. It's been an evolution in line with global trends and stakeholder expectations.

Employee Name: **Norah Odwesso** Former EABL Corporate Relations Director

MEET SOME OF OUR EABL FAMILY

EABL is not just a company. It has a humongous ecosystem that it also supports right from the farmers to distributors, and retailers, and that has fostered its survival. And on the relationships with the regulators, there are times I think we tend to look at them with, 'Oh dear, here we go again...' But of course, if a company fails, the regulator has no taxes either. So, both actually work together. For the company, it's really being a responsible Corporate, you just have to know what you're doing, sticking with integrity and doing your piece.

Wanjiku Mugane Former EABL Board Member



100 years down the line, our business has shown interest in, and commitment to a number of issues that we now commonly classify under the banner of "Sustainability".

Responding to global challenges – Climate Change and COVID 19

2020 and the most part of 2021 was undoubtedly dominated by the COVID-19 pandemic, which has resulted in the death of more than 6 million people worldwide thus far.

2021 was also marked by the increasingly evident effects of climate change, including record-breaking flooding, and more extreme temperatures. A striking parallel between the climate crisis and COVID-19 is that they both resulted in loss of life that could have been prevented through concerted global efforts.

As a regional business, we acknowledge that we have a responsibility to be on the frontline of responses to these challenges.

THE CLIMATE CRISIS:

In February, 2022 the Intergovernmental Panel on Climate Change (IPCC) launched the sixth assessment report on how climate change impacts the world. The report focused on impacts, adaptation and vulnerability while recognizing the interdependence of climate, ecosystems, biodiversity, and human societies. Some of the report's key findings, and of particular concern to Africa include:

- Increasing weather and climate extreme events "have exposed millions of people to acute food insecurity and reduced water security", with the most significant impacts seen in parts of Africa, Asia, Central and South America, small islands and the Arctic.
- Climate change "will increasingly put pressure on food production and access, especially in vulnerable regions, undermining food security and nutrition".

Our Society 2030 Action Plan delineates Accelerating to a Low Carbon World, as a priority concern for us (see page 105. On progress). But at the same time, EABL operates in Africa, a continent that is currently cumulatively responsible for less than 4% of Global Greenhouse Gas Emissions.



In view of this, the African population are exceptionally vulnerable to the impacts of climate change. We need to play our part in reducing Global Greenhouse Gas Emissions, but we also want to explore this within the context of enhancing resilience and adaptive capacity of our communities.

Our response - BIOMASS

In 2019, we announced a £31.5 million investment in biomass power across our Plants in Kenya and Uganda. This confirms our commitment to reducing our carbon footprint and addressing climate change. The biomass boilers will be powered by sustainable fuel alternatives such as bamboo, macadamia husks, coffee husks, bagasse, and rice husks, among other raw materials to create steam power for the breweries and will replace heavy fuel oil.

The investment will help reduce our carbon emission by 95% (about 42,000 tonnes a year). This is spread across Kisumu (8,000 tonnes), Nairobi (26,000 tonnes) and Kampala (8,000 tonnes).

Biomass will deliver 900 direct and indirect green jobs throughout the supply chain. Local farmers will be tasked with providing the biomass fuel.

This is one of the biggest single investments in addressing climate change issues across sub-Saharan Africa countries. It demonstrates the strength of our commitment in pioneering Grain-to-Glass Sustainability and to positively impacting the communities in which we live and work.

On the 18th May 2022 we commissioned our biomass project at the Tusker plant in Nairobi: Ivan Menezes, Chief Executive, Diageo plc

"Diageo has set ambitious environmental targets, aligned with the United Nations global SDG's, and efforts to deliver on these continue at pace. The biomass project in Kenya and Uganda is among the biggest investments in addressing climate change issues across sub-Saharan Africa countries. Using clean and affordable energy sources and offsetting our carbon footprint demonstrates the strength of our commitment in pioneering Grain-to-Glass Sustainability, positively impacting the communities in which we live and work"

Our 6 biomass boilers have been distributed as follows:

- a) Two boilers at the Tusker plant. Each boiler has the capacity of processing 18 tonnes of bio-fuel per hour.
- b) Two boilers at the Kisumu plant. Each boiler has the capacity of processing 6 tonnes of bio-fuel per hour.
- c) Two boilers at the Kampala plant. Each boiler has the capacity of processing 8 tonnes of bio-fuel per hour.



Diageo has set ambitious environmental targets, aligned with the United Nations global SDG's, and efforts to deliver on these continue at pace.



The investment will help reduce our carbon emission by 95% (about 42,000 tonnes a year).



In 2019, we announced a £31.5 million investment in biomass power across our Plants in Kenya and Uganda.



Capital Expenditure

Key Highlights:

- First set of Biomass based Boiler in Diageo Africa
- Suitable to handle wide variety of fuel type
- Carbon savings of 48,000 MT/year once commissioned
- Equipped to meet stringent air pollution requirements
- Site cover for fuel storage ~ 10 days



Particulars	KBL Nairobi	KBL Kisumu	UBL Kampala
Boiler Capacity (TPH)	18 x 2 Nos	6 x 2 Nos	8 x 2 Nos
Total Capex (£ m)	17.72	8.05	8.49
CO2 Saving (Ton/year)	25000	3500	11000
Average fuel (MT/day)	90	25	27
First Steam date	June 2022	May 2022	July 2022



THE COVID-19 PANDEMIC

COVID-19, a global pandemic declared by the World Health Organisation (WHO), was crippling to our regional and global economy. The entire world grappled with a series of coping and mitigation strategies, that included social distancing and public lockdown measures. As a region, we faced the dire consequences of the pandemic, necessitating timely response, recovery and rebuilding of policies and strategies. As a result, the hospitality and leisure industry was severely hit.

Our Response:

Diageo's Global survey of bar owners via Diageo Bar *Academy*, consistent feedback that they need:

- Support for social distancing and hygiene measures and equipment;
- · Training of staff to implement; and
- Confidence building measures to bring the public back

"Raising the Bar"- a \$100 million global programme

• Online offering, free to any bar in the world, on how to re-open safely and rebuild confidence

through the Diageo Bar Academy, DBA, and myDiageo platforms.

- Funding to provide outlets in iconic global cities with the following:
- Social distancing and hygiene equipment sanitiser and dispensers, screens, route flows, outdoor heating, pop up bars, thermal scanners, ventilation, reservation systems
- Training on implementing social distancing, "performative" hygiene measures and confidence building among staff and customers mostly facilitated through DBA (also including positive drinking and skills training through DRINKiQ and the Diageo Bar Academy / Learning 4 Life)
- Promotion, via local and digital media, that bars are not only open again but have put in place measures to ensure safety; accredited or acknowledged by local authority and government partnerships
- Support will be given over a 2-year period from 1 July 2020 – June 30 2022
- Any surplus from the Fund not utilized by markets will be donated to charitable fund consistent with the Fund purpose



The entire world grappled with a series of coping and mitigation strategies, that included social distancing and public lockdown measures.



Raise the Bar Funding: \$5 million for East Africa

OUTCOMES

- Agility by the commercial, CR teams in creating model outlets created a compelling case for bar reopening -28th Sept. 2020, bars & pubs were reopened, governed by MoH protocols.
- RTB with Tusker Brand supported enforcement of COVID-19 rules in 42 counties outside the infection area-AMREF training created linkages with County govt.
- KBL, ABAK, BAHLITA and PERAK continue to collaborate with the government on other self regulating activities and COVID-19 risk communication.



OUTCOMES

- Partnership between alcohol manufacturers and bar owners' associations created government trust and confidence-shaping policy
- Self-regulaing activities create sustained credible engegement with the government
- Good understanding of the decision-making structure is critical
- Regularly update the government on the changing COVID-19 impact on the industry
- Sustain media campaigns to boost government and public confidence in the industry



ABAK and bar owners launch of Covid 19 risk communication campaign

EABL Materiality and the Sustainable Development Goals

Aligning to the Sustainable Development Goals (SDGs) is, undoubtedly, key for the organisation. To support linking

sustainability interventions with the right SDG (Goal and Target), the following table matches EABL's material issues to the relevant SDG goal, and target.

Sustainable Development Goal	EABL's Impact (Direct or Indirect) on achieving the SDG
SDG 8: Decent Work & Economic Growth	Target 8.8: Protect labour rights and promote safe working environments
SDG 3: Good Health & Wellbeing 3 GOOD HEALTH AND WELL-BEING	Target 3.4: Reduce mortality from non-communicable diseases and promote mental health
	Target 3.9: Reduce illnesses and death from hazardous chemicals and pollution
SDG 8: Decent Work & Economic Growth	Target 8.3: Promote policies to support job creation and growing enterprises
	Target 8.8: Protect labour rights and promote safe working environments
SDG 6: Clean Water & Sanitation	Target 6.1: Safe and affordable drinking water
6 CLEAN WATER AND SANITATION	Target 6.3: Improve water quality, wastewater treatment and safe reuse
	Target 6.4: Increase water use efficiency and ensure freshwater supplies
SDG 7: Affordable & Clean Energy 7 AFFORDABLE AND CLEMENRGY	Target 7.3: Double the improvement in energy efficiency
SDG 13: Climate Action	Target 13.1: Strengthen resilience and adaptive capacity to climate related disasters
	Goal SDG 8: Decent Work & SDG 3: Good Health & Wellbeing SDG 3: Good Health & Wellbeing SDG 8: Decent Work & Economic Growth SDG 8: Decent Work & Economic Growth SDG 6: Clean Water & Sanitation SDG 6: Clean Water & Sanitation SDG 7: Affordable & Clean Energy SDG 13: Climate Action SDG 13: Climate Action

Communities	SDG 8: Decent Work & Economic Growth	Target 8.3:Promote policies to support job creation and growing enterprises
	SDG 6: Clean Water and Sanitation	 Target 6.1: Safe and affordable drinking water Target 6.4: Increase water use efficiency and ensure freshwater supplies Target 6.B: Support local engagement in water and sanitation management Target 5.A: Equal rights to economic resources, property ownership and financial services
Environment	SDG 15: Life on Land	Target 15.2: End deforestation and restore degraded forests Target 15.5: Protect biodiversity and natural habitats
Inclusion & Diversity	SDG 5: Gender Equality	Target 5.A: Equal rights to economic resources, property ownership and financial services
	SDG 8: Decent Work and Economic Growth	Target 8.5: Full employment and decent work with equal pay
Positive Drinking	SDG 3: Good Health & Wellbeing 3 COOD HEALTH AND WELL-BEING 	Target 3.5: Prevent and treat substance abuse Target 3.6: Reduce road injuries and deaths

Raw Materials & Regenerative Agriculture	SDG 2: Zero Hunger	Target 2.4: Sustainable food production and resilient agricultural practices Target 2.A: Invest in rural infrastructure, agricultural research, technology and gene banks
		Target 2.C: Ensure stable food commodity markets and timely access to information
	SDG 12: Responsible Consumption and Production 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Target 12.2: Sustainable management and use of natural resources
COVID-19 Management & Recovery	SDG 1: No Poverty	Target 1.5: Build resilience to Environmental, Economic and Social disasters
Circular Economy	SDG 9: Industry, Innovation and Infrastructure	Target 9.4: Upgrade all industries and infrastructures for Sustainability
	SDG 12: Responsible Consumption and Production	Target 12.4: Responsible management of chemicals and waste Target 12.5: Substantially reduce waste generation Target 12.6: Encourage companies to adopt sustainable practices and Sustainability reporting
	SDG 8: Decent Work and Economic Growth	Target 8.6: Promote youth employment, education and training

AWARDS AND ACCOLADES

KBL AWARDS:

- Overall winner for Women Empowerment in the Workplace, Women Empowerment in Communities, and Champion for Gender Mainstreaming in East Africa the 9th Gender Mainstreaming Awards (GMA) (I&D)
- Overall winner 2021 Reuters awards Diversity, Equality and Inclusion category (I&D)
- Gold winner at the 2021 Loeries awards shared value category (Senator Keg campaign)
- Energy Management Awards:
 - » Wat<mark>er Management Award Winner Kenya Breweries Ltd Nairobi</mark>
 - » Water Management Award Runners Up Kenya Breweries Ltd Kisumu
 - » Electrical Energy Savings Award Runners Up Kenya Breweries Ltd Nairobi
 - » Sustained High Performance Award Runners Up Kenya Breweries Ltd Nairobi
- KBL Head of Sustainability and Community Engagement, Arnolda Shiundu, was among three Kenyans who won the Meaningful Business Leaders (Mb100) for mainstreaming sustainability in the company.
- Social impact awards EABL received Honourable mention at the 2022 Social Impact Award
- Sabre Awards Certificate of excellence
- PRSK Publication of the year Sustainability Report KBL's
- EABL Group MD and CEO, Jane Karuku was listed among the 2021 Africa.com. Definitive list of women CEOs. She also participated in the Definitive List summit in a discussion of what it takes for an African woman to succeed in the corporate sector.
- LoeriesAward2022 -Finalist for Shared Value Category
- Africa Property Investment Award 2022 Finalist for Best Industrial & Logistics Development Award.
- Overall Energy Management Award
 - » Renewable energy
 - » Water conservation
 - » Electricity savings award large consumer
 - » Energy management
 - » Best energy thermal saving award for large consumer
 - » Sustained the high-performance
- World Sustainability Award 2022-Shortlisted for Purpose with Profit Category

UBL AWARDS:

- Uganda Breweries is also following the pace set by KBL. The UBL Team advanced its progressive culture of compliance with standards with 100% excellence recorded in all the F22 standards audits, including ISO 9001:2015, ISO 140001:2015, ISO 450001:2018, ISO 22000:2018/(HACCP) and the Uganda National Bureau of Standards Audit on innovations.
- UBL plant was also ranked Best Africa site in Pack dress and Analytical Compliance by the Diageo Global Opex Annual Report on Quality.
- Uganda Breweries named overall winner for Best HR Practices in Uganda.

SBL AWARDS:

- 'Women of the Future' Award by The Citizen's 'Rising Woman Awards' initiative
- SBL was recognized for its contribution to the development of Vocational Skills in the country through its Kilimo Viwanda Scholarship Program.

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- Oxygène Marketing Communications.









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