

# RESILIENCE COLLABORATION PROGRESS



Sustainability Report 2019/2020

Two hands are shown holding two bottles of Guinness Foreign Extra Stout. The bottles are dark and condensation-covered, with the iconic harp logo and 'GUINNESS FOREIGN EXTRA STOUT' label clearly visible. The background is a dark, abstract composition with streaks of blue and orange light, suggesting a night sky or a dynamic environment.

# 17:59

WELCOME TO  
GUINNESS TIME

**OVER N100 MILLION  
WORTH OF AIRTIME TO BE WON**

TO WIN, TEXT CODE UNDER YOUR  
CROWN CORK TO 1759

Terms and conditions apply



DRINK RESPONSIBLY  
WWW.DRINKIQ.COM



GUINNESS  
MADE OF MORE

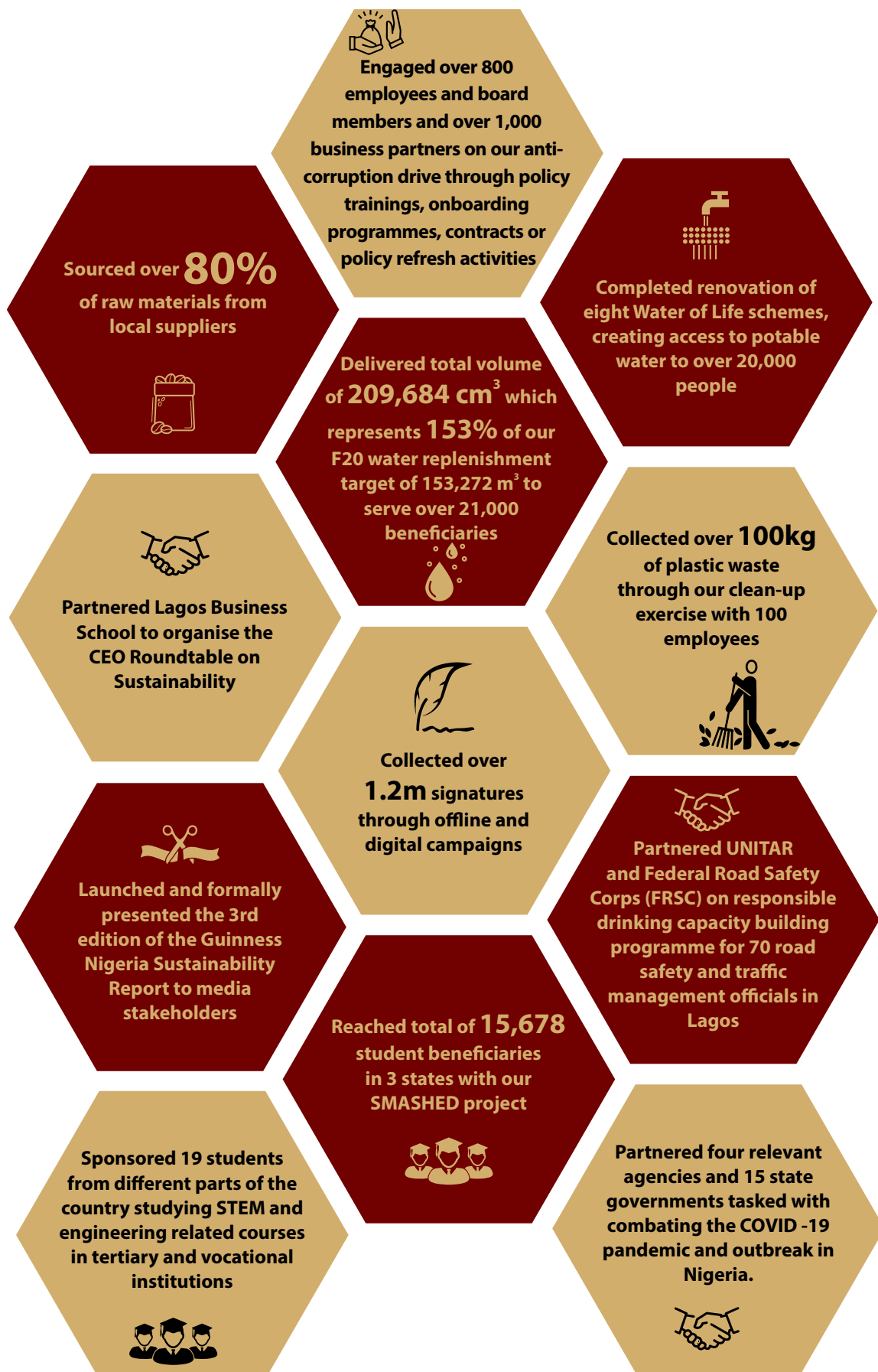
# Table of Contents

<b>2019-2020 Milestones and Highlights</b>	03	<b>38</b>	<b>Our People, Culture &amp; Diversity</b>
<b>CEO's Foreword</b>	04		Our Approach to People Management
<b>Introduction to Our 2019-2020 Sustainability Report</b>	06		Our Employee Composition
<b>About Us</b>	08		Staff Diversity
<b>Our Products</b>	11		Providing Healthy and Safe Workplaces
			Health and Safety Training
			Accident Reporting
			Career Advancement
			Human Rights
<b>Leadership &amp; Governance</b>	14		
Guinness Leadership Team			
Board of Directors			
Affiliations for Excellence			
Food and Beverage Alliance		<b>44</b>	<b>Responsible Marketing</b>
			Environmentally-friendly Labelling and Packaging
<b>Our Approach to Stakeholder Engagement</b>	23		Compliance to Marketing Standards
<b>Materiality Assessment</b>	24		Data Privacy
			Consumer Health and Safety
			Highlights of Diageo Marketing Code
<b>Risk Management</b>	27		
Quality Policy		<b>47</b>	<b>Managing Our Supply Chain</b>
			Our Local Suppliers
<b>Our Economic Performance</b>	29		Our Supply Chain
<b>#StrongerTogether: Working Together to Fight the Pandemic</b>	32		
Guinness Nigeria's Support to Communities		<b>49</b>	<b>Our Sustainability Strategy</b>
During COVID-19			Leadership in Alcohol in Society
Donation of Care Packages			The SMASHED Project
Donation of Non-Alcoholic Drinks to Government			Building Thriving Communities
Agencies and Communities Through Partner Organisations			Guinness Water of Life Scheme
Donation of Hand Sanitisers to Government Agencies			CEOs Roundtable Conference on Plastics Advocacy
Social Media Campaign and Awareness			Join the Pact
			Guinness Community Clean Up
<b>Governance</b>	35		Guinness Partners with United Nations Training and Research Institute (UNITAR)
Whistleblowing Policy			Guinness Nigeria Undergraduate Scholarship Scheme
Compliance			
Compliance to Environmental Standards		<b>55</b>	<b>Appendix</b>
Ethics and Anti-corruption		<b>62</b>	List of Abbreviations
		<b>64</b>	List of Figures
		<b>65</b>	Contact Us



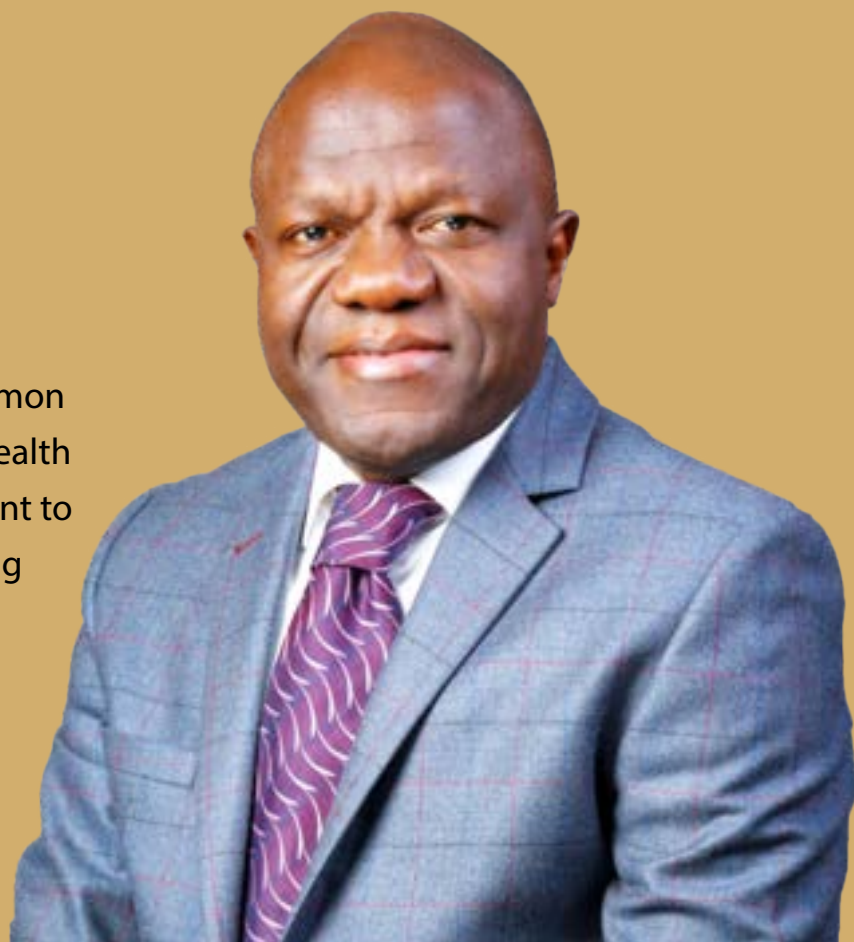


## 2019-2020 Milestones and Highlights



# CEO'S FOREWARD

Guinness Nigeria has shown uncommon resilience in the face of this global health and economic challenge - a testament to the 'stronger together' and 'emerging stronger' spirit of our employees, partners and suppliers who have continued to show dedication and support.



I am pleased to introduce the 2020/2021 edition of the Guinness Nigeria Plc (Guinness Nigeria) Sustainability Report. This is coming on the heels of the gradual re-opening of world economies following the unprecedented impact of the Covid-19 Pandemic on nations around the world. Guinness Nigeria has shown uncommon resilience in the face of this global health and economic challenge - a testament to the 'stronger together' and 'emerging stronger' spirit of our employees, partners and suppliers who have continued to show dedication and support.

As we continue to learn new ways of containing and living with this virus, Guinness Nigeria is even more committed to supporting the nation in the attainment of its Sustainable Development Goals to end poverty, promote sustainable agriculture, promote gender equality by empowering women and girls and ensuring available and sustainable management of water and sanitation for all by year 2030.

Over the years, we have positioned our sustainability agenda to target areas where we have the best opportunities to exert greater influence and deliver the most resounding impacts to create long term value for our stakeholders, suppliers and partners across our value chain and the communities where we operate. This is the basis of our recently launched global commitments called '**Society 2030: Spirit of Progress**', a

new 10-year action plan to help create a more inclusive and sustainable world.

Society 2030: Spirit of Progress is building on our existing initiatives through a new and ambitious action plan aimed at delivering more for communities and our planet over the next decade. This global strategy is hinged on three major pillars – Leadership in Alcohol in Society, Building Thriving Communities and Reducing Environmental Impacts in our host communities. The 2020 Sustainability Report outlines our achievements in the year under review.

In our position as a leader in Alcohol-in-Society, we recognise that when alcohol is consumed moderately and responsibly by adults who choose to drink, it can be part of a balanced lifestyle and play a positive role in social occasions and celebrations. We are, however, cognisant of the risks associated with alcohol misuse and abuse and, therefore, have continued to deploy impactful trainings and programmes, through various campaigns aimed at reducing alcohol-related harm. Through these programmes, we provide consumers with the information and tools required to make informed choices about drinking or abstaining from alcohol. Some of the programmes under this pillar include **SMASHED** – a theatre-in-education programme designed to deliver key learning objectives on the dangers of underage

drinking and alcohol-related harm to public and private school students between the ages of 13 and 18 in Nigeria. Guinness Nigeria Plc in conjunction with the Beer Sectoral Group (BSG) of the Manufacturers Association of Nigeria (MAN) have been able to reach 15,678 students beneficiaries in three states in the year under review.

**Join The Pact**, our leading advocacy programme, is targeted at encouraging consumers to make personal pledges not to drink and drive. Our commitment to leading the industry in promoting moderation has helped us reach consumers through targeted offline and digital campaigns where we collected over 1.2 million signatures during the year under review. The integration of the annual Guinness Nigeria responsible drinking rallies with Join the Pact has helped to develop a valid monitoring and measuring technique, thereby helping to track the impact and number of consumers reached on a yearly basis.

**Grow with Nigeria**, in line with promoting sustainable agriculture, a component of United Nations Sustainable Development Goal 2, Guinness Nigeria extended much needed support to smallholder farmers in the northern part of Nigeria encompassing capacity development such as grants, quality seedlings, financial literacy and best agronomic practices in order to guarantee better yield at harvest. We have also provided market for their harvest by sourcing 80% of our raw materials including sorghum and maize, locally, ensuring that we put our money where our mouth is, and vice versa, in a symbiotic system.

In a year when the need for clean, potable water and sanitation became more pronounced due to the pandemic, Guinness Nigeria delivered a total volume of 209,684  $\text{cm}^3$  which represents 153% of our F20 water replenishment target of 153,272  $\text{m}^3$  to serve over 21,000 beneficiaries. Under our signature Water of Life (WoL) Scheme, we completed the renovation of eight WoL facilities creating access to clean water to over 20,000 people.

We are, however, cognisant of the risks associated with alcohol misuse and abuse and, therefore, have continued to deploy impactful trainings and programmes, through various campaigns aimed at reducing alcohol-related harm. Through these programmes, we provide consumers with the information and tools required to make informed choices about drinking or abstaining from alcohol.

As we continue to navigate the new normal of a post-pandemic society, Guinness Nigeria will continue to drive these impactful programmes in a manner which will see us maintain our leadership in Alcohol in Society, help our communities thrive and reduce our environmental impact. Our goal ultimately is to help create a more inclusive and sustainable world.

**Baker Magunda**  
**MD/CEO**  
**Guinness Nigeria Plc**

# Introduction to Our 2019-2020 Sustainability Report

This sustainability report covers Guinness Nigeria Plc's (Guinness Nigeria) performance in the financial year July 2019 to June 2020, detailing structured activities relating to the sustainability of our business. Over the years, we have shown our commitment to investing in Nigeria's achievement of its set targets around the aspirational goals of the United Nations Sustainable Development Goals (SDGs) in the following thematic areas: end poverty (SDG 1), fight inequality and injustice (SDGs 5 and 10), and tackle climate change (SDG 13) by 2030, envisaging a time when the global goals are attained.

Additionally, we have outlined in this report, the stakeholders who have continued to fuel our business operations, as well as the progress we have made in engaging them. This report was scripted in line with the latest Global Reporting Initiative (GRI) framework, the GRI Standards, in accordance with the 'referenced' reporting option. This report also expresses Guinness Nigeria's sustainability approach and how we have evolved, integrating sustainability practices into the core of our business, and our continuous efforts at adopting global standards and international best practices through the creating and sustaining of shared value for our stakeholders. Information provided in this report reflect the company's position on the period under review.

## Our Reference Points

As we did in our 2018-2019 report, we will cite our compliance to the following sustainability disclosure guidelines.

**Global Reporting Initiative** – The GRI Sustainability Reporting Standards are the first and most widely adopted global standards for sustainability reporting. We utilised the GRI's ten principles for determining reporting content and quality as well as the management approach in the narration of our disclosures.

**Sustainability Disclosure Guidelines of the Nigerian Stock Exchange** – The Sustainability Disclosure Guidelines of the NSE detail indicators that should be considered when providing annual sustainability disclosures to The Exchange. The Exchange encourages all issuers to consider and adopt the practice of sustainability reporting.

**Sustainable Development Goals** – The Sustainable Development Goals, otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

**Priority Issues** – Our priority issues are the products of our materiality analysis. They are critical economic, environmental and social issues, which may either reflect a significant impact on our business performance or substantively influence the assessments and decisions of our stakeholders.

**United Nations Global Compact (UNGC) Principles** – The UNGC is a voluntary initiative based on business leaders' commitment to implement universal sustainability principles and to undertake partnerships in support of UN goals.

## Stay in Contact

If you have any questions or comments about this report or our strategy and performance, we would like to hear from you. Please contact [info.gn@diageo.com](mailto:info.gn@diageo.com) or reach out to any of our representatives below:

### Viola Graham-Douglas

Director, Corporate Relations

Guinness Nigeria Plc

24, Oba Akran Avenue, Ikeja

Lagos, Nigeria

E: [info.gn@diageo.com](mailto:info.gn@diageo.com)

T: 2709100 ext. 3997

W: [www.guinness-nigeria.com](http://www.guinness-nigeria.com), [www.diageo.com](http://www.diageo.com)

### Titilola Alabi

Sustainable Development & AIS Manager

Guinness Nigeria Plc

24, Oba Akran Avenue, Ikeja

Lagos, Nigeria

E: [info.gn@diageo.com](mailto:info.gn@diageo.com)

T: 2709100 ext. 3997

W: [www.guinness-nigeria.com](http://www.guinness-nigeria.com), [www.diageo.com](http://www.diageo.com)



**NEW**



**GUINNESS™**

# **SMOOTH**

FOR A DISTINCTIVELY SMOOTH AND REFRESHING TASTE

**ORDER NOW**



DRINK RESPONSIBLY.  
WWW.DRINKIQ.COM

**18+**



## About Us

At Guinness, it is cultural to tell our Arthur Guinness story; our heritage.

In 1759, at age 34, Arthur Guinness signed a lease for the St. James Gate Brewery, Dublin. He leased the brewery for 9000 years at an annual rent of GBP45. The Brewery was a disused 4-acre property with little brewing equipment but Arthur was able to quickly turn things around and had built a successful trade by 1769 exporting his beer to England. The brand has since gone on to become one of the most successful beer brands worldwide with tentacles in over 180 countries. Guinness merged with Grand Metropolitan Plc in 1997 and is now part of the British-based multinational alcohol conglomerate – Diageo

Guinness Nigeria Plc (a Diageo Company) – home of the first Guinness brewery outside of the British Isles – is one of the oldest serving manufacturing companies in Nigeria. It started as a trading company in the 1950s and due to the acceptance and success of the brand in Nigeria, the first bottle of Guinness Foreign Extra Stout was brewed in Ikeja, Lagos. In 1965, three years after the production of the first bottle of Guinness Stout, the company was listed on the Nigerian Stock Exchange and has since remained one of the largest companies by market capitalisation.

Our brands are marketed pan-Nigeria through a distribution network of tens of thousands of retailers who earn their living distributing and retailing our products.

With a very clear ambition “to be the best performing, most trusted and respected consumer products company in Nigeria”, Guinness Nigeria follows through on our sustainability and responsibility commitments which are focused on three areas: alcohol in society, building thriving communities and reducing environmental impact. The company continues to be a champion for responsible drinking and community development.

### Arthur Guinness

(24 September 1725 – 23 January 1803)

Founder of the Guinness brewery business

A stylized, cursive signature of Arthur Guinness in white ink, with a small trademark symbol (TM) at the end.



SMIRNOFF XT INTENSE CHOCOLATE

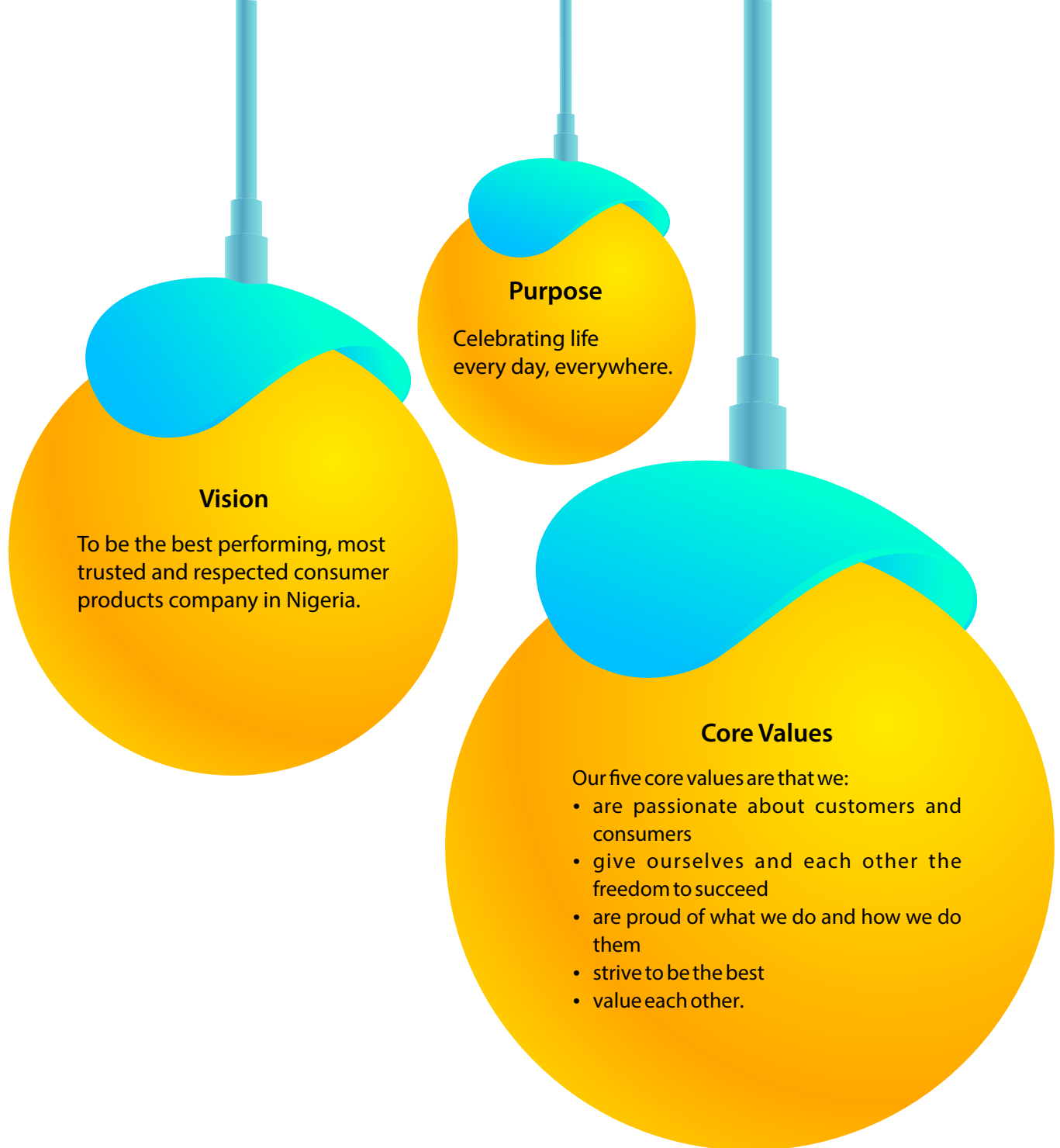
**NEW  
LABEL**



**SAME SPIRIT  
SAME PRICE**

FROM THE MAKERS OF  
THE WORLD'S N°1 VODKA

*Smirnoff*



Guinness Nigeria has a Code of Business Conduct (COBC) which is based on our purpose and values as an organisation. At the heart of our Code is a culture of "acting with personal integrity" at all times as we engage with internal and external stakeholders. The Code is applicable to all employees, directors and business partners of the Company. Our Code covers salient topics which include health, safety and personal security, bribery and corruption, responsible drinking, money laundering, discrimination and human rights, information management and security, quality, insider trading, conflict of interest, competition, data privacy, relationships with customers, suppliers and other business partners, external communications and social media, amongst others.

#### **Shareholding and Substantial Shareholder**

The issued and fully paid-up share capital of the Company is 2,190,382,819 ordinary shares of 50 kobo each (2019: 2,190,382,819 ordinary shares of 50 kobo each). The Register of Members shows that only one company, Guinness Overseas Limited (a subsidiary of Diageo Plc) with 1,099,230,804 ordinary shares (2019: 1,099,230,804 ordinary shares) constituting 50.18% shareholding (2019: 50.18% shareholding) held more than 10% interest in the Company. Diageo Plc also owns another shareholder of the Company, Atalanta Limited with 171,712,564 ordinary shares (2019: 171,712,564 shares) constituting 7.84% (2019: 7.84%).



## Our Products

As the first and only Total Beverage Alcohol company in Nigeria, we have a wide portfolio of brands catering to alcohol and non-alcohol drinkers, with spirits, lagers & beers, and zero alcohol drinks. Statistics show that Nigeria is one of the largest Guinness drinking nations in the world ahead of countries like the United States of America.

Guinness Nigeria recognises the power of connecting people through the simple act of sharing a drink. Our brands bring together millions of people all over the world at different occasions and recognises the effect of these on promoting a peaceful and sustainable world. As a subsidiary of one of the biggest brewery groups in the world, the Diageo Group, Guinness Nigeria understands the diverse varying customer preferences; while some consumers are pursuing more balanced lifestyles, others want more choices.

**“Our brands come in different categories, including scotch, whisky, vodka, liqueur, gin, beer, ready-to drink and non-alcoholic beverage.”**

Our portfolio strategy for meeting the diverse needs of our target market entails producing brands for different people, purposes, and occasions. Presently, our portfolio consists of numerous brands and a number of these brands are part of the most valuable and recognised beer and beverage brands world-wide. Through our unique brands and unmatched quality, we have continued to blaze the trail and lead the industry, while retaining our great track record of growth and strong performance. This is largely due to our ability to change, stand against challenges, create innovations, and maintain the highest degree of corporate responsibility.

To maintain our leadership position, we nurture and preserve each brand's distinctive identity and purpose. At the same time, we leverage our national and global distribution, creative resources and operational expertise across all our brands.

The global alcohol brands are brewed under licence internationally in diverse countries, including Nigeria, the Bahamas, Canada, Cameroon, Kenya, Uganda, Namibia, and Indonesia.

Our brands come in different categories, including scotch, whisky, vodka, liqueur, gin, beer, ready-to drink and non-alcoholic beverage. Some of these brands include Guinness Foreign Extra Stout (FES), Malta

Guinness, Malta Guinness, Dubic Malt, Smirnoff Ice, Smirnoff Guarana, Snapp, Orijin Spirit Mixed Drink, Orijin Bitters, Orijin Zero, Johnnie Walker, Baileys, Ciroc Vodka, Smirnoff Vodka, Tanqueray, Captain Morgan, Gordon's Dry Gin, Royal Challenge Whiskey, Mr Dowell's Whiskey, J&B, and Don Julio, amongst others, with the introduction of a new product, Guinness Smooth.

We are driven by a desire to grow bigger in order to fully satisfy our customers. This drives us to identify exciting opportunities to launch new products, distribution channels, events and retail experiences to avail our customers more choices with the same great quality. We actualise this by combining our in-depth understanding of our different markets with an analysis of changing consumer habits and preferences.

The corporate headquarters of Guinness Nigeria is located at 24 Oba Akran Avenue, Ikeja, Lagos. Through our functional sales divisions, which include Lagos Division, West Division, East Division, Central Division and North Division, our products are distributed to Nigerians in all parts of the country. We have, however, put in place measures to ensure that our beverages with alcoholic content are sold to persons not less than 18 years old.

**DIAGEO  
PRODUCTS  
NOW AVAILABLE  
ON JUMIA**

Click the link to purchase now

<https://www.jumia.com.ng/diageo-nigeria/>



## Global giants <sup>(i)</sup>

Our business is built around our six biggest global brands.



## Local stars <sup>(ii)</sup>

Can be individual to any one market, and provide a platform for our business to grow.





**You'll love it from  
the very first sip**

**Sorry, acquired taste.**

DRINK RESPONSIBLY  
WWW.DRINKIQ.COM



  
**THE SINGLETON**  
SINGLE MALT SCOTCH WHISKY  

---

**UNAPOLOGETICALLY  
ENJOYED**





# **Leadership and Governance**

## Leadership And Governance



### **Our governance framework is designed to ensure ongoing compliance with the code of corporate governance in Nigeria, the requirements of the Nigerian Stock Exchange and relevant laws and regulations.**

Corporate governance, responsibility and risk management remains top priority to us at Guinness Nigeria.

We have an effective leadership and governance structure designed to meet the core needs of our stakeholders, while ensuring the creation of shared value across all fronts of people, profit, and planet. This is because we understand the role of good corporate governance in encouraging proper evaluation and risk management processes. We are also aware that social, economic, and environmental considerations are viable factors to the success and sustenance of our business.

Our governance framework is designed to ensure ongoing compliance with the code

of corporate governance in Nigeria, the requirements of the Nigerian Stock Exchange and relevant laws and regulations.

Guinness Nigeria Plc strives to maintain strict adherence to the principles that we are signatory to such as the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

Our Board of Directors' governance structure is diverse, consisting of members from different nationalities, races, and cultures, each bringing onboard their unique perspective and personality. This makes decisions from the Board inclusion sensitive.

The Board is focused on securing the Company's future by collectively providing direction for the affairs of the Company, whilst satisfying the interests and expectations of its stakeholders and shareholders. The Company's strategic objectives, business performance and supervision of the management of the business are the responsibility of the Board. Members of the Board have the required skill, experience, independence, and knowledge of the Company necessary to carry out their Board responsibilities.

### Guinness' Leadership Team

The Guinness Leadership Team (GLT) is a convergence of experienced and knowledgeable individuals from diverse backgrounds, mainly Nigerians, with some expatriates, harnessing their unique personalities and perspectives to create an invigorating and rewarding working environment. The composition of the Guinness Leadership Team reflects its policy of promoting diversity and inclusion. The Managing Director/Chief Executive Officer (MD/CEO) serves as the chairperson of GLT meetings. He also steers the activities of the GLT members towards the delivery of the company's performance ambitions.



**Baker Magunda**  
Managing Director



**Stanley Njoroge**  
Finance Director



**Viola Graham Douglas**  
Corporate Relations Director



**Rotimi Odusola**  
Legal Director and Company Secretary



**Adebayo Alli**  
Commercial Director



**Adenike Adebola**  
Marketing Director



**Deji Ajibola**  
Human Resources Director



**Ngozi Aghomi**  
Supply Chain Director



## Board of Directors

The Board consists of a chairman, 10 non-executive directors and 2 executive directors. The non-executive directors are independent of management and are free from any constraints which may materially affect the exercise of their judgement as directors of the Company. The Board consists of ten males and four females, meaning that women constitute 29% of the Board. Also, six members of the Board are between the ages of 30 and 50, while the remaining three persons are over 50 years old.

The Board oversees the business' long-term strategy and objectives, and the Company's risks while evaluating and directing implementation of Company controls and procedures, including maintaining a sound system of internal controls and risk management to safeguard shareholders' investments and the Company's assets through its Finance, Audit & Risk Committee. The Board meets at least four times each financial year.



**Mr. Babatunde Abayomi Savage, FCA<sup>1</sup>**

Non-Executive Director/Chairman

Mr. Babatunde Savage holds a Bachelor of Science degree from the University of Ibadan. He had his accountancy training with Coopers & Lybrand (now PricewaterhouseCoopers) from 1978 to 1983. Mr. Savage has attended various overseas management trainings including Cranfield School of Management and Harvard Business School. He is a Fellow of both the Institute of Chartered Accountants of Nigeria (ICAN) and the Chartered Institute of Taxation of Nigeria (CITN).

Mr. Savage joined the Board of Guinness Nigeria Plc (the Company) in 1996. He was the Company's Director of Finance and later Corporate Planning Director. He was appointed the Corporate Affairs Director in 1998 and the Deputy Managing Director in 2005.

Upon his retirement from the Company in June 2009, Mr. Savage was appointed Chairman of the Board of Directors of the Company with effect from 1st July 2009.

He is the Chairman of the Council of the International Chamber of Commerce (ICCN). He resides in Nigeria.

### Mr. John O'Keeffe

Non-Executive Director & Vice Chairman

Mr. John O'Keeffe has worked at Diageo for over 25 years. During his career with the Company, he has gained a wealth of experience across both emerging and developed markets namely Ireland, Jamaica, Sweden, Greece and Russia. Before his appointment as President, Diageo Africa, John was Managing Director for Guinness Nigeria Plc. Mr. O'Keeffe holds a Bachelor of Commerce (Hons) (Economics & Marketing) Degree from University College Cork, Ireland.

Mr. O'Keeffe was appointed to the Board on 1 July 2015 and elected as the Vice Chairman of the Board with effect from 19 September 2016. He is the Chairman of the Nomination, Governance and Remuneration Committee of the Board. He resides in the Republic of Ireland.



### Mr. Baker Magunda

Managing Director/Chief Executive Officer

Baker Magunda holds a Bachelor of Economics (Honours) from Makerere University, Uganda. He has over twenty years' experience in the consumer goods and alcohol industry and has worked across Africa in Uganda and Kenya, as well as in Ethiopia and the Sudan. He joined Diageo in 1999 as Marketing Manager, Uganda Breweries Limited, and has held several strategic leadership roles including Managing Director Uganda Breweries Limited, Managing Director Kenya Breweries Limited, and Managing Director Diageo Guinness Cameroon SA.

Baker was appointed Managing Director of Diageo-owned Meta Abo Breweries in Ethiopia in February 2016, also accountable for Indian Ocean Markets (Seychelles, Reunion, Mauritius and Madagascar). Under his leadership Meta Abo witnessed the launch of the Guinness brand in the country and a strong innovation pipeline of brands brought to market.

His appointment as the Managing Director and Chief Executive Officer of Guinness Nigeria was with effect from 1st July 2018. He resides in Nigeria.



**Mr. Bismarck Jemide Rewane<sup>2</sup>**

Non-Executive Director (NED)

Mr. Bismarck Rewane graduated from the University of Ibadan with a Bachelors and Honours degree in Economics (1972). He worked at several blue-chip financial institutions within Nigeria and abroad holding various senior management positions.

Between 1981 and 1989, he was with International Merchant Bank Nigeria Limited and held positions as General Manager, Assistant General Manager, Head of Development Finance Manager and Divisional and Credit Manager. He was also with the First National Bank of Chicago, Barclays Bank of Nigeria and Barclays Bank International Plc, United Kingdom.

An Associate of the Institute of Bankers, England and Wales, Mr. Rewane has served on the board of several organisations, including Navgas (a Vitol Group subsidiary), NLNG Prize Award Foundation, UNIC Insurance Plc, Nigeria Economic Summit Group, UBA Custodian Limited, Virgin Nigeria Airways Limited, Fidelity Bank Plc, First City Monument Bank Plc and Top Feeds Nigeria Limited.

Bismarck Rewane joined the Board of Guinness Nigeria as a Non-Executive Director in 2008. He is the Chairman of the Finance, Audit and Risk Committee of the Board. He resides in Nigeria.

**Mrs. Zainab Abdurrahman**

Independent Non-Executive Director



(INED)

Mrs. Zainab Abdurrahman holds an honours degree in Economics from the Ahmadu Bello University, Zaria, specialising in Finance, Operations Research, Statistics, Project Evaluation, Accounting and Economic Analysis. She joined the Nigerian National Petroleum Corporation (NNPC) in 1979 where she held a number of increasing leadership responsibilities including Managing Director; Group General Manager of NNPC Retail Limited in charge of NNPC Petrol Stations – Land and Floating; General Manager, Investment Division; Manager Domestic Investment and Finance; and Head, Domestic and International Investments. She has won the Group Managing Directors Merit Award on three occasions and received letters of commendation for her work including



commendation from the group board. She represented NNPC interests on the board of several oil service companies and international oil trading joint venture companies for several years.

Mrs. Abdurrahman was appointed unto the Board on 4th November 2011.

She is a member of the Finance, Audit and Risk Committee of the Board and also represents the Board on the Statutory Audit Committee.

She is currently the CEO of Zinley Energy Services and a board member of some other companies. She continues to have keen interest in the oil and gas industry and the economy in general. She resides in Nigeria.

**Ambassador Sunday Thomas Dogonyaro,**

OON Independent Non-Executive Director (INED)

Amb. Dogonyaro had a brief stint in lecturing in his early career and he has thereafter held several leadership positions in government among which are Deputy Head of Mission/Minister Nigeria High Commission Pretoria, South Africa; Minister/Head Consular & Education (Fleet St. London), Nigeria High Commission London; Ambassador and Coordinator of Programs, Federal Government/NEPAD Secretariat; Ambassador/head of Nigeria Mission in Sao Tome and Principe.

He is the Founder and an Executive Director of African Policy Research Institute. He was conferred the national honour of Officer of the Order of Niger (OON) in 2002.

Amb. Dogonyaro was appointed a Non-Executive Director with effect from 4 September 2014. He is the Vice Chairman of the Nominations, Governance & Remuneration Committee of the Board. He resides in Nigeria.

**Ms. Ngozi Edozien**

Independent Non-Executive Director (INED)

Ms. Edozien has over 25 years' experience in finance/private equity, general management and strategy/business development functions with multinational companies in Europe, USA and Africa. She is an alumna of Harvard



<sup>2</sup> Mr. Bismarck Jemide Rewane retired from the Board with effect from 31st December 2020

College and Harvard Business School, Harvard University.

She joined McKinsey & Company in 1992 and left as Associate Principal, in 1999 when she joined Pfizer Inc. as Vice President, Pfizer Global Pharmaceuticals (PGP) Strategic Planning and Business Development, a position she held until her appointment as the Regional Director, PGP East, Central and Anglophone West Africa in January 2005, a position she held till 2008. She served as Head of West Africa for Actis LLP from 2009 until 2014. She is the Founder and Managing Director of Invivo Partners Limited and Physio Centers of Africa Ltd.

Ms. Edozien was appointed to the Board with effect from 26 November 2015 and is a member of the Finance, Audit & Risk Committee of the Board. She resides in Nigeria.



#### **Dr. Omobola Johnson<sup>3</sup>**

Independent Non-Executive Director (INED)

An alumnus of the prestigious University of Manchester, University of London and Cranfield University, Dr. Johnson started her professional career in management consulting in the London Office of Arthur Andersen/Andersen Consulting (now known as Accenture) in 1985.

In 2005, Dr. Johnson was appointed as the Country Managing Director for Accenture. In March 2010, she sought early retirement from Accenture to enable her to pursue other interests.

She was appointed as a member of Nigeria's Presidential Advisory Council in 2010 providing support to the Acting President Goodluck Jonathan.

In 2011, she was appointed as Nigeria's pioneer Minister of Communication Technology. During her four-year tenure at the Ministry, she oversaw the launch and execution of the National Broadband Plan and the pioneering involvement of government in a local VC fund and a network of start-up incubators. She served meritoriously in that capacity until May 2015.

In 2015 she joined TLCom Capital LLP, a technology venture capital fund, as a Senior Partner focussed on investment and value generation for technology companies in sub-Saharan Africa.

She is a Fellow of the Aspen Global Leadership Network (AGLN) and serves on the boards of several blue-chip companies. Dr. Johnson brings to the Board over 30 years of experience from both the private and public sectors of the Nigerian economy.

She was appointed to the Board with effect from 29th January 2016. She is a member of the Finance, Audit & Risk Committee as well as the Nominations, Governance and Remuneration Committee. She resides in Nigeria.

#### **Mr. Leo Breen**

Non-Executive Director (NED)

Mr. Leo Breen holds a Bachelor of Arts in Philosophy from Newcastle University and is a member of the Chartered Institute of Management Accountants. He has over 26 years of experience with the Diageo Group and has overseen Finance operations for Diageo businesses in over 40 countries across



Europe, Asia and Africa. Leo was appointed Regional Finance Director for Diageo Africa in 2017 and is based out of London.

He was appointed to the Board as a Non-Executive Director with effect from 25 April 2017. He is a member of the Finance, Audit & Risk Committee of the Board and also represents the Board on the Statutory Audit Committee.

#### **Mr. Mark Sandys**

Non-Executive Director (NED)

Mark Sandys obtained an MA in English & French from Balliol College, Oxford University in 1996. He is a highly experienced Senior Marketing Executive with over 2 decades cognate experience. He has worked for Diageo Plc for over 20 years in different capacities including as Global Marketing Strategy & Innovation Director Baileys, Marketing & Innovation Director, Diageo Russia & Eastern Europe (based in Moscow); Category Director, Whisky & Reserve, Asia Pacific. He is currently the Global Head of Beer, Baileys & Smirnoff for Diageo Plc.

He was appointed to the Board as a Non-Executive Director with effect from 30 August 2017. He is a member of the Nominations, Governance & Remuneration Committee of the Board. He resides in Ireland.

#### **Mr. Stanley Njoroge**

Finance and Strategy Director

Mr. Stanley Wanyoike Njoroge is a Certified Public Accountant and a member of the Institute of Certified Accountants of Kenya (ICPAK).





He is an alumnus of both the University of Nairobi and Strathmore University in Nairobi Kenya. Stanley's initial experience was in tax advisory with Deloitte & Touche East Africa providing tax consultancy and managing tax clients in Kenya and Uganda. He also led several tax training sessions across Africa including in Lagos. Stanley joined Diageo in 2008 as the Tax Manager in East Africa Breweries Limited (EABL) and expanded his experience within the wider Finance. Within Diageo, he has held a number of key finance leadership roles across Asia and Africa including Financial Controller of EABL, Finance Director of PT Gitaswara Indonesia and Finance Director of Meta Abo Brewery SC/Diageo Ethiopia.



markets.

He was appointed an Executive Director of the Company with effect from 1 March 2018. He resides in Nigeria.

#### **Mrs. 'Yemisi Ayeni**

Independent Non-Executive Director (INED)

Mrs. 'Yemisi Ayeni is the immediate past Managing Director of Shell Nigeria Closed Fund Administrator Limited. A position she held for 10 years until her retirement in April



2015. She is a 1985 honors graduate of Accounting and Business Finance from the prestigious University of Manchester, UK: a 1989 Chartered Accountant and member of the Institute of Chartered Accountants in England and Wales.

Mrs. Ayeni started her professional career with Price Waterhouse, London in 1985 where

she spent 5 years working her way through variety of increasingly senior Audit roles before moving to the Firm's Corporate Reconstruction and Insolvency team in 1990. She returned to Nigeria in 1991 as a Senior Manager in the Corporate Finance Team of Price Waterhouse, Lagos.

In 1994, Mrs. Ayeni joined Shell Nigeria and held a wide variety of roles during her 21 years with Shell. In November 2004, she was appointed Finance Director, Shell Exploration & Production Company Ltd (SNEPCO), earning her the distinction of being the first Nigerian Female to be appointed to the Board of a Shell Company in Nigeria.

Until her retirement, Mrs. Ayeni was a council Member of the Nigerian Stock Exchange and the chair of the Exchange's Demutualization and Technical Committees: Vice Chairman, Pension Fund Operators' Association and the Chair of the Association's Institute Committee. She is currently the chairperson of NASCON Allied Industries Plc and Non-Executive Director of Stanbic IBTC Pension Managers Ltd.

She was appointed to the Board as a Non-Executive Director with effect from 1st September 2018 and represents the Board on the Statutory Audit Committee. She resides in Nigeria.

#### **Prof. Fabian Ajogwu,**

SAN Independent Non-Executive Director (INED)

Prof. Fabian Ajogwu, a Senior Advocate of Nigeria, practices law at Kenna Partners; and is a Lagos Business School Professor of Corporate Governance. He is an Alumnus of the Said Business School of Oxford University, and an Alumnus of the Lagos Business School. He holds a Doctorate degree in Law from University of Aberdeen, Scotland; an MBA from the IESE Business School, Barcelona; and Law degrees from the University of Nigeria, and University of Lagos.

The Learned Senior Advocate has been Lead Counsel to the Federal Government of Nigeria in several cases

of national importance. He is the Author of the books – 'Ship Acquisition & Finance: Law & Practice'; 'Corporate Governance & Group Dynamics'; 'Corporate Governance in Nigeria: Law and Practice'; 'Commercial Arbitration in Nigeria: Law and Practice'; 'Fair Hearing'; 'Mergers & Acquisition in Nigeria: Law and Practice'; 'Law & Society'; and co-authored "Oral & Written Advocacy: Law & Practice"; 'Petroleum Law & Sustainable Development'; and 'Collecting Art: A Handbook'.

Professor Ajogwu chaired the Nigerian Communications Commission Committee on Corporate Governance that produced the first NCC Code of Corporate Governance for the Telecommunication Sector in 2014. He served on the Financial Reporting Council of Nigeria 2018 Technical Committee on the National Code of Corporate Governance, having assisted



the Securities and Exchange Commission in drafting Nigeria's pioneer Code of Corporate Governance in 2003. He is a Fellow of the Society for Corporate Governance Nigeria; a Fellow of the Nigerian Institute of Chartered Arbitrators, Fellow of the African Leadership Initiative West Africa, Henry Crown Global Leadership of the Aspen Institute. He is a Fellow of the AIFA Reading Society and Society for Art Collection. He served as a member of the General Council of the Bar, and the Council of Legal Education (Nigerian Law School). Professor Ajogwu is a member of the London Court of International Arbitration, and a member of the Lagos Court of Arbitration. He is also a member of the International Council for Commercial Arbitration.

Professor Ajogwu chairs the boards of Novare Group's subsidiaries in Nigeria (owners of Novare malls), ARM Harith Infrastructure Investment Ltd (Nigeria's pioneer infrastructure fund), and NES Global amongst others. He is a Non-Executive Director of Stanbic IBTC Holdings Plc and has served as Honorary Counsel to the State of Israel in Nigeria, and Republic of South Africa in Nigeria.

He was appointed to the Board as a Non-Executive Director with effect from 1st November 2018. He resides in Nigeria.

### **Rotimi Odusola**

Company Secretary

Rotimi has close to three decades of leadership experience in broad multi-functional roles spanning legal practice, corporate and regulatory affairs, brand and intellectual property protection as well as commercial legal management. He is an

alumnus of the Ogun State University and has an MBA from the University of Leicester, UK.

He joined Guinness Nigeria as Legal Director in November 2014. Prior to that he was Senior Manager, Commercial Legal in MTN Nigeria Communications Limited ("MTN Nigeria"). At MTN, he was responsible for providing proactive legal advice and support to the various units of the multinational telecommunications business in Nigeria.

Prior to joining MTN Nigeria, Rotimi was Senior Associate at Aluko & Oyeboode, one of Nigeria's leading commercial law firms, where he was responsible for full legal advisory services to major local and international clients across various industries that included manufacturing, tobacco, agro- allied and food processing, oil and gas, telecommunications, aviation and banking. He is a member of the Institute of Chartered Secretaries & Administrators and has served as a member of the Ethics Committee of the Institute of Directors (IoD), Nigeria.

He was appointed the Company Secretary of Guinness Nigeria with effect from 29th January 2016.



## Affiliations for Excellence

To actualise our vision of contributing to sustainable development, we partner with relevant organisations, both locally and internationally, with the intent of sharing knowledge, experience, technology and human resources, amongst others, required for driving a just and sustainable world. A number of these organisations are regulatory in nature and require adherence to principles and guidelines required to maintain and equilibrium in the social, economic and environmental space.

These organisations include:

<p><i>Food and Beverage Recycling Alliance (FBRA)</i></p>	<p><i>Manufacturers Association of Nigeria (MAN)</i></p>	<p><i>Association of Food, Beverage and Tobacco Employers (AFBTE)</i></p>
<p><i>National Union of Food Beverage and Tobacco Employees (NUFBTE)</i></p>	<p><i>United Nations Global Compact (UNGC)</i></p>	<p><i>International Alliance for Responsible Drinking (Global Producers Commitment)</i></p>
<p><i>Global Reporting Initiative (GRI)</i></p>	<p><i>United Nations Development Programme (UNDP)</i></p>	<p><i>International Labour Organisation (ILO)</i></p>
<p><i>AIM-PROGRESS</i></p>	<p><i>Convention on Business Integrity</i></p>	<p><i>Supplier Ethical Data Exchange (Sedex)</i></p>
<p><i>Sustainable Agriculture Initiative (SAI)</i></p>	<p><i>Spirits and Wine Association of Nigeria (SWAN)</i></p>	

### Food & Beverage Alliance

The Food and Beverage Recycling Alliance, an industry collaborative body that is committed to promoting the sustainability of our environment by driving a self-regulatory post-consumer packaging waste recovery approach within the food and beverage sector, is a body that we have been a pioneer member of since 2018. For the year 2020, the FBRA working through its 10 recycling collection partners and five Community Collectors was able to collect 5,788,721kg of plastic. Guinness Nigeria will continue to contribute its part in managing post-consumer waste across the country.



## Our Approach to Stakeholder Engagement

At Guinness Nigeria Plc, our approach to managing global responsibility and sustainability — including our environmental, social and governance (ESG) strategy — in alignment with our parent company, Diageo has always focused on long-term solutions in areas that drive continuous improvement and value for our business and our stakeholders.

We interact with a variety of people and organisations in the course of our business. These people and organisations, such as our consumers, investors and shareholders, employees, regulators and distributors, are in a symbiotic relationship with our business operation where they are directly affected by our activities and their activities directly affect our performance.

In determining with whom to engage with respect to the environment, social and governance topics, we take into consideration a variety of factors, including:

- Alignment of stakeholders' vision with our own vision and goals
- Opportunity for mutually beneficial partnerships
- Opportunity for mutual learning.

Guinness Nigeria's stakeholders are selected in line with the risk or opportunity being worked on. For each project we embark upon, a list of relevant stakeholders is drawn up and incorporated into the program action plan. Many projects are now cross-functional which has helped to ensure that all relevant external stakeholders are captured at the planning stage.

In the year under review, the stakeholder groups engaged by Guinness Nigeria Plc included:

- consumers
- investors & shareholders
- employees
- distributors

- business partners and vendors
- host communities
- the media
- industry associations
- federal government ministries and parastatals
- inter-ministerial committees
- regulatory bodies
- civil society organisations
- agricultural associations
- state government department

We engage our stakeholders with different frequencies depending on the project at hand. One of our key stakeholders is the Federal Ministry of Finance, as Guinness Nigeria Plc engages them on numerous projects. Some reasons for engagement are:

1. Removal of excise on IPS (weekly)
2. Tax stamps (bi-weekly)
3. Excise regime strategy (monthly)
4. EEG budgetary allocation (weekly)
5. General issues (periodically)

**Table 1: Stakeholder Engagement Grid**

Stakeholder	Mode of Engagement	Frequency of Engagement
Consumers	Social Media	Daily
Investors & Shareholders	Annual Report Investors Call	Annually Quarterly
Employees	Townhall Meetings Yammer	Quarterly Daily
Regulators	Annual Reports Industry Meetings One-on-One Meetings	Annually Quarterly
Distributors	One-on-One Meetings	Quarterly
Business Partners & Vendors	One-on-One Meetings	Quarterly
Host Communities	Face-to-Face Meetings with Community Heads	Quarterly
The Media	Email Media Parleys	Quarterly
Civil Society/Non-Government Organisations	Email Face-to-Face Meetings	Ad hoc

# Materiality Assessment

We regularly conduct a materiality assessment in order to identify and better understand the areas where we should focus our efforts. This process helps us to optimise the economic, environmental, and social performance required for long-term business success, while also enabling us to communicate our value contribution and positive impact in the communities in which we operate. As part of our assessment, we reference the GRI Standards to identify key sustainability benchmarks, The NSE Sustainability Disclosure, the International Labour Organisation Conventions and the Principles of the UNGC. In addition, we are guided by employee surveys and feedback from direct interface with our customers and other stakeholders.

Our objectives in undertaking periodic materiality assessments are to:

- identify significant environment, social and governance risks and opportunities for Guinness Nigeria
- identify areas for target setting to improve business and sustainability performance
- align our materiality issues with our strategic targets
- provide stakeholders with information on our approach towards disclosure of information on sustainability reporting.

Fig 1: Our Materiality Process

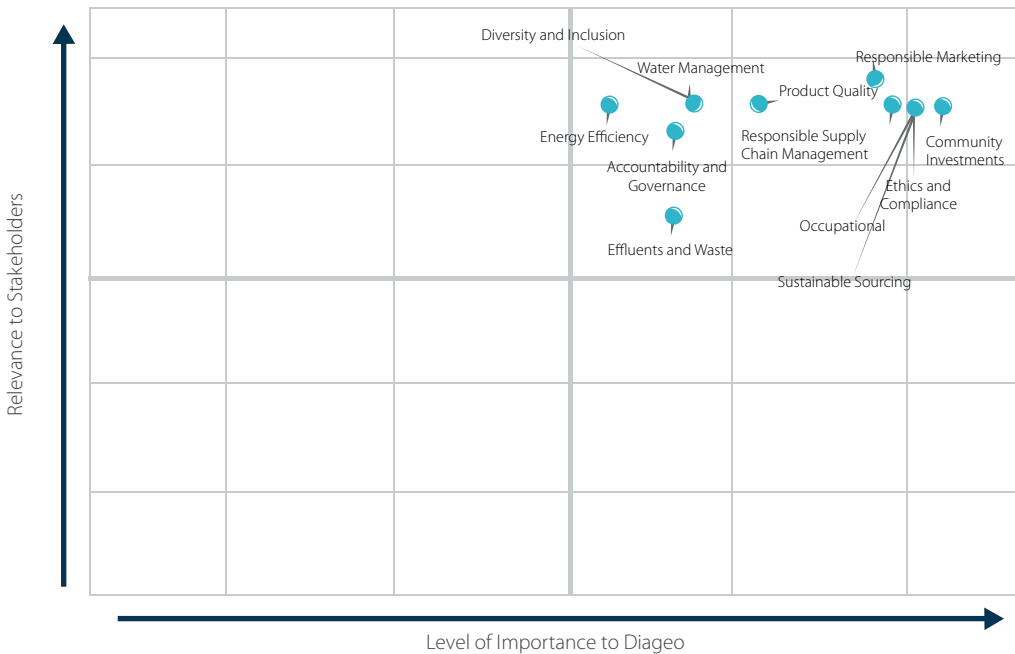


# Materiality Assessment

## Our Materiality Matrix

We utilise the input and response from our stakeholders during our various stakeholder engagements to assess each sustainability topic area in terms of relatively high or low importance to both our business and our stakeholders. The results of this assessment generate scores for the overall importance of each topic to our stakeholders as a whole and our business as a whole. The resulting matrix of topics is indicated in figure below. It is important to note that the list of topics shown in the diagram is not exhaustive but represents the prioritised material issues to our business during the reporting period.

Fig 2: Materiality Matrix





**NEW**  
**BAILEYS**  
*Delight*



LIGHT & LUSH WITH A TASTE OF **AFRICAN HONEY**



# **Risk Management**



## Risk Management

Risk management is an integral part of Guinness Nigeria. It is the responsibility of both the leadership team and the various business functions. These functions are required to manage risks directly and then report on risks and their management to Guinness Nigeria's Risk Management Committee.

The Board of Directors of Guinness Nigeria is responsible for the enterprise's risk management and implementation of the Company's business continuity strategy. This responsibility is delegated to the Finance, Audit & Risk Committee, which is vested with the responsibility of reviewing the adequacy and management of internal controls and frameworks, and policies and processes deployed in identifying principal risks to the business. In compliance with the requirements of the Code of Corporate Governance for Public Companies issued by the Securities and Exchange Commission (SEC), Management provided assurance to the Board during the financial year that the risk management control and compliance systems in Guinness Nigeria are operating efficiently and effectively.

Guinness Nigeria's approach to risk management is in accordance with Diageo's Global Risk Management Standards. On an annual basis, a holistic risk assessment is carried out to identify top internal and external existing or emerging risks, as well as the opportunities presented by these risks. The risks are mapped on the Company's Strategic Risk Footprint and assigned to process owners who are tasked with ensuring that robust plans are in place to adequately mitigate the risks. The Strategic Risk Footprint and mitigation plans are reviewed on a bi-monthly basis at the Risk Management Committee (RMC) meeting, headed by the Managing Director, together with the Guinness Leadership Team (GLT), the heads of functions and other extended leadership members. The various types of risks the

business faces and the ways in which they are managed are reported on a quarterly basis to the Finance, Audit & Risk Committee of the Board. Every month, the highest governance body reviews the economic, environmental, and social topics and their impacts, risks, and opportunities to our business at our risk management sessions. Deliberations on the economic and environmental impacts also happen at shorter intervals at the GLT meetings.

As a practice, Guinness Nigeria has an annual Conflict of Interest declaration where all employees, including the executives, compulsorily disclose any conflict or potential conflicts within the organisation. The Leadership Team takes ownership of the business practices and ethical behaviour agenda in their conduct and dealings with all employees and interactions with third parties.

Other practical steps through which the Leadership Team inculcates ethical behaviour and best business practices include:

1. Reinforcing the need for ethical behaviour and best business practices at team meetings.
2. Periodic one-on-one sessions and performance review meetings with employees.
3. Periodic communication of our policies to all employees.
4. Line manager coaching.

Through our Controls Assurance and Risk Management (CARM) framework, we have continued to sustain an effective control programme, which ensures the Company's strict compliance with the Sarbanes Oxley Act, 2002.

In response to changes within the business environment, particularly with the emergence of the COVID-19 pandemic, the Company's risk framework was reviewed to capture the emerging risks presented by

the crisis and to propose effective mitigations for them, with emphasis on corporate resilience and sustainability. By embedding effective controls in the Company's operational processes, the presence of a strong risk management culture, a robust control environment and assurance programme, the Company was able to ensure business continuity, whilst delivering value to its various stakeholders.

### Quality Policy

Guinness Nigeria's quality policy sets out the framework by which the company pursues its quality aims. Quality goals are achieved by communicating and applying this policy across all aspects of the supply chain under the control or influence, from suppliers to consumers, from product design to manufacture. It ensures that all of the company's brands must be safe to use and consume and that they comply with applicable legislation. To achieve these outcomes, all products must:

- undergo annual product safety risk assessments for due diligence purposes, as well as analytical appraisal, where this is deemed necessary. Documentary evidence of the risk assessment and any findings must be retained
- conform to the regulations and customer requirements specified in both the country of manufacture and the intended markets of sale e.g., regulatory category definitions, labelling or coding requirements
- be coded in such a way as to be fully traceable to the first customer Diageo sells to
- have their coding and recording systems meet Diageo's global quality standards
- be produced in a manufacturing unit that has an internationally recognised Global Food Safety Initiative (GFSI) food safety system such as FSSC 22000.





**ECONOMIC  
PERFORMANCE**

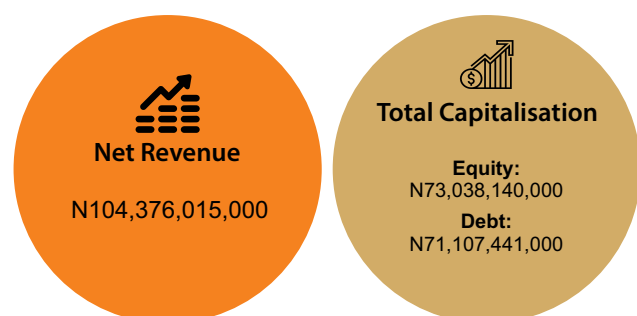
## Economic Performance

At Guinness Nigeria, we lay great emphasis on achieving robust economic performance through continuous innovation, investment and expansion of our distribution links and manufacture of new products based on market demands.

Additionally, by improving our operational efficiencies, we continue to lay the foundation for long term success.

Our strategic pillars of productivity, expansion of our portfolio as well as execution of our commercial footprint initiatives accounted for our overall success. This table summarises our economic performance for the reporting year.

**Fig 3: Our economic performance in 2019/2020**



### Our Economic Footprint

We are committed to generating economic well-being by ensuring that we nurture our natural and social capital and harness them for socio-economic growth. As we continue to address our customers' expectations and respond to market demand, we have not only consistently maintained our market share, we have also significantly contributed to sustainable economic growth by creating jobs, increasing workforce productivity, private investments, improving efficiency and modernisation of organisations.

**Table 2: Our Economic Footprint**

Direct economic value generated	
Revenue	N104,376,015,000
Other Income	N804,010,000
Total	N105,180,025,000
Economic value distributed	
Operating cost	N46,665,284,000
Employee wages	N10,428,763,000
Government	N4,494,823,000
Providers of Capital	
Finance Cost	N 4,542,428,000
Total	N57,141,652,000
Government	N4,494,823,000
Economic Value Retained	N48,038,373,000

**Table 3: Tax Transparency**

Tax jurisdiction	Nigeria
Revenues from third party sales	N102,644,043,000.00
Revenues from intra group transactions with other tax jurisdictions	N1,731,971,000.00
Profit/loss before tax	(N17,073,641,000.00)
Tangible assets other than cash and cash equivalents: property, plant and equipment	N88,919,044,000.00
Corporate income tax paid on a cash basis	N1,357,464,924.27
Corporate income tax accrued on profit/loss	(N4,494,823,194.36) tax credit

# TASTE THE ORIJINAL HERBAL GIN



18+

DRINK RESPONSIBLY. [www.drinkiq.com](http://www.drinkiq.com).



**LIVE  
ORIJINAL**





**#StrongerTogether: Working  
Together to Fight the  
COVID-19 Pandemic**

## #StrongerTogether: Working Together to Fight the COVID-19 Pandemic

As the world united in the battle against the COVID-19 virus, we at Guinness Nigeria aligned with the programmes and efforts of the federal and state governments of Nigeria to stop the spread of the virus across the country. We believe that these deliberate actions to safeguard the health of Nigerians are critical to achieving our collective goal of eradicating the coronavirus in Nigeria.

As a responsible corporate citizen and to support the efforts of the government, we played our part through donations of hand sanitisers and our non-alcoholic drinks to the Nigeria Center for Disease Control (NCDC), the Federal Ministry of Humanitarian Affairs, Disaster Management and Social Development and several states in Nigeria. These materials were to support frontline health workers and security officers as they work tirelessly to curtail the spread of the virus; as well as to provide relief to vulnerable groups in various communities in Nigeria.

### Guinness Nigeria's Support to Communities During COVID-19

Guinness Nigeria, in pursuance of societal impact, partnered with 15 state governments and four relevant agencies tasked with combating the COVID-19 pandemic and outbreak in Nigeria.

#### Donation of Care Packages

To the hospitality sector, we provided thirty million naira (N30,000,000) worth of care packages consisting of food staples and provisions to 3,000 bartenders and waiters across 26 states. We also partnered with 22 non-governmental organisations (NGOs) and private organisations to send our non-alcoholic products as care packages to the vulnerable in communities across the country.

#### Donation of Non-Alcoholic Drinks to Government Agencies and Communities Through Partner Organisations

During the nationwide lockdown, we donated non-alcoholic drinks to the Federal Ministry of Humanitarian Disaster Management and Social Development, Lagos State Ministry of Health and Edo State Ministry of Health.

One of such contributions was in support of CSR-in-Action's strategic supply of food packages to families struggling with feeding during the compulsory lockdowns by the government to curb the spread of the virus. Our supply of 1,500 cases of non-alcoholic drinks – over 18,000 bottles – was shared with these communities through CSR-in-Action's partnership with Eti-Osa Local Government Area's Chairman's Office, culminating in delivery to four communities – Jakande, Igbo-Efon, Ikate and Ajiran – between Thursday, 14 May and Saturday, 16 May 2020. They also delivered to 40 families who reached out to CSR-in-Action through The Good Citizen Radio Show, a citizen re-orientation programme of the organisation, requesting for help. These beneficiaries are from various locations around Lagos, including Iyana-Ipaja, Ajegunle, Amukoko, Ayobo, Ikorodu, Ijeshatedo, Apapa, Ajah, Igando, Bariga, Dopemu and Surulere.

#### Donation of Hand Sanitisers to Government Agencies

We donated 40,000 units of hand sanitisers to the Nigerian Centre for Disease Control (NCDC), the Federal Ministry of Humanitarian Disaster Management and Social Development, Lagos State Ministry of Health and Edo State Ministry of Health. The hand sanitisers were distributed to front line medical personnel who were at the fore of combating the spread of COVID-19 and to persons in vulnerable communities across the country.



#### Social Media Campaign and Awareness

Guinness developed an informative animation video which was shared on all of our corporate social media platforms such as Twitter, Instagram, LinkedIn and Facebook. The aim was to reach a critical mass with valuable tips on how to prevent the spread of the virus.

At Guinness Nigeria, we remain committed to supporting our communities and lending our voice to the government's campaign on maintaining personal hygiene and social distancing in alignment with the global guidance on preventive measures to curb the spread of the virus. During the reporting period, we began a media sensitisation and awareness campaign across our social media channels with the necessary information to help keep our communities safe.

Maintaining proper hygiene by washing of hands regularly with soap and water, using an alcohol-based sanitiser and practicing social distancing to prevent the spread of the coronavirus remains paramount as we continue to stand together to fight and win against this COVID-19 pandemic. We are #StrongerTogether.









# Governance

## Whistleblowing Policy

Through the whistleblowing line, employees are advised to report unethical or unlawful behaviours and actual or suspected breaches of all internal policies or laws and regulations that are capable of undermining our integrity or that may pose a threat to our business. Improper conduct is never in Guinness Nigeria's interest and being fully aware that improper conduct can damage our reputation and trustworthiness, we ensure all our employees place great importance on ethically impeccable norms. Employees may report to: Line Managers, Legal, Corporate Security, Human Resources, Controls, Compliance and Ethics (CC&E) or SpeakUp by calling 2000 or 07080601240, or via the dedicated SpeakUp web reporting channel at [www.diageospeakup.com](http://www.diageospeakup.com).

Guinness Nigeria's whistleblowing policy promotes a positive culture where wrongdoing can be addressed quickly. The whistleblowing line is for both internal and external parties to report grievances with an option to remain anonymous.

Business partners and customers are advised to report actual or suspected breaches to the SpeakUp mechanism. Grievances are investigated in line with Guinness Nigeria's Breach Management Standard and substantiated cases are treated in line with the company's local disciplinary policy. The CC&E team in the organisation provides policy guidance and trainings to employees to promote ethical and lawful behaviour and maintain the company's organisational integrity.

## Compliance

Responsible business practices serve as the foundation of our Company's success and is imperative to protecting our value chain and the communities in which we operate. We nurture a culture of ethical leadership and integrity in our diverse, skilled workforce committed to serving all those who count on us to provide high-quality, safe and reliable products. Whether we are seeking to protect the data and privacy of our business partners and consumers, being transparent about our business activities, engaging with suppliers or assessing options for safe and ethical decision-making, we seek to sustain the trust earned over the course of our seven decades of business operations in Nigeria.

As a member of the society in which we operate, we are not just interested in being the best performing consumer products company, we are equally committed to our ambition to become the most trusted and respected business in Nigeria.

## Compliance to Environmental Standards

As a responsible business, we acknowledge our responsibility to provide timely reports to our regulators. We are in compliance with the standards of the Lagos State Environmental Protection Agency (LASEPA). We undergo regular monitoring by the Agency and the Federal Ministry of Environment which conducts monthly and quarterly assessments on our environmental processes.

Water-related impacts are addressed alongside relevant government agencies, Federal Ministry of Environment, LASEPA, National Environmental Standards and Regulations Enforcement Agency (NESREA) and local governments. As part of our global commitment to sustainability and local stress condition, water targets are set by our global team. No report of significantly water-challenged communities was recorded in the reporting year.

## Ethics and Anti-Corruption

Guinness Nigeria has zero tolerance for bribery and corruption. As an ethical organisation, the Company is deliberate in communicating it in various policies and is keen about the strict adherence to the guidelines to the policies, which may incorporate dismissal of staff and blacklisting of vendors.

We have an Anti-bribery and Corruption Policy, and a Competition and Anti-trust Policy which all employees must comply with. As a subset of the Anti-bribery and Corruption Policy is the Gifts and Entertainment Rules which provides mandatory guidance on giving and receiving of gifts and entertainment to mitigate against the risks of conflict of interest and engaging favours for payments, especially to government officials. All gifts given or received by the Company in accordance with the mandatory guidance must be recorded in a register which is audited on a quarterly basis to assess the appropriateness of the gifts/entertainment.

Our over 800 employees, the governing board members and over 1,000 business partners, including customers and vendors, are constantly engaged on our anti-corruption drive through policy trainings, onboarding programmes, contracts or policy refresh activities.

NEW

# SAVOUR THE FLAVOUR GOLDEN BARLEY BEER



DRINK RESPONSIBLY.   
[WWW.DRINKIQ.COM](http://WWW.DRINKIQ.COM)





**Our People, Culture  
and Diversity**



## Our People, Culture and Diversity

**As a global company with local footprint in the Nigerian manufacturing sector, we understand that for us to thrive and achieve our goal as the best performing, most trusted and respected consumer products company in Nigeria, we must build a diverse and inclusive workforce that reflects the totality of our customer and consumer base. We believe we have a stronger company when the diversity of our employees reflects the customer, communities and people who are bonded by our product.**

At Guinness Nigeria, we place a high value on our employees who are critical to the successful attainment of our vision. We recognise that they are the heart, mind and soul of our company. We are aware that teams consisting of persons with varying opinions and experiences generate more insights and ideas. By sharing candid, collaborative and productive conversations, we can solve our toughest challenges. For Guinness Nigeria, diversity is viewed as an enabler for organisational growth and sustenance, and we possess overarching values and purpose that accommodate and respect the contribution of each team member.

We take pride in the limitless opportunities for self-realisation, professional growth and expansion of horizons available to employees at Guinness Nigeria. For over six decades, our workforce has been the momentum for the sustainable growth of our business and the expression of the spirit of ingenuity, and will continue to serve as the driving force in delivering on our sustainability objectives.

We embrace diverse backgrounds and perspectives of employees, and this cuts across various cultural and ethnic backgrounds, to create a unique environment for innovation and creativity. This diversity enables the company to gain access to a wide pool of talents while striving to achieve its business objectives. We offer our people the opportunity to build varied and diverse careers across the full spectrum of our business value chain. We are committed to maximising their

potential through a comprehensive human resource strategy which is a key part of our objectives.

Our ultimate objective is to nurture a workplace of choice for everyone willing to contribute to our organisational goals. We take great pride in the fact that opportunities for self-realisation, professional growth and expansion of one's horizons are limitless at our Company. The breadth and depth of our enterprise — along with the support, tools and resources we provide — offer our people the opportunity to build a varied and diverse career across the full spectrum of our business value chain.

### Our Approach to People Management

We recruit, develop, and retain colleagues we believe can make us better, seeking out those with strong leadership potential and disruptive mindsets. They work with us as we innovate and build a company to last. We believe our team gets much of its strength from our culture. We work with an ownership mindset, setting achievable targets and aligning incentives to help everyone focus. We share a strong sense of personal responsibility and a dedication to putting consumers' interests first, creating shareholder value and delivering on our dream.

Our goal is to ensure that our employees feel engaged and be the best they can be while they are under our employ. We want them to be passionate about our strategy, connected to our values and motivated to achieve their potential. We, therefore,

support our employees through clear policies, competitive reward programmes, coaching and development opportunities and health and wellbeing initiatives.

### Our Employee Composition

In the financial year under review, we had a staff strength of 822 full time employees (625 males and 197 females), across five operations, including Lagos HQ, Ikeja Brewery, Ogba Brewery, Benin Brewery and Aba Brewery. A significant proportion of our employee base comprises permanent, full time employees. 92% of our employees are covered by collective bargaining decisions between the Guinness Leadership and our unions.

Fig 4: Employee Profile

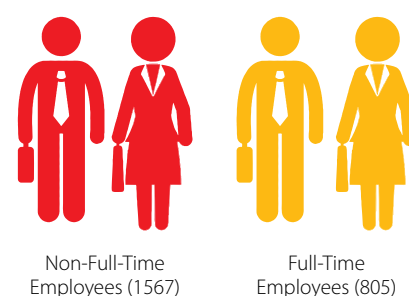
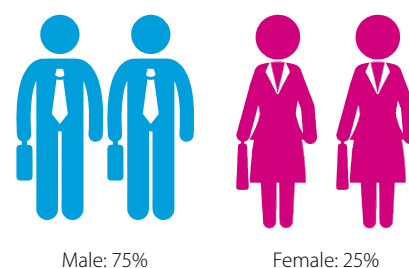
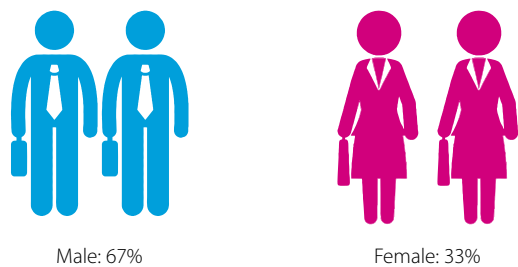


Fig 5: Full-Time Employees Categorisation by Gender



**Fig 6: Non-Full-Time Employees Categorisation by Gender**



**Employment Equity, Remuneration and Benefits**

Our reward philosophy is designed to recognise our employees' individual contributions to our overall success. We recognise that everyone is unique, and we have a desire to ensure that all our employees' needs are considered.

Performance-based pay, sign-on bonuses and retirement benefits are decided based on the reward policy and an individual's employee contract.

We are also confident that our pension scheme liabilities are sufficient and provides adequate coverage for all of the company's employees.

Below are details of remuneration and benefits applicable to all employees.

**Fig 7: Employee Benefits**

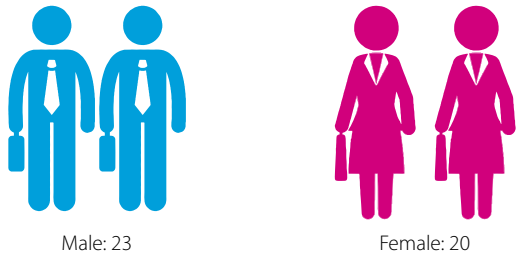


**Fig 8: Parental Leave**

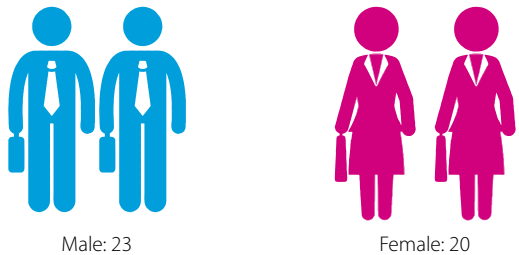
Employees entitled to parental leave



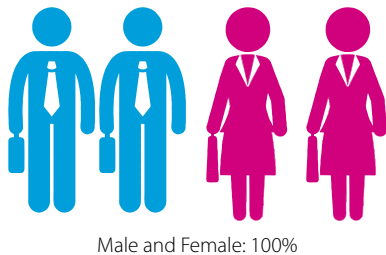
Number of employees that took parental leave



Employees that returned to work after parental leave ended



Rate of employees that took leave who 'returned to work' and were 'retained'



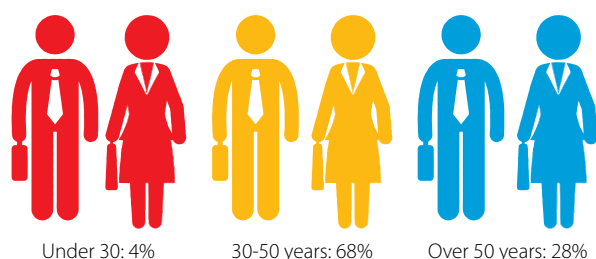
Our resourcing and promotion policy ensures equity and is free from the discriminatory bias of gender, ethnic origin, age, marital status, sexual orientation, disability, religion and other diversity issues. This is role modelled throughout our end-to-end employee life cycle process; all of which is controlled and checked.

## Staff Diversity

Guinness Nigeria operates a diversity and inclusion practice that is a key competitive advantage to our business. We aim to continue to inspire, support and empower women to take on greater leadership roles across the world. Currently, 33% of our leadership positions are held by women. Four of our 14 board members are also women. We will continue to work towards increasing the gender balance in our business.

No incident of discrimination reported in this financial year.

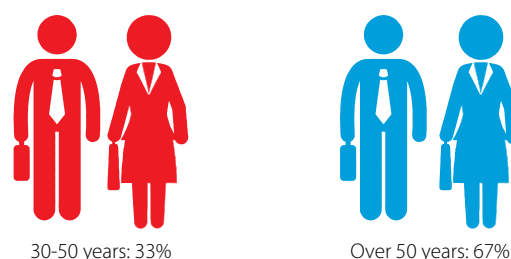
**Fig 9: Employee Categorisation by Age Group**



**Fig 10: Governance Body Diversity by Gender**



**Fig 11: Governance Body Diversity by Age Group**



## Providing Healthy and Safe Workplaces

### Health and Safety Training

At Guinness Nigeria, health and safety training is a vital component of our strategy for prevention of accidents. We constantly strive to ensure that all our employees have the adequate and correct knowledge, skills, and experience to enable them to perform their jobs safely. Representatives are nominated/appointed at all levels and departments of the organisation from the shop floor to the management level to partake in the formal joint management-worker health and safety committees.

Guinness Nigeria provides adequate arrangement for our on-site medical team who are at high risk of diseases related to their occupation.

At our Ogba Brewery, there was no record of injury while we recorded 10 and 1 first aid cases in our Benin Brewery and Ikeja Logistics Plant, respectively. We report all site injuries in accordance to the Global OH&S Data Management and Assurance under the Global Risk Management Standard.

Table 4: Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organisation

Location	Fatality	LTA	MTC	TRA	TRA Rate	First Aid Cases
Ogba Brewery	0	1	1	2	0.94%	5
Benin Brewery	0	3	1	4	1.78%	10
Benin Logistics	0			0	0%	1

For the reporting year, 100% of our full-time employees received human rights training relevant to our organisation's operations. Also, all of our security personnel and some third-party organisations underwent formal training on health and safety, human rights policy, and other similar trainings.

## Guinness Nigeria Wellness Policy and Managing the Impact of COVID- 19

Wellbeing is defined as the positive state of being well, contented and healthy. A state of wellbeing, therefore, encompasses achieving, amongst other things, good work-life balance, the management of stress at work and providing a work environment that is free from discrimination, bullying and harassment. The policy aims to assist employees in maintaining a healthy level of wellbeing and outlines the support available to employees in achieving this. Some of the ways in which Guinness Nigeria Plc supports the principles of well-being include:

- providing occupational health support services to enhance employee well-being
- providing training and support to line managers on good management practices, encouraging a partnership approach between employees and line managers that fosters trust, openness and honesty and recognises their joint responsibility to find workable solutions to problems at work
- undertaking regular reviews of policy practice, procedure and initiatives to ensure that they maximise employee well-being.

We encourage employees to live healthy well-balanced lives and we have a number of programmes and facilities to assist employees to either evaluate their current level of well-being or to re-establish and maintain it, particularly so during this pandemic. We do this via various channels, including but not limited to informal dialogue, occupational health information and advice, health screening for all employees (pre-employment health screening, post-employment risk assessment for all employees, once in two years comprehensive health screening, etc.).

As a business, the health, safety and wellness of our people remain our top

priority. Our focus is to ensure employees are well-informed, protected and have the necessary resources and support to carry out their activities in an environment that is safe for them and those around them.

During the nationwide lockdown, an employee survey was conducted to check the pulse across the Company around our response to the pandemic and our new ways of working, with very positive results; we had 95% positive feedback, 7% above Diageo's overall score of 88%.

### Accident Reporting

Employees of Guinness Nigeria are expected to report accidents immediately they happen. Peradventure, there is a suitable reason for delay, employees are required to notify the appropriate unit within the first six hours of occurrence.

We follow accident reports by a detailed accident investigation which is done within a timeframe of 72 hours. The Guinness Nigeria market must notify the regional leadership of any incident or accident involving an employee, visitor, contractor or third party which results in a Medical Treatment Case (MTC), Lost Time Accident (LTA), or fatality. The process of reporting and resolution of an accident is managed by the market where the accident occurred.

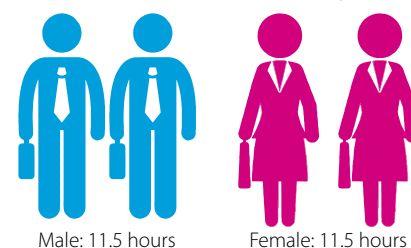
### Career Advancement

At Guinness Nigeria, we owe our success to our employees who are passionate about promoting our brand promise of celebrating life every day and everywhere. Over the years, we have come to understand that part of the reason why people join Guinness Nigeria is to build a purpose-driven career that makes a difference. As such, we deploy a multi-pronged approach to ensure that no staff is left behind in relation to capacity development, regardless of their career level and position. Our development programs cover a full variety of learning methods, including on-the-job training, online courses, workshops and other

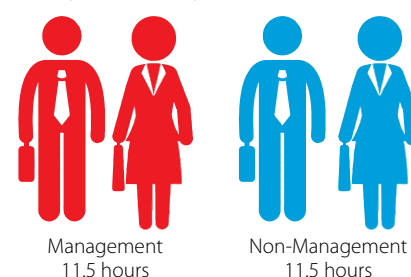
experiential training.

We have an education policy, and our flexible working policy and time-off policies also enable employees to enjoy the benefit of upgrading their skills. Furthermore, professional membership fees are reimbursed.

**FIG 12: Average Training Hours by Gender**



**Fig 13: Average Training Hours per Employee Category**



Our human rights approach and training is not restricted to hourly training but is integrated into our way of working. This culture is integrated within our Code of Business Conduct training, which is required and completed by all Guinness Nigeria staff within 30 days of joining the business.

We conduct regular performance reviews for our employees. For the reporting year, all 822 of our full-time employees (FTEs) received regular performance review. Though not a fixed requirement, unlike for full-time employees, all non-full-time employees (NFTes) can request for career development or performance review sessions from their line managers at their discretion.

Guinness Nigeria is a development-focused company, and we encourage employees to seek performance related feedback from their line managers, even before performance review periods.



## Human Rights

At Guinness Nigeria, we believe a serious commitment to respecting human rights is fundamental to our workplace and the communities in which we operate.

We acknowledge our responsibility for the impact of our operations on our employees, workers in our supply chain, consumers of our products, and on the communities in which we operate. Our policies and guidelines, including our Human Rights Policy, outline our approach to human rights, and we will continue to demonstrate our commitment through our actions.

Diageo is a signatory to the UN Global Compact and the UN Women's Empowerment Principles, and we have also committed to acting in accordance with the UN Guiding Principles on Business and Human Rights.

Our business culture has zero tolerance for discrimination, harassment, bullying or abuse; we comply with wage and work hours laws; we ensure equal remuneration for women and men; we respect our employees' decision and allow them the liberty to join or not join a union; and we do not tolerate child labour or forced labour.

Furthermore, Guinness Nigeria will not work with anyone, including any supplier, who does not adopt these values. Where possible, we encourage a flexible approach to working and emphasise the importance of treating individuals justly and in a non-discriminatory manner throughout the employment relationship, including recruitment, compensation, training, promotion, and transfers.





# Responsible Marketing

## Responsible Marketing

Total beverage alcohol is an attractive industry with a natural runway for sustainable growth. Our markets are shaped by long-term consumer, economic, cultural and social trends, and the regulatory environment. Notwithstanding COVID-19, the long-term trends for our industry remain extremely attractive.

We are in alignment with our parent company, the Diageo Group, in the responsibility to ensure that our products and brands are marketed responsibly. Our marketing activities are aligned with the provision of the Diageo Marketing Code (DMC). The Diageo Marketing Code is our minimum global standard which applies to all of our activities that communicate about and market our brands, regardless of media. It is a self-regulatory code which is consistent with our commitment to responsibility. Also, we advertise and market our products in accordance with applicable laws and regulations existing in the country.

Guinness Nigeria is very aware that the content we put out may reach underaged population. We, therefore, have taken steps to prevent this through our DMC that restricts the marketing team from advertising or making our social media content accessible to underaged drinkers, religious institutions and schools. This means, among other things, that we target our sales and marketing activities to individuals who are at least the legal drinking age of 18.

Drinking occasions and practices vary depending on local culture and traditions. We believe that drinking in a responsible way can be part of a balanced lifestyle in many societies around the world. As a producer of the leading alcoholic and non-alcoholic brands in the country, we retain our leading edge by keeping abreast with market dynamics and understanding local needs and preferences. We do this by having periodic engagements with our

business partners and distributors at the different locations. We also conduct periodic market surveys. Outcomes from these are integrated into our business plans and operations.

### Environmentally-friendly Labelling and Packaging

At Guinness Nigeria, we are intentional about all the information communicated on our product labels. Majority of our products at Guinness Nigeria are nicely packaged in reusable glass bottles. However, some of our products are also packaged in cans and PETs which have various disposable mechanics on their formats. We highly recommend recycling for our can and PET formats.



All information on our products is easily located on all of our product packaging, and we go further to educate consumers on the right serving size and quantity to consume via our DrinkIQ portal and other awareness campaigns.



DRINKIQ Training for fleet drivers at Lafarge Plc in Ogun State

In the year under review, no fines were paid, or sanctions imposed on the Company for non-compliance concerning product and service information and labelling.

### Compliance to Marketing Standards

One of the especially important values of the Guinness brand is responsible business practices which serve as the foundation for our Company's success. We are imperative to protecting our value chain and the communities in which we live and work. Guinness Nigeria cultivates a culture of ethical leadership and integrity in our diverse, skilled workforce, committed to serving all those who count on us to provide high-quality, safe and reliable products. Whether we are seeking to protect the data and privacy of our business partners and consumers, being transparent about our business activities, engaging with suppliers or assessing options for safe and ethical decision-making, we seek to sustain the trust earned over the course of our almost seven decades of business operations in Nigeria. As a responsible business, we take issues around compliance to rules of regulatory bodies seriously. In the year under review, Guinness Nigeria had an incidence with Advertising Practitioners Council of Nigeria (APCON) where a media outlet, DSTV, mistakenly aired a pre-watershed advert at an inappropriate time on behalf of Guinness Nigeria. Prior this incident, we

had clear trainings as always, on regulations involving advertising of alcoholic beverages in Nigeria. As a result of this, the regulatory commission (APCON) jointly fined the Media Owner (DSTV), Media Agency (OMD) and Advertiser (GNPLC) the sum of N500,000.

To ensure that this does not happen again, Guinness Nigeria has provided further briefings to media owners, and our media partners to mitigate such situations from occurring in the future.

### **Data Privacy**

We align with our parent company, Diageo, in compliance with all global statutes concerned with individual data privacy, including Nigeria, EU and US data privacy laws.

Guinness Nigeria takes steps to minimise the risk of data exposure when collecting, storing or exchanging data of our consumers. This procedure is guided by Diageo's Data Privacy Policy.

### **Consumer Health and Safety**

The safety of our people, contractors, customers, and consumers is top priority to our business at Guinness Nigeria. We are also committed to the highest standard of quality alcoholic and non-alcoholic beverages every day, everywhere. We ensure that our products undergo a stringent brewing process with minimal human contact, followed by a flawless packing system that goes through about 60-100QC checks before leaving our brewing sights.

We also launched the Guinness Don't Drink and Drive Campaign to educate the impact of alcohol on a driver's ability to operate a vehicle and why we encourage our consumers not to drink and drive.

In the year under review, Guinness Nigeria had no incidence of non-compliance with regulations concerning the health and

safety impacts of products and services in the marketing department.

### **Highlights of the Diageo Marketing Code**

**Abstinence:** We must always show respect for those who choose to abstain from alcohol; we will not present abstinence from or moderation in the consumption of alcohol in a negative manner, nor imply that it is wrong or foolish to refuse a drink, even in a humorous manner.

**Adult Appeal:** Our marketing must be aimed only at adults and never target those younger than the legal purchase age for alcohol.

**Responsible Drinking:** Our marketing must depict and encourage only moderate and responsible drinking. We never depict, condone or encourage excessive or irresponsible drinking or refer in any favourable manner to the effects of intoxication. Clear responsible drinking reminders (RDRs) are required in all above-the-line advertising for our brands. This includes television, cinema, radio, outdoor, digital, print, and any other above the-line advertising activity.

**Alcohol Content:** Our marketing must, via packaging, websites, and other appropriate channels, provide clear, factual and neutral information about the alcohol content of our brands and drinks recipes, where permitted by law. We never present alcohol strength or potency as the dominant theme or principal basis of appeal of any marketing or product innovation.

**Health, Therapeutic, Performance or Functional Benefits:** Our marketing must not imply that our brands offer any health, therapeutic, dietary, and functional or performance benefits. We also do not imply any energy or endurance benefits, nor suggest that alcohol is the catalyst for any change in mood or state of mind.

**Social and Sexual Success:** Our marketing must not portray or imply that drinking is necessary to obtain social or other success, nor to overcome inhibitions or to be socially accepted. Our marketing also does not portray or imply that drinking enhances sexual attractiveness or is a requirement for sexual success.

**Drink Driving and Other Potentially Dangerous Activities:** Our marketing must only portray drinking occurring in safe and appropriate circumstances. We never portray drinking before or whilst driving motor vehicles, operating machinery, or any other similar activity or situation.

**Anti-Social of Inappropriate Associations:** Our marketing must not portray or suggest any association with anti-social or illegal behaviour nor portray or suggest any association with violence.

**Good Taste and Decency:** Our marketing must reflect generally accepted contemporary standards of good taste and decency.





## Managing Our Supply Chain

## Managing Our Supply Chain

Guinness Nigeria is committed to upholding human rights values, diversity, health and safety, and anti-corruption.

As a reputable company, we represent a brand that is only available to individuals over the age of 18. We are strict about not hiring, selling to, marketing or advertising to or with children. Therefore, we do not tolerate child labour and do not partner with suppliers involved with children in any way. All our vendors/suppliers are properly screened to ensure that they comply and maintain these standards.

Due to the nature of our brands, we have an international supply-base, which is spread across the country and consists of the agricultural, packaging and production sector. Our suppliers are classified into the nature of material or item they supply.

As a manufacturer of fast-moving consumer goods, we foster operational efficiency to ensure that gaps are non-existent in terms of availability of our products. As such, we engage people and provide jobs in different spheres including production, logistics, marketing, sales and administration – across the country. For the reporting year, we subscribed to local suppliers in the agricultural value chain, logistics and for some of our packaging materials. Over 80% of our raw materials were sourced from local suppliers. Our retail and hospitality sectors are not left out, as they serve as the vehicle through which our products reach our consumers, also generating indirect employment for individuals.

The marketing team adheres to the Diageo Know Your Supplier (KYS) Process when engaging any services of external parties. The KYS process enables the team to know your supplier end-to-end, their business practices, procurement techniques and financial status.

### Our Local Suppliers

As a business, we believe in fostering economic growth in our areas of operation by patronising local suppliers for our raw materials and other components used in the production of our iconic brands. As a result, we source and procure 70% of our sorghum grains and sorghum extracts from local sources. This allows us to directly improve the lives of millions of Nigerians, while ensuring resource development in the communities we operate.

### Our Supply Chain

At Guinness Nigeria, we engage diverse categories of suppliers ranging from sole proprietors to corporations. Over 500 suppliers were engaged by Guinness Nigeria Plc, spread across Nigeria and offshore.

About 80% of materials used are locally sourced, although, flavours and a few materials are sourced from outside the borders of the country.

Our new and old suppliers have been screened using environmental criteria such as adherence to environmental compliance to minimum regulatory levels of GHG or dust emissions, recycling practices, biodiversity commitments, land acquisition and degradation. And those selected based on the screening results, are requested to undergo the Sedex audit.

Fig 14: Supplier Environmental Assessment

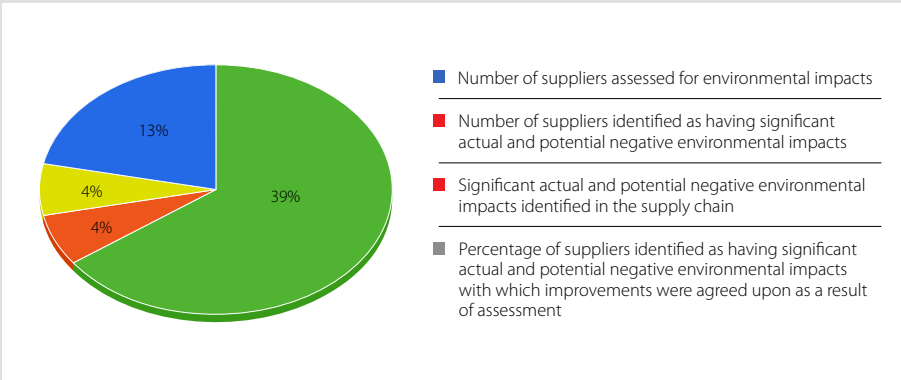
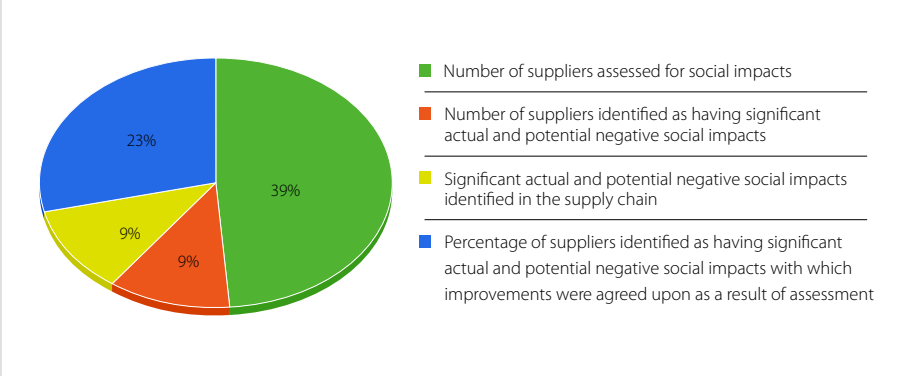


Fig 15: Supplier Social Assessment



All aspects of Diageo's operations are subject to human rights reviews. In the year under review, there was no record of human rights violation at Guinness Nigeria Plc.



# **Our Sustainability Strategy**



## Our Sustainability Strategy



Throughout our operations and supply chain, we continue to align our sustainability strategy to the UN SDGs that address areas most material to our business and critical to our stakeholders. We have placed a deliberate focus on driving progress towards the goals where we can use our scale and partnerships to drive meaningful positive change.

One of the most powerful contributions that we make to the SDGs is through the jobs we create and sustain and through the economic growth and investment that our business stimulates. This is why we strive to create a thriving economy where everyone has the opportunity to improve their livelihood. Through the economic value which our business generates, we contribute to actualising the goals of no poverty, zero hunger, good health and wellbeing, quality education, decent work and economic growth and more.

Our strategy and decision-making at Guinness Nigeria are based on issues that are most material to our business. Our strategy provides a guide on our framework and implementation road

map for managing our social, economic and environmental footprint as well as sets ambitious targets for improvements. This is in alignment with our Company's purpose, embedded in our business strategy, and reflect the areas where our stakeholders expect us to lead.

Guinness Nigeria's sustainability strategy is thus tactically aligned with Diageo's global strategy and is underpinned by three main pillars:

1. Leadership in Alcohol in Society
2. Building Thriving Communities
3. Reducing Our Environmental Impact

We seek constantly to be recognised as the best performing, most trusted and respected brand in Nigeria, and we understand that to achieve this we need to be delivering on our sustainable development commitments.

### Leadership in Alcohol in Society

We are committed to creating a culture of responsible drinking by promoting moderate consumption of our products and addressing alcohol-related harm in society. We believe that alcohol should play a positive role during celebrations of different milestones in life. Moderate and responsible consumption is, however, a prerequisite. We, therefore, aim to celebrate the positive aspects of moderate alcohol consumption and to position our brands as a relevant and responsible choice for people who choose to drink.

We care passionately about reducing alcohol-related harm through our own programmes and through partnership and collaboration with others – and we seek to provide consumers with the information and tools they need to make informed choices about drinking or not drinking.

### The SMASHED Project



This is a global theatre-in-education program targeted at tackling underage drinking amongst 13 to 18 year-old students in local and private schools. This year, a total of 15,678 students in three states - Edo, Enugu, and Anambra - benefitted from the programme. A key part of the delivery is an evaluation process which measures specific outcomes; this year, 98% of the students reached indicated that they are less likely to indulge in underaged drinking which clearly is a testament to the impact of the programme. Since inception till date, over 46,000 students have benefitted from the programme. The SMASHED programme was formally adopted by the Beer Sectoral Group and now also has the endorsement of the Federal Ministry of Health.

### Building Thriving Communities

We recognise that as an organisation, we do not operate in a vacuum but within a socio-cultural, economic and social context. Thus, our success is dependent on our ability to work as part of a broad community of people, businesses and agencies to create shared value. We put into consideration the needs of our

stakeholders which includes our people, our suppliers, the communities around our operations, our customers and consumers and society at large, in all that we do to ensure that they thrive as a result of our business. We create value for millions of people as a buyer of goods and services, as an employer, as a corporate citizen and as the producer of some of the world's best-loved brands.

### Guinness Water of Life Scheme



Water stress is on the rise in many parts of the world, particularly in Nigeria. Already today in Nigeria, three persons in five have no access to safe drinking water and over 100 million people lack access to basic sanitation services. At Guinness Nigeria, we recognise the water crisis affecting communities, cities, and

companies around the country and are working to be part of the solution, actively contributing to overall shared value for Guinness Nigeria and our stakeholders through impactful initiatives.

The Guinness Nigeria water replenishment project is designed to replenish water back into the environment through a variety of projects. During the year, we delivered a total volume of 209,684 cm<sup>3</sup> which represents 153% of our F20 water replenishment target of 153,272 m<sup>3</sup>. We achieved this through the implementation of four Water of Life schemes in our local raw material sourcing states: Edo, Kano, Kebbi and the Federal Capital Territory, Abuja.

These solar-powered water systems serve over 21,000 beneficiaries and are self-sustaining, as water committees made up of women have been set up to ensure the sustainability of the schemes. In addition, the sites were opened and made accessible to the public without a formal commissioning, thereby allowing the communities access to clean water for hand washing very early on. This also served as part of our contribution towards curbing the spread of COVID-19 in underserved states.

In addition, we completed the renovation of eight Water of Life schemes across Niger, Nasarawa and Lagos states. This means that at least 20,000 people across these communities now have access to clean water for their daily use. We have also put in place better sustainable structures to ensure that these schemes are better maintained and managed by the various water committees set up in the communities.

### CEO Roundtable Conference on Plastics Advocacy



The CEO Roundtable on Sustainability is a yearly event organised by the Lagos Business School to generate debate and chart a course for economic development through sustainable initiatives. This year's event, themed 'Action to Mitigate Plastic Pollution' held in September 2019, and was organised in partnership with Nestle Nigeria Plc. Our CEO, Baker Magunda, delivered the keynote address at the event and reiterated our

commitment to working with other players within the value chain to address the issues around single plastic waste pollution. As Guinness, we will continue to tackle the issue through our 4Rs strategy (Reduce, Reuse, Recycle & Renew) and engagement at industry level through the FBRA.

### Join the Pact



Seeing as a primary aim of ours is to ensure that alcohol continues to be part of a balanced lifestyle for consumers who choose to drink and also to protect our regulatory freedoms by leading the industry in promoting and advocating for moderation, each year, we deliver through different partnerships, impactful programmes targeted at different stakeholder groups.

Join the Pact, our leading advocacy programme, is targeted at encouraging consumers to make personal pledges not to drink and drive. Our commitment to leading the industry in promoting moderation has helped us reach consumers through targeted offline and digital campaigns where we collected over 1.2 million signatures in the year. The integration of the annual Guinness Nigeria responsible drinking rallies with Join the Pact has helped to develop a valid monitoring and measuring technique, thereby helping to track the impact and number of consumers reached on a yearly basis.



### Guinness Community Clean Up



Guinness Community Clean Up is a volunteer scheme where our employees participate in a clean-up exercise that involves collection of plastic wastes. The volunteering programme not only serves as an engagement platform, but also helps to demonstrate our commitment to tackling plastic waste pollution in the communities around us.

Our maiden revamped employee volunteering scheme was launched in November 2019 in partnership with the Lagos State Waste Management Authority and our partner, SustyVibes. Over 100 employees participated in the clean-up exercise where over 100kg of plastic waste was collected, and each volunteer received a certificate of participation.

### Guinness Partners with United Nations Training and Research Institute (UNITAR)



Guinness has continued to lead the frontier in promoting responsible drinking through various programmes such as the recent partnership with UNITAR and the Federal Road Safety Corps (FRSC) through a capacity building programme for 70 road safety and traffic management officials in Lagos. The two-



day high visibility engagement workshop had in attendance representatives of the Nigerian Police Force, the Federal Road Safety Corps (FRSC), Vehicle Inspection Service, and NGOs such as Safety Borders and Arrive Alive, amongst others. Guinness Nigeria also donated two digital breathalysers to the FRSC.

### Guinness Nigeria Undergraduate Scholarship Scheme

The Guinness Nigeria Undergraduate Scholarship Scheme is our contribution towards youth development in the country. In the year under review, we sponsored 19 students from different parts of the country studying STEM and engineering-related courses in tertiary and vocational institutions. The selection process also ensured that we had a diverse and inclusive mix of beneficiaries.



JOHNNIE WALKER

KEEP WALKING



KEEP WALKING



JOHNNIE WALKER

KEEP WALKING



JOHNNIE WALKER

KEEP WALKING

DRINK RESPONSIBLY 18+  
WWW.DRINKJO.COM

Keep Walking

# Appendix

## GRI Content Index

GRI Standard	Disclosure	Disclosure Title	Report Topic	Page
GRI 101: Foundation 2016	<b>Organisational Profile</b>			
	102-1	Name of the organisation	About Us	8
	102-2	Activities, brands, products, and services	Our Products	11
	102-3	Location of headquarters	Our Products	11
	102-4	Location of operations	Our Products	11
	102-5	Ownership and legal form	About Us	8
	102-6	Markets served	Our Products	11
	102-7	Scale of the organisation	About Us	8
	102-8	Information on employees and other workers	Our Employee Composition	39
	102-9	Supply chain	Managing Our Supply Chain	48
	102-13	Membership of associations	Affiliations for Excellence	22
	<b>Strategy</b>			
	102-14	Statement from senior decision-maker	CEO Foreword	4
GRI 102: General Disclosure 2016	102-15	Key impacts, risks, and opportunities	Risk Management	27
	<b>Ethics and Integrity</b>			
	102-16	Values, principles, standards, and norms of behaviour	About Us	8
	102-17	Mechanisms for advice and concerns about ethics	Governance	35

	<b>Governance</b>			
	102-18	Governance structure	Leadership & Governance	14
	102-19	Delegating authority	Leadership & Governance	14
	102-20	Executive-level responsibility for economic, environmental, and social topics	Leadership & Governance	14
	102-22	Composition of the highest governance body and its committees	Leadership & Governance	14
	102-23	Chair of the highest governance body	Leadership & Governance	14
	102-25	Conflicts of interest	Governance	35
	102-29	Identifying and managing economic, environmental, and social impacts	Risk Management	27
	102-30	Effectiveness of risk management processes	Risk Management	27
	102-31	Review of economic, environmental, and social topics	Risk Management	27
	102-35	Remuneration policies	Employment Equity, Remuneration & Benefits	40
	102-36	Process for determining remuneration	Employment Equity, Remuneration & Benefits	40
	102-37	Stakeholders' involvement in remuneration	Employment Equity, Remuneration & Benefits	40
	<b>Stakeholder Engagement</b>			
	102-40	List of stakeholder groups	Our Approach to Stakeholder Engagement	23

	102-41	Collective bargaining agreements	Our Employee Composition	39
	102-42	Identifying and selecting stakeholders	Our Approach to Stakeholder Engagement	23
	102-43	Approach to stakeholder engagement	Our Approach to Stakeholder Engagement	23
	102-44	Key topics and concerns raised	Our Approach to Stakeholder Engagement	23
	<b>Reporting Practice</b>			
	102-46	Defining report content and topic Boundaries	Materiality Assessment	24
	102-47	List of material topics	Materiality Assessment	24
	102-50	Reporting period	Introduction to Our 2019-2020 Sustainability Report	6
	102-52	Reporting cycle	Introduction to Our 2019-2020 Sustainability Report	6
	102-53	Contact point for questions regarding the report	Stay in Contact	6
	102-54	Claims of reporting in accordance with the GRI Standards	Introduction to Our 2019-2020 Sustainability Report	6
	102-55	GRI content index	GRI Content Index	55
<b>GRI 103:</b> Management Report 2016	103-1	Explanation of the material topic and its Boundary	Materiality Assessment	24
<b>GRI 200:</b> Economic Standard Series	<b>GRI 201: Economic Performance 2016</b>			
	201-1	Direct economic value generated and distributed	Economic Performance	30
	201-2	Financial implications and other risks and opportunities due to climate change	Economic Performance	30
	201-3	Defined benefit plan obligations and other retirement plans	Our Economic Footprint	30



GRI 300: Environmental Standard Series	GRI 203: Indirect Economic Impacts 2016			
	203-1	Infrastructure investments and services supported	Our Sustainability Strategy	49
	203-2	Significant indirect economic impacts	Our Sustainability Strategy	49
	GRI 204: Procurement Practices 2016			
	204-1	Proportion of spending on local suppliers	Our Supply Chain	48
	GRI 205: Anti-corruption 2016			
	205-1	Operations assessed for risks related to corruption	Ethics and Anti-corruption	36
	205-2	Communication and training about anti-corruption policies and procedures	Ethics and Anti-corruption	36
	205-3	Confirmed incidents of corruption and actions taken	Ethics and Anti-corruption	36
	GRI 207: Tax 2019			
	207-4	Country-by-country reporting	Tax Transparency	30
	GRI 307: Environmental Compliance 2016			
	307-1	Non-compliance with environmental laws and regulations	Responsible Marketing	44
	GRI 308: Supplier Environmental Assessment 2018			
	308-1	New suppliers that were screened using environmental criteria	Our Supply Chain	48
	308-2	Negative environmental impacts in the supply chain and actions taken	Our Supply Chain	48

<b>GRI 400:</b> Social Standard Series	<b>GRI 401: Employment 2016</b>			
	401-1	New employee hires and employee turnover	Our Employee Composition	39
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employment Equity, Remuneration and Benefits	40
	401-3	Parental leave	Employment Equity, Remuneration and Benefits	40
	<b>GRI 403: Occupational Health and Safety 2018</b>			
	403-6	Promotion of worker health	Providing Healthy & Safe Workplaces	41
	403-8	Workers covered by an occupational health and safety management system	Providing Healthy & Safe Workplaces	41
	403-9	Work-related injuries	Providing Healthy & Safe Workplaces	41
	<b>GRI 404: Training and Education 2016</b>			
	404-1	Average hours of training per year per employee	Career Advancement	42
	404-2	Programs for upgrading employee skills and transition assistance programs	Career Advancement	42
	404-3	Percentage of employees receiving regular performance and career development reviews	Career Advancement	42
	<b>GRI 405: Diversity and Equal Opportunity 2016</b>			
	405-1	Diversity of governance bodies and employees	Staff Diversity	41
	405-2	Ratio of basic salary and remuneration of women to men	Staff Diversity	41

<b>GRI 406: Non-discrimination 2016</b>			
406-1	Incidents of discrimination and corrective actions taken	Staff Diversity	41
<b>GRI 408: Child Labor 2016</b>			
408-1	Operations and suppliers at significant risk for incidents of child labour	Human Rights	43
<b>GRI 409: Forced or Compulsory Labor 2016</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights	43
<b>GRI 410: Security Practices 2016</b>			
410-1	Security personnel trained in human rights policies or procedures	Human Rights	43
<b>GRI 412: Forced or Compulsory Labor 2016</b>			
412-1	Operations that have been subject to human rights reviews or impact assessments	Human Rights	43
412-2	Employee training on human rights policies or procedures	Career Advancement	42
<b>GRI 413: Local Communities 2016</b>			
413-1	Operations with local community engagement, impact assessments, and development programs	Our Sustainability Strategy	49

<b>GRI 414: Supplier Social Assessment 2016</b>			
414-1	New suppliers that were screened using social criteria	Our Supply Chain	48
414-2	Negative social impacts in the supply chain and actions taken	Our Supply Chain	48
<b>GRI 416: Customer Health and Safety 2016</b>			
416-1	Assessment of the health and safety impacts of product and service categories	Consumer Health & Safety	46
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Consumer Health & Safety	46
<b>GRI 417: Marketing and Labeling 2016</b>			
417-1	Requirements for product and service information and labelling	Environmentally friendly Labelling & Packaging	45
417-2	Incidents of non-compliance concerning product and service information and labelling	Environmentally friendly Labelling & Packaging	45
<b>GRI 418: Customer Privacy 2016</b>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy	46
<b>GRI 419: Socioeconomic Compliance 2016</b>			
419-1	Non-compliance with laws and regulations in the social and economic area	Highlights of the Diageo Marketing Code	46



# List of Abbreviations

AWA	Absent with Apology
BAT	British American Tobacco
BoD	Board of Directors
BOD	Biochemical Oxygen Demand
CARM	Controls Assurance and Risk Management
CATCH	Coordinated Approach to Eye Health
CBI	Convention on Business Integrity
CCE	Corporate Compliance and Ethics
CEO	Chief Executive Officer
COBC	Code of Business Conduct
CPC	Customer Protection Council
CRS	Corporate Responsibility and Sustainability
CSOs	Civil Society Organisations
CSR	Corporate Social Responsibility
DEVG	Direct Economic Value Generated
DMC	Diageo Marketing Code
DSC	Dealings in Securities Code
EACG	Emerging Africa Capital Group
EMPR	Environmental Protection and Management Regulation
EPR	Extended Producer Responsibility
ETI	Ethical Trades Institute
ETP	Effluent Treatment Plant
EVD	Economic Value Distributed
EVR	Economic Value Retained
FBRA	Food, Beverage and Recycling Alliance
FIPP	Fatal Incident Prevention Protocol
FMCG	Fast Moving Consumer Goods
FRC	Finance and Risk Committee
FRSC	Federal Road Safety Corps
FTE	Full-Time Employees
GDP	Gross Domestic Product
GLT	Guinness Leadership Team
GN	Guinness Nigeria
GRC	Governance and Remuneration Committee
GRI	Global Reporting Initiative
GRMS	Global Risks Management Standard
H&S	Health and Safety
HR	Human Resources
HR	Human Rights
HRP	Human Rights Policy

IARD	International Alliance for Responsible Drinking
IIT	Institute for Industrial Technology
ISO	International Standards Organisation
IWD	International Women's Day
KPI	Key Performance Indicator
KYC	Know Your Customer
LASG	Lagos State Government
LBS	Lagos Business School
LSE	London Stock Exchange
LTC	Left the Committee
LUTH	Lagos University Teaching Hospital
MHS	Mental Health Symposium
MM	Materiality Matrix
MNEs	Multinational Enterprises
MSS	Mainstream Spirits
NAFDAC	National Agency for Food and Drug Administration and Control
NAPTIN	National Power Training Institute of Nigeria
NEBOSH	National Examination Board in Occupational Safety and Health
NESREA	National Environmental Standards and Regulations Enforcement Agency
NFTE	Non-Full Time Employees
NGO	Non-Governmental Organisation
NoX	Mono-nitrogen Oxide
NYA	Not Yet Appointed
ODS	Ozone Depleting Substances
P4G	Partners for Growth
RRRR	Recovery, Reduce, Reuse, Recycle
RUWASSA	Rural Water Supply and Sanitation Agency
SAI	Sustainable Agriculture Initiative
SDG	Sustainable Development Goals
SEDEX	Supplier Ethical Data Exchange
SFIPP	Severe & Fatal Incident Prevention Protocols
SON	Standards Organisation of Nigeria
SoX	Sulphur Oxide
SP	Sustainable Packaging
SWN	Spirited Women Network
The NSE	The Nigerian Stock Exchange
UN	United Nations
UNGC	United Nations Global Compact
UNGHR	United Nations Guiding Principles on Business and Human Rights
WLB	Work Life Balance

## List of Tables

Table 1:	Stakeholder Engagement Grid
Table 2:	Our Economic Footprint
Table 3:	Tax Transparency
Table 4:	Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organisation

## List of Figures

Figure 1:	Our Materiality Process
Figure 2:	Materiality Matrix
Figure 3 :	Our economic performance in 2019/2020
Figure 4:	Employee Profile
Figure 5:	Full Time Employees Categorisation by Gender
Figure 6:	Non-Full-Time Employees Categorisation by Gender
Figure 7:	Employee Benefits
Figure 8:	Parental Leave
Figure 9:	Employee Categorisation by Age Group
Figure 10:	Governance Body Diversity by Gender
Figure 11:	Governance Body Diversity by Age Group
Figure 12:	Average Training Hours by Gender
Figure 13:	Average Training Hours per Employee Category
Figure 14:	Supplier Environmental Assessment
Figure 15:	Supplier Social Assessment

# CONTACT US

## Registered Office

### Head Office

24, Oba Akran Avenue  
P.M.B. 21071 Ikeja  
Tel: (01) 2709100  
Fax: (01) 2709338  
[www.guinness-nigeria.com](http://www.guinness-nigeria.com)

### The Ikeja Brewery

Oba Akran Avenue  
P.M.B. 21071  
Ikeja, Lagos State  
Registration no. RC771

## Breweries

### Ogba Brewery

Acme Road, Industrial Estate Ogba  
Tel: (01) 2709100  
Fax: (01) 2709338

### Aba Brewery

Osioma Industrial Layout  
Aba, Abia State  
Tel: (01) 2709100  
Fax: (01) 2709338

### Benin Brewery

Benin-Asaba Road  
Oregben Industrial Estate  
Ikpoba Hill  
Benin City, Edo State  
Tel: (01) 2709100  
Fax: (01) 2709338





RC 771

**GUINNESS**  
**NIGERIA**