

Diageo announces investment to support growth in the tequila category

30 September 2021. Guadalajara, Jalisco – Diageo, a global leader in beverage alcohol, has announced plans to expand its manufacturing footprint in Mexico through an investment of more than US\$500 million dollars in new facilities in the State of Jalisco. This investment will support the company's growth in the tequila category by expanding production capacity.

"In fiscal 21, Diageo's tequila organic net sales grew 79% with the category now representing 8% of the company's organic net sales. Growth was primarily driven by North America, where tequila is benefitting from its broad appeal across consumer occasions. This exciting investment in Mexico will support our future category growth to meet Mexican and international demand. It will also allow us to continue surprising and delighting consumers with our amazing tequila portfolio," said Álvaro Cárdenas, President, Latin America and Caribbean, Diageo.

The new facilities will also support Diageo's 10-year sustainability action plan, 'Society 2030: Spirit of Progress' by including environmentally friendly technologies, and through the expected creation of over 1,000 jobs in Jalisco, Mexico. Construction of the new facilities is expected to begin in 2021.

"Society 2030: Spirit of Progress' sets out 25 ambitious goals which are designed to make a positive impact from grain to glass, preserving our natural resources and contributing to the communities in which we live, work, source and sell. I am really proud that our new facilities in Jalisco will support the achievement of these goals", said Ewan Andrew, President, Global Supply Chain and Procurement, Diageo.

Since the acquisition of Tequila Don Julio in 2015, Diageo has continuously invested in its operations in Mexico, primarily in Jalisco. In 2019, the company finalised the first expansion of its facilities at "El Charcón" in Atotonilco El Alto, creating additional jobs and supporting the local community through initiatives including *Hablemos de Emprendedoras*, a skills programme for female entrepreneurs in Jalisco.

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About Diageo

Diageo is a global leader in beverage alcohol with an outstanding collection of brands including Johnnie Walker, Crown Royal, J&B, Buchanan's and Windsor whiskies, Smirnoff, Cîroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, Casamigos, DeLeon, Tanqueray and Guinness.

Diageo is a global company whose products are sold in more than 180 countries around the world. The company is listed on both the London Stock Exchange (DGE) and the New York Stock Exchange (DEO). For more information about Diageo, our people, our brands, and performance, visit us at www.diageo.com. Visit Diageo's global responsible drinking resource, www.DRINKiQ.com, for information, initiatives, and ways to share best practice.

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