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GET REFRESHMENT ON THE GO



NOW IN PET BOTTLES



FOREWORD FROM THE CEO

“To continue to grow our business in the long term and to ensure that we leave a better world for the ones who will come after us, we are working with key partners globally and locally to shine light on some of the bigger global issues that impact the planet and everyone on it.”

I am pleased to introduce to you the 2018 edition of Guinness Nigeria Plc's Sustainability Report. We have progressed a long way in our ongoing drive to fully embed sustainability into our business operations. In September 2015, the United Nations launched the Global Goals (Sustainable Development Goals) - an ambitious set of goals to end extreme poverty, fix inequality and tackle climate change by 2030. The truth is - if we can make the Global Goals happen, we will all benefit from a better world. World leaders can only do so much - it takes everyone. By everyone, I mean the public and private sector inclusive, consumers, shareholders, media, NGOs, influencers, employees, every sector out there coming together with a piece to make the whole.

The challenges that the Global Goals aim to tackle have a huge impact on our business at Guinness Nigeria Plc (Guinness Nigeria) and are aligned with our own sustainability and responsibility ambitions. Many have direct relevance to our business including climate change, women's empowerment and economic inclusion. Therefore, through our projects and targeted activities, we are helping people live well and within the means of our planet. Whether it's providing access to safe drinking water through our Water of Life programme, helping Nigerians access first-rate eye

care services, supporting Nigerian women through our Spirited Women's Initiative, or addressing the issues of unemployment with our Sustainable Agriculture program, we are demonstrating that a focus on sustainability can create opportunities for us all and grow our business.

To continue to grow our business in the long term and to ensure that we leave a better world for those who will come after us, we are working with key partners, globally and locally, to shine light on some of the bigger global issues that impact the planet and everyone on it. Guinness Nigeria's sustainability strategy is fully aligned with Diageo's global strategy and is underpinned by 3 main pillars; Leadership in Alcohol in Society, Building Thriving Communities and Reducing our Environmental Impact in the communities where we live and work. This report, which captures our achievements in the 2017 financial year, therefore, represents a great example of how we can engage people at scale, change attitudes and behaviours, and create movements for sustainability and responsibility. We want to bring all our stakeholders on this journey with us, including the Nigerian private sector, consumers, employees and influencers.

Our business ambition is to be recognised as the best

performing, most trusted and respected brand in Nigeria, and delivering on our sustainable development commitments underpins this. Guinness Nigeria's sustainability efforts are focused on those areas of society where our business has the greatest impact, such as social responsibility and alcohol, the environment and our social and economic impact in the communities where we operate. In the year ended 30 June 2017, we implemented a variety of initiatives that helped us advance our sustainable development strategy in Nigeria.

At a challenging period for the Nigerian economy, characterised by fallen oil prices, the currency devaluation, foreign exchange scarcity and volatility, higher interest rates, and a decline in real GDP, amongst other challenges, I am particularly proud of our newly launched Sustainable Agriculture program as a real contributor to the nation's socio-economic development. We are enhancing our local sourcing capabilities through backward integration - working with local farmers to source Sorghum, thereby supporting 40,000 smallholder farmers. We are also a part of an eco-system - an alliance with several private sector companies - geared at value creation for small holder farmers; and in the 2017 wet season alone, we created job opportunities for 5,121 smallholder farmers across eight (8) states, and over 40,000 field extension workers. Working with Technoserve, we also contributed to opting up the technical skills required for sustainable commercial farming techniques for the cultivation of cassava in Edo State. Through the programme, these farmers were provided with access to finance, certified seeds, unadulterated inputs, mechanisation, training on good agronomic practice, training on basic book keeping, supplier credit, extension support and access to market. With this intervention, Guinness Nigeria will leverage on the collaboration as provided by the respective partners in the ecosystem to improve the livelihoods of these farmers by moving them from subsistence level to full economic inclusion.

At the core of our approach is a commitment to creating a positive role for alcohol in society; minimising our negative impact and creating a more positive role for our business and industry. The promotion of responsible drinking is at the heart of all our marketing and sponsorship programmes, sitting under our 'Leadership in Alcohol in Society' pillar. We had a variety of programmes in partnership with the Federal Road Safety Corps by educating commercial motorists and the public on responsible drinking and donation of digital breathalysers to the Corps in order to promote safety on our roads, as well as a partnership with the National Youth Service Corps (NYSC) to promote the responsible consumption of alcohol. Corps members trained as part of

this scheme have so far organised many responsible drinking outreach programmes using the DRINKiQ resource materials in communities across the country. DRINKiQ is Diageo's global responsible drinking resource, providing information, tools and resources to help people better understand the role of alcohol as part of a balanced lifestyle and to make informed choices about drinking - or not drinking. With an increased focus on tackling underage drinking, I would also like to mention the "SMASHED" campaign, an underage alcohol education programme for students, which has so far delivered this programme in 29 government and private schools in the country.

There has never been greater pressure on Fast Moving Consumer Goods (FMCG) companies to address the challenge of post-consumer packaging waste. Today, the FMCG industry is facing a rising tide of extended producer responsibility (EPR) legislation and packaging taxes in many markets. Against this context, Guinness Nigeria is proactively taking the lead and identifying a workable model to be adopted as its sustainable waste management strategy, while working towards a circular economy. This led to a post-consumer recycling scheme partnership with renowned waste management experts, Wecyclers, to ensure that we reduce the impact of our environmental footprints. We also cannot deny that our manufacturing activities include water as a major component; we generate carbon, waste and other effluents that could have a negative impact on the environment if not controlled. Our dependency on water informed our flagship Water of Life scheme and has delivered 35 water facilities across 24 states in Nigeria. These facilities have helped provide clean drinking water for over 1.5 million Nigerians.

As the company drives these impactful initiatives that cut across reducing its environmental footprint in a cost-effective manner, projecting Leadership in Alcohol in Society, and Building Thriving Communities across the country, Guinness Nigeria employees are encouraged to contribute meaningfully to the society through various voluntary activities aimed at improving the lives of everyday Nigerians. Our sustainability and responsibility agenda are a strategic response to the unprecedented challenges the world faces. With Diageo as our parent company, Guinness Nigeria leverages the full scale of our resources to build tailor-made solutions that work for Nigeria.

Baker Magunda
Managing Director/Chief Executive Officer
Guinness Nigeria Plc

NEW

**GRAB
GREAT
TASTING
GOODNESS**

FUEL YOUR GREATNESS



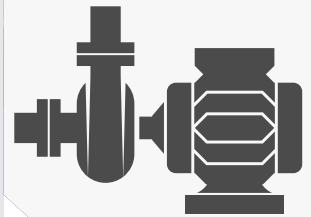
**LET'S
GO**

GUINNESS AT A GLANCE IN 2017

Zero
environmental spills



Functional Waste Water
Treatment Plants on all
our production sites



Zero
fines for non-compliance
with laws and regulations



Zero
corruption case



100%
of employees receive regular
performance and career
development



64%
of our raw materials
sourced from local
suppliers



Provided over **5,000** persons with
year round access to drinking water
in partnership with WATERAID.



94%

of packaging components
spend through local
suppliers



6,000

students reached through
SMASH initiative designed
to prevent underage
drinking



Zero
worker fatality rates



6.9%
improvement in water
usage efficiency

5,121

number of small holder
farmers provided with job
opportunities



Over **126**
Billion in net profit



1,086

female farmers in 15 communities in Edo State
trained on sustainable agricultural methods for
alternative supply of raw materials used in
Guinness's supply chain





JOHNNIE WALKER
Keep Walking

WHAT'S YOUR
FLAVOUR?
#JJW



18+ DRINK RESPONSIBLY
WWW.DRINKIQ.COM

PLEASE DO NOT FORWARD TO THOSE
UNDER THE LEGAL PURCHASE AGE.

About this Report

This report covers Guinness Nigeria's efforts at championing sustainability through structured activities and initiatives for the reporting year July 2017 to June 2018. The content indicates our progress towards actualising our set goals and targets by focusing on key priority issues. Our targets and measures represent the full suite of our corporate sustainability commitments with emphasis on meeting stakeholder expectations. Scripted in accordance with the latest Global Reporting Initiative framework, the GRI Standards Core reporting option, this report clearly and concisely articulates our sustainability approach and how we have integrated sustainability into the core of our business, and our efforts at adopting global standards and international best practices in our responsibility of creating and sustaining shared value for our stakeholders.

At Guinness Nigeria, our strategy and decision-making are guided by our desire to play an active role in a sustainable world. We research and analyse our environmental and social impacts as well as our economic impacts, and use our findings to spot trends, reduce risks and maximise opportunities for the benefit of the Diageo Group and our

Our targets and measures represent the full suite of our corporate sustainability commitments with emphasis on meeting stakeholder expectations.

stakeholders. This report, therefore, highlights our performance and achievements in relation to our environmental, social, and governance ("ESG") factors and outlines how we engage with our stakeholders. It is intended to provide meaningful updates to our stakeholders in Nigeria and around the world, including investors, employees, governments, NGOs, customers and consumers.

Besides providing updates to our stakeholders on the commitments we made for 2017, this report reflects the actions we have planned for 2018. It complements our latest consolidated annual report and accounts report which contains our financial and operational performance for the reporting year.





Report Scope, Timeframe and Boundary

Reporting Scope

Our 2017 Sustainability Report is focused, essentially, on our efforts at promoting sustainable business practices across all our business operations in Nigeria. It showcases our commitment to creating our products in ways that optimise use of resources across our operations while minimising our impact on the environment, promoting responsible drinking, and living by our policies and implementing locally and globally acceptable sustainability standards in all our operations and activities. It is written in accordance with the Global Reporting Initiative Standards Core option.

Timeframe

This report highlights all of our activities from July 31, 2017 to June 30, 2018. It showcases our response to stakeholder recommendations and how we aligned same to shape our decisions for the year as well as our approach to environmental sustainability.

Boundary

The 2017 report communicates our progress with regard to sustainability across all our branches and operations in Nigeria.

Data Integrity

The data presented in this report has been collected, reviewed, and internally validated to ensure completeness

and accuracy and represents the most complete and accurate information at the time of publication. The data emanates from formal documents, statistical and financial information, as well as sustainability related information collected, summarised and reviewed by the sustainability team of the company. The data was collected according to GRI indicator protocols. Guinness Nigeria commits to being transparent on revisions to reported data in future.

Reference

We will cross-reference the following guidelines throughout the report:

Priority Issues – An issue deemed to be material to the company through our sustainability issue prioritisation process.

Global Reporting Initiative (GRI) – The GRI Sustainability Reporting Standards are the first and most widely adopted global standards for sustainability reporting.

UN Global Compact (UNGC) – The UNGC is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to undertake partnerships in support of UN goals.

Sustainable Development Goals (SDGs) – The SDGs are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity.



About Guinness Nigeria – A Legacy of Almost Seven Decades of Commercial Trust

History of Guinness dates back to 1752 when Irish brewer, Arthur Guinness, invested the sum of one hundred pounds (£100) inherited from his uncle in a beer brewing facility and began manufacturing Irish stout. Guinness 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.

In Nigeria, the history of Guinness Nigeria can be traced to the late 19th century when the first Guinness Stout was imported into the country. Following from this, was the

establishment of a trading company in Nigeria in the 1950s. Due to the massive success enjoyed by the Guinness brand in Nigeria, Ikeja in Lagos was chosen as the first brewery outside the British Isle to brew the iconic beer. Two years later, in 1965, Guinness Nigeria was listed on the Nigerian Stock Exchange. As one of the first listed companies on the Nigerian Stock Exchange, it remains one of the largest companies by market capitalisation.

In 2011, the Benin and Ogba breweries were expanded to further increase capacity and meet the growing demand for Guinness Nigeria products. Presently, about 40% of worldwide total Guinness volume is brewed and sold in Africa, with Foreign Extra Stout the most popular variant.

Our Vision and Purpose



Our Purpose:

Celebration is always our cause. And celebrating not only today, but also tomorrow. As such, our purpose is **'Celebrating life every day, everywhere.'**



Our Vision:

We are committed to being there for our consumers' special moments, sharing all their accomplishments as they journey through the different phases of their lives. Our vision, therefore, is **'to be the best performing, most trusted and respected consumer products company in Nigeria.'**

Our Core Values:

- Our values are a critical element of our corporate strategy – influencing the way we work, every day and everywhere
- We are passionate about our customers and consumers – our curiosity and consumer insights drive our growth. We cherish our brands; we are creative and courageous in pursuing their full potential. We are innovative, constantly searching for new ideas
- We value each other - we seek and benefit from diverse people and perspectives. We strive to create mutually fulfilling relationships and partnerships
- We give ourselves the freedom to succeed – we trust each other, we are open and seek challenge, and we respond quickly to the opportunities this creates
- We are proud of what we do and how we do it – we behave responsibly with the highest standards of integrity
- We strive to be the best – we are always learning, always improving. We set high standards, we stretch to exceed them, and we celebrate success. Every year, Guinness Nigeria conducts an employee values survey, exploring how our values are being demonstrated individually and across the company.

Organisational Profile (Our Products)

Guinness Nigeria is a subsidiary of one of the biggest brewery group in the world – the Diageo Group.

Guinness Nigeria is a subsidiary of one of the biggest brewery group in the world – the Diageo Group. Diageo Plc holds 58.02% shareholding in Guinness Nigeria. 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. In addition to our brewery operations in different parts of the country, we have close business relationships with verticalised factories making glass, labels, metal lids and concentrates. We have a team of 823 staff comprising 733 employees in the southern region and 80 employees in the northern region. Our work inspires our relationships. Our beliefs lead us to develop our value chain, generating knowledge and learning, and enhancing processes and methodologies. We create and share value so that we can actualise our set goals and objectives

Our alcohol brands are brewed under licence internationally in several countries, including Nigeria, the Bahamas, Canada, Cameroon, Kenya, Uganda, Namibia, and Indonesia. The unfermented but hopped Guinness wort extract is shipped from Dublin and blended with beer brewed locally. Nigeria is one of the largest Guinness drinking nations in the world ahead of countries like the United States of America.

Our products and brands are categorised into four categories namely:

Spirits – Smirnoff X1 Intense Chocolate Vodka, Gordon's Dry Gin, Moringa Citrus, Smirnoff Extra Smooth, Smirnoff X Chocolate, Gordon's Moringa, Royal Challenge, Mr Dowells, Johnnie Walker Black, Red and Blue Label, Royal Challenge, Baileys, Cîroc and Gordon's Spark.

Beers – Guinness Foreign Extra, Stout, Guinness Extra Smooth, Guinness African Special, Harp, and Satzenbrau.

Ready to Drink: Smirnoff Ice, Snapp, Orijin.

Non-Alcoholic: Orijin Zero, Dubic Malt and Malta Guinness

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 from 18 years and above.



Governance Structure

Guinness Nigeria has established a strict corporate governance structure of clear rights and liabilities, comprising the Shareholders, the Board of Directors and Executive Management. The Company has maintained its head office in Lagos Nigeria but has established a process of seamless communication with its regional offices in Aba and Benin City. The headquarter performs the function of managing, supervising, coordinating and serving regional offices and breweries to ensure overall, improved quality of services.

Management

We always strive for the highest standards of corporate governance, responsibility & risk management.



The Board of Directors are responsible for the company's strategic objectives, business performance and supervision of the management of the business.

The Board of Directors key purpose is to ensure the company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and stakeholders. They are responsible for the company's strategic objectives, business performance and supervision of the management of the business. The directors have the skill, experience, independence and knowledge of the company necessary to carry out their Board responsibilities.

The Guinness Leadership Team consist of experienced and knowledgeable individuals made up of both Nigerian and expatriate persons each bringing to bear their unique personalities and perspectives thus creating a stimulating and rewarding working environment and also reflecting the best of both worlds. The composition of the Guinness Leadership team reflects its policy of engendering diversity and inclusion.

Board of Directors

The Board consists of the Chairman, 9 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 is responsible for the oversight of the business' long-term strategy and objectives, and the oversight of 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 and Risk Committee. In compliance with the requirements of the Code of Corporate Governance issued by the Securities and Exchange Commission ("SEC") in 2011, 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.



The Board is governed by its Corporate Governance Guidelines and the Code of Business Conduct which clearly sets out the expectations on ethical conduct across the company. Through its Finance & Risk Committee, the Board ensures that Corporate governance and Business Ethics

principles are embedded in the management and operations of the company and Management reports on these regularly to the Board.

The Governance and Remuneration Committee considers candidates and make appropriate recommendations to the Board for appointment.

All Directors are selected based on core competencies that strengthens the capacity of the Board including experience in marketing, general operations, strategy, corporate governance and compliance, human resources, technology, media or public relations, finance or accounting, retail, consumer products, international business/markets, logistics, product design, merchandising or experience as a Managing Director or Finance Director. In addition to having one or more of these core competencies, candidates for appointment as Directors are identified and considered based on knowledge, experience, integrity, diversity, leadership, reputation, and ability to understand the Company's business. The Governance and Remuneration Committee considers candidates and make appropriate recommendations to the Board for appointment.

Changes are made to the structure and size and composition of the board of directors following recommendations from the Governance and Remuneration Committee. This includes appointments of Executive and Non-Executive Directors on the board. Continuation in office of Directors at the end of their term of office and due for re-election is done by the shareholders at the Annual General Meeting and otherwise as appropriate.

The Company has in place, the following Board Committees:

a. Executive Committee

This is a Committee comprising of all members of the Guinness Nigeria Leadership Team/the Executives of the Company who are, from time to time vested with delegated responsibility for all businesses, which should be dealt with expeditiously and are not of such a nature as to necessitate consideration by a full meeting of the Directors. The Committee exercises the approval powers vested in the Board of Directors in the Company's Schedule of Limits and Authorities in between meetings of the Board of Directors.

The activities of the Committee are reported to the Board at its next scheduled meeting for notice and/or ratification as appropriate.

b. Governance and Remuneration Committee

Among other responsibilities, the Governance and Remuneration Committee is charged with instituting a transparent procedure for the appointment of new Directors to the Board and making recommendations to the Board regarding the tenures and re-appointment of Non-Executive Directors on the Board. The Committee is comprised of the Vice Chairman of the Board (as its Chairman), the Managing Director and 2 Non-Executive Directors

c. Finance and Risk Committee

The Finance and Risk Committee is responsible for monitoring the integrity of the financial statements of the Company and reviewing the effectiveness of the Company's internal control and risk management system, among others. The Committee comprises Five (5) Non-Executive Directors selected to provide a wide range of financial, commercial and international experience.

Guinness Nigeria's approach to risk management is in line with Diageo's Global Risk Management Standard. On an annual basis, we undertake a holistic risk assessment to identify top internal and external existing or emerging risks which are thereafter ranked based on their likelihood of occurrence and their impact to the business. These risks are assigned to owners who are then tasked with ensuring that robust plans are in place to mitigate these risks. These risks and mitigation plans are reviewed on a bi-monthly basis at the Risk Management Committee (RMC) meeting which is chaired by the Managing Director and comprise the heads of functions and other extended leadership team members.

d. Audit Committee

The Company has a Statutory Audit Committee set up in accordance with the provisions of the Companies and Allied Matters Act. It comprises of 3 Non-Executive Directors and 3 ordinary shareholders elected at the Annual General meeting. It evaluates annually, the independence and performance of external auditors, receives the interim and final audit presentation from the external auditors and also reviews with management and the external auditors the annual audited financial statements before its submission to the Board.

Local/Global Affiliations

We are a subsidiary of the Diageo Group, one of the largest beverage and alcohol manufacturers in the world. Our sustainability strategy at Guinness Nigeria is thus tactically aligned to that of the Diageo group. Besides this, we adhere to charters and principles as well as participate in many non-governmental and advocacy organisations and industry associations on topics of interest and priority to us. Elect memberships and associations include:



International Alliance for Responsible Drinking
(Global Producers Commitment)



Global Reporting Initiative



United Nations Global Compact



SEDEX



Convention on Business Integrity



AIM Progress



Sustainable Agriculture Initiative (SAI)



Manufacturers Association of Nigeria (MAN)

Others include:

- Food Beverage and Recycling Alliance (FBRA),
- SWAN,
- DIBAN
- BSG

Benchmarks and Achievements in 2017

Reporting year 2017 July to 2018 June was indeed a year of growth for us in terms of our internal operations and in our investments as corporate citizens. The activities of individual teams contributed to the successful operation of business in the entire organisation.

During this reporting year, we took a systematic approach to identifying our stakeholders and what matters to them. This enabled us to position ourselves strategically to ensure maximum satisfaction for all our stakeholders. We made notable advancements in forging a sustainable path for ourselves, and the result was evident in many ratings both within and outside the organisation, including our customer satisfaction rating.

Furthermore, we captured a holistic picture of the health of our operations which tells the story of where we have come from and presents a path we can continue to walk on. While we admit that there is room for further improvement in all our operational footprint, we nonetheless made notable strides in actualizing our strategic objectives in the areas of leadership in alcohol in society, impacting our environment and building thriving communities which are delineated in this report.

Economic Performance During the Reporting Period

Guinness Nigeria remains one of Nigeria's largest fastmoving consumer goods (FMCG) manufacturers. An important sustainable development indicator for our business is our economic contribution.

Direct Employment

Our distribution network spans the length and breadth of the country as our products are distributed all over the country. Through our kind of business, we generate direct and indirect employment in different spheres including marketing, logistics, production, sales (distributors, wholesale and retail) and administration across the country. The total number of full-time employees as at June 2018 is 823 comprising of both male and female. In 2017, we generated over 10,000 jobs indirectly and in related industries.

Tax contribution

We are one of Nigeria's largest taxpayers. As a responsible organisation, we pay a significant portion of our income to the government as tax. In the reporting year 2017, our aggregate tax payment and other monies paid to the government stood at N738M. Our taxes consist of excise duties and VAT as well as income taxes, corporate income tax and others as required by the Nigerian government.

The below table represents our economic performance in the reporting year 2017:

S/N	Item Description	Figure
Direct Economic Value Generated (DEVG)		
1	Net sales	N126Billion
2	Total capitalisation broken down in terms of debt and equity (For private sector organisations)	Net Debt N35.3bn, Equity N43bn.
3	Quantity of products or services provided in 2017	F17 volume is 5.8m EU's
Economic Value Distributed (EVD)		
4	Revenues	N126bn
5	Operating cost	N96bn
6	Employee wages and benefits	N11.5bn
7	Payments to providers of capital	N753m
8	Payments to Government	N738bn
Economic value retained (EVR)		
9	Calculated as 'Direct economic value generated' less 'Economic value distributed')	N1.1bn



SUSTAINABILITY AT GUINNESS NIGERIA

Guinness Nigeria views sustainability as a prerequisite for business growth and the scope of our sustainability initiatives is as broad as our activities are diverse. We seek to tackle issues alongside people in communities so that we may grow together with them in a sustainable manner. We also seek to ensure that our operation leaves positive impact on the environment to ensure that our environment is sustainable for the present and future generation.

We recognise that our business is dependent on the availability of land, water, crops, healthy ecosystems and thriving communities. Without these, we would not be able to make and sell our products. This means that global sustainability trends and drivers, such as climate change, water scarcity, population growth, urbanisation, income inequality and resource constraints, all have a major actual and potential impact on our business.

We have therefore put in place a framework to ensure that sustainability is integrated into every facet of our business from our sourcing for raw materials to the distribution of our final products to consumers. We strive to bring our sustainability strategy to life by providing a framework for managing our activities and by clearly and concisely articulating our commitments, collaborating with others and forming mutually beneficial partnerships in areas that are needed as well as activating our priorities. Our commitment in all areas is to enhance our positive and reduce our negative social, economic and environmental impacts.

Our Sustainability Strategy

Our strategy and decision making at Guinness Nigeria is based on issues that are most material to our business. Our strategy provides a guide on our frame work and implementation road map for managing our social, economic and environmental footprint as well as sets ambitious targets for improvements. It is aligned 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 3 main pillars;



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 be enjoyed as part of a balanced life and 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.

Our responsible drinking commitment is implemented through:

- Industry collaboration
- Impactful programmes and
- Training

Industry Collaboration: In collaboration with the International Alliance for Responsible Drinking, our global alcohol commitments were implemented to expand and increase efforts on:

- **Reducing underage drinking:** This is implemented by reaching underage individuals with education programs and materials via face-to-face interactions such as lectures and seminars
- **Strengthening and expanding market codes of practise:** Ensure that our contracts with advertising agencies comply with our responsible alcohol advertising codes
- **Providing consumer information and responsible product innovation:** Ensuring that all our products and brands carry symbols or words warning against harmful drinking
- **Reducing drink driving:** Implement drink driving prevention programmes
- **Enlisting the support of retailers to reduce harmful drinking:** Implement local retailing initiatives that would reduce harmful drinking.

Impactful Programmes: Beyond industry commitments, we work in partnerships with identified institutions or organisations to support programmes and initiatives that address harmful drinking.

- In 2018, we partnered with Rue 14 Studios, a leading theatre and arts company to launch the SMASHED initiative for the first time in Nigeria. Smashed is a Diageo Plc initiative targeted at tackling the issue of underage drinking amongst youth using drama and interactive educational tools
- The Ember month's campaign in partnership with the Federal Road Safety Corps (FRSC) aimed at creating awareness and enlightening commercial motorists and the public on the dangers of drink driving. In 2017, we visited popular motor parks in Lagos, Benin and Abuja to give talks and share information in local languages with bus drivers and motorcycle operators on the consequences of drink



driving and how to drink responsibly

- Hosting of the DRINKPositive campaign in January 2018. The DRINKPositive campaign is an internal awareness drive amongst employees of Guinness Nigeria. The aim of the campaign was to leverage our role as employees to connect with our value of promoting moderation and tackling harm
- Promoting Responsible Consumption by Partnering the National Youth Service Corps (NYSC)
- In 2018, Guinness Nigeria entered into an agreement with the National Youth Service Corp which was documented by signing of a Memorandum of Understanding. The MoU signalled the beginning of Guinness Nigeria's partnership with the NYSC on programmes that promote the responsible consumption of alcohol. In line with the MoU, Guinness Nigeria trained NYSC Desk Officers drawn from Nigeria's 36 states and the FCT. These Desk Officers have in turn delivered responsible drinking training sessions in NYSC orientation camps across the country.

Our goal is to create responsible drinking ambassadors who would further cascade learnings to other identified groups or communities through the DRINKiQ learning resource. In the reporting year, over 2,000 youth have been trained or reached out to on responsible drinking.

Our purpose is to celebrate life every day, everywhere and we encourage our employees and consumers to celebrate responsibly. Through DRINKiQ we raise awareness about responsible drinking and help inform responsible choices about drinking or not drinking. We promote DRINKiQ.com on all Diageo product labels, and the DRINKiQ training course is available to all our employees and consumers on a dedicated website.

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 corporate citizens and as

producers of some of the world's best-loved brands.

Beyond creating shared value through our brands, we also create value by empowering our own people and the communities in which we work by:

- increasing access to opportunities, addressing development challenges such as capability gaps or access to clean water
- advocating high standards of governance
- supporting farmers and other suppliers as they help us build a sustainable value chain.

As part of our strategy for building thriving communities, we have set ourselves ambitious targets to be reached by 2020 and are committed to measuring and reporting on every programme that we run. Our targets were selected to ensure we help to achieve the UN's Global Goals and support WHO programmes on health, such as the Global Action Plan for the Prevention and Control of Non-Communicable Diseases.

- **Empowering communities:** We empower members of our host communities in particular women, by implementing programmes that would enable them to have the skills and resources to build a better future for themselves. We also provide social amenities such as safe drinking water and sanitation to members of our host communities. Both programmes are implemented through our Water of Life and Plan W initiatives. To date 37 communities in Nigeria have benefitted from our water of life programme.
- **Human rights:** Our policies on human rights are guided by our commitment to act in accordance with the UN Guiding Principles on Business and Human Rights. The key thrust of the principle is to implement the United Nations Protect, Respect and Remedy framework. The Guiding Principles seek to provide an authoritative global standard for preventing and addressing the risk of adverse human rights impacts linked to business activity. We are also a member of the United Nations Global Compact and maintain strict adherence to its principles. We respect, and support internationally-proclaimed human rights, and we ensure that we are not complicit in human rights abuses of any form. We have a Global Code of Business Conduct which reiterates our respect for human right and disdain for discrimination based on gender, age,



race, political affiliation and marital status. Our Organisational culture is positive and warm and free of harassment of any kind. It allows for free flow of communication both and encourages all staff to thrive and actualise their potentials. As part of ensuring that the rights of staff are protected, 91% of our staff are covered by collective bargaining.

Furthermore, we have a Controls, Compliance and Ethics team which reviews the processes to ensure that issues on human rights are managed in accordance with all policies. In the reporting year 2017, all employees were trained on Human Rights via our Code of Business Conduct training/Master the code.

- **Sustainable supply chains:** Our sustainable supply chain commitments is designed to establish partnerships with farmers to develop sustainable agricultural supplies of key raw materials with the aim that by the year 2020, 80 % of our agricultural raw materials will be sourced locally. In the year under review, we were close to this goal as 64% of our raw materials were sourced locally.
- **Promoting Diversity and Inclusion:** We are committed to maintaining a diverse and inclusive workforce as part of our adherence to the UNGC and UNGHR. Our recruitment and staffing policies ensures that staff are selected based on impartial criteria which includes but not limited to age, sex, ethnicity, religion, disability, marital status, social or political affiliation etc. Our dedication to diversity and inclusion has seen us build a culture where all employees are valued and respected and where their opinions count. We remain committed to ensuring a diverse and inclusive culture where employees believe that their views are heard, their concerns are attended to and they work in an environment where partiality, discrimination and harassment on any matter does not exist.

Reducing Our Environmental Impact

Our business relies on water and other limited natural resources. We want to use those resources responsibly, preserving them for future generations. Measuring and managing our environmental impact is not only important for the planet and the communities in which we work, it is essential for the financial sustainability of our supply chain and our business. We are committed to minimising our

environmental impact across our operations and are working to extend environmental standards throughout our supply chain.

Negative environmental impacts we have seen in our supply chain relates to with waste water and energy. We have taken some key actions to put those impacts under control which includes having functional Waste Water Treatment Plant on all our Production sites and Installation of gas generators across site to take care of diesel generators.

Armed with this information, it is required statutorily to always carry out Environmental Impact Assessment for new projects on site and Environmental Audits across site to be able to identify negative environmental impacts new or existing facilities may have. These reports come with recommendation which are strictly implemented to drive compliance to environmental standards.

Our 2020 Targets:

Our focus area includes:



Water:

- Our water targets are as follows:
- Reduction of our water usage through a 50% improvement in water use efficiency.
 - Return 100% of wastewater from our operations to the environment safely.
 - Replenish the amount of water used in our final product in water-stressed areas.
 - Equip our suppliers with tools to protect water resources in the most water-stressed locations.

These are implemented through Diageo's Water Blue Print and Water of Life Initiative. The Water Blue Print seeks to address water issues in our sourcing, at our breweries and in the community where we source or sell. To date over 37 communities in Nigeria have benefitted from Guinness Nigeria's Water of Life Scheme.

Carbon: Our carbon targets include reducing absolute greenhouse gas emissions from direct operations by 50% and achieving a 30% reduction along the total supply chain as well as ensuring that all our new refrigeration equipment in trade are HFC-free, with a reduction in associated greenhouse gas emissions from 2015. We activate this priority by: Improving energy efficiency in our operations through,

- Generating renewable energy at our sites.
- Sourcing renewable or low-carbon energy.
- Partnering to reduce carbon in our supply chain.

Sustainable Packaging: Our sustainable packaging goals are channelled towards:



The result is to reduce the overall packaging weight of our products.

Waste: Our target is to achieve zero waste to landfill by:

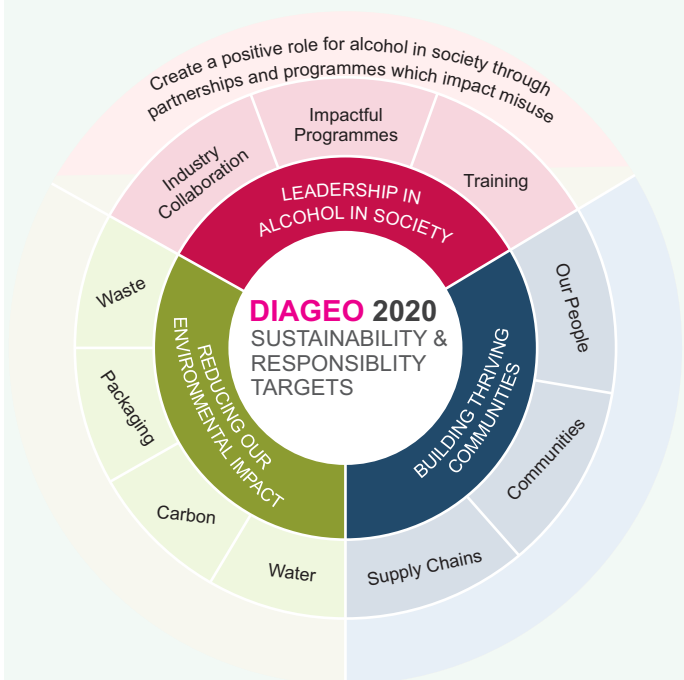
- Eliminating materials where possible.
- Reducing materials.
- Finding agricultural uses for waste.
- Recycling packaging and other materials.

Progress on Our Commitments

Our 2020 Targets:

Part of our strategy at Guinness Nigeria is to profoundly reduce alcohol related harm, create measurable impact in our host communities and leave positive environmental footprints. We therefore set for ourselves 20 ambitious targets to be reached by 2020 and are committed to measuring and reporting on our programmes and initiatives that advance the goals. Achieving our 2020 Goals is integral to our long-term success. We consider them to be the Key Performance Indicators of our sustainability approach and have processes in place to measure and track progress.

Our targets were selected to ensure we help to achieve the UN's Global Goals and support WHO's programmes on health, such as the Global Action Plan for the Prevention and Control of Non-Communicable Diseases. The goals underscore and reflect our long-term commitment to delivering sustainable social, environmental and economic change across our Company and extended value chain by leveraging the power of our people, expertise, and global partnerships.





Following is our Scorecard that provides an update on progress we have made to-date against our 2020 Goals.

S/N	2017 Objectives	2017 Achievements	2018 Targets
1	Leadership in Alcohol in Society	<ul style="list-style-type: none"> Conducted Responsible Drinking Campaigns in 3 states (Lagos, Abuja & Benin) Age verification scheme extended to 2 new supermarkets to address underage drinking Delivered on all 5 CEO Commitments 	<ul style="list-style-type: none"> Reduce underage drinking Strengthening and expanding marketing codes of practice Providing consumer information & Responsible Product innovation Reduce drink driving
2	Building Thriving Societies	<ul style="list-style-type: none"> Implemented 1 WASH Scheme in Kebbi LRM PROGRAMME: For Cassava Outgrower scheme: 1000 farmers trained and supported in the Cassava value Chain Donated Eye care equipment to Lagos University Teaching Hospital (LUTH) Guinness Eye Centre and renovated the Guinness Eye Centre in Onitsha Undergraduate scholarship scheme for beneficiaries in host communities (10) Partnership with NAPTIN to train 10 youth at the National Power Training Institute 	<ul style="list-style-type: none"> Act in accordance with the UN Guiding Principles on human rights Water of Life: Deploy additional WASH schemes in the North Support vocational Life skills training for young people Increase number of scholarship beneficiaries in host communities Establish partnerships with farmers to develop sustainable agricultural supplies of main raw materials
3	Reducing our Environmental Impacts	<ul style="list-style-type: none"> Commenced Post-consumer recycling initiative for all formats (Cans, Bottles & PETS) Joined the Food beverage and Recycling Alliance (FBRA) for multinational enterprises (MNEs) to address issues around environmental pollution 	<ul style="list-style-type: none"> Extend recycling scheme to other parts of the country where we sell or produce
4	Environmental	<ul style="list-style-type: none"> Transitioned and Certified to new ISO 14001:2015 Environmental Management system Standards Silver Medal, Manufacturers Association of Nigeria (MAN) Best kept Industrial premises Competition. Ikeja/Agege Zone Food and Beverage Category Biochemical Oxygen Demand (BOD) (Tonne) 39.52 Water (L/L) 4.56 Energy (MJ/L) 2.40 GHG (Tonne) 50,011.84 Waste to Land Fill g/L 1.56 	Maintenance of new certification in Internal and External audits.



Guinness Nigeria's Sustainability Strategy and The United Nations Sustainable Development Goals

What are the SDGs?

The Sustainable Development Goals (SDGs) (or Global Goals for Sustainable Development) are a collection of 17 global goals set by the United Nations Development Programme as a global framework for development. The formal name for the SDGs is: "Transforming our World: the 2030 Agenda for Sustainable Development." That has been shortened to the "2030 Agenda". The goals are broad and interdependent, yet each has a separate list of targets to achieve.

The SDGs 17 integrated goals consist of 169 time-bound targets to end poverty, fight inequality and injustice, and tackle climate change by 2030. They are built on the Millennium Development Goals (MDGs), which were implemented mostly in developing countries from 2000 to 2015.

Guinness Nigeria and the SDGs






















Throughout our operations and supply chain, we have aligned our sustainability strategy to the UN Sustainable Development Goals (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 Sustainable Development Goals (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 goals like no poverty, zero hunger, good health and well-being, quality education, decent work and economic growth and more.





The below table represents a snapshot of our activities which aligns with and contributes to advancing the goals:

S/N	Strategic Initiative/Pillar	SDG Alignment
1	Economic impact generated by our business Through our businesses, we generate employment which helps individuals to tackle poverty, hunger, promote good health and well-being and provides financial capacity to subscribe to quality education. Thus, through our economic footprint, we contribute to actualising:	    
2	Leadership in Alcohol in Society The key thrust of our leadership in alcohol in society initiative is to promote responsible drinking as part of a balanced lifestyle, to discourage under-age drinking and drink-driving through our various campaigns directed at different target audiences and inscriptions on our brands/products. Also, compliance to our Diageo Marketing Code is mandatory to our marketing teams and agencies responsible for marketing our brands. Key components of the code include ensuring that marketing is only ever directed at adults over the legal purchasing age, monitoring user-generated content, and consumer privacy. This would advance goal 12- responsible consumption and production as well as promote peace, justice and strong institutions where organisations and their business partners are committed to sustainable business practices where responsibility and accountability to stakeholders of the impact of their activities is of major priority.	  
3	Building Thriving Communities The focus of our Building Thriving Communities sustainability pillar is to empower communities, advocate high standards of governance and support farmers and other suppliers to help build a sustainable value chain. Through our plan W initiative, we seek to empower women to enable them become self-sufficient. We are also committed to promoting human rights and diversity and inclusion in the workplace. Our Water of Life Initiative is also targeted towards providing access to clean, safe water to members of our host communities of which we have reached 37 communities to date thus promoting goal six of the SDGs- Clean Water and Sanitation.	      
4	Reducing our Environmental Impact Our environmental targets entail reduction in water usage and replenishing of water sources. Minimal reduction of green-house gas emission, use of environmentally friendly technology, sustainable packaging and waste management.	     



How We Engage

In determining with whom to engage, we take into consideration a variety of factors, including:

the possible alignment of our goals and values with those of the stakeholder group; possible economic, social, environmental and other outcomes that would result from the engagement and the opportunity for mutual learning.

As a Nigerian company with global affiliation to the Diageo group, we interact with numerous stakeholder groups at the global, national and local levels. We foster and maintain relationships with our suppliers and our production team who help us make our various brands; the customers who purchase our brands; consumers and our own employees and shareholders. Additionally, we routinely engage with government, the media, civil society organisations and local communities to advance our vision and achieve our sustainability targets.

The long-term relationships we cultivate with our stakeholders are a vital part of our sustainability approach. Each engagement presents an opportunity for us to learn about the issues of top concern and priority for the many individuals, communities and organisations we serve, and those with whom we interact with in the course of conducting our business. Our engagement with stakeholders takes various forms, including surveys, face to face meetings, media parleys, e-mails, town hall meetings, investors call among others.

Engaging our stakeholders provides opportunities for us to align our business practices further with societal needs and expectations and drive long-term sustainability and shareholder value. The below table represents our stakeholder engagement mode and issues/reasons for engagement for the reporting year 2017.

S/N	Stakeholder Group	Method of Engagement	Reasons for Engagement	Frequency of Engagement
1	Consumers	<ul style="list-style-type: none"> • Dedicated toll-free line 08001759175 • Guinness Nigeria's website • Social media • Print and electronic media • Points of sale • Periodic trade visits and bar calls • Feedback from in-bar promoters 	<ul style="list-style-type: none"> • Product quality • Accessibility of products • Product availability • Responsible consumption/ Underage drinking • Products affordability • Redemption of promo incentives 	Daily, weekly, monthly and as the need arises.
2	Customers (Distributors wholesalers and Retailers)	<ul style="list-style-type: none"> • Direct contact through sales • Customer relationship managers • Customer call centres/toll free line • Customer meetings • Industry trade groups/ meetings • Customer satisfaction surveys 	<ul style="list-style-type: none"> • Product quality • Underage drinking/ responsible consumption • Accessibility of desired brand/s • Materials/ingredients in our brands • Data protection and privacy • Reuse of packaging materials e.g. bottles • Ethical behaviour and performance 	Daily, weekly, monthly, and as the need arises.



3	Employees	<ul style="list-style-type: none"> • Intranet • Newsletters, • Company website • Town hall meetings • Yammer • Training and Development sessions • Departmental road shows • One on one engagements • Performance review sessions • Team meetings • Team Bonding sessions • Retreats • Employee handbook 	<ul style="list-style-type: none"> • Organisational culture/ policies • Ethical business practices • Clarity in job function/Role description • Business Performance • Sustainable innovation, • Workplace health and safety • Human capital development • Diversity and inclusion • Human Rights • Data protection and privacy • Compensation and benefits 	Daily, weekly, quarterly, as the need arises
4	Investors/ Shareholders	<ul style="list-style-type: none"> • Annual report • Annual sustainability report • Annual Shareholders meeting • Investor releases • Road shows • Company's website • Conferences • Dialogue • Direct engagement • Annual General Meetings and Extraordinary General Meetings • Formal correspondence 	<ul style="list-style-type: none"> • Business performance • Brand/s awareness • Organisational policies and corresponding impact • Major changes within the organisation's operation and structure • Return on investment • Growth opportunities 	Quarterly and annually
5	Business Partners (Vendors, suppliers consultants, etc)	<ul style="list-style-type: none"> • Guinness Supplier Education Package • Online registration on the SEDEX platform • Memorandum of Co-operation/Understanding • Formal Correspondence • Periodic Meetings • Surveys • Supplier forums • One on one engagement 	<ul style="list-style-type: none"> • Definition of terms of engagement • Procedures for procurement • Ethics and compliance • Health and safety • Responsibility • Standards for Suppliers • Health and safety, human rights, diversity and inclusion 	Daily, weekly, monthly, quarterly, as the need arises



6	Host Communities	<ul style="list-style-type: none"> • Direct local engagement with community heads • Philanthropic efforts such as infrastructural support to communities through the Water of Life scheme • Sponsorships e.g. scholarship scheme • Employee volunteering activities • Periodic engagement through a community liaison officer • Adhoc correspondence as required 	<ul style="list-style-type: none"> • Environmental issues • Project implementation • Social footprint of business operations • Employment issues • Health and safety issues around operational areas. • Local community issues 	Quarterly and adhoc
7	Regulators	<ul style="list-style-type: none"> • Direct engagements with Regulatory Affairs Manager • Meetings with business leadership when necessary • Periodic reports as required • Informal meetings on specific cases and formal meetings on policy matters 	<ul style="list-style-type: none"> • Compliance with regulations • Research and development • Assessment of product quality • Product registration and approval • Ethical business practices • Advert vetting and approval • Inspection of production areas • Safety and reliability of brands. • New product testing • Issuing of licence 	Regular and adhoc
8	The media	<ul style="list-style-type: none"> • E-mails • Media parleys 	<ul style="list-style-type: none"> • Advertising of new campaigns and promotions • Publicity of initiatives • Opinion polls 	Quarterly and adhoc
9	Government	<ul style="list-style-type: none"> • Meetings • Correspondences with various ministries and government arms as may be required 	<ul style="list-style-type: none"> • Product and regulatory issues • Establishment of new operations sites • Trade Issues such as tax, tariffs and excise duties • Maintenance of standards 	As the need arises



10	NGOs/Civil Society Organisations	<ul style="list-style-type: none"> • Direct engagement/ consultations on new proposals • Dialogue • Collaborative partnerships • Sponsorships • Social Media 	<ul style="list-style-type: none"> • Collaborative partnerships in the implementation of strategic initiatives for instance partnership with WATERAID to implement a Water Hygiene and Sanitation Scheme (WASH) intervention in communities in Kebbi State that would provide more than 5,000 persons with year-round access to safe drinking water. 	Adhoc
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Determining Material Issues

Guinness Nigeria's sustainability strategy and target-setting are based on the findings of our materiality assessment, which identifies the impacts that are most important to our business, our stakeholders and society. This assessment is inspired by the principles of the Global Reporting Initiative (GRI) and set against a backdrop of international standards and agreements, such as the UN Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) conventions, the UN Sustainable Development Goals and the UN Global Compact.

In defining materiality in this report, we considered our social, environmental and economic impacts and how they significantly affect our current and future stakeholders' ability to meet their needs. Of the issues identified, we have prioritised twelve. In identifying the issues, we employed an inclusive process that involved our key stakeholders as indicated above.

Our materiality issues are aligned with our strategic targets which includes: Leadership in alcohol in society, Building Thriving Communities and Reducing our Environmental Impacts.

The top sustainability issues accorded top priority are as follows:

- Ethics and Compliance
- Sustainable Sourcing
- Responsible Marketing
- Occupational health and Safety
- Community Investments
- Energy efficiency
- Water Management
- Diversity & Inclusion
- Accountability and Governance
- Responsible Supply Chain Management
- Effluents and Waste
- Product Quality

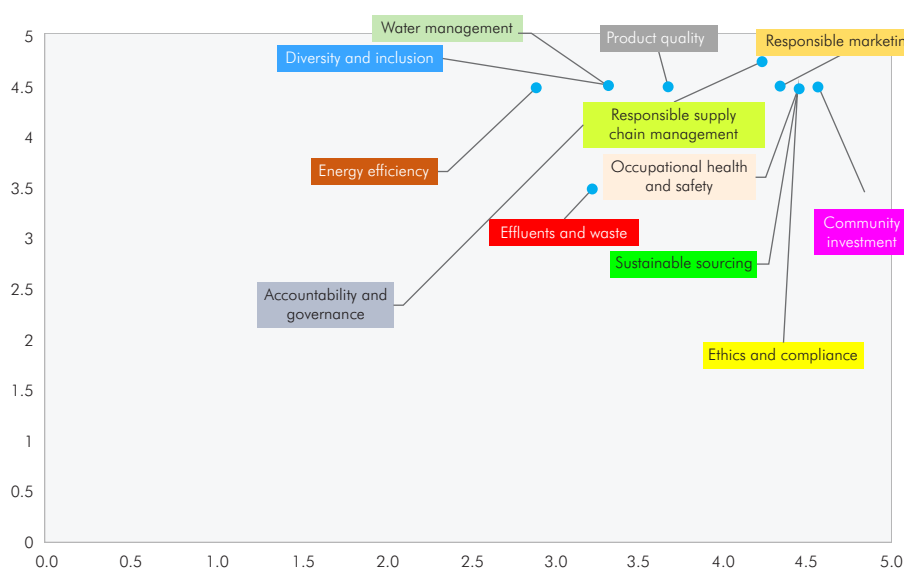
Our Materiality Grid

Our materiality process are as follows: Identification of issues important to us and our stakeholders, prioritisation of identified issues based on scale of importance, review of the issues based on key findings from engagement with our stakeholders on the prioritised issues. The identified issues are bench marked against their relevance in the reporting year: 2017 with respect to new or revised policies and processes. We measure identified issues based on the significance of their impact.

The identified and prioritised issues are analysed based on their relevance in the industry putting into consideration key required standard. The local operating context was also factored in defining our material issues as certain topical issues within the local context cannot be ignored.

Identify -----Prioritise---Review

Benchmark reviewed issues as follows: Relevance in 2017-----Impact-----Industry standard-----Local context



Influence on stakeholders' assessment and decisions

S/N	Legend	
1.	Ethics and compliance	8.9
2.	Sustainable sourcing	8.9
3.	Responsible marketing	8.8
4.	Occupational health and safety	8.9
5.	Community investments	9.1
6.	Energy efficiency	7.4
7.	Water management	7.8
8.	Diversity and inclusion	7.8
9.	Accountability and governance	7.45
10.	Responsible supply chain management	8.95
11.	Effluents and waste	6.7
12.	Product quality	8.2



S/N	Material Topics	Material Aspects	Relevant Stakeholders
1	Social	Ethics and Compliance	Employees, Distributors and Business Partners.
		Community investment	Host communities, NGOs, media, regulators.
		Occupational health and Safety	Employees, distributors, business partners
		Diversity and Inclusion	Employees, NGOs
		Accountability and Governance	Employees, regulators, media, NGOs
2	Economic	Product Quality	Employees, consumers, distributors
		Responsible supply chain management	Employees, suppliers
		Responsible marketing	Employees, consumers, regulators, distributors
3	Environmental	Energy efficiency	Host communities, NGOs, media regulators
		Effluents and waste	Host communities, NGOs, media regulators
		Water management	Host communities, NGOs, media regulators
		Sustainable sourcing	Employees, suppliers, host communities, NGOs, media, regulators



Risk Management

At Guinness Nigeria our risk management framework allows us to identify strengths, weaknesses, opportunities and threats and how to deal with them.

Effective risk management requires a robust governance structure in which everyone knows their individual and collective accountabilities for risk management, risk oversight and risk assurance. At Guinness Nigeria our risk management framework allows us to identify strengths, weaknesses, opportunities and threats and how to deal with them. This is reinforced by appropriate delegation of authority from the Board, which sets the appropriate tone down through the management hierarchy and is supported by a committee-based structure designed to ensure that the risk management system across Guinness Nigeria is in line with regulations and leading practices.

The Board of Directors has the responsibility of ensuring the maintenance of a sound system of internal control and risk management which it does through its Finance and Risk Committee. In compliance with the requirements of the Code of Corporate Governance issued by SEC in 2011, 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 line with Diageo's Global Risk Management Standard. On an annual basis, we undertake holistic risk assessment to identify top internal and external existing or emerging risks which are thereafter ranked based on their likelihood of occurrence and their impact to the business. These risks are assigned to owners who are then tasked with ensuring that robust plans are in place to mitigate these risks. These risks and mitigation plans are reviewed on a bi-monthly basis at the Risk Management Committee (RMC) meeting which is chaired by the Managing Director and comprises the heads of functions and other extended leadership team members.

We have continued to sustain a strong control programme through our Controls Assurance and Risk Management (CARM) framework, which also ensures Guinness Nigeria Plc complies with the Sarbanes Oxley Act 2002. Embedding change is a top risk for Diageo, hence changes in the organisation during the year were carefully managed to ensure our robust control environment and assurance programme is not impacted. There remains a regular review and monitoring of the overall risk and control environment of the business by the Risk Management Committee and by the Finance and Risk Committee of the Board, and implementation of Crisis Management and Business Continuity Plans which are regularly tested for effectiveness.



SAME GREAT TASTE

BRAND NEW EXPERIENCE

NOW IN BOTTLE







OUR COMMITMENT TO GOOD CORPORATE GOVERNANCE

Guinness Nigeria is committed to implementing best practice standards of corporate governance. We focus on conducting our operations in a fair and transparent manner which allows us to foster trust with our partners, consumers, communities, employees, and other stakeholders.

Our work standards are clearly set out in our code of business conduct document. To ensure compliance with the Policy's provisions, we consistently upgrade internal managerial procedures and conduct trainings, amongst other measures.

Our Board is responsible for embedding high standards of corporate governance across our business value chain, which is essential for the sustainability of our enterprise. 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. We also maintain strict adherence to the principles that we are signatory to such as the United Nations Global Compact and United Nations Guiding Principles on Business and Human Rights (UNGHR). In September 2011, Guinness Nigeria signed up to the Convention on Business Integrity ("CBI") to further demonstrate our commitment to integrity over corruption as well as to ethical business practices.





Ethics and Transparency

At Guinness Nigeria, we remain committed to high ethical standards and integrity. In spite of the different national and international codes and charters to which we adhere to, our vision to be the best performing, most trusted and respected consumer products company in Nigeria is guided by our core values of being passionate about our customers and consumers, ensuring that we deliver excellent products and services to them, our culture of innovation, value and respect for each other and freedom to succeed all reflects in our work ethics daily.



Our vision to be the best performing, most trusted and respected consumer products company in Nigeria is guided by our core values of being passionate about our customers and consumers, ensuring that we deliver excellent products and services to them.

Through trainings and roadshows and our internal communications systems, we continue to create awareness among staff on the importance of ethical conduct, while keeping up a corporate culture that encourages honest practices and discourages unethical actions. We have a

whistle blower system which provides a framework for reporting suspected breaches of internal policies or laws and regulations regarding labour practices, anti-corruption, human rights, environmental issues, societal impact issues, discrimination, money laundering, competition and antitrust and a whole range of many other issues that may pose a threat to our organisation.

Employees are advised to seek clarification on ethical and lawful behaviour from line managers, Legal, Corporate Security, Human Resources and Controls or Compliance and Ethics (CC&E) teams. Employees are advised to report unethical or unlawful behaviour and actual or suspected breaches to their line manager, Legal, Corporate Security, Human Resources, or Compliance and Ethics team, or use our SpeakUp programme – by calling 2000 or 0708-060-1816 ext. 855-382-2630 or by sending an email to **www.diageospeakup.com**. Business Partners and Customers are also advised to report actual or suspected breaches to Speak Up or by calling the numbers or sending an email to the designated email address.



Compliance and Anti-corruption

As an ethical organisation, Guinness Nigeria demonstrates zero tolerance for bribery and corruption. This is unmistakably communicated in various policies such as our antibribery policy, code of ethics and compliance manual, and where incidents of corruption are identified, we embrace a strict adherence to the guidelines of the policy, which may incorporate dismissal of staff and blacklisting of vendors.

The Company has a Code of Business Conduct which is based on our purpose and values as an organisation. The Code sets out our collective and individual commitments to ethical business practices in line with Diageo's global policies, relevant laws, regulations and industry standards. The Code is applicable to all employees, Directors and Business Partners of the company. Our Code of Business Conduct (COBC) covers salient topics including 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 and Anti-Trust, Data Privacy, Relationships with Customers, Suppliers and other Business Partners, External Communications and Social Media, amongst others.

At the beginning of the financial year, policy owners and subject matter experts are selected to support policy communication and training plans for the financial year. The plan is approved by the Company's Risk Management Committee and monitored throughout the year. Globally cascaded eLearning COBC courses are also made mandatory for all employees in the local market and workshops on anti-corruption policies are done for specific teams, all medium/high risk customers and customers within the year. Employees are thus trained and certified on the salient provisions of the Code.

We do not accept ignorance as excuse for flouting our rules and regulations. We, therefore, take time to furnish our stakeholders with information on the content of our Code of Business Conduct viz:

- Hosting of an annual event themed: "Pathway of Pride" where employees are provided with insights on the code and its application
- Online training on compliance and ethics for new hires within 30 days of joining the organisation
- Periodic engagement sessions with our suppliers where they are enlightened on Guinness Nigeria's

Code of Business Conduct

- Signing of the annual certificate of compliance, which is an indication of our partners' commitment to adhering to all provisions of our Code of Business Conduct
- Dissemination of quarterly newsletters to our business partners to ensure that our compliance guidelines remain top of mind in our business with them.



We also take special care to ensure that our actions are not interpreted as bribery, particularly in the areas of hospitality, gift, entertainment, expense, charitable donations, customer travel, political contributions, lobbying and sponsorship.

Bribery and corruption of any kind are not permitted. We strongly discourage the giving or receiving of bribes or other improper advantages for business benefits. This prohibition applies to any form of bribe of any value and is not limited to financial inducement. We also take special care to ensure that our actions are not interpreted as bribery, particularly in the areas of hospitality, gift, entertainment, expense, charitable donations, customer travel, political contributions, lobbying and sponsorship. All transactions are recorded fairly and accurately in our accounting and financial records to avoid the risk of inadvertently facilitating an act of bribery.

By virtue of our being quoted on the London Stock Exchange and the New York Stock Exchange, we are subject to the UK Bribery Act and the Sarbanes-Oxley Act in the US. This is in addition, to our signatory status of the CBI, an organisation that aims to promote ethical business practices.

In the reporting year 2017, no fines or sanctions were imposed on the company for non-compliance with laws and regulations both locally and internationally.



Compliance with Local and International Charters, Codes and Best Practices for Promotion of Sustainable Development

As a responsible organisation that is committed to advancing the sustainable development goals particularly in SDG 17 – Partnerships for development, Guinness Nigeria maintains affiliations, partnerships and memberships of several international and local organisations in our bid to bring about sustainable development.

We recognise that that it is simply insufficient to be members of this local and global bodies, but commitment to adherence to the principles, values and shared commitments of our partnerships is much more important to ensure that our partnerships are effective and really make significant impact towards our sustainable development journey. Thus, we are not just members or partners, we are actual bearers of the noble identities of our coalitions.

S/N	Partnership/ Coalition	Partnership Profile	Update on Guinness Nigeria's Involvement
1	United Nations Global Compact	The UN Global Compact (UNGC) is currently the highest body for corporate citizenship in the world today. Established in 2000 to serve as a platform for dialogue, learning and partnership for organisations willing to commit to adopting corporate responsibility as part of their business strategy and daily operations, the UNGC has successfully attracted and mobilised over 12,000 businesses in over 170 countries across the world to become members. Membership into the UNGC implies an organisation's willingness to align with UN values and support initiatives that advance the UN goals as contained in the Millennium Development Goals (MDGs) – now Sustainable Development Goals (SDGs).	As a member of the UNGC, our strategies are aligned to its 10 Principles in the areas of labour, human rights, environment and anti-corruption.
2	Global Reporting Initiative (GRI)	The Global Reporting Initiative (GRI) is the most widely used sustainability reporting framework in the world which provides a platform for all companies and organisations to report on their economic, environmental, social and governance performance. It provides an opportunity for organisations to measure, understand and communicate this information. GRI promotes the use of sustainability reporting to enable organisations not only become more sustainable, but also contribute to sustainability at the macro-economic level.	Guinness Nigeria has adopted the GRI reporting framework for its sustainability reporting. The maiden report was scripted in accordance with the GRI G4 Reporting framework, whilst the current report is written in accordance with the latest reporting framework – the GRI standards.



3	Convention on Business Integrity	The Convention of Business Integrity was established in 1997 with the mission of promoting ethical business practices, transparency and fair competition in the private and public sectors. Signatories enter into a purely moral commitment with the intent of benefiting from and upholding the platform of credibility which the members of the Convention share. The Convention currently has twenty-three (23) corporate signatories.	Guinness Nigeria became a signatory to the Convention on Business Integrity in 2011 and till date adheres to all its principles and tenets.
4	International Alliance for Responsible Drinking (Global Producers Commitment)	The International Alliance for Responsible Drinking (IARD) is a not-for-profit organisation dedicated to reducing harmful drinking and promoting understanding of responsible drinking. The organisation is supported by the leading global beer, wine, and spirits producers, who have come together for a common purpose: to be part of the solution in combating harmful drinking. To advance this shared mission, IARD works and partners with public sector, civil society, and private stakeholders.	Diageo, alongside 7 other alcohol producers, is a founding member. Current Diageo CEO, Ivan Menezes, is the current Chairperson. All targets set under the 5 CEO commitments have been met.
5	Food, Beverage and Recycling Alliance	The Food Beverage and Recycling Alliance (FBRA) is a coalition of select food and beverage companies in Nigeria with the mandate to clean-up and prevent waste pollution from plastics and other food and beverage packaging. Efforts by the FBRA and its steering committee has so far recorded recycling of almost one billion bottles into fibre; over 1,800 direct jobs on an average income of \$6 per day; as well as the creation of synthetic fibre for local industries and export.	Guinness Nigeria formally joined the FBRA in June 2018.
6	UNGHR - United Nations Guiding Principles on Business and Human Rights	The United Nations Guiding Principles on Business and Human Rights (UNGPs) is an instrument consisting of 31 principles implementing the United Nations 'Protect, Respect and Remedy' framework on this issue of human rights and transnational corporations and other business enterprises. Developed by the Special Representative of the Secretary-General (SRSG) John Ruggie, these Guiding Principles provided the first global standard for preventing and addressing the risk of adverse impacts on human rights linked to business activity, and continue to provide the internationally accepted framework for enhancing standards and practice regarding business and human rights.	Diageo, the parent company of Guinness Nigeria is signatory a to the UNGHR. As part of our 2020 targets, our policies on human rights is guided by our commitment to act in accordance with the UN Guiding Principles on Business and Human Rights. We maintain full adherence to the triple dimensions of the principle including Protect, Respect and Remedy for all our employees, business partners and contractors.



7	Sustainable Agriculture Initiative Platform	The Sustainable Agriculture Initiative Platform (SAI Platform) is the primary global food & drink value chain initiative for sustainable agriculture. SAI Platform develops (or co-develops) tools and guidance to support global and local sustainable sourcing and agriculture practices.	Our membership of SAI provides us with a collaborative platform with which to work with our industry peers and suppliers to continue to build capacity for sustainable agriculture across our value chains, working with farmers to strengthen existing approaches.
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Sustainable Sourcing

We are aware that our stakeholders, including customers, consumers, business partners, investors and shareholders amongst others, are increasingly interested in knowing about the components of the different categories of the high-quality brands that we produce and how these components are sourced. Whilst we acknowledge that our ability to source for raw materials is one of our key assets, we understand that if not managed responsibly, it can be a source of significant risk. We believe that improving supply chain transparency and sustainability not only creates value by reducing sourcing risks and protecting our brand reputation, but that it can also have far-reaching positive impacts on society and the natural environment.

As part of our Sustainability and Responsibility targets for 2020, we aim to:

- Deliver our responsible sourcing commitments with suppliers to improve labour standards and human rights in our supply chains
- Act in accordance with the UN Guiding Principles on Business and Human Rights.

We are committed to embedding our sustainability principles throughout our supply chains and helping our supply partners improve their practices as part of our wider environment strategy. Specific measures are being taken in the following key areas:

- **Water:** Our approach is to implement water stewardship through reduced use and better management, as well as promoting water replenishment-related activity in local areas and increased sourcing of rain-fed local agricultural raw materials well adapted to their local conditions (including climate, soil and water availability). These include sorghum and cassava, which are relatively

drought tolerant.

- **Carbon:** Around two-thirds of the total carbon emissions associated with our products are found within our supply chains, so supporting and encouraging our key suppliers to measure, manage and report their carbon emissions is essential to reducing our overall greenhouse gas footprint.
- **Sustainable Agriculture Strategy:** Our sustainable agriculture strategy sets out our vision to make our agricultural supply chains economically, socially and environmentally sustainable and to reinforce our commitment to ensure human rights and respectable working conditions throughout our value chain. At the heart of our approach is the recognition that partnerships with farmers are the most effective way to promote sustainable farming practices and secure local supply networks. We have seen how these partnerships, when successful, can change lives and transform communities. We are keen to ensure that our models and partnerships remain inclusive, allowing for participation by both small and large-scale farmers, women and youth farmers and entrepreneurs. We encourage our farmers to desist from the use of child labour.

In 2015, we became a member of the Sustainable Agriculture Initiative Platform (SAI), the main food and drink industry initiative supporting the development of sustainable agriculture worldwide. Our membership of SAI provides us with a collaborative platform in which to work with our industry peers and suppliers to continue to build capacity for sustainable agriculture across our value chains, working with farmers to strengthen existing approaches.



• Our Agricultural Suppliers

We purchase raw materials such as barley, sorghum, maize, cassava and sugar from suppliers, ranging from sizeable commercial businesses to smallholders whose fields of sorghum or barley might cover no more than a hectare.

For the reporting year 2017, we launched a Sustainable Agriculture program as part of our ongoing efforts to impact measurably in our socio-economic landscape. We made giant strides in our sustainable sourcing initiative by partnering with local farmers to source for sorghum, thereby, supporting 40,000 smallholder farmers. We are also a part of an eco-system – an alliance with several private sector companies – geared at value creation for small holder farmers; and in the 2017 wet season alone, we created job opportunities for 5,121 smallholder farmers across eight (8) states, and over 40,000 field extension workers.

We partnered with Technoserve to empower farmers with the requisite technical skills required for sustainable commercial farming for the cultivation of Cassava in Edo State. Through this programme, beneficiaries (farmers) were availed with access to funds, seedlings for their agricultural cultivations, machines for engaging in large scale farming, training on good agricultural practices, basic management and records of activities amongst others. Our aim is to constantly leverage on our respective partnerships and collaborations to improve the welfare of these farmers for sustainable growth in their agricultural practices and ultimately their livelihood.

It is worthy to note that for the reporting year 2017, 64% of our raw materials were sourced through local suppliers. Looking into 2018 and beyond, our goal is to sustainable source for raw materials from our local suppliers at over 80% rating.

Supplier Management/ Responsible Procurement

As one of Nigeria's largest manufacturer of fastmoving consumer goods, our vendors, suppliers and business partners are in different parts of the country numbering over 25,000. We manage a highly complex network of supplier relationships that are critical to business success and our ability to fulfil our obligations to those we serve. Our approach to managing a responsible supply base is multi-pronged. We focus on ensuring our compliance with global requirements (such as the International Labour Organisation) related to supply chain transparency and disclosure. Our Responsibility Standards for Suppliers reflect our internal values and set forth the expectations we have for all Guinness Nigeria suppliers.

To ensure that our suppliers meet Diageo's standards, we require them to subscribe to our transparent ethics monitoring database, Supplier Ethical Data Exchange ("SEDEX"), in order to complete an online self-assessment against the principles of the Ethical Trades Initiative ("ETI") base code. This will enable us to view their compliance with the elements of ethical business practice and human rights.

For the reporting year, all our suppliers and business partners were required to go through the SEDEX screening platform.

Guinness Nigeria's Procurement uses the SEDEX platform to screen suppliers for compliance to required ethical standards. 100% of our Suppliers are registered with SEDEX. In some instances, a verification audit may then be requested to be carried out, to determine more detailed information and enable even more focussed conversations. Experienced, independent auditors who understand local laws and customs would conduct the audit.

SEDEX is a global supply chain management tool for the collection, management, analysis and reporting of ethical data. The aim of registering on the SEDEX platform is to:

- Encourage and enable convergence in social auditing,
- Improve the quality of ethical data,
- Reduce duplication of ethical information, and
- Promote the improvement of labour standards.



Besides SEDEX, our sustainable procurement and sourcing initiative also entails that our suppliers and vendors fill our Vendor Education Package. Our Vendor Education Package provides a critical assessment of suppliers' commitment to required ethical standards bordering on such areas as:

- General information about the organisation including key contacts and company structure
- Health, Safety and Environmental commitments of the organisation including environmental policy, risk assessment, business plan, etc.
- Adherence to Quality Standards e.g. ISO, NAFDAC, etc.
- Innovation and company development
- Financial information of prospective partner, etc.
- E-Capability, etc.

Furthermore, as part of our commitment to acting with integrity and behaving in a professional and responsible manner, Guinness Nigeria Procurement in fulfilment of our code of business conduct shall always:

- avoid any conflicts of interest in our sourcing and supplier selection process
- respect the confidentiality of supplier information.
- have documented and transparent
- rent supplier selection processes
- conduct our business without any improper payment or receipt of bribes
- avoid applying any pressure for reciprocal trading
- ensure that all Procurement staff are aware of Diageo's expectations for high standards of ethical behaviour
- ensure full understanding of the terms of our Supplier Agreement, including payment terms, and that all involved will work to fulfil them.

In turn, we expect that our suppliers and business partners set similarly high standards to our own code of Business Conduct. As a minimum, we require our suppliers and business partners to:

- Comply with all applicable legislations
- Conduct their business without paying or receiving bribes or other such inducements
- Report to Guinness Nigeria authority with proof of, all manner of requests for inducements and intimidation by any Guinness Nigeria's employee
- Uphold the principle of fair competition.
- Maintain accurate records and accounts of business with Guinness Nigeria.
- Strive for continuous improvement in the quality of goods and services rendered to GNPLC.
- Avoid unreasonable or over-priced quotations and ensure value given for money spent by GNPLC.

We continue to maintain constant engagements with our suppliers and vendors through face to face meetings for our suppliers based in Lagos and teleconferencing and scheduled visits to our suppliers outside Lagos. Key thrust of our discussion is review of performance and areas of improvement. Actions to achieve the improvements are tracked/monitored.



Responsible Marketing

Guinness Nigeria, in alignment with the Diageo Group, has a responsibility to ensure that its products and brands are marketed responsibly. We align all our marketing activities with the provision of the Diageo Marketing Code. 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. This means, among other things, that we target our sales and marketing activities to individuals who are at least the legal drinking age or age 18.

The Diageo Marketing Code (DMC) is an enabler to great creativity and leading-edge responsible marketing to all activities intended to market our beverage brand. It applies to such areas as Brand Innovation, Advertising, Promotions, Sponsorship, Research and Digital. Key components of the Diageo Marketing Code include:

The Ten Core Principles of the Diageo Marketing Code are as follows:

1. All content and marketing related activities must comply with the Diageo Code of Business Conduct and other relevant Diageo policies, in addition to all applicable laws and regulations
2. Marketing communications must be aimed at adults only and never target those younger than the legal purchase age (LPA) for alcohol
3. Marketing communications must be placed only in media where at least 70% of the audience is over the LPA
4. All content that is designed to be shared by users should include instructions that the recipients should not forward the content to individuals below LPA
5. User generated content (UGC) on Diageo owned or controlled sites, as well as Diageo pages on third party sites should be moderated and appropriately governed

according to the Diageo Marketing Code (DMC) and all applicable laws and regulations

6. We must be transparent about our identity in marketing communications, and a promoter or spokesperson must fully disclose any association with Diageo, so that consumers are left in no doubt as to that association
7. We only operate consent-based direct marketing e.g. email, text mail
8. All personal data collected or used by us or on our behalf must comply with all applicable data protection and privacy regulations as well as Diageo's own policies
9. We must protect our brands and intellectual property rights and avoid infringing the rights of others
10. We should adopt adequate technical and organisational safeguards to protect the integrity of our channels and data, whether Diageo or third party controlled, their content and the privacy of our consumers.

Diageo Marketing Code Compliance Basics

Compliance with the marketing code is mandatory, and must be an embedded and integral part of the approval process for all marketing activities

- Marketing and Innovation Directors are accountable for ensuring that compliance requirements for their teams / markets are met
- Complaints against the Diageo Marketing Code ("DMC") should be reported to Marketing Directors and Corporate Relations immediately
- Diageo's online approval tool, SmartApprove must be used to facilitate DMC review wherever possible www.diageosmartbrand.com.

In the reporting year 2017, the Diageo's Digital Marketing Code was updated to ensure that it remains at the fore front of effective self-regulation. Key component of the update is represented in the table below:



Detail of the update can be viewed on www.diageo/marketing-code-update



Sustainable Packaging

Our sustainable packaging goal is simple: to create a closed-loop, sustainable system for all our packaging materials. That means finding innovative ways to minimise our environmental impact and thinking holistically across the entire life of our products. Our commitment to sustainable packaging is rooted in our performance ambition and is part of our 2020 Sustainability and Responsibility targets

Our Sustainable Packaging Strategy Framework

We endeavour to make our packaging more sustainable at every stage of its life cycle – from sourcing raw materials to manufacturing to recycling when it has fulfilled its purpose. This approach is set out in our three-step strategy for sustainable packaging:

Source:

We adopt a three- fold approach in improving the sustainability of our packaging:

- Reducing our environmental impact to the barest minimum while sourcing for materials such as glass, paper and plastics for our packaging.
- Design of our packaging materials with full consideration for its life cycle in terms of reduce, reuse and recycle
- Use of leading dge technologies and design techniques, were practical to minimise harmful effect of packaging materials and optimise the use of recyclable materials.

We currently have a sustainable packaging framework, implementation plan and targets to deliver where practical, the smallest possible environmental footprint.

Design:

We use cutting edge technologies and design techniques to minimise the volume of packaging needed to protect and present our products.

Reuse

We consider what will happen to packaging after use, right from the start of our design process, as we strive to create closed loop cycles. Our brand and packaging teams implement this strategy across Guinness Nigeria, working closely with packaging suppliers to understand the relevant sustainability characteristics of materials, and use these to make the right decisions early in the design process.

We know these will be challenging but we recognise that packaging is intrinsic to the essence of our brands and we will not compromise on quality or function. The journey to create premium packaging that is more sustainable will require tenacity, innovation and education, not just for Guinness Nigeria but for our suppliers, customers and consumers. In 2017, 94% of our packaging components spend was through local suppliers.

Responsible Retailing

As a producer of some of the leading brands in the country, our products are purchased for consumption from different retail outlets and sales points such as small and large retail shops, supermarkets, restaurants, bars, pubs, venues of different shows and events such as concerts, sports etc. Our products are sold through our distributor networks.

However, as part of efforts at advancing our Leadership in Alcohol in Society sustainability pillar, we enlist the support of retailers to promote responsible drinking. Through our training sessions and customer orientation platforms, we propagate knowledge on our responsible drinking goals and this knowledge is cascaded down our distribution value. Our informed retailers help to ensure that our products with alcohol content are sold only to consumers of legal drinking age. All our marketing communications and labelling's usually have the inscriptions 'not to be consumed by persons below 18 years.' We continue to provide programs, support training and distribute materials as allowed by Nigerian laws and regulation to make the enjoyment of our brands a positive experience.

Customer Orientation

We have a wide network of distributors ranging from local retailers to large supermarket and departmental stores with whom we share our core values of professionalism and ethics. The aim is to develop these entrepreneurs and deliver a better experience for consumers. We periodically provide training in a number of areas in accordance with the type of point of sale. These range from best practices to orientation on activations to attract consumers and service standards.

During the reporting year, we conducted a market survey to gauge our customers' perception of our brand in comparison with other brands in the area of relation management, perception of Guinness versus competition, feedback on promotions and net promoter score. The focus areas were:



- How does Guinness compare with competition in terms of ease of doing business?
- How likely are customers likely to recommend Guinness to other customers?
- How well does Guinness staff manage the business relation with customers?
- What is the perception of Guinness promotion from the lens of the customer?

The result of the survey provided feedback from our customers which indicated that there is need for improvement in the implementation of our promotional activities to improve ratings and perception, improvement of our vendor relationship management amongst others. Looking to 2018 and beyond, our customer orientation focus would be to:

- Improve on our quality of visits in terms of building rapport with our customers and indicate a willingness to help to create a better relationship perception
- Organise other forums to further diagnose and engage customers on all issues
- Realign strategies with efforts channeled towards receiving feedback from customers about promotions (pre, during and after)
- Significantly improve relationship management and perception for better future scores.

Our Commitment to Producing Quality Brands

Guinness Nigeria is committed to providing our customers and consumers with the highest standard of quality alcoholic and non-alcoholic beverages every day, everywhere. We recognise the consumer as the final judge of Quality and our commitment to them is defined in our Quality and Food

Safety policies. Quality is at the heart of our brands, it is derived from the heritage of the brands themselves and the skills of our people. We have clearly defined Quality objectives that drive Good Manufacturing Practice in production processes covering raw materials, processing and finished products; with key focus on continual improvement and achievement of world class standards.

To achieve this, we deploy a highly trained quality team and state of the art technology. Guinness Nigeria is currently certified to Quality Management System - ISO 9001:2008, Food Safety Management System - ISO 22000:2005, and on course for Food Safety Systems Certification - FSSC 22000:2009. We have also been awarded NIS Diamond, Gold and Silver awards for our brands. Our products have won Grand Gold, Gold and Silver medals at the World MONDE SELECTION competition and was subsequently awarded the International Quality trophy for high quality beer.

Guinness Nigeria prides herself as being compliant and maintaining good working relationship with Local regulatory and government agencies including National Agency for Food and Drug Administration and Control (NAFDAC), Standards Organisation of Nigeria (SON) and Consumer Protection Council (CPC).

HAPPINESS LOVES COMPANY

RAISE A HARP TO HAPPINESS





CREATING SUSTAINABLE IMPACT AMONGST OUR EMPLOYEES

At Guinness Nigeria, we are committed to creating positive impact amongst our employees. We recognise that they are the heart, mind and soul of our company. For almost seven decades, our employees have been the impetus of sustainable growth of our business, the embodiment of a spirit of ingenuity, and will continue to serve as the driving force in delivering on our sustainability objectives. We are therefore committed to maximising their potential through a comprehensive human resource strategy which is part of our 2020 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 Managing Human Resources

We recruit, develop and retain colleagues we believe can make us better, seeking out those with strong leadership potential and a disruptive mindset. 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 potentials. We support our employees through clear policies, competitive reward programmes, coaching and development opportunities and health and wellbeing initiatives.

In empowering our people, we prioritise these four key areas:

- Human Rights
- Health, Safety and Wellbeing
- Diversity
- Skills development, training and entrepreneurship

Human Rights

Everyone has inherent rights irrespective of his ethnicity, race, sex, nationality, language, social and political affiliation. At Guinness Nigeria, we believe that everyone is entitled to these rights without any form of discrimination. In the workplace, we maintain an organisational culture where our employees' dignity and basic human identity are respected. Our approach is outlined in our policies and guidelines including our Human Rights Policy and Modern Slavery Statement, and we will continue to demonstrate our commitment through our actions.

We have developed a comprehensive Human Rights Impact Assessment (HRIA), which looks at every element of our value chain, including raw materials sourcing, manufacturing, contractors, operations, sales and marketing and third-party operations.

Our Commitment

As part of our 2020 Sustainability and Responsibility targets, we are committed to acting in accordance with the UN

Guiding Principles on Business and Human Rights. As such, we work to ensure that we do not infringe upon human rights ourselves, and that we are not complicit with others in any abuse of human rights.

- We do not tolerate discrimination, harassment, bullying or abuse
- We comply with wage and labour laws
- We respect our employees' decisions to join or not join a trade union
- We do not use forced or compulsory labour.

We will not work with vendors or third-party contractors who does not adopt these same principles. In 2017, all our employees were trained on human rights via COBC training/master code. 91% of our employees are currently fully represented in collective bargaining agreements, one of the highest in the industry.

We have a Global Code of Business Conduct which reiterates our respect for human right and disdain for discrimination based on sex, age, race etc. We have a Controls, Compliance and Ethics team which reviews the processes to ensure that issues on human rights are managed in accordance with all policies. Discrimination matters are handled by a disciplinary process involving inputs from the HR, Legal and CCE teams with guidance from the COBC and disciplinary policies.

Diversity and Inclusion

Our dedication to diversity and inclusion has seen us build a culture where all employees are valued and respected and where their opinions count. We remain committed to ensuring a diverse and inclusive culture where employees believe that their views are heard, their concerns are attended to and they work in an environment where partiality, discrimination and harassment on any matter, including gender, age, ethnicity, religion and disability, are not tolerated and where progression is based on impartial criteria.

Our commitment to supporting diversity and inclusion is articulated in our Human Rights Policy, and we measure our employees' opinions of Diageo as a diverse workplace in our annual Values Survey. At Diageo we celebrate cultural and individual diversity, and rely on this to help create an



energizing team culture. We all play an important role in creating a culture that is diverse and inclusive of all individuals. We recruit and hire the best talent reflecting the markets and consumers we serve. We recognise that a diversity of skills and experiences in our workplace and communities will provide a competitive advantage.

As a signatory to the UN Global Compact and the UN Women's Empowerment Principles, we are committed to supporting the rights of women within our business and in our value chain, and we assess these as part of our human rights assessment programme. Our diversity programmes and our work in communities, such as our Plan W programme, promote gender equality and female empowerment in our value chain, support women's rights and enable them to play a greater role in the economy. Our targets for 2020 reflect our commitment to diversity in our boardroom and among our employees and our commitment to advancing the sustainable development goals especially, with particular regard to goals 5 and 12; reducing inequalities and gender equality.

Presently, ratio of men to women in senior management position is 40:19 and ratio of women to men in board membership positions is 4:6.

Training and Professional Development

We remain committed to investing in the success of our people by providing several opportunities for training and development so that they can optimally deliver on their mandates as well as contribute to the success of our business. We strongly believe that skills development and training are vital to business growth as well as making Diageo a great place to work and somewhere our people feel empowered to be their best. We offer a range of learning initiatives designed to ensure our people have the support they need to develop. These include the Diageo Academy, our global online e-learning and development resource, which emphasises functional learning and allows all our employees access to training resources.

Across the company we have introduced a consistent talent management approach based on transparent principles and a simple process. As part of this this we complete talent reviews locally each year where we seek to provide rich development feedback and career advice to every employee. The reviews bring to life our talent principles, reinforcing the idea that talent resides in every employee and potential is not something restricted to a few.

Please see appendix one for list of training schedules for our operations staff in Lagos and Benin city in the course of the reporting year.



Partners for Growth

Partners for Growth (P4G) is our standard performance management and development framework, and is used to set objectives and assess performance for employees. All P4G performance ratings are calibrated against relevant peer groups. P4G is our holistic approach to performance management with the core components being “Know Me, Focus Me, Value Me”. Open and honest coaching and development conversations between employees and managers that focus on employees' aspirations and growth, both in and out of the workplace, are central to P4G. This approach is based on our belief that holistic partnerships are more likely to release people's full potential, driving both personal and business growth. P4G also involves an annual performance and career development review that includes personal objectives linked to overall company strategy.

Employee Values Survey

Through our open channels of communication and engagement we actively encourage regular formal and informal feedback. Our annual Employee Values Survey helps ensure that our employees have the opportunity to give feedback on different areas of improvement across the business.

Health and Work Safety

Guinness Nigeria believes that the protection of life and health in the workplace is a fundamental right. Our vision is to provide a safe, hygienic, and healthy workplace, develop safety management systems, and foster a strong culture of safety in all our facilities and supply chain and amongst our stakeholders including contractors, customers, consumers amongst others. Due to our commitment to Zero Harm and in our journey to the implementation of Diageo Global Risk Management Standard (GRMS) and Severe and Fatal Incident Prevention Protocols (SFIPP) we have introduced and sustained the following Safety Processes:

- Mandatory Safety Induction for all new joiners including Contractors
- Mandatory Safety Induction to visitors to our locations
- Contractors Safety Passport Scheme
- Risk Assessment for hazardous task and Permit to Work System
- Task Based Risk Assessment
- Safety Capability Enhancement for Safety Manager (NEBOSH Certification)
- Safety Driving Test / Training for Field based Sales Personnel

- Online Safety Training for employees

Our Safety Culture

As one of the foremost manufacturing organisations in the country, one of our major goals is promoting safety in the workplace by proactively engaging our staff and encouraging them to imbibe our safety culture. Our safety culture is not just a management style but our approach to ensuring that our employees see all injuries and occupational illnesses as foreseeable and preventable and act in a manner that demonstrates their personal commitment to this belief. Valuing each other is one of Diageo values and this starts with every employee being passionate about keeping each other safe, obsessively committed to preventing every single injury and recognizing the benefits of safe behaviour and celebrating safety success.

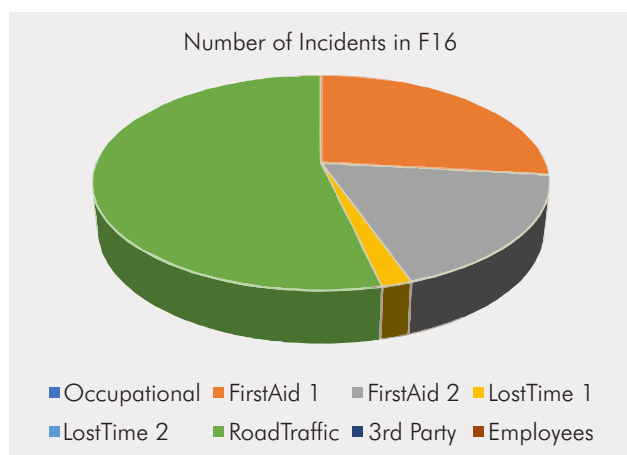
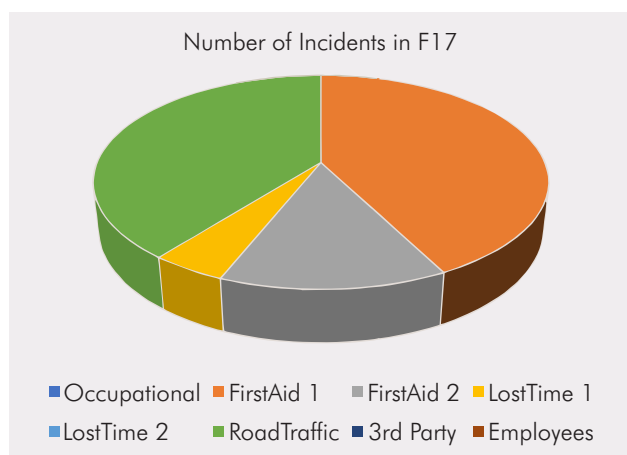
For the year under review, our total fatality rate was zero. However, the business recorded 3 Lost Time Accidents (all 3 are third party contractor employees) in Supply and none in Demand, as opposed to 1 LTA in Supply and 0 in Demand recorded in 2016. We recorded a total of 37 minor injuries and medically treated cases in 2017 (28 from Supply versus a target of 18 and 9 in Demand versus a target of 12) while in 2016 financial year, we recorded a total of 25 injuries (15 from Supply and 10 from Demand). Injury cases consisted of minor cases of slip, trip and fall; laceration or minor cuts on either the hand or leg of workers which were promptly attended to. Occupational diseases associated with our operation include hypertension resulting from stress, loss of hearing for those in high noise areas and ergonomic issues. Mitigations are in place for all of these diseases to reduce the risk of occurrence to the barest minimum.

Our commitment to ensuring safety practices across all management functions saw us re-strategising our safety efforts which is designed to deliver to our zero harm safety agenda. The areas our revised safety strategy efforts were implemented includes: confined space entry, emergency response, segregation/removal of forklift truck operation from production areas, contractor management, permit to work administration and 100% completion of the severe and fatal incident prevention protocols. Consequently, this led to an improvement in our safety performance during the reporting year particularly in the area of third-party contractor management. Despite the challenges we encountered in 2017, we have continued to demonstrate a growing improvement in our safety culture collectively driven by both employees and contractors across our sites. We owe



this to the untiring efforts of our leadership and management team in ensuring that safety of lives and properties of staff and stakeholders is given utmost priority.

Charts comparing our safety performance for the reporting year to that of the previous year.



Deductions:

- Occupational: None for both years
- First Aid Cases: 86.7% increase over F17 arising from third party contractors
- First Aid: 10% reduction on Injuries/MTC injuries from our in-Demand colleagues
- Lost Time: The 3 LTAs were Accident from third Supply party contractors
- Lost Time: Sustained Accident improvement Demand in Demand LTA
- Road Traffic: Over 15% Accident reduction versus LY
- 3rd Party: No fatality from any of our 3rd party vendors.
- Employees: No employee fatality.

Employee Structure

We currently have 823 full time employees, consisting of 733 employees from the southern region of Nigeria, and 80 employees from the northern region. Our male / female employee ratio is 665:158. We have a Board of Directors responsible for our strategic leadership of our organisation followed by our executive management team consisting of the Managing Director, Legal Director and Company Secretary, Corporate Relations Director, Marketing and Innovations Director, Commercial Director, Finance and Strategy Director, Supply Chain Director, Human Resources Director, etc. Directly under these directors are different head of units and team leads, line managers, co-ordinators and staff at different grades and levels who work cohesively to actualise the strategic objectives of our organisation. Irrespective of the grade or level, our employees are treated fairly with mutual respect devoid of any form of discrimination or harassment. 91% of our employees are currently covered by collective bargaining agreement.

Work-Life-Balance

We know our employees share our values and feel a strong sense of purpose and meaning in their work; but we also recognise that they seek opportunities for professional growth and development, while enjoying work-life balance.

At Guinness Nigeria, part of the key components of our human resources (HR) policy framework promotes work-life balance where our staff, besides their work life are free to pursue other interests like family, social and leisure activities. This includes paid leave of which duration varies for different category of staff. Our staff are free to take their leave at their time of choice provided it does not clash with key deliverables and goals. Besides leave, staff are accorded considerations of time-off to sort out pending personal issues. Also, to allow parents to achieve a better balance between family life and work, particularly right after the birth of a child, we support the use of parental leave by our employees. Our duration for maternity leave is six months while that of paternity leave is five days which is way above industry practice and standards.

Employee Benefits

At Guinness Nigeria, we place premium importance in motivating our employees to bring out the best in them. One of the ways we do this is by bequeathing them with compensation and benefits which strives to satisfy their



different aspect of needs. Components of our employee benefits include:

- Health Insurance
- Professional/Recreational Club Membership
- Access to Cafeteria facilities/Free lunch or dinner
- Mentoring and development programmes
- Parental leave
- Retirement benefits
- Access to loans for procurement of house hold items, cars, etc.

Redundancy:

In cases of reorganisation exercises which may result in redundancies, we take measures to ameliorate the effect this might have on staff. Besides bequeathing on staff their accruals and benefits in such situations, we engage a consultancy that assists us to manage conversations with staff on matters such as 'life after leaving their jobs.'

Employee Remuneration

At Guinness Nigeria, we know that people join our Company to build a purpose-driven career that makes a difference; they are with us to deliver on our purpose of celebrating life, every day, everywhere. We understand that compensation is a way to recognise the important work our employees do, and also serves as a critical tool in the successful execution of our corporate goals. We are committed to providing fair and adequate compensation and design our compensation programs based on the following principles as reflected in our human resource policy

Competitiveness: We compare and benchmark our practices against appropriate peer companies' so we can continue to attract, retain and motivate high-performing employees.

Pay for Performance: Base salary increases, annual bonuses and grants of long-term incentives are tied to performance, including the performance of the individual and his or her specific business unit or function, as well as the overall performance of our Company.

Accountability for Short- and Long-Term Performance:

We structure performance-based compensation to reward an appropriate balance of short- and long term financial and strategic business results, with an emphasis on managing the business for long-term results.

Alignment to Shareholders' Interests: We structure performance-based compensation to align the interests of our employees with the long-term interests of our shareholders.

We are committed to pay equity, including gender pay equity. We conduct pay equity analyses across functions and levels, review hiring and promotion processes and procedures to reduce any potential unconscious bias or structural barriers and embed equal pay efforts into broader enterprise-wide equity initiatives.

For the reporting year, a total of N11.5B was spent on employee wages and benefits.

Our Commitment to Promoting Team Work and Team Spirit

One of the popular maxims we believe in is – 'no man is an island'. Be it in communities, at home and even in the work place, unity or collective action by individual members of a group is required to achieve desired goals as we depend on one another for insight, inspiration, growth and learning. Therefore we have put in place an established system where our staff can communicate effectively and openly with each other, support and motivate each other and work co-operatively. Through informal avenues like yammer, staff gets to bare in their minds on social issues in a no-holds-barred manner. Also, through Christmas parties and team bonding sessions, staff are given an opportunity to connect and get to know themselves better. Also, we organise functional strategy sessions for creation and exchange of ideas besides serving as an avenue for innovating road maps for various strategic initiative. These strategy sessions also provide an avenue for team bonding. Townhall engagements are also another avenue for staff to bond and air their views concerning issues of interests to them. Other avenues with which we promote team bonding includes: annual reward cycle execution and annual recognition awards.

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GUINNESS NIGERIA IN THE COMMUNITY

At Guinness Nigeria, embedded in our corporate culture is the belief that we are not just established for business purposes alone, providing goods and services to our customers and business partners and earning profits, but we are also responsible to the communities that we live and work. We fulfil this obligation by actively engaging with our host communities, ensuring that we become their reliable and dependable partner by assuming social and economic responsibility. We undertake activities and initiatives that would benefit members of our host community that would at the same time align with our strategic sustainability objectives and goals.

In the year ended 30 June 2018, we implemented a variety of initiatives that helped us advance our sustainable development strategy In Nigeria. Our 2017 community engagement footprints traverse education, health, infrastructural support, people empowerment and other projects that advance environmental sustainability.





Education

We place premium importance on education, as we are aware of the immeasurable benefits it accrues to social-economic development. We are resolute in our commitment to advancing quality education (Goal 4 of the SDGs) and we have designed a number of activities and initiatives to further our ambition. One of our initiatives designed to advance education amongst members of our host communities is our Undergraduate Scholarship Scheme.

Transforming lives through Guinness Nigeria's Undergraduate Scholarship Scheme

For over a decade, Guinness Nigeria's undergraduate scholarship scheme has provided a platform for the Company to support youth development across its host communities in Lagos, Edo and Abia states. In the last financial year, Guinness Nigeria paid tuition for 20 undergraduates (from our host communities) who are beneficiaries of the scheme.

The undergraduate scholarship scheme is one of three scholarship schemes Guinness Nigeria leverages to support young Nigerians. In 2017 Guinness Nigeria provided full tuition for 10 Engineering graduate to enrol for a one-year Graduate Skills Development Programme at the National Power Training Institute of Nigeria (NAPTIN) under the 'Guinness Graduate Skills Development Scholarship Scheme'. This intensive programme equipped beneficiary graduates with the technical skills they need to build successful careers in Nigeria's power sector. Guinness Nigeria also sponsors a technical training scholarship which enables young school leavers to study at the Institute for Industrial Technology ("IIT"), Isheri, Lagos State. This scholarship - which covers full tuition for a three-year Electro-mechanics program - underpins our Company's commitment to equipping young Nigerians with the technical skills they need to pursue successful careers in the engineering field.

Health

Part of creating sustainable impact amongst members of our host communities is contributing to their health and wellbeing because we believe that this gives them the capacity to function in their full physical and mental capability to actualise their potentials. We implement several activities and initiatives to drive this including:

Promoting Eye Care in Nigeria through our Eye Hospitals

Our commitment to our stakeholders' health and wellbeing especially in the area of one of their vital sense organs - their sense of sight saw us making donations to upgrade facilities and procure equipment in our eye centres in Lagos and Onitsha.

Donation to Guinness Eye Centre Lagos

In keeping with our longstanding commitment to helping Nigerians access first-rate eye care services, Guinness Nigeria donated eye care equipment worth five million naira (N5, 000,000) to the Guinness Eye Centre at the Lagos University Teaching Hospital. Our interventions in the eye centre through the years have enhanced the institution's capacity to provide high quality eye care services to Nigerians as well as its capacity to train eye care professionals.

Donation to Guinness Eye Centre Onitsha

During the year 2018, Guinness Nigeria also donated five million naira (N5, 000,000) to Guinness Eye Centre Onitsha for ongoing renovation works at the centre. This donation comes on the heels of an extensive upgrade Guinness Nigeria carried out at the institution in 2017.

Responsible Consumption Campaign

We believe that responsible consumption of alcohol will contribute to a balanced lifestyle. However, irresponsible consumption of alcohol may have adverse health and behavioural risks. As a responsible organisation, we initiated our Leadership in Alcohol in Society strategic sustainability objective to inform and educate members of our host communities on the dangers of irresponsible consumption of alcohol including underage drinking, excessive drinking and drink driving.

For the reporting year 2017, we continued with the implementation of our existing initiatives and initiated new ones to advance our Leadership in Society in Alcohol goals. Our key activities and initiatives for the reporting year includes:

Annual Ember Months Responsible Drinking Campaign

Our flagship responsible drinking programme called the Ember month's campaign in partnership with the Federal Road Safety Corp ("FRSC") is aimed at creating awareness and enlightening commercial motorists and the general public on the dangers of drink driving. In the course of the reporting year, we visited popular motor parks in Lagos, Benin and Abuja to give talks and share information in local languages with bus drivers and motorcycle operators on the consequences of drink driving and how to drink responsibly.

The high point of the campaign, which held at Ojota Motor Park, was the presence of Thierry Henry, world class celebrity footballer, who was in Nigeria as part of the Guinness' Made of Black campaign, joining officials of the FRSC and other partners and road users at the event to mark the end of the campaign. The end of the Made of Black campaign saw the launch of a new campaign - #JoinThePact. The

The high point of the campaign, which held at Ojota Motor Park, was the presence of Thierry Henry, world class celebrity footballer, who was in Nigeria as part of the Guinness' Made of Black campaign.

#JoinThePact campaign is a global initiative that Diageo introduced over 9 years ago for people to make a pledge that they would not drink and drive.

Guinness Nigeria has been running the ember months campaign in partnership with the Federal Road Safety Corps for 13 years and it has evolved into an impactful platform, making it possible for both parties to jointly spread life-changing responsible drinking messages that reach millions of Nigerians every year.



DRINKPositive Campaign



Guinness Nigeria has a proud heritage of striving to ensure people have positive experiences with alcohol.

The DRINKPositive campaign, which held in January 2018, was an internal awareness drive amongst employees of Guinness Nigeria. The aim of the campaign was to leverage our role as employees to connect with our value of promoting moderation and tackling harm. Guinness Nigeria has a proud heritage of striving to ensure people have positive experiences with alcohol. During the DRINKPositive campaign, employees were encouraged to share stories about how they, through their roles, help consumers to DRINKPositive by sharing tips on how people can make informed choices about drinking, or not drinking.

Donation of Breathalysers

In March 2018, we donated 2 breathalysers to the Federal Road Safety Corps as part of our efforts in promoting safety on our roads. The donation of these alcohol testing kits is part of our efforts towards safeguarding motorists and stemming the tide of accidents caused by drink driving. This donation brings to four (4) the total number of breathalysers that have been donated to support the work of the FRSC.

Promoting Responsible Consumption by Partnering the National Youth Service Corps (NYSC)

In the course of the reporting year, Guinness Nigeria signed a Memorandum of Understanding with the National Youth Service Corps. The MoU marked the beginning of Guinness Nigeria's partnership with the NYSC on programmes that promote the responsible consumption of alcohol. In line with the MoU, Guinness Nigeria trained NYSC Desk Officers drawn from Nigeria's 36 states and the FCT.



DRINKiQ is Diageo's global responsible drinking resource, providing information, tools and resources to help people better understand the role of alcohol as part of a balanced lifestyle and to make informed choices about drinking - or not drinking.



These Desk Officers have in turn delivered responsible drinking training sessions in NYSC orientation camps across the country. Corps members trained as part of this scheme have so far organised many responsible drinking outreach programmes using the DRINKiQ resource materials in communities across the country. DRINKiQ is Diageo's global responsible drinking resource, providing information, tools and resources to help people better understand the role of alcohol as part of a balanced lifestyle and to make informed choices about drinking - or not drinking. www.DRINKiQ.com was first introduced in 2008 when Diageo led the industry in launching a responsible drinking website.

Preventing Underage Drinking - SMASHED



Smashed is a Diageo Plc initiative targeted at tackling the issue of underage drinking amongst youth, using drama and interactive educational tools.

In February 2018, we partnered with Rue 14 Studios, a leading theatre and arts company to launch the SMASHED initiative for the first time in Nigeria. Smashed is a Diageo Plc initiative targeted at tackling the issue of underage drinking amongst youth, using drama and interactive educational tools. The initiative is aimed at enabling pupils to understand the facts, causes, and consequences surrounding alcohol misuse and under-age drinking. The pilot program involved 28 government and private schools in Lagos State. This initiative was launched in the UK more than a decade ago and has now been delivered in 15 countries around the world including Mozambique. The program reached over 6000 students and teachers in classes SS1 – SS 3 and did not include any reference to Guinness Nigeria brand positioning materials or adverts.





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People Empowerment

Commemoration of International Women's Day

Our Women Empowerment initiative is part of our key strategic priorities. Our motivation is anchored on our belief that a population with a large number of its women empowered and educated, would result in a powerful and positive ripple effect on society. Our Plan W initiative provides opportunities for women to learn and develop skills that help them have a greater influence in society and the economy. The programme focuses on four key areas:

- **Our company:** ensuring a diverse and equitable workforce
- **Our industry:** delivering targeted skills training to women in hospitality to improve their knowledge and job prospects
- **Our communities:** working with partners to train women in marginalised communities and help them find jobs and start businesses
- **Our consumers:** raising awareness among consumers.

One of the ways through which we advanced our Project W initiative during the course of the reporting year was through the commemoration of the International Women's Day.

The International Women's Day (March 8) is a global day celebrating the social, economic, cultural and political achievements of women. The day also marks a call to action for accelerating gender parity. Themed #PressforProgress, the event saw us hosting a capacity building session at the Women's Development Centre, Agege Lagos. It was championed by the female network /group in Guinness Nigeria called Spirited Women. The capacity building session's theme, **#PressforProgress**, was directly aligned to the theme of the 2018 International Women's Day.



Capacity Building Initiative – Commemoration of the World Water Day Programme in Partnership with the Lagos Business School

In commemoration of the annual World Water Day, Guinness Nigeria partnered with Lagos Business School ("LBS") and other multinationals, environmental specialists, government agencies, policy makers and specialist academics, to host a symposium that brought various stakeholders within the ecosystem to deliberate and create awareness on policy measures, actions and means of implementing the water sustainable development goals and targets.



Sustainable Agriculture – Empowering Local Farmers in Nigeria

Women play a significant role in agriculture in Nigeria. About 70% of the agricultural workers, 80% of food producers, and 10% of those who process basic foodstuffs, are women, thus making up more than two-thirds of the workforce in agricultural production. They depend heavily on agriculture for their livelihoods, yet female farmers are under-rewarded, under-recognised, and hold insecure tenure on such things as land rights.

During the reporting year, we partnered a leading International development agency to train 1,086 farmers in fifteen (15) communities within Ovia North-East and Ovia South-West LGAs in Edo State. Through this pilot programme, Guinness Nigeria has developed a direct relationship with the farmers and created a new group of female farmers of cassava, to generate a sustainable, alternative supply of raw materials which are used in Guinness's supply chain.

Infrastructural Support to Host Communities – Water of Life Programme

Our Water of Life Programme was launched in 2007, with the aim to provide access to safe drinking water and sanitation to millions of people across Africa.

Complementing our efforts to protect water resources, we work with local communities to provide access to safe drinking water through our Water of Life programme. In March 2018, we partnered with WATERAID to implement a Water Hygiene and Sanitation Scheme (WASH) intervention in communities in Kebbi State. The Water project will provide more than 5,000 persons with year-round access to safe drinking water. Guinness Nigeria's latest intervention in LGA comes on the heels of a previous pilot project which facilitated the construction of ten boreholes in rural communities in Cross River State's Bebi and Obanliku LGAs. The pilot project helped over 7,000 people in these LGAs to access safe drinking water and trained 70 community members on basic borehole maintenance and water resource management.

Since the launch of our Water of Life Program, Guinness Nigeria has constructed water facilities in 37 communities across 15 states of the country including: Badia, Mafoluku, Ajegunle, Ogba, Ikorodu and Iju in Lagos State; Oregbeni in Edo State; Owode in Oyo State; Ikpayongo and Tyowannye

in Benue State; Egbeluowo and Odeukwu communities in Abia State; Eleme in Rivers State; Onitsha and Awba Ofemili in Anambra State; Odigbo in Ondo State; Nsude in Enugu State; Isu Ekiti in Ekiti State; Jebba, in Kwara State; Ozanogogo in Delta State; Adigbe, Abeokuta, Ijebu Ode, Iperu-Remo and Ibido in Ogun State, Gwam in Bauchi State, as well as Agoi-Ibami, Eminekpon, Inyie Ukam, Irishi Okpashu, Abuagbor Ishane Iye, Abuagbor Ogboabang, Beven-Ariang Bayatu, Kabun, Irie-Ukam Bayalele, Ugbe Ichito Bayalele and Ukware Bayanu, all in Cross River State.

Below is a Nigerian map indicating our Water of Life footprint:



DONATIONS

During the course of the year, donations amounting to N11.775million (2017: N11.775million) were made to various charitable ventures:

	N'000
Scholarship payments	1,775
Renovation at Guinness Eye Centre Onitsha Eye Care Equipment for Guinness Eye	5,000
Centre Lagos	5,000
	11,775

In accordance with Section 38(2) of the Companies and Allied Matters Act, the Company did not make any donation or give to any political party, political association or for any political purpose in the course of the year under review.

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LIVE
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ENVIRONMENTAL STEWARDSHIP

At Guinness Nigeria, we are committed to minimising our environmental impact and to improving the environment we operate in and across our business, and the communities in which we work. Our success has deep links with the environment and the communities where we source, make and sell our brands – and we recognise that for our business to thrive, these communities, and the environment, must thrive too. This is why we take great care in leaving positive environmental footprints in the course of our operations all year round and work hard to protect the environment and the natural resources we all rely on. Our stance towards environmental sustainability is contained in our Environment Policy.

ENVIRONMENTAL SUSTAINABILITY

In the course of our manufacturing process, we engage in a wide range of activities and involve different key stakeholders as well as utilise several resources. Some of the resources utilised in the course of our production processes includes cereals and wheat such as sorghum which are prone to vulnerabilities of climate and weather interference. On the other hand, fuel which is also used in the course of our manufacturing process is finite. Our focus as a company is therefore to reduce to the significant minimal any negative environmental effect of our operations. We thus conduct Environmental Impact Assessments (EIA) prior to the commencement of any new projects. Environmental Audits are also conducted whenever required and the recommendations from these audits are duly implemented.





Water

Water is a shared resource and essential for everyone on this planet. Without water, we wouldn't exist. Water is a major component of all our brands. We use water throughout our supply chain, from growing crops to our finished products. As global demand for water continues to rise, we take our responsibility to minimising our water footprint.

In the course of the reporting year, we implemented several initiatives to improve our water management. These include: optimisation of cleaning water in process areas, regular leak audits across our production areas, encouragement of behavioural/mind-set change among employees around cleaning, through awareness and training and Cleaning-in-Place (CIP) & chemical usage optimisation. We thus recorded an improvement of 6.9% on water usage efficiency in the 2018 financial year versus the 2017 financial year.

Effluents and Waste

A key part of our environment policy entails that we demonstrate producer responsibility in our approach to managing waste. This entails us working systematically to reduce waste volume and to increase the share of reused and recycled effluent.

In the year under review, we deployed several waste management strategies which include evacuation of Effluent Treatment Plant (ETP) sludge to compost plants, the optimisation of the Beer Membrane Filtration technology both in our Ogba and Benin Breweries for the removal of Kieselghur, waste cartons evacuation to paper mills and continued efficient removal of broken bottles from our sites for recycling which all of have continued to yield significant improvements and reuse and recycling of brewing by-products (e.g. spent grains and yeast for pig farmers and compost plants). This is besides our establishing a framework for providing sustainable solutions for waste label management to optimise our waste to landfill initiative.

One of our major effluent management initiatives is our Effluent Treatment Plant (ETP) which was completed and commissioned in 2015. The plant has continued to treat all waste water generated from the operations at the brewery thereby significantly reducing the polluting impact of the waste water to the environment. As an organisation, part of our 2020 commitments is reduction of negative environmental footprint to the barest minimal. One of the ways we activate this priority is by efficient management of our gas generators, improved production planning

strategies in the usage of utilities, good asset care management for all production facilities, and regular reviews of heat balance and temperature control. This commitment has also seen us install boiler economizers in our plants.

Advancing our Waste Recycling Efforts through Collaborative Partnerships

In line with our commitment to reduce our environmental footprint, as well as join the global movement to tackle environmental pollution, we took a bold step by partnering with Wecyclers to implement the 4Rs, a part of our waste management strategy which entails Reduction, Reuse, Recovery and Recycling of materials. Wecyclers is a social enterprise that promotes environmental sustainability, socio-economic development, and community health while also addressing increasing local and global concerns around the environmental issues of waste disposal.

Our unflagging commitment to advancing our environmental agenda has resulted in significant improvements in our waste numbers, with our performance for the present year surpassing that of the previous year. While we recorded a decline of 3.5% (i.e., -3.5%) on waste to landfill for the reporting year 2017, as against 2016, in absolute terms however, our waste numbers for the reporting year exceeds that of the previous year in tonnes.

Energy and Carbon

One of the ways we reduce negative impact on our environment is through implementing initiatives that would result in energy efficiency and reduction in our carbon footprint. We believe that our efforts in this regard will impact measurably on climate change.

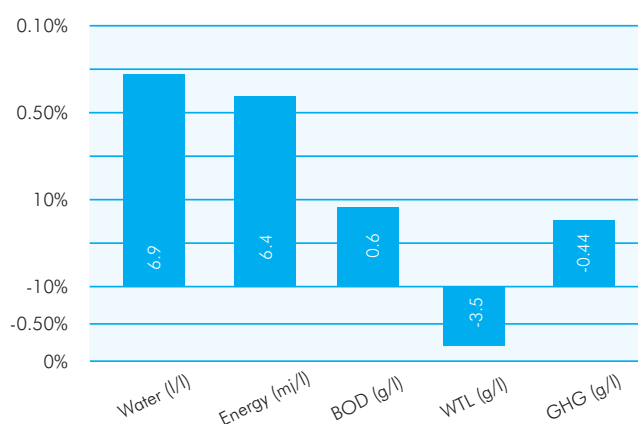
We are currently implementing initiatives that would result in energy use reduction through various initiatives which includes IFTs, use of translucent roofing sheets, alternate renewable energy sources etc. Furthermore, ozone depleting sources are greatly discouraged across our operational sites. For example, we have stopped procuring AC/s or fridges that are not CFC free. We have robust plans in place to ensure Ozone Depleting Substance (ODS) are fully eliminated from all our locations. Nitrogen oxides and Sulphur oxides are significantly managed across sites. Stack emission technologies are deployed to guarantee the management of Mono-nitrogen oxides (NOx), sulfur oxides (SOx).

On energy usage, we recorded an improvement of 6.4% in the reporting year over the previous year. On biological



oxygen demand, we had a slight improvement of 0.6% in 2017 against 2016. We also recorded an improvement of 10.4% in the reporting year versus the previous year on green-house gases. Going into the future, the business goal is to discourage and reduce the use of fossil fuel, as well as harnessing current gas emissions and converting them for other uses in order to reduce GHG emissions. Also, in the coming years, we plan to implement initiatives that would accrue carbon credit to us.

% Improvement of F17 over F16



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Awards & Recognition

In the course of the reporting year, we received several recognitions and awards, including:

- Induction into the “Hall of Fame” of “Best Companies to Work For” by Great Place to Work in Nigeria
- Award by the Industrial Training Fund (ITF), Ikeja Area Office, as Highest Employer in Training Contribution
- Silver Medal, Manufacturers Association of Nigeria (MAN) Best Kept Industrial Premises Competition, Ikeja/Agege Zone Food and Beverage Category.



TRAINING SCHEDULE FOR STAFF IN BENIN CITY

S/N	Training Date	Training Title	Learning Type	Learning Mode	Facilitation	Facilitation	Planned Participants	Actual Participants	Percentage of Attendance	Duration
July 2017										
1	10th - 12th July'17	Emergency Response Training	General	Blended Learning	External- Local	On site	20	20	100%	3days
2	17th - 19th July'17	Permit to Work Training	Functional	Classroom	External- Local	On site	25	25	100%	3days
3	20th July'17	Swift 3570 Glue Labelling Training	Functional	Classroom	External- Foreign	On site	12	9	75%	2hrs
4	20th July'17	CIP Operations	Functional	Classroom	External- Local	On site	8	8	100%	1day
August 2017										
1	3rd Aug.	AssetCare EISC Training	Functional	Classroom	External- Foreign	On site	10	10	100%	1day
2	7th-11th Aug.	SAP Training for Brewing, Pkg & Eng.	Functional	Classroom	In-house	On site	14	14	100%	5days
3	14th -17th Aug.	SAP(Basics & Refreshers) Training for C/S	Functional	Classroom	In-house	On site	40	40	100%	4days
4	23rd-25th Aug.	Brewing FLM Training	Functional	Classroom	In-house	On site	10	10	100%	3days
September 2017										
1	5th -6th Sept.	Warehouse Inventory Management	Functional	Classroom	In-house	On site	34	34	100%	2days
2	5th -6th Sept.	Fire Systems Training - Zitron Zp3	General	Blended Learning	External- Foreign	On site	28	32	114%	2days



3	8th Sept.	WWTP Awareness Training - ETP	Functional	Blended Learning	External- Foreign	On site	7	7	100%	1 day
4	11th -12th Sept.	Bottle Wash Training	Functional	Classroom	External- Local	On site	20	24	120%	2days
5	14th Sept.	EISC Training on DMAIC Control Steps	Leadership	Classroom	External- Foreign	On site	10	6	60%	1 day
6	18th -19th Sept.	Risk Assessment & Method Statement Training	Functional	Classroom	External- Local	On site	25	25	100%	2days
October 2017										
1	4th - 10th Oct.	Video Jet Training	Functional	Classroom	External- Local	On site	40	42	105%	5days
2	5th -6th Oct.	Time Management Training	Functional	Classroom	External- Local	On site	35	37	106%	2days
3	23rd -25th Oct.	EISC RCPS Training	General	Classroom	External- Foreign	On site	30	34	113%	3 days
4	9th - 31st Oct.	LTO for Technical Operators	Functional	Classroom	In-house	On site	32	31	97%	17 days
November 2017										
1	13th -14th Nov	ISO 9001:2015 QMS standard	Functional	Classroom	External- Local	On site	15	14	93%	2days
2	16th - 17th Nov	ISO 31000:2009 Risk Assessment Training	Functional	Classroom	External- Local	On site	15	13	87%	2days
3	27th -28th Nov	CIP & COP TRAINING	Functional	Classroom	External- Local	On site	20	21	105%	2 days



October 2017

1	8th, 10th & 12th Jan	Can Handling Training for FLT Operators	Functional	Classroom	In-house	On site	100	110	110%	3 days
2	18th Jan	Labeller GFPQS/ Waste Reduction training	Functional	Classroom	In-house	On site	8	8	100%	1 day
3	23rd Jan	Microsoft Excel Intermediate training	General	Classroom	In-house	On site	15	16	107%	1 day
4	15th - 19th Jan	INNOPAL/ INNOPACK KHS training	Functional	Classroom	External- Foreign	Off site	13	13	100%	5 days
5	26th - 2nd Feb	Bottle Clean KHS Machine training	Functional	Classroom	External- Foreign	Off site	6	6	100%	5 days
6	24th Jan	EISC DMAIC Training	General	Classroom	External- Foreign	On site	15	15	100%	1 day
7	29th Jan	Performance vs Cleaning Cost Awareness	Functional	Classroom	External- Local	On site	10	6	60%	1 hr

February 2018

1	13th Feb'18	Presentation Skills & Impact	General	Classroom	In-house	On site	20	23	115%	
2	22nd Feb'18	Diageo Neutral Spirit Sensory Evaluation	Functional	Classroom	External- Local	On site	12	12	100%	
3	23rd Feb'18	Petroleum Product Handling & Testing	Functional	Classroom	External- Local	On site	14	14	100%	
4	27th Feb'18	Amazing People Managers Training	Leadership	Classroom	In-house	On site	18	8	44%	
5	26th -27th Feb'18	EMS Awareness Session	General	Classroom	In-house	On site	150	165	110%	



March 2018

1	05th -9th Mar'18	INDUCTION TO WCO/ DMAIC TRAINING/ITFs/ MMS Roll out	Functional	Classroom	External- Foreign	On site	14	14	100%	
2	05th -9th Mar'18	Boiler Electrical Training	Functional	Classroom	External- Foreign	On site	10	10	100%	
3	14th Mar'18	Water Treatment Process	Functional	Classroom	External- Foreign	On site	15	15	100%	
4	14th Mar'18	Co2 Management and Optimization Process	Functional	Classroom	In-house	On site	13	13	100%	
5	26th Mar'18	GRMS Awareness	General	Classroom	In-house	On site	15	9	60%	
6	27th Mar'18	Team Work Soft Skill Training	General	Classroom	In-house	On site	10	7	70%	
7	28th Mar'18	Amazing People Managers Training	Leadership	Classroom	In-house	On site	15	15	100%	

April, May and June 2018

1	3rd - 4th April'18	Spirit and Advance Beer Sensory Training	Functional	Classroom	In-house	On site	15	16	1087%	
2	19 May'18	Safety in Spirit Operation	Functional	Classroom	In-house	On site	25	25	100%	
3	14th - 18th May'18	MMS Training of Trainer	Leadership	Classroom	External- Foreign	On site	7	7	100%	
4	20th - 22nd June	MMS Team Leaders / Awareness Training	Leadership	Classroom	In-house	On site	10	13	130%	



S/N	Date	Training Days	Training Title	Learning Type	Learning Mode	Facilitation	Facilitation	Planned Participants	Actual Participants	% Attendance	Facilitator/ Vendor Name	Duration (hours)
July 2017												
1	12th -14th July'17	3	Permit to Work Training	Functional	Classroom	External- Local	On site	50	38	76%	Hybrid Group	3days
2	19th - 21 July'17	3	Emergency Response Training	General	Blended Learning	External- Local	On site	51	51	100%	Rifonsons Nig. Ltd	3days
3	19th - 21 July'17	3	Brewing FLM	Functional	Classroom	In-house	On site	11	11	100%		
4	18TH July'17	1	Swift 3570 Glue Labelling Training	Functional	Classroom	External- Local	On site	4	4	100%	H.B Fuller	1day
5	6th July	1	EISC TRACC trainings	Functional	Classroom	External- Local	On site	13	13	100%		1day
6	25TH -27TH July'17	3	Management Development Centre for L4 and L5	Leadership	Blended Learning	In-house	Off site	17	17	100%		3days
August 2017												
1	4th Aug'17	1	MMS INTRODUCTORY TRAINING	Functional	Classroom	In-house	On site	60	58	97%		
2	14th-21st Aug'17	8	LEAN SIX SIGMA training	Functional	Classroom	External- Local	On site	10	10	100%	Harry Baker Consulting	7 days
3	15th-16th Aug'17	2	Operating Systems-SAP	Functional	Classroom	In-house	On site	11	11	100%		

September 2017

1	13th Sept'17	1	Warehouse Inventory Management	Functional	Classroom	In-house	On site	13	13	100%	Akinsira Femi	1day
2	14th-15th Sept'17	2	SAP(Basics & Refreshers) Training for C/S	Functional	Classroom	In-house	On site	26	20	77%	Salami Ibrahim	2 Days
3	11th-15th Sept'17	5	Motion Control System Simulation	Functional	Classroom	External- Foreign	off site	3	3	100%	KHS	5 Days
4	12th-13th Sept'17	2	Risk Assessment Training	Functional	Classroom	External- Foreign	On site	30	18	60%	Hybrid Group	5 Days
5	14th-15th Sept'17	2	Risk Assessment Training	Functional	Classroom	External- Foreign	On site	25	24	96%	Hybrid Group	2 Days
6	18th-22nd Sept'17	5	Sensory Training (flavour Active)	Functional	Classroom	External- Foreign	On site	36	30	83%	Flavour Active	5 Days
7	25th-26TH Sept'17	1	Bottle Washer Training	Functional	Classroom	In-house	On site	10	25	250%	Diversey	2 Days
8	7th Sept 17	18	MMS Introduction	General	Classroom	In-house	On site	90	81	90%		3days
9	23rd -27th Sept'17	5	MMS TOT (Train the Trainer)	Functional	Classroom	In-house- External	On site	8	8	100%	CCI	5 Days

October and November 2017

1	9th - 31st Oct.	23	LTO for Technical Operators	Functional	Classroom	In-house	On site	30	28	93%		17 Days
2	20th-21st Nov'17	2	ISO 9001:2015 QMS standard	Functional	Classroom	External- Foreign	On site	15	11	73%	DNV:GL KENYA	2 Days
3	23rd-24th Nov'17	2	ISO 31000:2009 Risk Assessment Training	Functional	Classroom	External- Foreign	On site	15	12	80%	DNV:GL KENYA	2 Days
4	20th-21st Nov'17	2	CIP & COP TRAINING	Functional	Classroom	External- Foreign	On site	20	13	65%	Diversey	2 Days



January 2018

1	16th-17th Jan '18	4	INNOPAL/ INNOPACK KHS training				13	13	100%	KHS	4 days
2	24th - 25th Jan '18	2	Fire Awareness Training	General	Classroom	External- Local	On site			Rifonsons Nig. Ltd	
3	29th /31st Jan '18	2	Can Handling Training for FLT Operators	Functional	Classroom	In-House	On site	50	47	94%	2 Days

February 2018

1	1st Feb '18	1	INDUCTION TO WCO & DMAIC TRAINING	Functional	Classroom	External	On site	14	14	100%	CCI	1 Day
2	9th Feb '18	14	PROCUREMENT TRAINING WORKSHOP	General	Classroom	In-House	On site	14	14	100%		1 Day
3	20th Feb '18	1	Cleaning Performance vs Cost Training	General	Classroom	External - Local	On site	4	4	100%		
4	22nd Feb '18	1	EMS Awareness Training	General	Classroom	In-House	On site				Safety Department	1 Day
5	22nd Feb '18	1	Visual Management Workshop & Leading a Team with Visual Management	General	Classroom	External - Local	On site	15	15	100%		1 Day

1	26th Feb '18	8	Labeler GFPQS and Waste r education Training	Functional	Classroom	In-House	On site	8	8	100%	2 Days
2	26th Feb - 2nd Mar '18	5	Condition Monitoring Training	Functional	Classroom	External-Local	On site	7	7	100%	OSECUL
3	26th Feb '18	1	Visual Management Workshop & Team Work	General	Classroom	External-Local	On site	28	28	100%	
4	28th Feb '18	1	Diageo Neutral Spirit Sensory Evaluation	Functional	Classroom	External-Local	On site	11	11	100%	

March 2018

1	2nd Mar '18	1	Visual Management Workshop & Team Work	General	Classroom	In-House	On site	45	45	100%	
2	12th-16th Mar'18	3	Asset Care Work Planning and Control	Functional	Classroom	In-House	On site	6	6	100%	
3	16th Mar '18	1	SAP Training for Inventory & Asset Care & Customer Service	Functional	Classroom	In-House	On site	3	3	100%	
4	27th Mar '18	1	GRMS Awareness	General	Classroom	In-House	On site	12	12	100%	
5	28th Mar '18	1	Co2 Management and Optimisation Process	General	Classroom	In-House	On site	10	9	90%	
6	28th Mar '18	1	Water Treatment Processes	General	Classroom	External-Local	On site	10	10	1	



GRI STANDARDS CONFORMITY TABLE

S/N	Disclosure	Number	Description	Section	Topic
1	General Disclosures	102-14	Statement from senior decision-maker	1.0	Foreword from the CEO
2	General Disclosures	102-15	Key impacts, risks, and opportunities		
3	General Disclosures	102-1	Name of the organisation	2.2.1	Our organisational Profile
4	General Disclosures	102-2	Activities, brands, products, and services	2.2.1	Our organisational Profile
5	General Disclosures	102-3	Location of headquarters	2.2.2	Governance Structure
6	General Disclosures	102-4	Location of operations	2.2.4/9.4	Governance Structure/Contact Us at Guinness Nigeria
7	General Disclosures	102-5	Ownership and legal form	2.2.1	Our organisational Profile
8	General Disclosures	102-6	Markets served		
9	General Disclosures	102-7	Scale of the organisation	2.2.1	Our organisational Profile
10	General Disclosures	102-8	Information on employees and other workers	5.2	Employee Structure
11	General Disclosures	102-41	Collective bargaining agreements	5.2	Employee Structure
12	General Disclosures	102-9	Supply chain	4.3.1	Supplier Management/ Responsible Procurement.
13	General Disclosures	102-12	External initiatives	6.0	Guinness Nigeria in the Community
14	General Disclosures	102-13	Membership of associations	2.2.3	Local/Global Affiliations
15	General Disclosures	102-45	Entities included in the consolidated financial statements	2.4	Economic Performance During the Reporting Period
16	General Disclosures	102-46	Defining report content and topic Boundaries	2.1.1	Report Scope, Timeframe and Boundary
17	General Disclosures	102-47	List of material topics	3.5	Determining Material Issues
18	Management Approach	103-1	Explanation of the material topic and its Boundary	3.5	Determining Material Issues
19	Management Approach	103-1	Explanation of the material topic and its Boundary	2.1.1	Report Scope, Timeframe and Boundary
20	General Disclosures	102-40	List of stakeholder groups	3.4	How We Engage
21	General Disclosures	102-42	Identifying and selecting stakeholders	3.4	How We Engage
22	General Disclosures	102-43	Approach to stakeholder engagement	3.4	How We Engage



23	General Disclosures	102-44	Key topics and concerns raised	3.4	How We Engage
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25	General Disclosures	102-51	Date of most recent report	2.1.1	Report Scope, Timeframe and Boundary
26	General Disclosures	2.1.1	Reporting cycle	2.1.1	Report Scope, Timeframe and Boundary
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29	General Disclosures	102-55	GRI content index	9.1	GRI Conformity Table
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33	General Disclosures	102-20	Executive-level responsibility for economic, environmental, and social topics	2.2.2	Governance Structure
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48	General Disclosures	102-16	Values, principles, standards, and norms of behaviour	2.2	About Guinness Nigeria
49	General Disclosures	102-17	Mechanisms for advice and concerns about ethics	4.1	Ethics and Transparency
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52	Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	3.7	Opportunities and Risks
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List of Abbreviations

BoD	Board of Directors
BOD	Biochemical Oxygen Demand
CEO	Chief Executive Officer
CSOs	Civil Society Organisations
COBC	Code of Business Conduct
CBI	Convention on Business Integrity
CCE	Corporate Compliance and Ethics
CRS	Corporate Responsibility and Sustainability
CSR	Corporate Social Responsibility
CPC	Customer Protection Council
DMC	Diageo Marketing Code
DEVG	Direct Economic Value Generated
EVD	Economic Value Distributed
EVR	Economic Value Retained
EPR	Extended Producer Responsibility
ETP	Effluent Treatment Plant
FMCG	Fast Moving Consumer Goods
FRSC	Federal Road Safety Corps
FBRA	Food, Beverage and Recycling Alliance
GRI	Global Reporting Initiative
GRMS	Global Risks Management Standard
GDP	Gross Domestic Product
GN	Guinness Nigeria
H&S	Health and Safety
HR	Human Resources
HR	Human Rights
HRP	Human Rights Policy
IIT	Institute for Industrial Technology
IARD	International Alliance for Responsible Drinking
ISO	International Standards Organisation
IWD	International Women's Day
KYC	Know Your Customer
LBS	Lagos Business School
LSE	London Stock Exchange
MNEs	Multinational Enterprises
NAFDAC	National Agency for Food & Drug Administration & Control
NAPTIN	National Power Training Institute of Nigeria
NSE	Nigerian Stock Exchange
NGO	Non-Government Organisation
NoX	Mono-nitrogen oxide



ODS	Ozone Depleting Substances
P4G	Partners for Growth
RRR	Reduce, Reuse, Recycle
SFIPP	Severe & Fatal Incident Prevention Protocols
SON	Standards Organisation of Nigeria
SoX	Sulphur Oxide
SEDEX	Supplier Ethical Data Exchange
SAI	Sustainable Agriculture Initiative
SDG	Sustainable Development Goals
SP	Sustainable Packaging
UNDP	United Nations Development Programme
UNGC	United Nations Global Compact
UNGHR	United Nations Guiding Principles on Business and Human Rights
WLB	Work Life Balance



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Contact Us at Guinness Nigeria

Registered Office

The Ikeja Brewery
Oba Akran Avenue
P.M.B. 21071
Ikeja, Lagos
Registration No. RC 771

Head Office

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

Breweries

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

Aba Brewery

Osisoma Industrial Layout
Aba Abia State
Tel: 012709100
Fax: 2709338

Benin Brewery

Benin-Asaba Road
Oregben Industrial Estate
Ikpoba Hill Benin City
Tel: 012709100
Fax: 2709338

Feedback

Thank you for reading through our 2017 Sustainability Report. As a way of adding value to our Corporate Responsibility efforts and the reporting process, through disclosing and being accountable to our internal and external stakeholders on an ongoing basis, we welcome feedback from all our stakeholders with respect of the contents of this report and any additional information of interest to the stakeholders assumed to be material.

The information received would be functional in mapping out other areas for disclosure, thus providing a balanced and reasonable representation of the sustainability performance of Guinness Nigeria in future reports. We are keenly interested in knowing our stakeholders' view of our sustainability performance and reporting efforts, and how we can improve both.

Kindly email your thoughts and suggestions to:

Viola Graham Douglas

Director, Corporate Relations

Guinness Nigeria Plc

24 Oba Akran Avenue Ikeja

Lagos, Nigeria

E: info.gn@diageo.com

T: 2709100 ext. 3997

W: www.guinness-nigeria.com, www.diageo.com

Titilola Alabi

Sustainable Development & AiS Manager

Guinness Nigeria Plc

24 Oba Akran Avenue Ikeja

Lagos, Nigeria

E: info.gn@diageo.com

T: +2342709100 ext. 1146

W: www.guinness-nigeria.com, www.diageo.com



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