

Diageo announces the creation of research and development centre in Shanghai

16 September 2021, Shanghai: Diageo, a global leader in beverage alcohol, today announced the establishment of a new research and development centre in Shanghai to further its product innovation and development ambitions in China.

The state-of-the-art facility - the first of its kind in the beverage alcohol sector in Shanghai - will primarily support the China market and will strengthen Diageo's ability to rapidly innovate and develop premium products that cater to Chinese consumer tastes. The aim is to create an exciting portfolio of products developed in China for China based on local consumer insights and trends.

"Today's announcement is another key step in our transformational journey to invest and deliver growth in a fast-moving and highly competitive market," said Sam Fischer, President Asia-Pacific and Global Travel. "China's total beverage alcohol market is the largest in the world in both value and volume terms, and is expected to grow over the next five years.¹ Much of this growth will be driven by strong premiumization trends² that are accelerating as new channels and occasions emerge for international spirits, beer and new-to-world innovations."

Mr. Fischer continued *"Together with the recent opening of our major logistics hub in Shenzhen, this facility sets Diageo up for continued success and reinforces our strategic commitment to our business across China."*

Construction will begin in 2021 and the R&D centre is expected to be fully operational by mid-2022.

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About Diageo

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

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

Celebrating life, every day, everywhere.

¹ IWSR 2021

² IWSR 2021