

SINCE 1922
eabl
CELEBRATING LIFE



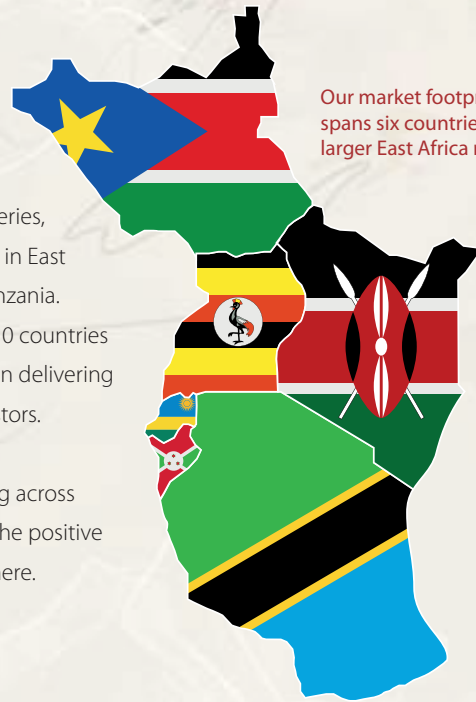
**2022 INTEGRATED REPORT
& FINANCIAL STATEMENTS**



EABL Overview

East African Breweries PLC (EABL) is the leading branded alcohol beverage business in East Africa, with a wide and outstanding collection of brands that range from beer and spirits to adult non-alcoholic drinks (ANADs), reaffirming our standing as a total adult beverage (TAB) company. Our extensive network of breweries, distilleries, and distribution facilities span the six markets within which we operate in East Africa, especially concentrated in the three core markets of Kenya, Uganda and Tanzania. Despite operating in East Africa, our unique products can be found in more than 10 countries across Africa and beyond. The Group's geographic diversity is an important factor in delivering the highest quality brands to East African consumers and long-term value to investors.

Our broad portfolio consists of outstanding local jewels and global giants, reaching across categories, occasions and price points. We are proud of the brands we make and the positive impact they have in bringing people together, to celebrate life every day, everywhere.



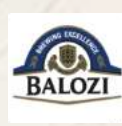
A selection of our brands

Global Giants



Beer Brands

Spirits Brands



Our Purpose

Celebrating life, every day, everywhere.

Our purpose is about being the best we can be at work, at home and in the community. We are passionate about our high-quality brands to suit every consumer occasion and economic level, and the role they play in celebrating life. At the core of our approach is a commitment to serving the communities in which we operate by ensuring alcohol continues to play a positive role in society as part of a balanced lifestyle: doing so is good for consumers and good for business.

We believe that our responsibility and influence extends beyond our direct operations. Our 'Society 2030: Spirit of Progress' Environmental, Social and Governance action plan sets ambitious goals that support our commitment to shaping a more sustainable and inclusive business and society. We take great care in building sustainable supply chains; in protecting the environment and the natural resources we all rely on; and in our commitment to skills development, empowerment, inclusion and diversity.

Our Ambition

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

To be the best performing, we need to deliver efficient growth and long-term shareholder value. This means delivering quality, sustainable growth in net sales, steady margin expansion, feasible investments and reliable cash flows year after year. To be most trusted and respected, we do business the right way from grain to glass and ensure our people are highly engaged and continuously learning.

Our Culture

Our culture is rooted in a deep sense of our purpose and values. We are the present-day custodians of some of the most iconic brands in the world, with a responsibility to ensure they remain as relevant today as they have done in the past and to pass them on to the next generation in an even better shape.

We have refreshed our culture code, articulating the behaviours we will drive and model, as we energise the organisation towards achieving our strategic goals.

EABL's Culture Code is:

Bold - Daring, risk-taking and experimenting, empowered teams and radical liberation.

Progressive - Pioneering, innovating, shaping new frontiers, digital transformation, sustainability, social change.

Connected - Oneness, shared goals, common purpose, pulling together, trust, creating a 'fun' workplace that brings out our purpose of 'celebrating life every day, everywhere'.

**BOLD
PROGRESSIVE
CONNECTED**

Our Business Model

We are a proud grain to glass business, with the consumer at the heart of our business. Our Business operates with the simple purpose of supporting our consumers in 'Celebrating life, everyday everywhere'.

FINANCIAL CAPITAL
Includes shareholders' equity and debt. It is a critical input in executing our business activities and in generating, accessing and deploying other forms of capital.

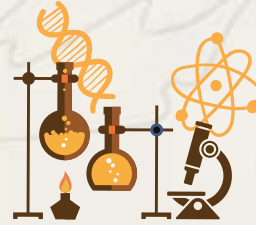
Kshs **26bn** shareholders equity
Kshs **122bn** market capitalisation
Kshs **13.2bn** free cash flow

RESEARCH



We continually evolve our data tools to understand consumers' attitudes and motivations. We convert this information into insights which enable us to respond with agility to our consumers' interests and preferences.

We have invested heavily in research and development programmes such as; new brewing materials, brewing technologies, liquid product development for both alcoholic and non-alcoholic beverages, development of new packaging and dispensing solutions.



RESPONSIBLE SOURCING



EABL has built a solid sorghum and barley value chain that comprises of farmers, research institutes, seed companies, financial institutions, fertilizer providers, mechanization companies and other sector service providers.

We partner with a network of suppliers to procure high quality materials and services.



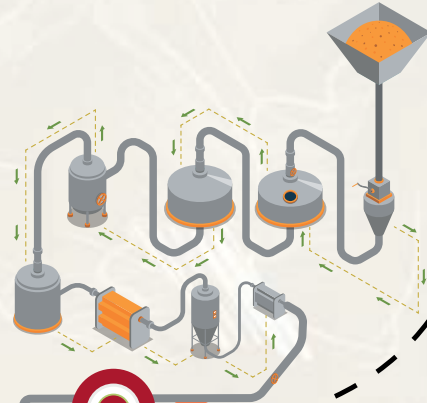
Kshs 2.6 Billion
PAID TO FARMERS

>70%
OF OUR MATERIALS ARE
LOCAL SOURCED

MANUFACTURING CAPITAL

We have 7 production sites across East Africa devoted to research and development, distillation, maturation, brewing, warehousing and packaging of spirits and beer. Our investment in property, plant and machinery are a source of competitive differentiation.

Kshs **69bn** in property, plant and equipment
Kshs **2.5bn** productivity savings



ZERO HARM

Safety standards are adhered to all the time, every single moment. Our Zero Harm programme is designed to ensure that all employees go home safe, every day, and is based on four pillars - prevention, culture, compliance, and capability.

LONG TERM SHARE HOLDER VALUE

Kshs **15.0**
Earnings per share (EPS)

Kshs **11.0**
Dividend per share (DPS)

2.5 million
Improved access to clean safe water

Equipping people particularly women, with skills and resources to build a better future for themselves



ROUTE TO CONSUMER

Getting to our consumer, through our route to market program is an important facet of our strategy. We work together with qualified partners to ensure that our customers get our brands on time.



DIGITIZATION

We have leveraged technology and smart data to equip our salesforce with advanced tools to support them in delivering customer propositions. Our proprietary Distributor Management System digitally supports our distributors on stock and sales management, sales force automation and performance dashboards to provide insights to the sales teams while on the go.

> 200,000 ENTERPRISES
Our value chain supports over 200,000 businesses which include retailers, distributors and agents.



SOCIAL & RELATIONSHIP CAPITAL

We continue investing in communities where we live, work & sell. We are committed to do our business the right way from grain to glass.

CONSUMERS



We invest in world class marketing to responsibly build vibrant brands that resonate with our consumers.



We advocate for moderation and use our platforms to campaign against harmful drinking

HUMAN AND INTELLECTUAL CAPITAL
We are proud of our people, whose passion, commitment and specialist skills make the difference. Championing inclusion and diversity is fundamental to driving engagement and achieving the best possible outcomes for our business.

2000 (full time employees and contractors)
31% gender diversity across EABL, 36% senior leadership roles are held by women

Kshs 88 billion
Annual overall contribution to tax revenues

NATURAL CAPITAL
We recognize that the threats to our environment are urgent and growing, and we are committed to taking actions to preserve the scarce resources.

95%
of our waste water is recycled
362,248 m³ of water replenished and reused
Zero total waste to landfill from our direct operations

Biomass plant to help reduce 42,000 tonnes off our carbon footprint 91% of renewable electricity utilized across our direct operations

Our contribution to the UN Sustainable Development Goals (SDGs)

<p>Sustainable Sourcing</p> <p>2 ZERO HUNGER</p> <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Manufacturing</p> <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>13 CLIMATE ACTION</p> <p>15 LIFE ON LAND</p>	<p>Reducing Co2 Emissions</p> <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Inclusion & Diversity</p> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>5 GENDER EQUALITY</p>
<p>Promote Positive Drinking</p> <p>3 GOOD HEALTH AND WELL-BEING</p> <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Promoting Health & Safety</p> <p>3 GOOD HEALTH AND WELL-BEING</p> <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Growing with Communities</p> <p>3 GOOD HEALTH AND WELL-BEING</p> <p>6 CLEAN WATER AND SANITATION</p>	<p>Water Preservation</p> <p>6 CLEAN WATER AND SANITATION</p>

Stakeholder Engagement

Our purpose and values help guide our engagement

Why we engage



People

Our people are at the core of our business. We aim to build a trusting, respectful and inclusive culture in which every individual feels highly engaged and can be their best. We want our people to feel their human rights are respected and that they are treated with dignity. We are committed to creating opportunities for growth and to a continuous learning culture.



Consumers

Understanding our consumers is key to growing our business sustainably for the long term. Consumer motivations, attitudes and behaviour form the basis of our brand marketing and innovations. We make our brands with pride and want them to be enjoyed responsibly. On occasions when consumers choose alcohol, we want them to drink better, not more.



Customers

Our customer partners are experts in the products they buy and sell, as well as in the experiences they create and deliver. We work with a wide range of customers: big and small, on-trade and off, digital and e-commerce. Our passion is to ensure we nurture mutually beneficial relationships that deliver joint value and the best outcome for all our consumers.

Our stakeholders' interests

- Prioritisation of health, safety and wellbeing
- Investment in learning opportunities for employee growth and development
- Ways of working, culture and benefits programme
- Contribute to the growth of our brands and our performance
- The promotion of inclusion and diversity
- Choice of brands for different occasions
- Innovation in heritage brands and creation of new brands
- Responsible marketing
- Great experiences
- Product quality
- Sustainability credentials
- Affordable products
- A portfolio of leading brands that meets evolving consumer preferences
- Identification of opportunities that offer profitable growth
- Insights into consumer behaviour and shopper trends
- Trusted product quality
- Innovation, promotional support and merchandising
- Availability and reliable supply and stocking
- Technical expertise

How we respond

- Safety strategy anchored on our Zero Harm goal that ensures everyone goes home safely every day
- Company-wide employee engagement surveys
- Consistent talent and performance management approach
- Extensive online learning and development material
- Informative and up-to-date employee communication channels
- Broad portfolio of choices across categories and price points
- Insightful innovation that satisfies consumer preferences
- Responsible advertising and marketing that adheres to our strict Diageo Marketing Code
- Active engagement and education to promote moderation and reduce the harmful use of alcohol
- High-quality manufacturing and environmental standards
- Use of best practice sales analytics and technology to support our retailers and distributors
- Ongoing dialogue and account management support
- Sales calls
- Development of joined-up business plans
- Regular business updates
- Training through unique offerings like the Diageo Bar Academy



Suppliers

Our suppliers and agencies are experts in the wide range of goods and services we require to create and market our brands. By working with them, we not only deliver high-quality products marketed responsibly but improve our collective impact, ensuring sustainable supply chains, reducing our environmental impact and making positive contributions to society.



Communities

Investing in sustainable growth means supporting and empowering the communities where we live, work, source and sell. By ensuring we make a positive contribution, we can help build thriving communities and strengthen our business.



Investors

We want to enable equity and debt investors to have an in-depth understanding of our strategy and our operational and financial performance, so they can more accurately assess the value of our shares and the opportunities to finance our business.



Governments and regulators

The regulatory environment is critical to the success of our business. We believe it is important that those who can influence policy, laws and regulation understand our views. We also want to share information and perspectives on areas that can impact our business and public health.

- Developing strong, mutually beneficial partnerships
- Collaborating to realise innovation
- Fair contract and payment terms
- Consistent performance measurement

- Impact of our operations on the local economy
- Access to skills development
- Opportunities for employment and supplier opportunities
- Improved access to water, sanitation and hygiene
- Responsible use of natural resources
- Gender equality, inclusion and diversity
- Transparency and engagement

- Strategic priorities
- Financial performance
- Corporate governance
- Leadership credentials, experience and succession
- Executive remuneration policy
- Shareholder returns
- Environmental and social commitments and progress

- Contribution to national economic and development priorities
- Tax, excise and illicit trade
- Positive drinking programmes and impacts
- Wider sustainability agenda, including human rights, environmental impacts, sustainable agriculture and support for communities.
- Corporate behaviour

- Partnering with suppliers' standard, our code for working with suppliers
- Direct resolution process
- Confidential, independent whistleblowing helpline and website
- Supplier financing
- Supplier performance measurement and performance reviews
- Regular trainings on sustainable farming practices to our farmers
- Provision of drought resistant seed varieties.

- Ongoing dialogue
- Partnerships, including local raw material supply partnerships
- Learning for Life, our global training programme for hospitality and retail sector workers
- Community programme design that includes gender equality and inclusion and diversity considerations
- Tree planting and water replenishment programmes
- Our community water, sanitation and hygiene (WASH) programmes

- Results announcements
- Investor roadshows
- Meetings and calls
- Annual General Meeting
- Investors' information on www.eabl.com
- Participation in investor conferences

- Ongoing dialogue
- Collaboration on responsible drinking initiatives and promotion of moderation, and strengthening industry standards
- Participation in governments, business and industry advisory groups
- Embedding business integrity into the way we work
- Diageo Code of Business Conduct