

LBG Assurance Statement – Diageo

Diageo is an active member of LBG, the international standard for measuring companies' contribution to communities. LBG's measurement model helps businesses to improve the management, measurement and reporting of their community investment programmes and activities. It moves beyond charitable donations to include the full range of contributions (in time, in kind and in cash) made to community causes, and assesses the actual results for the community and for the business. (See www.lbg-online.net for more information).

As managers of LBG, Corporate Citizenship has worked with Diageo to ensure that it understands the LBG model and that the reported community investment programmes and contributions are in line with the LBG principles of measurement. Having conducted an assessment, we are satisfied that this has been achieved during the year to 30th June 2018. Our work has not extended to an independent audit of the data.

Commentary

This is the second year in which Diageo has used a new database for recording the contributions to, and impacts of, its community programmes. The database aims to ensure a systematic global data collection process and is aligned to the LBG framework. There were noticeable improvements in the data generated from the database this year, with the data being more comprehensive (for example distinguishing program funding, in-kind donations and employee time costs) and of higher consistency. However, opportunities for improvement were also identified. Notably, for the community data there is an opportunity to improve users' understanding of key definitions and establish greater consistency in methodologies used to estimate the reach of Diageo's projects in terms of beneficiary numbers. In addition, further guidance could be given to database users on how and where to input details (and breakdowns) of program spend and impacts into the database. While discrepancies in the datasets reviewed were addressed during the assurance engagement, Diageo is encouraged to enhance training where necessary to maximise accuracy in information going forward.

We continue to be satisfied that, when reporting activity that promotes responsible drinking as corporate community investment, Diageo only includes those elements relating directly to the delivery of community benefit.