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#### **Impact Highlights**



More than 35,000 grants to charitable initiatives awarded through employee matched and payroll giving programmes in the UK alone

The key milestones in the Diageo Foundation's role in achieving these impacts are set out in the 25 Year Timeline.

#### **About the Diageo Foundation**

Diageo plc recognises its responsibility to be a good corporate citizen and to develop and empower the communities in which it operates, not only because their sustainability contributes to the company's long-term success, but also because it is the right thing to do.

Diageo's predecessor companies, GrandMet and Guinness, both had a strong record of community involvement with established charitable entities. When the companies merged to become Diageo plc, the newly formed Board was determined to combine the best of both and to channel resources to support the community activities of Diageo's businesses in line with its corporate values.

As a result, the Diageo Foundation was relaunched, with the role of providing support to the communities in which Diageo operates, with particular emphasis on areas of high social, humanitarian and environmental need. An alignment with the company's core business skills, competencies and priorities has always been at the heart of the Foundation.

In 2017 the Diageo Foundation and Diageo plc agreed that the mission of the Foundation had been successfully completed with all the Foundation's focus areas and programmes having been effectively embedded within the company's ongoing Sustainable Development Strategy.

#### Our role and philosophy

- Working in partnership to enable partner organisations to be effective in responding to community needs through innovation and high quality delivery.
- Supporting projects by acting as a catalyst through kick-start funding.
- Empowering individuals to help themselves.
- Working alongside and engaging Diageo's businesses, brands and people, where appropriate, to apply their skills and resources to further the Foundation's charitable mission and optimise impact for beneficiaries.
- Ensuring programmes are set up for success and 'handing on the torch'.
- · Measurement, evaluation and sharing of best practice.

#### Our focus areas

#### SKILLS FOR LIFE

Working with unemployed or disadvantaged people to help them find worthwhile work or start new business ventures. (Also initially providing kick-start funding of early Alcohol Education projects).

#### WATER OF LIFE

Protecting the environment and improving access to safe drinking water in developing countries.

#### DISASTER RELIEF

Responding to natural disasters with emergency and longer-term relief.

#### LOCAL CITIZENS

Partnering Diageo's businesses and employees in volunteering and fundraising for community activities.

#### Legacy projects

As a conclusion of the Foundation's mission, the trustees in consultation with Diageo plc, have identified a number of charitable projects to fund from the remaining unallocated reserves to develop a suitable and lasting legacy of the Diageo Foundation.

The trustees have accordingly identified and set up initiatives which further the Foundation's charitable mission and reflect its core focus area but which are also in keeping with Diageo's Sustainable Development Strategy for the future.

#### About this report

The statistics and outputs reported are the combined community impact of the Diageo Foundation, working together in partnership with Diageo plc and external partners. The numbers shown are calculated from major projects only, not from all grants awarded by the Foundation, therefore aggregated numbers are understated.

Data has been sourced from/based on:

- independent evaluations and impact reports commissioned by the Foundation
- information provided by NGO partners, mostly published annual report and accounts
- information collected by Diageo operating companies and the Foundation itself, including NGO project evaluation reports.

All references to The Diageo Foundation and Diageo include Diageo's predecessor companies, Grand Metropolitan and Guinness and their respective corporate centre charitable funds. This report chronicles a timeline dating back to the legal establishment of the GrandMet Foundation in 1992 which was re-named the Diageo Foundation post-merger in 1997.

## Introduction from the Chairman of the Trustees

The Diageo Foundation has been unique.

The Foundation was established 25 years ago as an independent registered charitable trust, with its own dedicated board of trustees, receiving 100% of its funding from Diageo plc on an annual basis to use for its charitable mission.

With the aim of achieving maximum impact and effective and lasting transformation, the Foundation's charitable mission has always been to respond to the needs of the environment and the local communities in which Diageo operates, so that Diageo's capabilities, resources and above all the 'can do' attitude of its people can be engaged wherever possible and appropriate.

Consequently, our focus areas have been geared to reflect this balance of community need and where the company's skills and resources could most optimally be directed – thereby maximising our potential reach and charitable impact.

This report chronicles our 25-year timeline, together with a selection of case studies which cover but a few examples out of the thousands of grants that we have made during that period. It also highlights the legacy projects which the trustees have established and which Diageo will be taking forward in line with its Sustainable Development strategy for the future. With all the Foundation's focus areas and programmes having been effectively embedded within this strategy, the trustees are proud that the Foundation has been able to successfully accomplish its original mission.

The Foundation could not have achieved so much without the enduring passion, commitment and support received from Diageo's businesses and staff across the world; our many community partners; the Foundation's small, part-time team; and our trustees, who have enthusiastically and ably represented Diageo operations from a wide range of departments, regions and management levels. It is thanks to you all that the Foundation has been an effective catalyst for change, empowering organisations, communities and individuals, and transforming the life prospects of so many.

As we hand over the torch, we hope this report provides inspiration to Diageo's businesses as they continue to touch the lives of millions of people around the world. We wish them, and all our community partners, continued success and fulfilment in the future.

- Geoffrey Bush, Chairman, Diageo Foundation 1992 - 2017

"Like so many of our neglected and forgotten towns, Colesberg bears the scars of apartheid neglect. Shortages in welfare, health, legal and community services leave thousands of people stranded. This gesture by Diageo and its Foundation reinforces my long-held belief that the private sector is prepared to help rebuild South Africa."

- Nelson Mandela



In 2002 former President Nelson Mandela unveiled an innovative 'one stop shop' community service and skills centre at Colesberg, South Africa, financed by the Diageo Foundation and local Diageo business to bring relief to more than 60,000 'forgotten people'.

#### Message from Sir George Bull, Joint Chairman, Diageo plc 1997-1998



"When the newly merged Diageo was created, we believed that business success could not be solely defined in terms of earnings, growth and the balance sheet; as a truly successful company, Diageo had to be sensitive to the concerns of all the stakeholders on whom it depended, including the countries and communities in which it did business.

The launch of the Diageo Foundation was a key part of our commitment to play a leadership role as a responsible company.

Over the last 25 years, Diageo and its forebears have put considerable financial support and executive energy into investing in our communities, applying our resources and skills where we believed that they might be best used to help tackle major social and environmental issues such as homelessness, unemployment and lack of access to safe drinking water.

The Diageo Foundation was an important vehicle for achieving this change for good in our communities, addressing fundamental needs through its focus areas such as Skills for Life and Water of Life, so necessary to enable individuals and deprived communities to support themselves and to overcome disadvantage.

I am incredibly proud of Diageo and the pivotal role that the Diageo Foundation has played in realising this vision and making a real difference to so many people's lives."

#### Message from Ivan Menezes, CEO, Diageo plc



"Diageo's ambition is to be one of the best performing, most trusted and respected consumer products companies in the world and ensuring we make a positive contribution to society is at the heart of this. Doing so is good for our business, good for our communities and good for our consumers, and it is also true to our values.

Our strategy also reflects how the elements of our value chain are interdependent and how contributing to society, to communities, and to the environment strengthens our business.

We have a proud history of partnerships, programmes and initiatives that address the issues that we and our stakeholders know are important to our business. We will continue to build on that work – with a renewed focus – coordinating our efforts to achieve outcomes that bring the maximum possible value for our stakeholders, whilst taking care of the communities in which we operate.

Over the past two years, Diageo has undertaken a strategic review of its broader Sustainable Development Strategy. We have set ourselves ambitious targets which work towards supporting the UN's Global Goals and WHO programmes on health. We will focus on responsible drinking; building thriving communities; and reducing our environmental footprint, working in partnership with our industry peers, NGOs and our local communities.

This creates ever closer alignment between Diageo's work in communities and our core business activities – a shift seen in many businesses. As a result, Diageo is aiming for a closer connection between our businesses and the organisations and projects we support on the ground. This requires an evolution in the way community investment funding is developed and allocated, with markets funding projects directly rather than applying for centralised grant funding from the Diageo Foundation, which has successfully delivered so much for communities around the globe over the last 25 years. The Foundation Trustees and Diageo are therefore agreed that the purpose and role of the Foundation have now been successfully completed.

I would like to thank all the Trustees, both past and present, for their commitment to the Diageo Foundation and its legacy of creating positive and lasting change in our communities around the world; a legacy of which we are truly proud and which we, at Diageo, will continue to build on in the future"

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#### 25 Year Timeline

1992-1993

Key Milestones	Issue	Partnerships and Projects
1992 The GrandMet Found	ation established by Gran	d Metropolitan plc
First corporate-funded Skills for Life project in UK	Chronic unemployment and inner city unrest in the UK	Foundation starts helping to fund its associated group charity <b>GrandMet Trust</b> (renamed <b>Tomorrow's People</b> in 1997). <b>Mission:</b> to tackle unemployment through training in partnership. <b>Impact:</b> see case study: <b>Tomorrow's People.</b>
First Foundation-funded Skills for Life project in UK	UK youth homelessness crisis, the so-called 'no home no job - no job no home'trap	Foundation helps provide initial core funding to establish and capacity build the Foyer Federation for Youth in partnership with Shelter UK.  Mission: to develop new ways of working with young people struggling to make the transition to adulthood, particularly those not able to live at home.  Impact: by leveraging over £17 million external funding, 187 indiviual Foyers have been established around the UK and have supported over 160,00 young people.
1993		
First <i>Global Brands</i> project supported by Foundation	Threats to biodiversity and rare species	Foundation provides guidance and funding to assist the community and environmental aspects of J&B's Care for the Rare programme.
		Mission: to protect rare and threatened species.
		Impact: helped safeguard over 22 different species, including endangered leatherback turtles and rare orchids under threat. Professor Norman Myers, consultant to UN, World Bank, the White House and EU: "I believe J&B's Care for the Rare programme set a standard for productive partnership between the business community and conservation professionals."
First Local Citizens project supported by Foundation	Northern Ireland economic, social and political unrest and disharmony	Foundation provides funding assistance to support Gilbey's Ireland community leadership role in Co-operation North.  Mission: to promote peace and harmony across Northern and Southern Ireland though education and training programmes.
		Impact: Co-operation Ireland is an all-island peace-building charity. Since it was established in 1979 as Co-operation North, it has worked to encourage and promote interaction, dialogue and practical collaboration within Northern Ireland and between Northern Ireland and the Republic of Ireland.

**DIAGEO**FOUNDATION

#### 25 Year Timeline

1994-2000

**Key Milestones** 

Issue

**Partnerships and Projects** 

#### 1994

First international

Skills for Life project kickstarted by Foundation

Lack of employment opportunities for disadvantaged young people in India Foundation plays a key role in the strategic and brand development of Youth Business International (YBI), and provides kick-start funding to set up a YBI pilot project, the **Bharatiya Yuva Shakti Trust (BYST)** in Pune, India, in cooperation with IDV India.

**Mission:** to empower young disadvantaged microentrepreneurs through mentoring, and nurturing small start up businesses.

**Impact:** BYST, with wide support from leading companies across India, has counselled 65,000 young people, creating 1,500 entrepreneurs and 15,000 jobs.

#### 1998 The GrandMet Foundation merges with Guinness Charitable Fund and relaunches as Diageo Foundation

First Water of Life pilots and evaluation

Scarcity of safe drinking water and biodiversity protection across Africa Foundation funding helps kick-start and evaluate **Guinness Africa's** initial **Water of Life** pilot projects.

**Mission:** provision of safe drinking water and biodiversity protection across Africa.

Impact: 70 Water of Life pilot projects gave 80,000 people in developing countries access to fresh water for the first time. See case study: Safe Water for Africa.

#### 1999

First **Disaster Relief** project in response to a major natural disaster

Armenia, Colombia, is hit by a catastrophic earthquake killing 2,000 people and making 400,000 homeless Foundation funds an urgent and vital infrastructure repair in response to earthquake damage in rural Circasia at the request of British Embassy and local municipal authorities.

**Mission:** to repair Circasia's aqueduct badly damaged by the earthquake.

**Impact:** restored normal drinking water for the town's 15,000 inhabitants.

#### 2000

First **Skills for Life** project in South America

Chronic unemployment and inner-city conflict in Brazil Foundation partners with **Diageo Brazil** to pilot and roll out the *Bartender Programme*.

**Mission:** to provide life skills and jobs for low-income unemployed people living in deprived neighbourhoods.

**Impact:** rolled out across South and Latin America as the *Bartender Programme*. See case study: **Learning for Life.** 

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#### 25 Year Timeline

#### 2001-2005

Key Milestones	Issue	Partnerships and Projects
2001 First Skills for Life Alcohol Education projects	Tackling alcohol abuse through responsible drinking	Foundation funds pilot projects: alcohol education materials for young people and adults in UK; drink drive campaigns in Denmark, Norway and Sweden; Alcohol Education Initiative toolkits in South Africa.  Outcome: responsible drinking programmes taken up by
		Diageo businesses worldwide – see <b>Diageo CSR</b> reports.
Local Citizens Pub is The Hub launches with Diageo GB	Citizens Pub is   Loss of vital local   services to rural	Foundation and <b>Diageo GB</b> jointly provide kick-start funding and advice to help establish <b>Pub is The Hub.</b>
Diageo do		Mission: to address local needs with additional services provided by viable pubs, resulting in more sustainable and harmonious communities.
		Impact: see case study: Pub is The Hub.
2004		
Disaster Relief responses in partnership with Spirit of the Americas	Coordinated humanitarian response to a series of major disasters	Foundation provides funding support to <i>Diageo Spirit of the Americas Fund</i> initiatives involving Diageo employee volunteers on the ground.
		Mission: to provide coordinated disaster relief assistance and funding in response to Hurricanes Charley, Frances, Ivan and Jeanne.
		<b>Impact:</b> six relief missions airlifted more than 158,000 lbs. of aid to four different countries bringing immediate relief to over 300,000 people.
Water of Life Global Brands project in Australia	Tackling drought and responding to natural disasters	Foundation partnership with Diageo Australia, Bundaberg Rum and Landcare to set up the Bundaberg Rum Bush Fund.
		Mission: to provide long-term water conservation and biodiversity projects in drought-stricken rural areas.
		Impact: see case study: Bundaberg Rum Bush Fund.
2005		
Foundation coordinates global Disaster Relief response to Tsunami	Global response to widespread devastation caused by Indian Ocean Tsunami	Foundation sets up <b>Tsunami Relief Fund</b> and works in partnership with <b>Johnnie Walker Keep Walking Thailand Tsunami Fund.</b>
		<b>Mission:</b> to facilitate employee giving worldwide and support short- and long-term relief projects.

Impact: see case study: Indian Ocean Tsunami.

**DIAGEO**FOUNDATION

#### 25 Year Timeline

2006-2017

**Key Milestones** 

Issue

**Partnerships and Projects** 

#### 2006

Diageo Africa's Water of Life
One Million Challenge

Responding to growing need for fresh drinking water

Foundation supports Diageo Africa's Water of Life One Million Challenge commitment.

Mission: to provide an additional one million people in Africa access to clean drinking water each year to 2015.

Impact: see Water of Life section.

#### 2008

Diageo roll out of Learning for Life Chronic unemployment and inner city conflict across Latin America Foundation supports **Diageo** roll out of **Learning for Life** as flagship programme within the region's *Enriched Communities* strategy.

Impact: see case study: Learning for Life.

#### 2010

**Disaster Relief** response in partnership with Spirit of the Americas

Coordinated short- and longterm response to devastation by Haiti earthquake Foundation provides immediate funding support to **Diageo Spirit of the Americas Fund** humanitarian aid mission, and longer-term funding to local sustainability project.

**Mission:** to provide coordinated disaster relief assistance and funding in response to Haiti earthquake.

Impact: see case study: Haiti 2010 Earthquake.

#### 2011

First Skills for Life Plan W pilots in Asia

Lack of empowerment of women in Asia communities Foundation funds **Plan W** women's empowerment pilot projects in Nepal and Sri Lanka.

**Mission:** to empower women to enable them to play a greater role in the economy thereby helping the wellbeing of their families and communities.

Impact: see case study: Plan W.

#### 2016

All community programmes have been handed over to Diageo businesses worldwide.

#### **Diageo Foundation:**

- Concludes evaluation of major programmes and projects.
- Identifies and funds Legacy Projects

Skills for Life, Water of Life, Local Citizens and Disaster Relief embedded within Diageo's Sustainable Development Strategy. Refer to www.diageo.com for progress updates.

#### 2017

**Diageo Foundation** publishes 25 Year Impact Report on its activites. Diageo Foundation is dissolved having accomplished its mission.

Over 1 million people have been supported on their journey into

training, employment or entrepreneurship in more than 40 countries

260,000 women have been empowered by Plan W.

In many parts of the world, basic access to adequate education and training is denied, resulting in a lack of life skills, leading to unemployment and, in some cases, poverty.

The Diageo Foundation's Skills for Life programme has focused on projects which provide opportunities for unemployed, disadvantaged people to become accepted, active citizens of their community.

Skills for Life has helped over one million people gain access to training and work experience, providing them with the necessary skills to help them gain employment or to start new business ventures. In addition to developing people's skills, a key focus of the projects has been to help build the confidence and self-esteem they need to prepare them for work and self-sufficiency.

The case studies in this section showcase:

- i) the development of a sustainable model for helping people into employment through the establishment of Tomorrow's People
- ii) Learning for Life, which applied the proven Tomorrow's People model, starting as a pilot 'Bartender Programme' to help unemployed youth in Brazil's inner-city favelas, then rolled out across Latin America and adopted in other continents
- iii) the learnings from the above programmes which were then applied to 'Plan W' women's economic empowerment pilots in Nepal, Sri Lanka and Cambodia as a preliminary step to wider community programmes across Asia Pacific.

#### Case study: Tomorrow's People



#### · Where?

England and Scotland.

#### · When?

1984 – to date.

#### Who was involved?

Diageo corporate centre / Diageo GB / Diageo Foundation.

#### Funding

£25 million over 20 years from Diageo corporate centre / Diageo GB / Diageo Foundation – which has leveraged over £300 million from external public and private sector funding.

#### Beneficiary: who / what was impacted?

Young people and long term-unemployed in deprived inner-city and rural neighbourhoods.



#### Project aims

"Empowerment – helping people help themselves". A charity ("Tomorrow's People") was set up and core funded. Its mission: to help excluded and disadvantaged people to get and keep a job, and so break the cycle of unemployment and benefits dependency.

#### • What need was being met?

Chronic unemployment had become a root cause for much inner-city unrest in deprived neighbourhoods across the UK – with severe adverse effects to economic, business and societal wellbeing in many communities where the company had local operations, employees and customers.

#### Which Sustainable Development Goals does it meet?

SDG 4: Quality Education

SDG 8: Decent Work and Economic Growth

SDG 10: Reduced Inequalities

SDG 11: Sustainable Cities and Communities

#### Project summary

A dedicated charity ("Tomorrow's People Trust") was set up, under the auspices of a corporate trustee, managed by a subsidiary of Diageo (and its predecessor, "GrandMet"). Senior company executives were assigned to apply their business skills to mentor and capacity build the organisation over an extended time period. The charity had a clear mission to meet a vital and relevant community need based on a strategy of partnership with employment services, local authorities, other community partners, and with the clients themselves. Above all, Tomorrow's People was imbued with a 'can do' philosophy.

Over 20 years, the charity's management team was empowered to become highly

competent in applying sound commercial principles of business management. The organisation established a sustained record of innovation, service delivery and solid financial performance. In 1997 external non-executive directors joined the Tomorrow's People board to monitor its effectiveness and ongoing viability.

In 2004 the Diageo Foundation commissioned Oxford Economic Forecasting to undertake an independent 20-year evaluation of Tomorrow's People in helping people into work. This thorough and very detailed report confirmed the effectiveness and positive impact of the charity's work, including:

- Quality and dedication of the personalised support of staff for people furthest from the labour market, in an environment of trust.
- Focus on the needs of local employers in order to create jobs in local communities.
- Aftercare for programme participants and employers to ensure long-term success.
- Regeneration of deprived neighbourhoods, including inner city and rural areas.
- Innovative programmes to tackle unemployment, making Tomorrow's People a recognised market leader in its field.
   Much of this innovation had been adopted by Government and other agencies so the impact has been much wider than the immediate impact of the charity itself.

In 2005 Tomorrow's People Trust Limited was floated off as a legally and financially independent charity with an external board of directors, including two Diageo volunteers. Since its independence, the charity has continued its success with a series of new corporate sponsors and board members.

SKILLS FOR LIFE

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#### Project impact / outcomes

475,000+ unemployed and young people have been supported on their journey into employment.

Independent evaluation by Oxford Economic Forecasting estimated the social and economic total benefit of Tomorrow's People's to UK society to be £450 million over its first twenty years to 2004.

In 2016, an independent report by the Bank of England estimated the Net Economic Benefit to the UK of the charity's continuing activities between 2007 and 2014 to be £63 million. Impact analysis shows that of the young people Tomorrow's People has worked with, 75% more went into employment, training or education than otherwise would have done.

#### How is the project / model / approach sustainable?

Tomorrow's People was empowered to be sustainable on a long-term basis, and many of its programmes have been adopted by Government and other agencies. The model was thoroughly tested and evaluated as a model before being

replicated in other Diageo markets, for example the Bartender project in Brazil (see separate case study).

#### What are the key learnings?

The project addressed a pressing social issue which faced the company in a key market, and in an area where the skills and resources of the company could be applied effectively on a sustained basis.

Sufficient attention and resources were committed to the project over an extended period of time which ensured that Tomorrow's People was successful and sustainable. The Diageo Foundation provided kick-start funding and commissioned rigorous evaluation at key stages in the organisation's development.

Long-term partnership with external public and private sector agencies, and leveraging over £300 million funding enabled the work to be scaled up and "handed on".



"The work of Tomorrow's People is vitally important. At an individual level, it helps young people realise their potential and avoid becoming ever-more-distant from the labour market. At a societal level, it helps to break the vicious cycle between high unemployment and high levels of crime and poor health. And at an economic level, it delivers tangible economic benefits, as demonstrated in the report.

The work Tomorrow's People does has continued over an extended period and against the backdrop of significant changes in government policy as well as the economic environment."

Mark Carney, Governor of the Bank of England

"Our success was down to Diageo mentoring our team over many years. We were following the lead of Diageo's top brands."

- Baroness Stedman-Scott, former CEO of Tomorrow's People

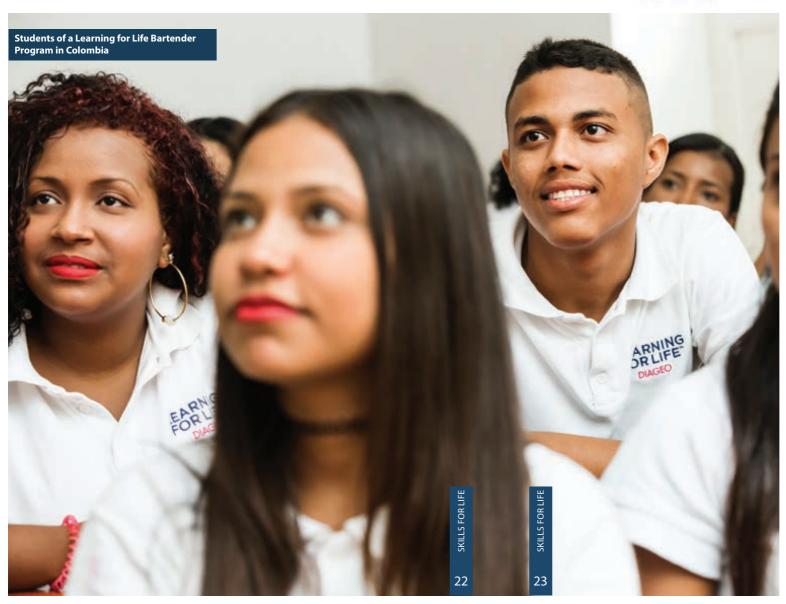
"It was clear from the outset that Tomorrow's People were not the same as others in the sector." They showed intoxicating enthusiasm and professionalism in the support, guidance and encouragement to the local unemployed community."

- Paul Salisbury, Commercial Director, Lancaster Cleaning, (a local employer)

Tomorrow's People client, Kirstie, who at the age of four underwent complicated surgery to remove a life-threatening brain tumour due to her epilepsy and was left with severe learning

SKILLS FOR LIFE





#### · Where?

Latin America and Caribbean (including Brazil, Colombia, Dominican Republic, Jamaica and Mexico), Africa, Asia, UK.

#### • When?

2000 – to date.

#### • Who was involved?

Diageo businesses across Latin America, Africa, Asia / Diageo Foundation.

#### Funding

Over £15million over 16 years from Diageo business, including £1.25million from the Diageo Foundation – this has leveraged a wide variation of external funding across different markets which has not been quantified in total.

#### • Beneficiary: who was impacted?

Young people and long term-unemployed in deprived inner-city and other deprived neighbourhoods, including districts known as favelas across Brazil and other South American countries.

#### Project aims

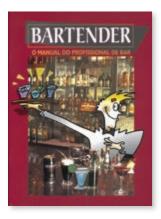
The Diageo Community Bartender Programme was initially established in Sao Paulo, Brazil, to prepare 18 to 24-year-olds from low-income families for skilled jobs in the hospitality industry.

Following evaluation and roll-out, this evolved to become Learning For Life (L4L), a wider programme designed to inspire and transform the lives of low-income people throughout different communities in which Diageo operates, by giving them the opportunity to acquire tools, training and skills in four areas: hospitality, retail, entrepreneurship and bartending, with the overall goal of allowing them to become productive and respected members of society.

#### Case study: Learning For Life

#### • What need was being met?

In Brazil, as in other countries in Latin America and the Caribbean, low-income young people have little access to higher education and are not offered the necessary skills to meet the needs of employers. Chronic unemployment has become a root cause for much inner-city inequality and unrest in favelas and other deprived neighbourhoods, with severe adverse effects to economic, business and societal wellbeing in many communities where Diageo has local operations, employees and customers.



#### • Which Sustainable Development Goals does it meet?

SDG 4: Quality Education

SDG 8: Decent Work and Economic Growth

SDG 10: Reduced Inequalities

SDG 11: Sustainable Cities and Communities

#### Project summary

In 2000 Diageo Brazil and the Diageo Foundation teamed up with Brazil's respected training agency, SENAC, to run an eight-month pilot for 54 unemployed people aged 18-21 in a wide range of social and work-related skills, including: IT: health and hygiene; customer service; serving skills; and the promotion of responsible alcohol consumption. The pilot programme included work experience with Diageo's trade partners, and more than a third of Diageo Brazil employees gave their time to the programme as volunteers. All the students found jobs through the scheme, which, following evaluation and fine-tuning, was then replicated in cities across Brazil and other Latin America countries.

Following evaluation of the Bartender Programme, the wider Learning For Life programme was launched in 2008.

#### Project impact / outcomes

Between 2000 and 2007 the Diageo Community Bartender Programme was run in five to six Brazilian cities per year. Around 85% of students found jobs after each course – a high rate in programmes for young unemployed people. In 2006 Brazil celebrated placing its 1,000th student in employment and the programme was extended to Mexico, Venezuela and Uruguay.

More than 115,000 young people have taken part in the wider Learning For Life since it was launched in 2008. The programme continues to operate over 90 initiatives a year in more than 40 countries, with an emphasis on hospitality, retail and entrepreneurship.

Between 2012 and 2014, Diageo hired Newlink Research to conduct an impact study of the L4L programme in five countries in Latin America and the Caribbean. The study took into account contextual factors and country specifics, making it possible to assess the programme's wider social and economic impacts. Key Indicators of the Labour Markets in the five countries identified that unemployment and low levels of education affected young people more than adults. High unemployment rates made it very difficult to enter the job market and had negative social as well as financial consequences for these individuals. Young people who were unable to find work or to study, entered a vicious cycle of poverty that was difficult to break.

There were a number of indicators for measuring programme effectiveness and the impact of L4L in the community, the main quantitative indicator being the employment rate among L4L graduates. In different countries and regions this rate has varied between 88% and 30%. The study also found that the average income of successful

graduates doubled or tripled above the minimum wage levels.

A separate 2014-16 impact report for 55 L4L programmes run in 21 locations in Great Britain showed that 71% of the 600 graduates went into employment. 90% of the graduates said that the programme had increased their self-confidence, motivation to work and work skills and knowledge. 86% of work placement hosts felt that the programme benefited them as an employer. Additionally, L4L was endorsed by the Department of Work and Pensions as a sector-based work academy; this accreditation meant that all students could continue to receive job seeker allowance whilst on the course and access additional financial support.

#### How is the project / model / approach sustainable?

One of Diageo's objectives is the long-term sustainability of the L4L programme. A fundamental element for Diageo has been collaboration, involving a constant renewal of partnerships to ensure the programme continues to achieve improved and sustainable results. The ongoing strength of these partnerships varies in different markets and Diageo is developing systematic internal and external L4L extension strategies, including the current funding of a new Diageo Learning for Life website platform, incorporating best practice to help support project partners.

#### • What are the key learnings?

At the outset in 2000, Diageo Brazil and the Diageo Foundation researched key stakeholder concerns and community needs to identify where their combined resources could be applied to make the most positive impact in addressing a crucial inner-city issue.

Together they were able to apply learnings from Tomorrow's People in the UK and combine these with the skills and resources that the company, together with its trade partners, could uniquely provide. During the first three years, Diageo Brazil micromanaged the project, particularly monitoring the quality of teaching and programme evaluation. Working with local partners, the programme was further developed and refined, and a Bartender manual was produced to enable replication, initially in other Brazilian cities before being rolled out across other countries.

The success of the Bartender Programme led to approaches by leading trade partners in retail and other industry sectors to extend the programme. After Diageo Latin America had carried out a strategic review of its approach to community involvement in 2006/07, it launched Learning For Life<sup>™</sup> to incorporate a wider engagement with its stakeholders and trade partners. The Diageo Foundation

continued to help kick-start L4L programmes in different countries and regions.

The Newlink Research evaluation identified the following strengths of the unique L4L programme which made it successful:

- -The dedication, commitment and enthusiasm of the Diageo staff assigned to manage the programme; employee volunteering, which included giving classes on responsible drinking, and workplace mentoring, was a key element in developing synergies and integrating the programme into the broader company.
- Working in partnership has been one of the most important ways to achieve positive change in communities, both with educational establishments and local employers.

"The Diageo Learning for Life graduate we hired has been fantastic. She has a positive attitude, a voracious appetite for learning and is always striving to do her best. She regularly goes above and beyond the basics expected of her and her enthusiasm for hospitality is infectious."

- Graduate Employer

"I got involved because I wanted to make a difference to the lives of young people on the programme. What I didn't expect was the profound impact they would have on me. It has made me proud of working for Diageo."

– Claudia de Souza,

former leading volunteer and Corporate Relations Director, Diageo Brazil

"Learning for Life is a fantastic example of leveraging a large organization to be a real 'cause for good' in society. Focused on equipping disadvantaged young people with the knowledge to contribute to industries that we understand, like hospitality and retailing, is such a simple mechanic. It yields life skills, employment, a career path, and improved service standards for consumers, making a material difference to the lives of families and individuals, everywhere; I am hugely indebted to the Diageo Foundation for its contributions to getting Learning for Life up and running in more than 40 countries around the world."

- William Bullard OBE,

Corporate Relations Director, Diageo Latin America, and Trustee, Diageo Foundation

"Learning for Life is fabulous as it fills a very important role for us, that is the training of the face of

Vice Minister of Tourism, Dominican Republic

SKILLS FOR LIFE

SKILLS FOR LIFE

# Case study: Plan W: Empowering Women Through Learning – Cambodia





· Where?

Cambodia.

• When?

2013 - 2016.

#### • Who was involved?

Diageo Foundation, Diageo, WaterSHED. WaterSHED uses a systems-approach to build the rural market for water, sanitation, and hygiene products and services across Southeast Asia, facilitating the adoption of toilets, water filters, and handwashing stations to build a market that functions independently of traditional aid.

#### Funding

Diageo Foundation provided £50,000 kickstart funding, matched by USAID to the sum of USD 150,000.

#### Beneficiary: who / what was impacted?

Women and communities in rural Cambodia.

#### Project aims

Plan W: Empowering Women through Learning is a Diageo-led community investment programme initiative to empower women in the company's value chain. The programme aims to reach women of all socio-economic profiles, through training and skills development, in line with Diageo's commitment to workplace diversity.

Plan W Cambodia was kick-started by a Diageo Foundation community-led pilot of this initiative reaching Diageo's communities through social enterprise and development projects.

The aim of Plan W Cambodia was to empower women in marginalised communities to improve their prospects by establishing programmes to help them start businesses, increasing their skills and job opportunities, whilst providing better access to water and sanitation for rural Cambodians.

#### • What need was being met?

In 2010, only 23% of rural Cambodians had access to sanitation and less than half of all households in Cambodia had access to fresh drinking water. Women are typically responsible for managing the household water supply, family toilet habits, and general hygiene; if families are better able to practice safe hygiene and sanitation, the demand on women's time is eased.

Reducing waterborne disease: diarrhoea is the leading cause of infant and child mortality, accounting for nearly 800,000 deaths of children under the age of five. The negative impact of lack of access to water and sanitation facilities can be further exacerbated through lack of knowledge about hygienic behaviours.

Improving employment opportunities for women: although women feature prominently in the workforce, with 80% of women over 15 years old participating, the Ministry of Economy and Finance estimated that women represent 82% of the informal economy in agriculture, industry and services. However, the women are often paid little and are given few working rights.

#### Which Sustainable Development Goals does it meet?

SDG 1 No Poverty
SDG 3 Good Health and Well-being
SDG 5 Gender Equality
SDG 6 Clean Water and Sanitation
SDG 8 Decent Work and
Economic Growth
SDG 10 Reduced Inequalities

#### Project summary

#### Safe Water Marketing: Water Filters:

WaterSHED developed a product range of ceramic water filters, creating employment opportunities and economic empowerment for women.

Sanitation Marketing: The project enabled WaterSHED to continue to promote lower cost latrines to rural consumers, and facilitate a business relationship between local microfinance organisations and latrine suppliers to enable consumers to more readily access finance for their latrine purchase.

Women's Economic Empowerment: The partnership led to Diageo commissioning research relating to women's economic empowerment through WASH (Water, Sanitation and Hygiene), including a gender-sensitive vulnerability and capability assessment to identify barriers to women's empowerment and to develop opportunities to overcome them through market-based programmes. WaterSHED conducted a series of workshops with 20 women who worked as suppliers, sales agents, or market facilitation specialists for the WASH market in rural Cambodia, to develop their skills in setting and reaching professional and business goals, and financial and business management. Participants were also trained in peer mentorship techniques and formed their own peer mentoring circles, for the purpose of goal tracking and collective problem solving.



SKILLS FOR LIFE

SKILLS FOR LIFE

# Case study: Plan W: Empowering Women Through Learning – Cambodia

#### Project impact / outcomes

"Lift one woman out of poverty and she'll bring four more people with her [out of poverty)" CARE International. The Safe Water Marketing programme directly impacted 88,000 women, and was estimated that the 'multiplier effect' to have indirectly benefitted a further 440.000.

The water filter female wholesalers, together with retailers and sales agents, sold 1,400 water filters enabling over 6,700 people to gain access to treated drinking water. The additional benefits created by the supply of these filters were manifold: providing access to safe, clean drinking water; enhancing community health; removing the need to boil water before drinking, and to burn fuel, bringing environmental benefits (reduced household air pollution) resulting in better community health, fewer respiratory diseases and improved safety; and a sustainable, reusable product.

The Sanitation Marketing project worked with 49 suppliers (29 of which were womanowned or co-owned). 2,600 latrines were sold resulting in over 12,300 people gaining access to improved sanitation.

#### How is the project / model / approach sustainable?

Based on the achievements and lessons learned through the partnership, WaterSHED was successfully selected by the *Bill & Melinda Gates Foundation* as one of approximately 20 successful grantees from a pool of more than 1,700 applicants in 2015 for funding further expansion of the programme. WaterSHED's proposal "Empowering Women and Increasing Sanitation: Making the Rural WASH Market" scaled up the training and mentorship network and the research agenda that were first piloted under Plan W.

Further projects were supported by the Diageo Foundation in Vietnam, Nepal and Sri Lanka, in partnership with CARE International, under the Plan W women's empowerment community programme.

#### · What are the key learnings?

Evaluation of the pilot projects helped WaterSHED and Diageo to develop a better understanding of the impact on and opportunities for women through market-based interventions, and identified opportunities that informed the subsequent funding proposal to and grant by the Bill & Melinda Gates Foundation.



"WaterSHED's business approach to sanitation has helped accelerate sanitation coverage in Cambodia. If we can better recruit and retain women in the industry, then we're much more likely to see universal access in the next decade. That would be a major win for a country where, just a few years ago, 75% of the population was defecating outdoors."

- Geoff Revell,

Program Director WaterShed

"Many women are interested in running their own WASH business, but they face real challenges in turning this interest into profit. Our goal is to create an environment that enables women to thrive in this market and to learn from role models in the industry."

Sarah van Boekhout,

Women's Empowerment Program Manager

"Plan W Cambodia is a great example of the Diageo Foundation being a catalyst for applying the company's commercial skills and resources to meet specific community needs and to make a real difference. Through funding from Diageo Foundation, we developed targeted water and sanitation solutions for women, positioning our partners well to secure further funding from the Gates Foundation, enabling them to scale the programme even further."

– Georgie Passalaris,

Skills and Empowerment Manager, Sustainable Development, Diageo, and Trustee, Diageo Foundation



Sokheng Srun went from working in a garment factory to running a small construction business that grew from a twoperson family shop in 2008 to a multi-staff operation that sells hundreds of toilets a year.



For Seang Loy Gov, starting a small construction business was a retirement plan after decades of selling fish at a market. Today, she runs one of the most successful construction and toilet businesses in her province.

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#### Introduction

More than 10 million people in 18 countries in Africa given access to clean drinking water

Access to safe drinking water is one of the biggest problems the world faces today. It is estimated that one billion people still do not have access to safe drinking water; 400 million of those people live in Africa.

The Diageo Foundation's Water of Life programme has focused on humanitarian projects which improve access to drinking water in developing countries, or which aid environmental conservation.

Water of Life takes its name from the translation of the Gaelic term for whisky: uisge beatha. The programme has supported practical initiatives, educational schemes and research projects focusing on: introducing or improving water supplies; sanitation; waste water disposal; and helping eradicate waterborne disease.

In 2006, Diageo's businesses in Africa worked with the Foundation to deliver a commitment to provide safe drinking water to one million people in Africa per annum. This 'One Million Challenge' rallied Diageo employees globally to rise to the fundraising challenge to support water projects in Kenya, Uganda, Tanzania, Nigeria, Burkino Faso, Ethiopia and Ghana.

The case studies in this section showcase: a flagship community project installing water treatment centres across Ghana; and a brand-led example, in which the Bundaberg Rum brand team and Diageo Australia requested seed-corn funding and expertise to establish a water conservation project backed up by the brand's cause-related marketing campaign.

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#### water health

· Where?

Ghana.

• When?

2012 - 2013.

#### • Who was involved?

Diageo Foundation, Guinness Ghana Breweries Ltd (GGBL), WaterHealth International (WHI), Global Environment & Technology Foundation.

#### Funding

Diageo Foundation total spend in Ghana: USD 660,000.

#### Beneficiary: who / what was impacted?

80,000 people within 1km access of ten sites across Ghana in rural and peri-urban areas: Northern and Eastern, Volta, Ashanti, Brong-Ahafo and Greater Accra regions.

#### Project aims

The Safe Water for Africa programme aimed to provide safe water access in the countries most "off-track" in meeting the Millennium Development Goal on water. The Diageo Foundation worked in partnership with WHI to install water treatment centres across Ghana, to provide affordable, high-quality potable water from local contaminated water sources.

#### • What need was being met?

Waterborne diseases cause 80% of deaths in low-income countries. Safe drinking water is key to good health, productivity and poverty reduction.



#### Which Sustainable Development Goals does it meet?

SDG 6: Clean Water and Sanitation.

#### Project summary

The Safe Water for Africa programme included other partners such as the Coca-Cola Africa Foundation and was managed as a business – a partnership between the private sector, multi-lateral agencies, local governments, and communities. The implementing partner for the projects, WHI is a company that develops, installs, and operates water purification and disinfection systems. WHI houses these water treatment systems in small-scale, decentralised facilities called WaterHealth Centers in local communities. At an initial investment of less than USD 10 per person, more than a decade of healthy drinking water to communities in need can be provided.

Each WaterHealth Center employs sedimentation, filtration and ultra-violet technologies to purify and disinfect contaminated waters. Treated water (which is tested to WHO Quality standards) is then sold to local community members at costs significantly lower than local market rates. WaterHealth Centers are designed to be the hub of activity in the communities in which they are installed.

The project aimed to work at a global level to increase awareness of water, sanitation and hygiene issues with African governments, the general public, and key corporate, government, and philanthropic stakeholders, with a focus on the need for sustainable service provision. It also promoted hygiene and raised awareness around the health benefits of safe water.

WATER OF LIF

#### Project impact / outcomes (for all Water of Life projects across Ghana)

An impact study sampled 49 projects across 40 communities (out of a total of 68 projects in 58 communities). Results showed:

- Water of Life projects were the main and most reliable source of water supply for 79% of beneficiary households.
- The programme supports 37% of women in their commercial activities and a reduction in time used sourcing water daily by 33% enhancing their participation in income-generating activities and community governance.
- The incidence of waterborne diseases reduced from 15% to 3% in beneficiary communities.
- An estimated 34,000 jobs and livelihoods are being supported post implementation of projects.
- It is estimated that, by collecting the minimum level of taxes for the different classes of local businesses supported, local governments could amass annual revenue of 2.2million Ghana Cedis (USD 760, 000).



#### How is the project / model / approach sustainable?

WaterHealth International guarantees the sustainability of safe water service provision and the reliability of the systems for at least a ten year period through maintenance contracts with communities which can be renewed at regular intervals to provide safe water for life.

Operating costs are covered through the sale of water, ensuring the sustainability of the system. A portion of surplus revenues is also contributed to a community development fund.

Jobs are created through the hiring of 3-5 local community members to work with WaterHealth International to operate, manage and maintain each WaterHealth Center, with an additional 5-10 being temporarily employed to assist in its construction.

WaterHealth International's model has been very successful in India and Ghana and the Safe Water for Africa partnership aims to replicate this success across the African continent.

#### What are the key learnings?

The impact study recommended that Guinness Ghana Breweries Ltd should take steps to fully leverage this programme to build enduring relationships with stakeholders at the community, district and national level.

The project demonstrated the power of business-driven partnerships to address complex development challenges and the pilot provided a model for future collaboration between water, sanitation, and hygiene (WASH) donors.



"On behalf of the leadership and people of this community, I want to extend our profound gratitude to GGBL and the Diageo Foundation for investing in Domeabra in such an impactful way. With the opening of this Center, community members will no longer rely on streams and boreholes for their drinking water needs, they now have a sustainable source of clean drinking water and it is our expectation that this will contribute significantly to improving the health and wellbeing of community members."

- Hon. Adu Johnson,

Member of Parliament for Ahafo Ano (Domeabra WaterHealth Center)

"The water from the well is very salty but we did not have much of a choice, but this water tastes good. It is clean and clear and when you fetch it, you can see the base of your container."

- Sala Fuseini.

age 12, community member (Makango WaterHealth Center)

"The water from the new WaterHealth Center is very good. Since I started taking it, I can see my health has improved. This community extends its profound gratitude to GGBL and the Diageo Foundation for bringing us the gift of life."

- Kpembewura Nyen-Churo Ebore II,
 the Chief of Kpembe (Kpembe WaterHealth Center



Dr Nick Blazquez with James Crampton, former Diageo Foundation trustee l am incredibly proud that Diageo's Water of Life One Million Challenge delivered on its ambitious aim of vinging clean water to one million people every year mpacting the lives of 10 million people across Africa. was delighted that this programme's contribution to the communities across Africa was recognised by the Clinton Global Initiative.

Through supporting community-based projects, as well as aiding environmental conservation and delivering capacity-building training with local partners, the One Million Challenge enabled us to focus the company and our employees behind an issue that really matters: safe, clean water – the most basic of human rights"

Dr Nick Blazquez,

President, Diageo Africa and Asia Pacific 2004-2016

#### Case study: Bundaberg Rum Bush Fund



· Where? Australia.

· When?

2003 - 2009.

#### Who was involved?

Diageo Australia / Bundaberg Rum/ Diageo Foundation / Landcare Australia.

#### Funding

The Diageo Foundation donated an initial £250,000 from its 'global brands' fund in 2003: £200,000 from its Disaster Relief fund in 2006

in response to Cyclone Larry; and a further £130,000 between 2011 - 2013 in response to floods and regional economic recovery. Between 2003 - 2009 Diageo Australia and Bundaberg Rum contributed AUD 150,000 and raised over AUD 6million from consumers and other organisations.

#### Beneficiary: who / what was impacted?

Regional communities in Australia were assisted to rebuild and sustain landscapes affected by natural disasters, including droughts, forest fires, floods and cyclones. WATER OF LIFE



#### Project aims

The Bundaberg Rum Bush Fund was set up to provide long-term funding for water conservation projects in drought-stricken, rural Australia. The Foundation was able to provide kick-starting funding to the community benefit aspects of this brand-led initiative which could then leverage wider funding and local volunteer involvement.

Special Bundaberg events helped to encourage people to get together to do something for their local community and environmental conservation. Following Cyclone Larry, the Fund provided additional emergency relief followed by longer-term help for recovery programmes, including for farmers in re-establishing their crops.

#### • What need was being met?

Rural Australia suffers from severe water stress which threatens communities. ecosystems and the long-term sustainability of the environment. The Murray-Darling river is Australia's longest river which impacts three states, and includes Australia's biggest agriculture centre (\$10 billion industry) - a vital source of food for Asia as well as Australia. Two million people live in its catchment area which includes Queensland, the heart of Bundaberg Rum's consumer community, to whom issues around water and the conservation of protective ecosystems are a matter of great concern.

#### • Which Sustainable Development Goals does it meet?

SDG 15 - Life on Land

#### Project summary

- In 2002 the Diageo Foundation provided seed-corn funding to kick-start Diageo Australia's Helping Hands employee involvement initiative, championed by the country MD. This matched payroll giving scheme led to widespread employee fundraising and volunteering in partnership with a range of social and environmental initiatives with not-for-profit organisations.
- Bundaberg Rum had a long history of grassroots involvement and had raised funds throughout Australia for outback communities. Following concerns about the severe damage caused by a series of exceptional flooding and forest fires in Queensland, The Bundaberg Rum brand team approached the Diageo Foundation to help establish a regional community fund to provide support to rural areas, and around which the brand could engage their consumers and trade customers in brand-led fundraising and volunteering activities.
- Diageo Australia, together with the Foundation, identified Landcare Australia, a leading environmental organisation as an ideal partner to manage key environmental projects.
- The brand team's role was to mobilise over 150 community and sporting events each year to raise awareness of the cause and raise funds for the 'Bundy Bush Fund'.



- The sporting events included Bundaberg brand-led Legends of League events which secured support from other companies and engaged football players to participate in community games to raise funds.
- In 2004 the Bundaberg Rum Bush Fund staged the Murray River Revival Tour – a ten day concert tour to highlight issues affecting the river.
- In 2006 the Legends of League match and a special one-off cricket match in Melbourne led a major fundraising campaign to assist communities affected by Cyclone Larry, and to help rebuild the land and waterways that form the backbone of the region.
- Project impact / outcomes (for all Water of Life projects across Australia)

The many projects supported by the Bundaberg Rum Bush Fund included:

- Three major catchment-scale Landcare projects in Queensland, New South Wales and Victoria.
- Seven Murray River 'Bullseye' Landcare projects.

- Over 45,500 native seedlings planted with hundreds of hectares protected through fencing to nurture natural plant regeneration.
- Many community Landcare local groups and at least 1,500 local volunteers connected with Bundaberg Rum Bush Fund Landcare projects through onground works.
- Repair to ecosystems associated with over 100 waterways across Australia and extensive weed removal in sensitive riverbank zones.
- Dozens of threatened species protected, including: regent parrots, river red gums, turtles, crayfish, Murray cod, regent honeyeaters, stream frogs, Mary river cod, marron and silver perch.
- Improved water quality, with reduced nutrients and salinity reaching major rivers.
- Following Cyclone Larry in 2006, additional help provided for recovery programmes including for farmers in re-establishing their crops.

#### How is the project / model / approach sustainable?

With the collaboration and support of federal and state government, corporate partners and local communities, there are over 5,400 Landcare groups across Australia, and over 20 countries have now adopted the Landcare model. Within this context, the Bundaberg Rum Bush Fund was able to help contribute to many major Landcare projects over 10 years.

#### • What are the key learnings?

- The project provided a platform to engage employees, consumers and business partners on a massive scale across Australia.
- The Diageo Foundation ensured that a suitable NGO was engaged with the right governance structures in place and the ability to apply and administer funds raised within a 'designated fund' in regular consultation with company and brand representatives.
- Kick-start funding by the Foundation in the establishment of the Fund led to the brand being able to leverage significant external funding which benefited the community and helped the brand raise the profile of the issue.
- The focus was directly relevant to the brand and its consumers. Consumer insight evaluation confirmed that consumers and key stakeholders were inspired by, and valued, the Bundaberg Rum Bush Fund's contribution towards enriching communities affected by environmental issues which were of public concern.

"The format of the Bush Fund project, including social events for all the community, and the practical and productive nature of the environmental work, has provided both a material impact and a morale boost for the community. Volunteers attending included many local farmers and business people who had been directly impacted by the fires."

- John Websdale, Chief Executive, East Gippsland Shire Council

"Support from the Bundy Bush Fund facilitated the involvement of hundreds of people in activities throughout the catchment and will ultimately benefit threatened species habitat, biodiversity and water quality in this region. We extend our heartfelt appreciation to Landcare

- Harry Jamieson, Chair, Mary River Catchment Coordinating Committee

"We wanted to be able to contribute actively to the communities in which we operate and play a leadership role in helping others to help themselves. I am proud of what we have developed with huge enthusiasm from our employees."

- John Pollaers, Managing Director, Diageo Australasia

#### Introduction

More than £2 million spent on disaster relief and reparation

More than 50 disaster relief projects initiated in

32 countries across 6 continents

When natural disasters strike, lives and livelihoods are destroyed, leaving survivors in desperate need of both immediate humanitarian aid and longerterm support with the restoration of basic facilities and infrastructure.

Since 1999, the Diageo Foundation's Disaster Relief programme has responded to major disasters in communities across the globe. It has supported emergency humanitarian aid missions, particularly those run by Diageo's Spirit of the Americas Fund, as well as co-ordinated worldwide employee-led giving and volunteering to support longer-term reparation projects. A key focus of projects has been to ensure that survivors of disasters are empowered to be able to sustain themselves economically.

In 2004, the Foundation set up a South East Asian Tsunami Fund, matching employee donations, which, when added to contributions from local businesses, exceeded £1m. This was invested in reconstruction and sustainability programmes in India, Indonesia, Sri Lanka and Thailand. The Foundation applied this model to support a range of subsequent projects including: Cyclone Larry in Australia; the Sichuan Earthquake; forest fires in Greece; the Ebola outbreak in Sierra Leone; famine in East Africa: and the typhoon in the Philippines.

The case studies in this section showcase: a coordinated response to the Indian Ocean tsunami; and how learnings from this and other earlier initiatives were applied to help in the aftermath of the 2010 earthquake in Haiti. Both are examples of how the Foundation was able to help enable both swift and sustainable responses, working in partnership with NGOs and in conjunction with Diageo's employees, businesses and brands.

#### • Where?

Thailand, India, Sri Lanka, Indonesia, Seychelles.

#### • When?

2004 - 2006.

#### • Who was involved?

Diageo Foundation / Diageo businesses in Thailand, India, Sri Lanka / Keep Walking Thailand Tsunami Fund / Diageo employees across the world / a range of NGOs.

#### Funding

Combined funding from Diageo businesses and the Diageo Foundation: £1.4 million, including employee donations of over £100,000.

#### Beneficiary: who / what was impacted?

Survivors and coastal communities devastated by the 2004 Indian Ocean tsunami.

#### Project aims

To provide: assistance for immediate disaster relief; coordination of worldwide employee giving and desire to volunteer; and longer-term empowerment and sustainability projects, in conjunction with Diageo businesses, brands and volunteers and aligned with all four of the Foundation's focus areas: Disaster Relief, Skills for Life, Water of Life and Local Citizens.



#### What need was being met?

On 26th December 2004, an earthquake in the Indian Ocean triggered one of the deadliest natural disasters in recorded history – a series of devastating tsunamis along the coasts of neighbouring landmasses, killing 230,000 people in 14 countries, and inundating coastal communities – almost all in Diageo markets.

Many buildings, vehicles and public utilities were swept away; survivors needed immediate humanitarian help; basic facilities and infrastructure needed to be restored and people empowered to sustain themselves economically; and coastal communities wanted follow-up guidance on precautions to take to deal with future tsunamis.

#### Which Sustainable Development Goals does it meet?

SDG 6: Clean Water and Sanitation

SDG 8: Decent Work and Economic Growth

SDG 11: Sustainable Cities and Communities

#### Project summary

Immediate relief: The Foundation was called on to help by Diageo businesses and employees. It provided immediate donations in response to international agency appeals and worked with trusted in-market NGO and government agency partners to target supplies to hardest-hit local communities not otherwise receiving effective, short-term help. For example, the Foundation and Diageo Moet Hennessey Thailand (DMHT) jointly funded the Sri Siam Foundation and Thai military to distribute food and basic living essentials to victims in cut-off and remote Thai coastal villages.

#### Employee giving and involvement:

In response to employee expectations across the world, the Foundation set up and administered a designated employee giving fund which was matched by the Foundation. Following wide consultation with staff, the employee fund was used for two additional initiatives:

- to enable teams of employee volunteers from around the world to work on supervised community re-building projects in India and Sri Lanka
- to fund a separate humanitarian disaster relief project in Banda Aceh – a devastated and remote area in Indonesia, which received no other assistance.

#### Examples of Diageo business and brand fundraising included:

- Diageo Asia the Johnnie Walker Golf Classic raised £600,000 – with a focus on encouraging tourism (particularly golf tourism) back to Thailand.
- The 'Keep Walking Thailand Tsunami Fund' set up jointly by DMHT and the Foundation became a focus for the fundraising events across Asia markets to support longer-term projects.
- Diageo Australia Bundaberg Rum's sponsorship of a Tsunami benefit international cricket match raised £100,000 though proceeds from beverage sales at the event; this facilitated the funding of a mineral water shipment to Aceh by the International Red Cross.
- Diageo Nordics business and employee donations raised over £80,000 for international aid organisations.

DISASTER RELEII

#### Case study: Indian Ocean Tsunami

- Diageo North America - business and employee donations raised £115,000 (USD 200,000) which funded a reconstruction project in Kalikuppam, India.

Longer-term sustainability projects in Thailand: A new groundwater pipeline system was built to provide water supplies to six southern provinces impacted, in partnership with Thailand's Groundwater Resources. A year later, Thai Ministers, VIPs, and community leaders, together with Diageo business partners and employee volunteers attended a launch and celebration of the completed project.

#### Project impact / outcomes

Thailand: Vital household items (including mattresses, blankets, rice cookers and gas stoves) reached 1,050 families in Phuket and Krabi, plus Tsunami emergency guidance books; reinstatement of long-term municipal water supplies in six southern provinces: and initiatives to kick-start the Thai tourist industry and local economy.

#### India – Tamil Nadu and Pondicherry: Immunisation: medical health care and counselling to local communities followed by the construction of children's centres and 40 family houses in the worst affected areas; and

the donation of more than 20 fishing boats, fishing nets, computers, sewing machines and other equipment enabling victims to earn their livelihoods.

Sri Lanka - Palliyawatte: Reconstruction of a community centre, enterprise units and 20 residential houses (construction team included five teams of Diageo volunteers).

Aceh, Indonesia - funded by the employee giving fund:

- 'Youth with a Purpose' 1,000 young men and women were given leadership skills training including project design and implementation, and provided with seed funding to support the reconstruction and rehabilitation of their communities.
- Specialist counselling and training helped 10,000 parents to help them and their Tsunami traumatised children deal with their grief, and then gradually restore their self-esteem, dignity and independence.

Employees: Diageo employee volunteer teams who worked on a week-long project, organised by Habitat for Humanity, re-building homes in south-west Sri Lanka, reported that they found the experience transformational for their own lives in their understanding of the impacted communities. They felt an intense feeling of pride in Diageo for being given the opportunity to participate with the support of the company and the Foundation.

#### • How is the project / model / approach sustainable?

- Following a review of Diageo's overall response and impact, the Foundation's guidance and toolkit were updated and shared across Diageo.
- These learnings were applied in subsequent responses to natural disasters, with a continued emphasis on the Foundation's role in kick-starting the longer-term sustainability of impacted communities as a follow up to third party triage and other immediate relief. This included responses to Hurricane Katrina in New Orleans, and Cyclone Larry in Queensland Australia during the following two years.

#### • What are the key learnings?

- Having a Disaster Relief policy and processes already in place enabled the Foundation to respond immediately, by making grants towards international appeals.
- Diageo businesses and the Foundation were able to call on a network of trusted and reliable NGOs to enable direct local action for hardest-hit communities.
- The Foundation's role was widely recognised, and its response expected, by Diageo employees from the outset. Employees were able to make personal donations via the Foundation with confidence that the designated fund would be matched and treated separately from other corporate efforts.
- Many employees volunteered to help as well as give money. This was managed so that all efforts could initially be directed through specialist NGOs and other agencies best placed to tackle challenging conditions in delivering immediate help; opportunities were then developed with partner agencies to enable employee volunteers to get involved when they could be of most help rather than a possible hindrance or at risk.



plant in Ko Phuket



"HRH Princess Sirindhorn, under whose patronage the groundwater project was planned and implemented, expresses her gratitude to all those who participated in this vital rescue mission."

The office of HRH Princess Sirindhorn of Thailand

"The Diageo Foundation's Disaster Relief programme has been exemplary in the way it harnessed the desire of Diageo employees to give and to get involved, and applied its own expertise in working in partnership with agencies on the ground, orchestrating a swift and effective response to provide practical solutions and hope to communities impacted by devastation and destruction."

 Ian Wright CBE, Corporate Relations Director, Diageo and Diageo Foundation trustee, 2004-2014

DISASTER RELEIF

Earthquake survivors receiving relief

supplies from the Diageo team.



Unloading emergency health kits and food supplies from Diageo's airlift at Port-au-Prince, Haiti

· Where?

Haiti.

• When?

2010 - 2012.

#### Who was involved?

Diageo Foundation; Diageo Spirit of the Americas Fund (SoA); Diageo businesses in Latin America, Caribbean and USA; Diageo employees across the world; Habitat for Humanity.

#### Funding

Total £328,000 comprising:

- Diageo Foundation donation to Spirit of the Americas emergency fund £50,000 (USD 80,000).
- Employee donations via Giving for Good website – £54,000
- Matched funds from Diageo Foundation £54,000
- Diageo Foundation donation to Habitat for Humanity – £50,000
- SoA relief operation (Diageo North America) – USD 193,000 (£120,000)

#### Beneficiary: who / what was impacted?

Survivors and communities devastated by the 2010 Haiti earthquake.

#### Project aims

To provide assistance for immediate disaster relief following the earthquake; to coordinate worldwide employee giving and desire to volunteer; and to create a longer-term empowerment and sustainability project. This project crossed over into the Foundation's Skills for Life focus area.

#### • What need was being met?

Death toll estimates from the magnitude 7.0M earthquake and its aftershocks ranged from 100,000 to over 300,000. The government of Haiti estimated that 250,000 residences and 30,000 commercial buildings had collapsed or were severely damaged. An estimated three million people were affected; homes, communication systems, air, land, and sea transport facilities, hospitals, and electrical networks were damaged, hampering rescue and aid efforts.

#### Which Sustainable Development Goals does it meet?

SDG 6: Clean Water and Sanitation

SDG 8: Decent Work and Economic Growth

#### Project summary

#### Immediate relief:

- The Diageo Spirit of the Americas Fund and the Diageo Foundation were immediately called on to help by Diageo businesses and employees. The Spirit of the Americas Fund was established in the aftermath of the 9/11 attacks to provide immediate relief and disaster aid around the world, with Diageo volunteers accompanying the relief supplies to the crisis zone and helping to distribute the aid. It had established a close working relationship with the Bridge Foundation, a non-governmental organisation which facilitates the logistics of humanitarian aid projects.
- The Foundation made an immediate £50,000 donation to Diageo's Spirit of the Americas' humanitarian aid programme.

#### Case study: Haiti 2010 Earthquake



 Diageo's SoA 747 airlift departed two days after the earthquake struck, delivering 45,000 lbs of disaster relief including new WHO-sanctioned emergency health kits, and food supplies including beans, rice and cooking oil.

#### Employee giving and involvement:

- A small team of experienced Diageo volunteers formed part of the emergency airlift team on the ground.
- The Foundation's Giving for Good employee giving mechanism, set up in response to the Tsunami disaster, enabled Diageo employees across the world to make donations, matched by the Foundation, towards the longer-term Haiti disaster relief work.

#### Longer-term sustainability project:

- In the poor, overcrowded earthquakeaffected areas of Haiti, Habitat for Humanity was working to support 50,000 disadvantaged families by providing housing solutions for people unable to return to their homes which had been destroyed.
- The Foundation funded a project for families living in camps in Léogâne, which involved: new homes constructed by their own labour in integrated communities on land donated by the regional municipality; the development of infrastructure to create communities for the beneficiary families; and training and livelihood support to those working in local construction.

#### Project Impact / outcomes

- The immediate emergency airlift provided emergency health kits and food supplies to care for more than 10,000 people for 90 days.
- In 2013, Habitat for Humanity completed a 3 1/2 year impact report on their reconstruction project in Léogâne.
   Outcomes included 300 permanent homes and 5,000 upgradeable shelters with access to clean water, supporting 2,500 direct beneficiaries and their wider communities on a long-term basis.

#### How is the project / model / approach sustainable?

- The project laid the groundwork for a sustainable community on a planned development with roads, drainage, water and sanitation solutions, together with access to health, education, jobs, transportation and other community services.
- The focus on empowering the community towards a vision of what they wanted their community to be was regarded as essential for long-term sustainability, and for restoring hope.
   In each community Habitat for Humanity worked closely with individuals, community-based organisations and local government to involve them in planning and decision-making.



#### • What are the key learnings?

Having a Disaster Relief policy and processes already in place enabled both the Diageo Spirit of the Americas Fund and the Foundation to be able to complement each other in providing well honed, rapid and longer-term responses to international disasters.

The Foundation was able to call on Habitat for Humanity, a trusted partner with which it had previously worked on rehabilitation projects in other countries. Habitat had well-established management and evaluation systems to monitor projects against objectives and progress indicators.



"Many wonder why we do not just donate money and stay out of the way. Through our experience in humanitarian aid over ten years we have learned that in many places the authorities welcome this kind of practical help."

Senior Vice President of Communications,
 Diageo North America, who was part of the corporate volunteer team on the ground in Haiti

"Habitat Haiti is grateful for the donation towards the Haiti Earthquake recovery and reconstruction efforts. The Diageo Foundation donation supported the construction of a new settlement, housing over 1,500 residents affected by the 2010 earthquake. Seven years on, the community of Santo is sustaining itself and continues to build a place they can call home."

- Mike Meaney, Chief Operating Officer, Habitat for Humanity Haiti

#### Introduction

#### More than 35,000 grants to charitable initiatives

awarded through employee matched and payroll giving programmes in the UK alone.

The commitment to enrich lives, communities and the environment through good business is a vital part of Diageo plc's Sustainable Development agenda. In addition, many Diageo employees are generous with their own time and money, fundraising and volunteering for community activities and causes which matter most to them.

The Diageo Foundation's Local Citizens programme has supported Diageo's employees and businesses in actively engaging in their community.

Through Local Citizens, the Foundation has provided a systemised approach to supporting and recognising employees' voluntary contributions, assessing community needs, harnessing employees' skills, and encouraging volunteering and fundraising. This has provided opportunities for employees to get involved in their local communities and to be a catalyst for positive, sustainable change.

The Foundation has been able to leverage Local Citizens programme initiatives to tie in with and add value to projects within its Water of Life, Skills for Life and Disaster Relief focus areas. Projects supported across the world have included: team-based challenges and volunteering; one-to-one mentoring; matched giving; community assignments with not-for-profit agencies; business-led community initiatives; Earthwatch fellowships; Give As You Earn and Double Your Fundraising schemes.

The case studies in this section showcase: the establishment of Giving for Good, a global employee-led giving programme supporting the Foundation's Water or Life projects in Uganda and Ghana; and Pub is The Hub, using Diageo's expertise and volunteering to develop a sustainable model for helping pubs to play a key role in regenerating rural communities in Great Britain.

# Case study: Giving for Good – employee giving programme



#### · Where?

Global programme supporting Water of Life projects in Uganda and Ghana.

#### • When?

2008 - 2014.

#### Who was involved?

Diageo Foundation, Diageo plc, Guinness Ghana Breweries Ltd, Uganda Breweries Ltd, Relief International.

#### Funding

Over £75,000 in employee donations channelled through Diageo Foundation's Giving for Good website into these two projects over three years.

#### Beneficiary: who / what was impacted?

By taking part in the scheme, Diageo employees were able to support schools and health clinics across Uganda and Ghana.

#### Project aims

Diageo employees and businesses have a long record of giving and volunteering in their communities through locally run programmes. For example, in the UK, the Diageo Foundation managed a variety of programmes to support employee giving, including matched Give As You Earn payroll giving, Double Your Fundraising and Retiree Matched Grants; over time, these programmes have been handed over to be administered by the Charities Aid Foundation, supported directly by Diageo GB rather than via the Foundation.

Building on these initiatives, The Foundation partnered with Diageo plc to establish Giving for Good as a coordinated approach to enable Diageo employees to support well researched community projects in local and/



or developing markets to tackle issues of concern.

#### • What need was being met?

Diageo employees frequently request opportunities to support local communities where the company operates. Following Diageo employees' huge response to provide

support following the Asian Tsunami and in response to feedback from the Diageo Employee Values Survey, the Giving for Good programme was developed by the Foundation. This provided an accessible, global platform for employees to support specific projects and see exactly how their funds were being spent.

LOCAL CITIZEN

# Case study: Giving for Good – employee giving programme

This case study focuses on two such projects:

- In Uganda, where eight million rural Ugandans do not have regular access to clean drinking water, only 12% of urban households have connection to a main water supply, and where diarrhoeal disease is the fourth leading cause of death.
- In Ghana, where three million people lack access to safe water due to drinking contaminated water, and diarrhoeal disease is the third most commonly reported illness at health centres across the country and is estimated to be the cause of 25% of all deaths.
- Which Sustainable Development Goals does it meet?

SDG 6: Clean Water and Sanitation.

#### Project summary

The Diageo Foundation was responsible for working with local Diageo businesses to develop the Giving for Good Water Filter Programme in partnership with Relief International, as well as ensuring that the money donated reached the intended recipients as each programme was rolled out.

The Water Filter Programme was designed to bring clean, safe drinking water to people attending schools and clinics in rural Uganda and Ghana by providing them with affordable, reliable 'CrystalPur' water filter kits which remove virtually 100% of all waterborne contaminants including bacteria, parasites and dirt that cause waterborne diseases, providing water for approximately 25 people for one year. The filters are durable and the element inside each one is designed to be replaced at low cost to the user.

Water filter kits cost £10 each and were donated to selected schools and clinics; Diageo employees could donate an amount of their choosing via a bespoke website

which showed details of the schools and clinics and testimonials from beneficiaries.

#### Project impact / outcomes

The programme provided an opportunity for employees across the world to get involved; some countries including Ireland, Norway and UK ran employee events to raise funds.

In Ghana over 3,500 kits were donated to schools and health clinics benefitting over 87,000 people.

Nurses and doctors at the health centres reported a reduction in staff illness following the introduction of the water filter, thereby lessening the strain on overworked staff and facilitating appropriate patient care, and improved patient health.

The water filters also served as a teaching point in the local communities in which the health centres were located on the link between good health and clean drinking water.

A study commissioned by Relief International showed multiple benefits following introduction of the filters, including: a significant decrease in symptoms of illness and reduction in absenteeism in schools; an increase in students' attentiveness and concentration in lessons; a reduction in household expenditure on medicines for sick children; and a reinvestment of the budget formerly used to buy water sachets reinvested into classroom materials and school meals.



#### How is the project / model / approach sustainable?

As technology in the area of online giving has evolved in recent years, the Diageo Giving for Good website has been replaced by a partnership with Ammado. Ammado is a unique donation platform offering online fundraising and donation services to nonprofits and companies; it can facilitate donations in over 80 currencies and translate text into numerous languages giving employees globally an easy way to donate.

The filter project was designed so that filters and replacement kits would continue to be available and affordable after the programme had ended.

The water project had positive synergies with a sister programme sponsored by the Arthur Guinness Fund, which supported the introduction of a distribution network for the filter, recruiting retailers to sell and promote it to low-income households. The commercial availability of filters has ensured that replacement filters and parts have continued to be available in the communities.

#### • What are the key learnings?

- Using an online donation platform enables employees across the world to donate and fundraise easily.
- Employees want their funding and/or volunteer time to be well managed and effective to make a discernable difference.
   Keeping them engaged by reporting on positive impact helps build their trust, sense of achievement and passion to do more.

"The establishment and test-piloting of Giving for Good by the Diageo Foundation showed the enormous impact that can be made through a coordinated corporate partnership. Employees were able to make a huge difference to communities in Africa through this programme."

- Lynne Smethurst, Diageo Foundation Manager

"The Giving for Good website ensured that donations could be tagged against our fundraising efforts so we could keep track of how much we'd raised. It was the perfect medium for rallying teams and colleagues to work together towards a common cause"

Ruth Kirkup.

Diageo Corporate Relations, who organised a Three Peaks challenge to fundraise for the Giving For Good water project



LOCAL CITIZENS

· Where?

England, Wales and Scotland.

• When?

2001 – to date.

• Who was involved?

Diageo Great Britain / Diageo Foundation.

Funding

Approximate total from Diageo Foundation and Diageo plc £350,000.

### Beneficiary: who / what was impacted?

Local communities whose wellbeing is enriched by the additional service(s) that can be provided by the pubs that might otherwise close down; and the licensees and local suppliers whose livelihoods benefit, such as a farmer supplying additional locallygrown food to a pub shop, and the pub taking on additional staff or attracting more visitors to the area.



Many schemes benefit the vulnerable, elderly or isolated residents in rural areas who gain the opportunity to socialise more, e.g. to visit the pub's post office or library, to meet friends at the pub's coffee shop or to learn how to connect online through a pub's IT training course.

#### Project aims

Working collaboratively, the initiative encourages licensees, local communities, pub owners, breweries, local authorities and the private sector to work together to address community needs with additional services which can be provided by the pub, resulting in viable pubs and more sustainable and harmonious communities.

#### What need was being met?

The concept was developed in response to concern about the widespread closure of rural services, such as post offices, banks and shops as well as reductions in transport links, services for vulnerable adults, library closures and lack of internet accessibility.

#### Which Sustainable Development Goals does it meet?

SDG 8: Decent Work and Economic Growth

SDG 11: Sustainable Cities and Communities

#### Project summary

Diageo GB and the Foundation provided kickstart funding and supported Pub is The Hub's work over its first fifteen years. A number of Diageo volunteers provided a balance of complementary skills and experience to help capacity build the organisation:

• guidance on setting up a 'not-for-profit', governance, strategy and finance

- property estate management and regeneration
- marketing and brand expertise
- drinks industry operational nous
- engagement of other industry leaders.

A typical diversification project is initiated by a licensee enquiry, fielded by a Pub is The Hub advisor who assesses the options and ensures that the pub is well-supported throughout the project. Each project launch is followed up by an evaluation six months later.

#### Project impact / outcomes

Pub is The Hub has helped over 500 pubs to diversify and to remain viable across England, Wales and Scotland. Evaluations indicate that each project reaches an average of 800 people; this amounts to an estimated 400,000 people having been reached by projects over 15 years.

A follow-up £50,000 donation by Diageo plc in 2013 kick-started the Community Services Fund (CSF) as a fund of 'last resort' to encourage community-oriented pubs to diversify, with small grants of up to £4,000. (See Legacy projects: Community Services Fund for the impact that this investment has made, and the Foundation's plans to support this Fund going forward.)

Pub is The Hub's practical experience in, and understanding of, revitalising rural communities has been recognised by Government and it is regularly consulted for its views on new policy initiatives.

In recognition of all these impacts, Pub is The Hub received The Prime Minister's Big Society Award 2014.

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#### How is the project / model / approach sustainable?

Diageo's leadership and support has enabled Pub is The Hub to work together with the industry and grow strategically over fifteen years and to seek and win funding from government and Big Lottery. Its increasingly high profile has meant that industry partners and other funding organisations have been willing to donate, some for multiple years, which enables medium-term planning for priorities.

The partnership approach with local authorities has also seen the pub being viewed by county and district councils more as a valuable community asset than just an amenity that must be policed and monitored.

#### What are the key learnings?

 Investment, support and advice for diversification projects provided leverage for other public and private investment.  Partnership working with a shared vision and 'can do' culture, has enabled a small cohort of committed volunteers with the right trade experience. This is supported by non-executive directors on the Pub is The Hub board with a balance of skills to achieve a disproportionately wide impact.



LOCAL CITIZENS

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"By opening for a few additional hours each day in a largely underutilised space we can serve our local community with a new essential service providing additional employment and an outlet for locally-made goods."

- Anouska House.

Licensee, Miner's Arms, Mithian, Cornwall

"Pubs are integral to our social and cultural lives; they are the keys to the community. Without pubs we lose the glue that brings communities together."

- John Jowers, Cabinet Member for Communities & Planning at Essex County Council



"Pub is The Hub has created a culture of great collaboration and delivered real benefits to many communities. Pub is The Hub's CEO, John Longden, has been the mastermind behind this and deserves all the credit that he has been given. I am proud of the steadfast encouragement and support given to John by his ex-Diageo colleagues since the inception of this initiative."

- Paul Walsh, Chief Executive, Diageo 2000-2

Working in partnership with





HRH The Prince of Wales, Patron of Pub is The Hub, with CEO John Longden

#### Introduction

As a conclusion of the Foundation's mission, Diageo plc has requested that remaining unallocated reserves should fund a number of projects to develop a suitable and lasting legacy of the Diageo Foundation.

Over its 25 year history, the Foundation has responded to a number of major social and environmental issues across the world, allocating our resources to projects where we could make the most difference, some of the most significant of which are highlighted in the Timeline section of this Report.

In considering the Foundation's Legacy projects, and 'handing on the torch' we have combined two approaches:

- i) Identify and support self-sustainable projects which can continue the work established by the Foundation's focus areas and which can further support the community dimension of Diageo plc's social and sustainability programmes.
- ii) Help kick-start cross-sector responses to wider, long-term issues facing mankind and, in a small way, help progress towards the Sustainability Development Goals.

The trustees have accordingly identified and set up the following initiatives. We hope these programmes will provide a fitting conclusion to the Diageo Foundation's 25 year legacy of making a difference and will be a means by which we can hand over the torch, with confidence that Diageo can continue to be a catalyst for change for good for the next 25 years to come, and beyond.

- Geoffrey Bush, Diageo Foundation

LEGACY PROJECTS

# Water of Life Development of an instant water quality analysis device for potable water



#### Project Aim:

To accelerate the development of a water quality analysis device which can determine the potability of water quickly, effectively and at low cost. The funding will accelerate development of the device to the point that it can be commercialised for use in both disaster relief scenarios and in low-resource communities on an ongoing basis.

"Thousands of boreholes are repaired in Malawi each year. A major dilemma is the ability to establish if the water is safe to drink post repair and testing therefore is hardly ever done. The fluorescence spectroscopy device developed by Birmingham University provides a brilliant solution, offering a near instant answer to the potability of restored water points. The device will plug a serious gap in borehole repair programs."

- Wiktor Chichlowski, Director, Fisherman's Rest Community Projects LEGACY PROJECTS



#### Need being addressed:

The lack of capability to determine the safety of water in areas of poor sanitation and following natural disasters, where water can be contaminated and unsafe to drink, leads to widespread waterborne disease.

SDG 6: Clean Water and Sanitation

#### Partner:

University of Birmingham

#### Diageo Foundation Grant: £100.000

#### **Project Summary:**

The Diageo Foundation grant is enabling the University of Birmingham's research team to complete the development of a working prototype of a water testing device. Using an optical technique called 'fluorescence spectroscopy', the standalone device has the capability to provide near-instantaneous indications of whether water is unsafe to drink, using only a small (~10ml) sample and without the need for expensive reagents. Using existing instrument prototypes, the ability to detect E Coli concentrations of 5 CFU/100ml has already been demonstrated. The device will have clear applications: (i) spot sampling of water supplies immediately post-disaster, and (ii) community empowerment via appropriate technology for longer-term water quality monitoring. Additionally,

it can be used for process performance monitoring and optimisation at municipal water and wastewater treatment works in low resource countries. Results can be read directly from the built-in display and the system has a USB interface which allows local data collection via a PC or tablet, and transmission to allow water quality to be monitored on-site or remotely.

The University of Birmingham will work with other NGO partners to ensure that the finished device meets end-user requirements, and field-based research will be undertaken in urban and rural communities in Nigeria, before bringing the fully tested, branded, low cost product to market.



"The development of a rapid water quality test is a real game changer for public health in developing countries."

- Dr Elizabeth Miles, Network Coordinator of the UNESCO UNITWIN Network in Humanitarian Engineering

"This injection of funding from the Diageo Foundation is enabling us to transfer knowledge from a research project to a finished product which has the potential to be revolutionary in its ability to enhance the health and wellbeing of millions of people on the planet who lack access to safe, clean, potable water."

- John Bridgeman, Professor of Environmental Engineering, University of Birmingham

#### Water of Life Leading the business case for investment in water, sanitation and hygiene (WASH)



#### **Proiect Aim:**

To develop a programme to mobilise the private sector to spearhead action within agricultural supply chains to improve sustainable access to Water, Sanitation and Hygiene (WASH) to the world's poorest and most marginalised communities.

#### Need being addressed:

An estimated one billion people still lack access to safe drinking water; increasing access to water, sanitation, and hygiene is central to meeting global development goals on poverty, health, education, and economic growth.

Whilst leading companies recognise the macro-economic case for investment in a sustainable supply chain, there is a need to bring impetus to overcome barriers and scale up corporate WASH action. The business benefits of WASH include a healthier workforce: reduced absenteeism: increased productivity; improved relations with suppliers; improved reputation; and increased supply chain resilience.

SDG 6: Clean Water and Sanitation

"Increasingly, companies such as Diageo are recognising the strong economic sense of investing in water, sanitation and hygiene, as for every £1 invested, at least £4 is returned in increased productivity. This new research, supported by the Diageo Foundation, will highlight the pivotal role the private sector can play by investing in water and sanitation within their supply chain."

- Barbara Frost, Chief Executive, WaterAid



#### Partner:

WaterAid

#### **Diageo Foundation Grant:**

£75,000

#### **Project Summary:**

Focusing on the corporate agricultural sector in developing countries, the Diageo Foundation's grant will support:

**Phase 1**) of WaterAid's programme to provide an evidence-driven investment case and effective materials to guide, promote and scale up supply chain action on and investment in WASH.

WaterAid will identify the methodology for data collection, the scope of the programme and any existing gaps in the evidence, as well as identifying the key tools and guidance required.

WaterAid, consultants and networks will work with Diageo plc to outline key action areas for WASH and initial projects to be implemented within Diageo's supply chain, and a suite of promotional materials will be created to champion and promote further business engagement and additional funding from the private sector and other sources.

In **phase 2**), Diageo plc will spearhead these initiatives, working with WaterAid to help promote the projects and their anticipated outputs, outcomes and impact, to help engage other businesses and funders.

In phase 3) Monitoring and evaluation will be undertaken to improve the activity and as a means to ensure that a clear business case for the promotion of further engagement and

investment in supply chain WASH is established.

The programme will take a collaborative approach to draw on and share examples and learnings across different initiatives and sectors.



"Leading activity around how water is managed throughout supply networks is critical to the development not only of Diageo's business but also of the communities where we work. This significant piece of work is an integral part of our sustainable development strategy, supporting scale impact of the WASH agenda, helping those communities to thrive, creating shared value and supporting delivery of the Sustainable Development Goals."

- David Croft.

Global Sustainable Development Director, Diageo

LEGACY PROJECTS

# **Skills For Life** Learning for Life – World Class Projects, Bartenders

#### **Project Aim:**

To provide skills for disadvantaged young people to be suitably qualified to gain employment in the hospitality areas of cruise ships. This pilot initiative will form the basis of a five year plan to expand this recruiting mechanism across the Caribbean and Central American cruise destinations, with the ambition of generating employment for more than 3,000 young people, and creating a blueprint for other regions of the world where Diageo plc and cruise liners have a commercial relationship.

#### Need being addressed:

This project builds on the Diageo Foundation's Learning for Life legacy, addressing lack of employment and opportunity for disadvantaged young people from the Island nations, Central American countries and port cities called upon by cruise ships.

SDG 4: Quality Education

SDG 8: Decent Work and Economic Growth

SDG 10: Reduced Inequalities

SDG 11: Sustainable Cities and Communities

#### Partners:

Cruise ship operators; NGOs: IDEJEN (Haiti), and FIU (Miami-Dade), both of which have a proven background delivering Diageo Foundation Learning for Life programs; and Diageo plc.

#### **Diageo Foundation Grant:**

Kick-start funding for the pilot project in 2017: £75,000, which will be matched by cruise ship operators. Subsequent funding will be matched between Diageo Global Travel and cruise ship partners to ensure the initiative's sustainability from 2018 through to 2022.

#### Project Summary:

This partnership will adapt exisiting Learning for Life training modules to suit the needs of the cruiseline industry. For the first pilot, 100 students, 50 from Miami-Dade county and 50 from Haiti, will be recruited, followed by a second module of equal scale to solidify the modus operandi, content and effectiveness of the training program. The first graduation and employment contracts will take place by June 2017 with the second pilot concluding in December 2017. Running the pilot in Miami-Dade county and Haiti allows access to pre-existing structure to support the training, and during this time, the expansion plan will be costed and agreed, with plans made to identify 'next stage' ports and find appropriate training partners and stakeholders.

This will be the hallmark Learning for Life initiative of Diageo's Global Travel market, whilst also linking directly into Diageo's Caribbean, Central America, and North America markets, and will be used as a major employee volunteering and stakeholder engagement platform for all partners.

"I am fully supportive of the plan to develop a Learning for Life program of longevity with key business partners. In achieving this, the skills training and subsequent employment generated will have a major impact on many vulnerable communities across the Caribbean and Central America markets."

- Alberto Gavazzi,

President, Diageo Latin America and Caribbean and Diageo Global Travel

# **Skills For Life** Assessing barriers and opportunities for women within Diageo's value chain in Ethiopia

#### Project Aim:

To carry out an analysis of Diageo's Ethiopian value chain from a gender perspective in order to identify key barriers and enablers to women's empowerment in the value chain, and practices that can be replicated. The insights gained from this work will inform and assist the adoption of best practice gender-sensitive approaches to sustainable sourcing within the industry, influencing sector-wide changes for women in supply chains.

#### Need being addressed:

Women in supply chains face significant equality challenges; globally, women provide 43% of agricultural labour but own less than 2% of land and receive less than 10% credit for farming.

According to the U.N. Food and Agriculture Organization, if women had the same access to land, technology, financial services, education, and markets as men, yields on women's farms could increase from 20% to 30% which would feed between 100 million and 150 million more people – children, women, and men who would otherwise go hungry.

The project addresses SDG 5: Achieve gender equality and empower all women and girls.

#### Partner:

**CARE International** 

#### Diageo Foundation Grant:

£61,000

#### **Project Summary:**

The Diageo Foundation grant will enable CARE International to identify women's and men's roles at different stages along the value chain, and to identify key barriers – including the risk of gender based violence – and enablers to women's economic empowerment.

The project will bring together a core team from CARE and Diageo to design and scope the project and determine evaluation methodology. Interviews will be carried out with: the Diageo Ethiopia country lead and their teams; a variety of partners including suppliers, co-operatives and technical partners; and women community leaders, smallholders, producers, paid and unpaid workers and entrepreneurs. Assessments will determine: existing Diageo best practices; Diageo's performance compared with industry best practices; and what is working well and can be replicated in different contexts.

The outputs will include recommendations for businesses to improve programme quality from a gender perspective, and findings and learnings that can be shared with other Diageo sourcing countries and key industry players.



"Diageo Foundation's funding of this research into the key barriers and enablers in Diageo's Ethiopian value chain will help CARE towards our global goal to ensure 30 million women have greater access to and control over economic resources by 2020.

Our partnership with Diageo aims to enable best practices to be established within the industry, creating significant, positive change for women in supply chains, giving them a strong and equitable voice and new, economic opportunities."

- Laurie Lee, CARE International UK Chief Executive

LEGACY PROJECTS

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# **Local Citizens** Industry Philanthropy – The Worshipful Company of Distillers' Charity

#### Project Aim:

To kick-start a long-term sustainable fundraising model to make a difference to the lives of young people by improving alcohol education, training and vocational opportunities, and supporting vulnerable people and other charitable causes related to the UK drinks industry.

#### Need being addressed:

A 2016 survey by the Central YMCA identified the top challenges facing 16-25 year olds as being 1) lack of employment opportunities and 2) failure to succeed in the education system. These issues are of particular concern to young people from lower income families, further perpetuating financial inequality.

In addition, there is a high incidence of need for support amongst adults facing financial hardship, health or other life issues within the drinks / hospitality industry.

SDG 4: Quality Education

SDG 8: Decent Work and Economic Growth

SDG 10: Reduced Inequalities

#### Partner:

The Distillers' Charity of the Worshipful Company of Distillers is a City of London Livery Company and represents the UK distilling sector. It provides leadership in philanthropy by convening industry companies to support fundraising for important charitable causes, with a focus on education.

#### **Diageo Foundation Grant:**

£25,000

#### **Project Summary:**

In 2013 the Worshipful Company of Distillers held a Distillers' Charity Rare and Collectable Auction of spirits – raising over £250,000 for charitable causes – and is looking to roll this out into a fundraising programme that can be repeated regularly.

The Diageo Foundation's grant will be held by The Worshipful Company of Distillers in a designated reserve to provide kickstart funding for Distillers' Charity Rare and Collectable Auctions; it will be replenished after each auction, either by other grants received and/or part of the auction proceeds, in order to enable subsequent auctions to proceed without the need to seek further kick-start funding, thereby ensuring sustainability of the programme.

Targeting key trade buyers, high net worth collectors and guests of participating industry companies, the auction aspires to become the world's most prestigious auction of rare and collectable spirits. Each auction will aim to generate a sum of £250,000, garnering the support of the major brand owners by way of donated lots.

Net proceeds will go towards: alcoholrelated education targeted at young people; education and training of young people within the spirits and associated trades; and in support of relevant philanthropic projects supported by the industry.



The Worshipful Company of Pistillers

"This Diageo Foundation grant, for which we are deeply grateful, will enable us to realise this exciting project which has the potential to create a long-term sustainable model for fundraising by the Livery, significantly increasing our ability to generate funds to make a difference to the lives of those in need. Philanthropy is firmly at the heart of The Worshipful Company of Distillers and I am confident that this legacy will help bring fresh impetus to philanthropy amonast our industry."

- Richard Watling, Master, The Worshipful Company of Distillers

LEGACY PROJECTS

## Local Citizens Community Services Fund – Pub is The Hub

#### Project Aim:

The Community Services Fund is a designated fund administered by the not-for-profit organisation, Pub is The Hub (see Pub is The Hub Case Study for further information about its partnership work with the Diageo Foundation). This grant will provide ring-fenced funding to be applied towards a number of pub-based community projects for the benefit of rural communities in Great Britain.

#### Need being addressed:

Community-minded landlords have a requirement, unavailable from local sources, for funding to help them diversify and introduce initiatives to address the loss of rural services and activities for their communities. Many schemes benefit vulnerable, elderly or isolated residents in rural areas.

SDG 8: Decent Work and Economic Growth SDG 11: Sustainable Cities and Communities

#### Partner:

Community Services Fund (administered by Pub is The Hub).

#### Diageo Foundation Grant:

All remaining reserves at the point of the Diageo Foundation's dissolution in 2017 will be distributed to the Community Services Fund.

#### **Project Summary:**

In 2013, with the combined help from the Diageo Foundation and the Department for Communities and Local Government, the Community Services Fund (CSF) was launched with £100,000 as a 'fund of last

resort', where no alternative funding is available from the local authority or other bodies for a licensee with a proposed project.

The CSF provides individual grants of up to £4,000, subject to the project and the licensee fulfilling stringent qualification criteria. The administration, monitoring and evaluation of each grant is financed through the Fund, but all advice and project support is provided pro bono by Pub is The Hub.

The CSF kick-starts a range of social services and activities; grants to date have supported a number of community initiatives including: dementia clubs, disabled access, meals on wheels, parcel drop services, school meals, book exchanges, wi-fi provision, keep fit activities and defibrillators.

The CSF has a proven track record; as of 2016: 76 projects had reached over 83,000 local beneficiaries, creating 145 full, parttime and voluntary positions as well as opportunities for local suppliers; and a total of over £171,000 had been awarded, leveraging additional funding of almost £304,000 from local sources.

Pub is The Hub anticipates a multiplier of at least 2.6 on the Diageo Foundation's contribution, so that for every £1 in funding, a further £1.60 will be raised in public and private investment. As of 2016 there were 49 projects in the pipeline seeking funding, with the potential to provide 68 services benefiting a further estimated 40,000 local residents.



"Pubs are often at the heart of rural communities and in some places are the only outlet left in the village. This scheme is a great way for businesses, the public sector and communities to work together to provide viable local services which contribute to the social fabric and economy of rural Scotland."

- Richard Lochhead,

Cabinet Secretary for Rural Affairs, Food & Environment for Scottish Government 2007-2016

#### **Sustainable Development**

#### Sustainable Agriculture – empowering female farmers in Nigeria

#### **Project Aim:**

This pilot programme aims to contribute to increased incomes and reduced vulnerability for smallholder female farmers in Nigeria whilst providing a model for businesses to both improve the sustainability of their supply chain and to have a positive impact on the communities in which they operate.

#### Need being addressed:

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, underrecognised and hold insecure tenure such as land rights. Studies indicate that closing the gender gap in access to productive resources could increase agricultural output in the developing world by 2.5 - 4% and reduce the number of undernourished people by 12 - 17%

SDG 1 No Poverty

SDG 5 Gender Equality

SDG 8 Decent Work and Economic Growth

#### Partners:

Two leading international development agencies.

#### **Diageo Foundation Grant:**

An investment of USD140,000 (£110,000) from the Diageo Foundation, together with a contribution of USD 30,000 from Guinness Nigeria, will be matched by a grant of EUR 164,000 which has been secured from one of the international development agencies involved.

#### **Project Summary:**

The project will develop a direct relationship with farmers and create a new group of female farmers of cassava, to generate a sustainable, alternative supply of raw materials which are used in Diageo's supply chain in Nigeria.

Collaborating with third party providers, the funding will enable 1,000 new farmers to be trained in effective and sustainable farming techniques that improve yield and reduce potential environmental impact. Evaluation will be conducted using the global Social Impact Framework; it is anticipated that the pilot will demonstrate the positive benefits to all stakeholders of investing in female farmers in the supply chain, including improving the health and wellbeing, gender equality, and prosperity for the farmers and their communities; and increasing the sustainability of raw materials for businesses.

This programme will enable Diageo and its partners to develop a 'best in class' pilot delivering multiple outcomes in a holistic way, both increasing the value that the business contributes to the local communities, and providing a model which can be replicated across commodities and geographies.

"This important piece of work aligns with Diageo's 2020 Sustainable Development Strategy commitments: to build thriving communities – equipping people, particularly women, with access to skills and resources that enable them to improve their livelihoods; establishing partnerships with farmers to develop sustainable agricultural supplies of key raw materials; and sourcing 80% of agricultural raw materials locally in Africa by 2020."

- Osita Abana.

Sustainable Development & Alcohol in Society Manager, Diageo Nigeria (Guinness plc)

#### **Sustainable Development**

#### Forum for the Future's School of System Change

#### Project Aim:

To develop a sustainable development educational programme in systems change for sustainability, for community, business, international agency and NGO leaders.

#### Need being addressed:

World leaders are confronted with a host of environmental and social challenges. Building the capacity of today's and tomorrow's decision-makers to make the transformative shift from addressing symptoms, to starting to transform the bigger economic and social systems, is crucial to accelerating the transition to a sustainable world.

The School of System Change aims to fill the gap for a global platform to help leaders of NGOs and the private sector to apply systems thinking, and to scale solutions to meet these challenges.

SDG 17: Partnerships For The Goals

#### Partner:

Forum for the Future

#### **Diageo Foundation Grant:**

£85,000



#### **Project Summary:**

The School of System Change is an educational programme that enables community, business, international agencies and NGO leaders to learn the skills and access the tools they need to address complex sustainable development issues.

The programme will provide a portfolio of learning experiences for people at different stages of their career and act as a platform, signposting interested parties to the best of learning offers on system change around the world. Its ambition is to build a global community of change agents, versed in the practice of transformational system change.

The Diageo Foundation's grant will provide kick-start funding:

- 1) To build a knowledge and learning infrastructure for the School of System Change, drawing on the wealth of content and capacity for system change developed within Forum for the Future since it was established in 1996.
- 2) To effectively reach community, business, international agencies and NGO leaders through innovative marketing and communications, to attract them to the School's courses and encouraging participation in its collaborative knowledge and learning platforms.

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LEGACY PROJECTS

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"The School of System Change sets out to build on the systematic approach already established by The Diageo Foundation. We have much to learn around catalytic innovation, capacity building, project longevity and evaluation, and as a result of that, will be much better prepared to incorporate learning from some of today's most significant ground-breaking approaches to sustainability – the circular and collaborative economies, for instance, bio-mimicry, open-source innovation and so on. Above all, our focus is on taking this to scale, cross-sectorally and globally."

Jonathon Porritt, Founder Director, Forum for the Future





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#### Mike Tuffrey, Director and Co-Founder, Corporate Citizenship

"I'm grateful for the opportunity to reflect on the work of the Diageo Foundation over the last quarter of a century and offer readers a perspective about lessons for the wider 'companies in communities' sector that's now increasingly coming of age. My own journey on this subject began only a few years before the Foundation. With colleagues, we developed a methodology for evaluating corporate community investment, now used by hundreds of companies around the world. Grand Metropolitan was one of the six original founding firms of the London Benchmarking Group, (LBG.)

It's therefore good to see the rigour of that approach underpinning the presentation of this report – clear about the intended purpose of a project (motivation), precise about the size, type and origin of the contribution made (inputs), and focused on results, both activities undertaken and the longer-term change achieved (outputs and impacts). If that same approach were applied more widely to the billions spent on corporate donations globally – well in excess of \$50 billion a year by our estimates – then community need would be less acute, and the reputation of our big corporations less tarnished, I suggest.

A second learning point is from the way the Diageo Foundation has approached its task – its underlying philosophy: partnership working, capacity building, sticking with issues from early stage through to maturity, seeking out innovation, requiring independent assessment, and then being prepared to hand over to others and exit. Many aspire to this; few have applied it as consistently, year after year, as the Foundation has done.

This 25 year retrospective also presents an opportunity for reflection by those of us increasingly numerous – whose working lives are spent building better relations between business and civil society: what has been achieved in our sector, and how can we do more?

Not as old as the great professions of law or accountancy or the newer disciplines of marketing or human resource management, admittedly; still, we are just as essential to commercial success in a world where the challenges of the next quarter century look more and more complex. The need for companies to understand the world beyond their operational boundaries can only grow. There are many lessons within this report to guide us all.

And that takes us, finally, to Diageo itself, and its pledge to mainstream the work of the Foundation and mandate local markets to increase direct engagement in place of the Foundation. Perhaps this is a coming-of-age moment; it certainly isn't an easy option for the markets.

Each will need to adopt the same professional and authentic approach shown here, and build on that legacy, as Ivan Menezes has pledged. Got right, Diageo will be a better business and communities around the world stronger and more resilient. whatever the next 25 years bring."

www.corporate-citizenship.com January 2017

#### Professor David Grayson CBE, Cranfield University School of Management, UK &

#### Jane Nelson, Director of the CSR Initiative, Kennedy School of Government, Harvard University, USA

"Diageo is to be congratulated on the longevity of its commitment to the Foundation. This report provides a clear and compelling account of the stewardship of the foundation over its life. In particular, it is encouraging to see the emphasis on independent impact assessments; the retrospective linkage to the SDGs; the success of grantees scaling-up through other funders; and the drawing out of key lessons for others.

The Diageo Foundation reflects a remarkable quarter of a century of pioneering leadership in corporate responsibility, with increasingly strong alignment to the capabilities and priorities of the core business in recent years. Some of the most important underlying themes, ahead of their time, that emerge throughout the report would now be referred to as 'systemic change, impact, scaling and systems leadership'.

One key message emerges from the report: the growing importance of collaboration between diverse actors for sustainable development. Now the baton passes from the Foundation into the core business. It will be instructive to read Diageo's Sustainability Reports in future years for hard evidence that the embedding of sustainability continues to develop."

#### **United Nations Sustainable Development Goals**















COMMENTARIES















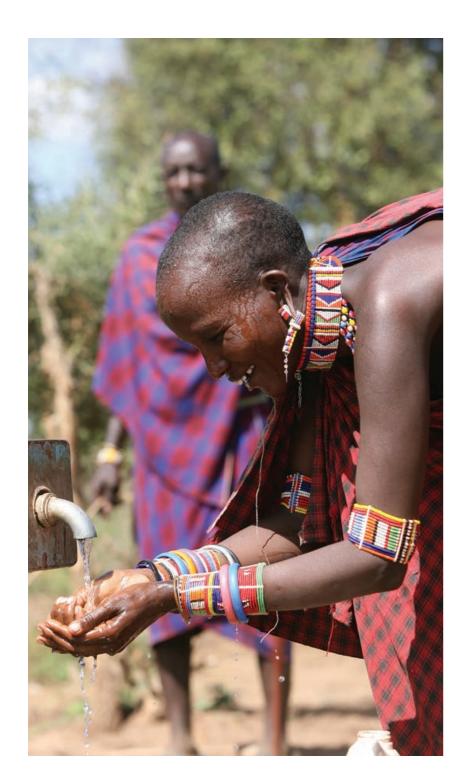












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