

LBG Assurance Statement IBERDROLA

MAS Business has been asked to provide assurance on Iberdrola's application of the LBG community investment measurement model for the year to 31st December 2018.

The LBG model helps businesses to improve the management, measurement and reporting of their corporate community investment. It moves beyond charitable donations to include the full range of contributions (in employee time, in-kind and in cash) made to community causes, and assesses the actual results for the community and for the business.

The model was developed by a group of businesses in 1994 as an internal evaluation tool and as a way to ensure greater consistency and comparability in external reporting. Today more than 300 leading international businesses apply the model around the world.

Iberdrola is a founder member LBG España and is actively driving forward the measurement of community investment.

Our assessment

MAS Business undertook a detailed assessment of Iberdrola's application of LBG principles. Our work consisted in checking that initiatives had been correctly classified according to the LBG principles, as evidenced by supporting documentation when necessary, as well as ensuring the accuracy of the consolidation of the data reported by the Iberdrola Group. The work performed did not extend to an independent audit of the data.

In our assessment, Iberdrola's community contributions data continues to reflect LBG measurement principles. In our commentary we review some of the developments in the data this year and identify some improvements that can be made as Iberdrola develops its application of the model in the future.

Commentary

This is the twelfth year that assurance has been provided on Iberdrola's community contributions data. Iberdrola has demonstrated that it continues to apply a systematic and comprehensive level of application of the LBG methodology for calculating its community investment.

It is appreciated the great effort made this year, which has substantially improved the way the information of their programs is captured. This effort is demonstrated through data traceability and more information on the results, outputs and impacts. The application of this new data collection system has revealed the company's important investment managing its social programs.

Although it is not part of the LBG methodology, the effort must be recognised that Iberdrola has made by meticulously classifying 95.72% of its programmes, in accordance with the underlying individual targets corresponding to the United Nations Sustainable Development Goals (SDG). In so doing, Iberdrola is able to have specific information regarding the results obtained on its contribution to the SDG, thanks to the indicators provided by LBG.

All these improvements demonstrate the importance Iberdrola places on its social projects and its commitment to the community.

We highly value that in 2019 Iberdrola will advance further in data collection on the outputs and impacts achieved from its projects, and look forward to seeing more information about them next year.

A handwritten signature in black ink, appearing to be 'John Scade', written over a light grey dotted background.

John Scade
MAS Business
www.mas-business.com
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