



Julián Martínez-Simancas
Secretary of the Board of Directors

Bilbao, 13 April 2018

To the National Securities Market Commission

Subject: Resolutions adopted by the General Shareholders' Meeting and by the Board of Directors of "Iberdrola, S.A."

Dear Sirs,

Pursuant to article 17 of Regulation (EU) No. 596/2014 on market abuse and article 228 of the restated text of the Securities Market Law, approved by the Royal Legislative Decree 4/2015, of 23 October (*texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*) and related provisions, we hereby inform you of the following:

A. Resolutions adopted by the General Shareholders' Meeting

The shareholders acting at the General Shareholders' Meeting of Iberdrola, S.A. ("**Iberdrola**" or the "**Company**"), held as of the date hereof upon first call, have approved each and every one of the proposed resolutions submitted to their vote included in the agenda in the terms of the documentation made available to the shareholders, copy of which was filed with you by means of the notices of significant event (*comunicación de hecho relevante*) dated 20 and 23 February 2018 (under registry numbers 261,746 and 261,908, respectively). Such resolutions are the following:

1. Resolutions relating to the annual financial statements and the management of the Company

The shareholders acting at the General Shareholders' Meeting have approved the annual financial statements for fiscal year 2017, of Iberdrola and of its consolidated group, the management reports of the Company and its consolidated group, as well as the corporate management and the activities of the Board of Directors during such fiscal year 2017.

2. Resolutions relating to the Board of Directors

The shareholders acting at the General Shareholders' Meeting have approved the re-election and appointment as directors, respectively, of Ms. Georgina Kessel Martínez and Mr. Anthony L. Gardner, for a term of four years as provided for in the *By-Laws*, with the status of independent director both of them.

3. Resolutions relating to remunerations of the shareholders

The shareholders acting at the General Shareholders' Meeting have approved:

- (i) Under item number six on the agenda, the allocation of results proposed by the Board of Directors in its meeting held on 20 February 2018.
- (ii) Under items numbers seven and eight on the agenda, two fully-paid increases in capital by means of the issuance of new ordinary shares of the Company at a maximum reference market value of EUR 1,310 and 1,140 million, respectively, for the free-of-charge allocation of new shares to the

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shareholders of the Company. Such resolutions include the delegation to the Board of Directors, with express power of substitution, of the powers required to implement those capital increases including, among others, the authority to amend the article of the *By-Laws* governing share capital.

These capital increases have been adopted for the purposes of implementing the new system “Iberdrola Flexible Remuneration” and offering all of the Company’s shareholders, under its instalments, newly-issued bonus shares or, alternatively, the payment of a cash-dividend (having also the possibility to sell the free-of-charge allocation rights corresponding to their shares in the market), pursuant to the Company’s *Shareholder Remuneration Policy*.

- (iii) Under item number nine on the agenda, a reduction in share capital by means of the retirement of a maximum of 198,374,000 own shares, representing 3.08 % of the share capital of the Company, by means of retirement of both currently existing treasury shares and own shares of the Company acquired through the settlement of derivatives acquired prior to the formulation of the proposal and through a buy-back programme.

Such resolution includes the delegation to the Board of Directors, with the express power of substitution, of the powers necessary to implement such decrease including, among others, the authority to amend the article of the *By-Laws* governing share capital and to apply for the delisting of the retired shares and for the removal thereof from the book-entry registers.

- (iv) Furthermore, the *Annual Director Remuneration Report* relating to financial year 2017 has been submitted to the consultative vote of the shareholders acting at the General Shareholders’ Meeting and a new *Director Remuneration Policy* has been submitted for its approval, being supported both of them by a large majority of the shareholders present in person or by proxy at the General Shareholders’ Meeting.

4. Resolutions relating to the authorization to acquire own shares of the Company

The shareholders acting at the General Shareholders’ Meeting have approved to authorize the Board of Directors, with express power of substitution, for the acquisition by the Company and/or by its affiliates, of the Company’s own shares in the terms provided for by the applicable legislation, revoking, in the outstanding amount, the authorization granted for the same purposes by the General Shareholders’ Meeting dated 28 March 2014.

5. Resolution relating to the formalisation of resolutions

The shareholders acting at the General Shareholders Meeting have resolved, without prejudice to the delegations mentioned above, to jointly and severally authorise the Board of Directors, the Executive Committee, the chairman & CEO and the secretary of the Board of Directors, such that any of them, to the fullest extent permitted by Law, may implement the resolutions adopted.

B. Resolutions adopted by the Board of Directors

The Board of Directors has approved, in its meeting held today, to appoint Mr. Anthony L. Gardner as member of the Corporate Social Responsibility Committee, following the report of the Appointments Committee of the Company.

As a result, the composition of the Company’s Board of Directors and of the Corporate Social Responsibility Committee after giving effect to the foregoing resolutions passed by the shareholders acting at the General Shareholders’ Meeting and by the Board of Directors is as described in the schedule to this notice of significant event.

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This information is provided to you for the appropriate purposes.

Yours faithfully,

Secretary of the Board of Directors

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Composition of the Board of Directors of Iberdrola, S.A.

Director	Title	Type
Mr José Ignacio Sánchez Galán	Chairman	Executive
Mr Íñigo Víctor de Oriol Ibarra	Member	Other external director
Ms Inés Macho Stadler	Member	Independent
Ms Samantha Barber	Member	Independent
Ms María Helena Antolín Raybaud	Member	Independent
Mr Ángel Jesús Acebes Paniagua	Member	Independent
Ms Georgina Yamilet Kessel Martínez	Member	Independent
Ms Denise Mary Holt	Member	Independent
Mr José Walfredo Fernández	Member	Independent
Mr Manuel Moreu Munaiz	Member	Independent
Mr Xabier Sagredo Ormaza	Member	Other external director
Mr Juan Manuel González Serna	Member	Independent
Mr Francisco Martínez Córcoles	Member	Executive
Mr Anthony L. Gardner	Member	Independent
Mr Julián Martínez-Simancas Sánchez	Secretary (non member)	
Mr Santiago Martínez Garrido	Vice-secretary (non member)	
Mr Rafael Mateu de Ros Cerezo	Counsel	

Composition of the Corporate Social Responsibility Committee of Iberdrola, S.A.

Director	Title	Type
Ms Samantha Barber	Chairperson	Independent
Mr Manuel Moreu Munaiz	Member	Independent
Mr Anthony L. Gardner	Member	Independent
Mr Fernando Bautista Sagüés	Secretary (non member)	

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IMPORTANT INFORMATION

This communication does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities. The shares of Iberdrola, S.A. may not be offered or sold in the United States of America except pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from registration.

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