



Julián Martínez-Simancas  
General secretary and secretary of the Board of Directors

Bilbao, October 26, 2011

**To the National Securities Market Commission**

**Re: Resolutions approved by the Board of Directors**

Dear Sirs,

Pursuant to Section 82 of Law 24/1988, of July 28, on the Securities Market (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) and related provisions, we hereby advise you of the following price sensitive information notice.

**Partial amendment of the corporate governance System**

On the date hereof, the Board of Directors of Iberdrola, S.A. (hereinafter, “**Iberdrola**” or the “**Company**”) has unanimously approved, among others, the following resolutions regarding the partial amendment of the corporate governance System of Iberdrola:

- (i) Amendment of the Regulations of the Board of Directors and of the Regulations for the Electronic Shareholders’ Forum with the purpose of incorporating the provisions of Law 25/2011 of August 1, which partially amends the Corporate Companies Law and transposes Directive 2007/36/EC of the European Parliament and of the Council dated 11 July 2007 on the exercise of certain rights of shareholders in listed companies (*Ley 25/2011, de 1 de agosto, de reforma parcial de la Ley de Sociedades de Capital y de incorporación de la Directiva 2007/36/CE, del Parlamento Europeo y del Consejo, de 11 de julio, sobre el ejercicio de determinados derechos de los accionistas de sociedades cotizadas*).
- (ii) Creation and regulation of two ethics suggestions boxes whereby both the employees of Iberdrola and its group of companies and the Company’s shareholders may give notice of any potentially significant irregularities, especially of a financial and accounting nature, that they notice at the Company, including the appropriate amendments to the Regulations of the Audit and Risk Supervision Committee, the Code of Ethics of Iberdrola and its group of companies and the general corporate governance Policy.

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- (iii) Approval of the shareholders and markets relations and information Policy, which restates and replaces both the previous shareholder relations Policy and the Policy regarding the provision of information to shareholders and to the markets.

The foregoing amendments will be available at the Company's corporate website ([www.iberdrola.com](http://www.iberdrola.com)).

### **Appointment of the new secretary of the Nominating and Compensation Committee**

Likewise, on the date hereof, the Board of Directors has unanimously approved the appointment of Mr. Rafael Mateu de Ros Cerezo, Counsel to the Board of Director, as new secretary of the Nominating and Compensation Committee, replacing Mr. Federico San Sebastián Flechoso.

Yours truly,

General secretary and secretary of the Board of Directors

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