



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

Bilbao, April 29, 2014

To the National Securities Market Commission

Re: Partial reform of the corporate governance System of Iberdrola, S.A. and re-election and appointment within the committees of the Board of Directors

Pursuant to Article 82 of Law 24/1988, of 28 July, on the Securities Market (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) and related provisions, we hereby inform you of the following resolutions that, among others, have been passed by the Board of Directors of Iberdrola, S.A. (the “**Company**”) on the date hereof:

1. Partial reform of the corporate governance System of Iberdrola

The Board of Directors has approved a partial reform of the corporate governance System of Iberdrola including, among others, the *Regulations for the Board of Directors*, the *Regulations for the Audit and Risk Supervision Committee*, the *Regulations for the Appointments and Remunerations Committee* and the *Dividend Policy* (renamed as *Shareholder Remuneration Policy*) of the Company to adapt its content to the new drafting of articles 34.5 and 44.3 of the *By-laws* approved by the General Shareholders Meeting held on March 28, 2014.

The versions in force of the documents comprising the corporate governance System of the Company can be accessed, in either its full or condensed version, on the Company’s corporate website (www.iberdrola.com).

2. Re-election and appointment within the committees of the Board of Directors

The Board of Directors have further resolved to:

- (a) Re-elect Mr. Julio de Miguel Aynat as chairman of the Audit and Risk Supervision Committee for a term of one year as from the date of expiry of his office, i.e., until June 21, 2015.
- (b) Appoint Mr. Fernando Bautista Sagüés as new secretary non member of the Corporate Social Responsibility Committee.

Yours faithfully,

General secretary and secretary of the Board of Directors

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