



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

Bilbao, 18 December 2012

To the National Securities Market Commission

Re: Partial amendment of the corporate governance System of Iberdrola, S.A.

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 that, on the date hereof, the board of directors of Iberdrola, S.A. (the “**Company**”) has approved a partial amendment of the corporate governance System of the Company, whereby it has been agreed:

- a) To amend the *Regulations of the Board of Directors* and the *Regulations of the Corporate Social Responsibility Committee*.
- b) To amend the following *Corporate Policies*: the *general corporate governance Policy*, the *Policy regarding the provision of information to and relations with shareholders and markets* and the *crime prevention and anti-fraud Policy*.
- c) To amend the following codes and internal procedures: the *Code of Ethics*, the *Internal Regulation for Conduct in the Securities Market*, the *Procedure for Conflicts of Interest and Related-Party Transactions with Directors, Significant Shareholders, and Senior Officers*, the *Internal Regulations for the Processing of Inside Information*, the *Action Protocol for Investigating Possible Unlawful Uses of Inside Information*, the *Summary of the Action Protocol for Investigating Possible Unlawful Uses of Inside Information*, the *Action Protocol for the Management of News and Rumours* and the *Code for the Separation of Activities of the Companies of the Iberdrola Group Carrying Out Regulated Activities in Spain*.
- d) To approve the *Regulations of the Compliance Unit*.

The purpose of the amendment is to update the corporate governance System of the Company to advance in the improvement of compliance procedures and structures of the group according to the highest international standards in business ethics.

The foregoing amendments will be made available in due course at the Company’s corporate website (www.iberdrola.com).

Yours faithfully,

General secretary and secretary of the Board of Directors