

Bilbao, 24 February 2020

To the National Securities Market Commission

Re: Other relevant information / Share buy-back programme of Iberdrola, S.A.

Dear Sirs:

Pursuant to the provisions of section 227 of the restated text of the Securities Market Act (*Ley del Mercado de Valores*), approved by *Royal Legislative Decree 4/2015, of 23 October*, and related provisions, we hereby inform you that, on the date hereof, the Board of Directors of Iberdrola, S.A. ("**Iberdrola**" or the "**Company**") has resolved to implement a buy-back programme of the Company's own shares (the "**Buy-back Programme**") in accordance with the authorisation granted by the shareholders acting at the General Shareholders' Meeting held on 13 April 2018, under item twelve of the agenda.

The Buy-back Programme is carried out pursuant to *Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures* ("**Delegated Regulation 2016/1052**") with the objective of reducing the share capital of the Company, subject to the prior approval of the shareholders acting at the General Shareholders' Meeting called on the date hereof to be held on 2 or 3 April 2020, on first and second call, respectively, under such terms as are agreed thereby.

The Buy-back Programme will reach up to 111,867,723 shares, representing approximately 1.733 % of the share capital of Iberdrola as of the date hereof and the maximum pecuniary amount allocated to the programme is euro 1,565,000,000.00. The Buy-back Programme will be executed under the following terms:

- (a) The shares will be purchased at market price, subject to the price and volume conditions set forth in article 3 of *Delegated Regulation 2016/1052*. In particular, insofar as the price is concerned, the Company will not buy shares at a price higher than the higher of the following amounts: (i) the price of the last independent trade; or (ii) the amount corresponding to the highest current independent purchase bid on the trading venue where the purchase is carried out.

As regards volume, on any trading date Iberdrola will not buy more than 25 % of the average daily volume of the shares on the trading venue in which the purchase is carried out, which will be based, according to article 3.3.a) of *Delegated Regulation 2016/1052*, on the average daily volume traded during the month preceding the month of this disclosure. To these effects, attached as an Annex is the maximum fixed volume applicable, for the duration of the Buy-back Programme, to each trading venue in which purchases of own shares are expected to be carried out.

- (b) The Buy-back Programme will commence on 25 February 2020 and will remain in force until 12 June 2020.

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IBERDROLA, S.A. Registered office – Plaza Euskadi, 5 48009 Bilbao (Biscay)
Commercial Registry of Biscay, volume 17 of the Companies Book, folio 114, page 901 (now BI-167-A), entry 1 – Tax ID no. A-48010615
www.iberdrola.com



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Notwithstanding the above, Iberdrola reserves the right to early terminate the Buy-back Programme if, prior to the last effective date (*i.e.*, 12 June 2020), the Company has acquired the maximum number of shares authorised by the Board of Directors, the maximum pecuniary amount allocated to the programme has been reached, or when other circumstances render it appropriate.

- (c) The interruption, termination or amendment of the Buy-back Programme as well as the purchases of shares thereunder will be duly communicated to the National Securities Market Commission through the corresponding notices, with the frequency provided by the *Delegated Regulation 2016/1052*.

Finally, in connection with the reduction in share capital that will be submitted for the approval of the shareholders at the General Shareholders' Meeting to be held on 2 or 3 April 2020, on first and second call, respectively, we hereby inform you that, in addition to the shares purchased by virtue of the Buy-back Programme, part of said share capital reduction, if approved, may also entail the redemption of all or a portion of the own shares acquired pursuant to the settlement at maturity, no later than 12 June 2020, of certain derivate instruments entered into by the Company before the date hereof. Pursuant to the settlement of said derivate instruments, Iberdrola may acquire a maximum of 36,608,240 own shares.

Of which we inform you for such purposes as may be appropriate.

Sincerely,

The secretary of the Board of Directors

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ANNEX

Maximum fixed volume applicable, on any trading date, for the duration of the Buy-back Programme at each trading venue

Trading venue	Maximum fixed volume (shares)
BME	3,289,581
CHI-X	843,794
BATS	440,673
TURQUOISE	204,742
AQUIS	385,540

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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.

This communication contains forward-looking information and statements about Iberdrola, S.A., including financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, capital expenditures, synergies, products and services, and statements regarding future performance. Forward-looking statements are statements that are not historical facts and are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates” and similar expressions.

Although Iberdrola, S.A. believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of Iberdrola, S.A. securities are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Iberdrola, S.A., that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the documents filed by Iberdrola, S.A. with the *Comisión Nacional del Mercado de Valores* and which are available to the public.

Forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of Iberdrola, S.A. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they were made. All oral or written forward-looking statements hereby made or otherwise attributable to Iberdrola, S.A. or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified on its entirety by the cautionary statement above. All the forward-looking statements included herein are based on information available on the date hereof. Except as required by applicable law, Iberdrola, S.A. does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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