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Letter from the chairman

Ignacio Galán
Chairman of the Board of Directors & CEO
of IBERDROLA, S.A.
“We look after our more than 600,000 shareholders and involve them in our corporate life, and we constantly improve on our leadership at corporate governance and transparency”

Last year, Iberdrola approved its Shareholder Engagement Policy, which marked an important milestone in the evolution of our relations with all of you. The company has become the first electricity company, of the ten largest in the world by stock market capitalisation, that has approved an engagement policy with which our shareholders strengthen their rights and their involvement in the company through new channels of participation and a constructive, ongoing, and effective two-way dialogue. In sum, we have further embraced the links with our almost 600,000 shareholders throughout the world, who are at the centre of our strategy and our Corporate Governance System.

The policy, which is one of the fundamental cornerstones of our corporate governance strategy, further develops the idea behind our Vision: “we want to be the leading multinational group in the energy sector at the forefront of a better future, sustainably creating value with a quality service for people: customers, citizens and shareholders (who we care for and involve in our corporate life)”. We have been making a tremendous effort in the past years to constantly improve on issues of corporate governance, ethics, and transparency, which puts us at the forefront of best international practices and has led to our being recognised and awarded by prestigious global organisations. As a sign of our commitment to corporate social responsibility, we will also be the first electric company from among the ten largest in the world, to be accredited for compliance with the ISO 20121 standard for sustainable event management at our 2016 General Meeting.

For purposes of the meeting, we will be holding the second edition of Shareholder Day, which will be preceded by a series of events organised around what we call Shareholder Week. The goal of these activities is to strengthen the significance of all of you in our history of success and for you to be able to continue deepening your knowledge of the great company that Iberdrola is today.

In this Shareholder’s Guide, with which the Board of Directors wants to promote your attendance and informed participation at the General Meeting, you will find the more significant aspects regarding the operation thereof as well as your rights linked to the holding of such Meeting.

I would like to thank you once again for your support and confidence, and to reiterate Iberdrola’s commitment to a sustainable business model, with people at the centre of all decisions, that seeks to create long-term value for all of you, our shareholders, and for all of society.
Iberdrola’s Board of Directors
The Board of Directors of IBERDROLA, S.A. ("Iberdrola" or the "Company") is responsible for ensuring and facilitating the orderly conduct of the General Shareholders’ Meeting, and for such purposes makes available to the shareholders this Shareholder’s Guide, which clearly explains the most significant aspects regarding the operation thereof and the procedures established for the exercise of their rights at the General Shareholders’ Meeting.

The members of the Board of Directors make up the Presiding Committee (Mesa) of the General Shareholders’ Meeting. In particular, the chairman and the secretary of the Board of Directors shall perform the duties of chairman of and secretary for the General Shareholders’ Meeting, respectively.

The composition of Iberdrola’s Board of Directors conforms to the needs of the various businesses and markets in which the group operates. Iberdrola’s directors are selected in accordance with a Director Candidate Selection Policy that is public, specific, and verifiable, and which sets out a wide range of criteria, including their professional qualifications, experience, origin, availability, and personal qualities.

The result of this selection of candidates is a balanced Board of Directors, made up of a large majority of independent directors, with high qualifications and ample professional experience and a broad diversity in terms of expertise, origin, and gender. The foregoing, together with the high-level dedication required of its members, ensures the effective functioning of this body.
Distinctive Features of the Board of Directors

The Board of Directors has identified a number of features that their members must represent, in light of the current and future characteristics and needs of the business:
Administration / Senior Management / Resource Management
79% (11 of 14 directors)
Significant dimension of the Company (the largest electricity company in Europe by stock market capitalization) with relevant presence in various geographic zones and businesses through a multinational group of companies.

Accounting Management / Financial / Risk Management
71% (10 of 14 directors)
Activities carried out in an environment of regulatory and accounting standard changes with a high impact on the financial statements. Responsibility of the Board for supervising the management of risks.

Energy Sector / Technical / Corporate Governance
86% (12 of 14 directors)
Conduct of various activities in the energy industry, each of a highly different nature (regulated vs liberalised), financed through an international shareholder base that is broadly spread. Responsibility of the Board for corporate governance policies.

Commercial / International / Principal Markets
79% (11 of 14 directors)
Presence in multiple countries, with exposure primarily concentrated in five large geographic areas in the Atlantic axis: Spain, the United Kingdom, the United States, Mexico, and Brazil.

Institutional / Governmental / Legal
64% (9 of 14 directors)
High significance of relations with institutions, especially government entities, due to the greater weight of regulated businesses.

Remuneration / SRC / Management of People
71% (10 of 14 directors)
Responsibility of the Board remuneration, selection and corporate social responsibility (CSR) policies.

* As of 11 December 2015
Structure and Independence of the Board of Directors

All members of Iberdrola’s Board of Directors are external directors, except for the chairman, who is an executive director.
Classes of Directors

Executive: 1
Independent: 9
Proprietary: 1
Other external: 3

Consultative committees of the Board of Directors

Audit and Risk Supervision Committee: 3
Appointments Committee: 3
Remuneration Committee: 3
Corporate Social Responsibility Committee: 3

The independent director Inés Macho Stadler chairs the Remuneration Committee and is especially empowered to act as lead independent director (consejera coordinadora).

In turn, a majority of the non-executive directors are independent, and there is only one proprietary director (consejero dominical).

Independence of the Board of Directors

69%
75%

Percentage of independent vs non-executive directors
Percentage of independent directors on consultative committees
Renewal of the Board and Diversity

In recent years, the Board of Directors has undergone a significant renewal of its members that has allowed for an increase in diversity of gender and nationalities:
Length of Service of Non-Executive Directors

<table>
<thead>
<tr>
<th></th>
<th>0-5 years</th>
<th>6-9 years</th>
<th>10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>8</td>
<td>4</td>
<td>1</td>
</tr>
</tbody>
</table>

Diversity of Origin

<table>
<thead>
<tr>
<th>Number of countries of origin</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>France</td>
<td>3</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>USA</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Spain</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Diversity of Gender

<table>
<thead>
<tr>
<th>Percentage of female directors</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cuba</td>
<td>21%</td>
<td>29%</td>
<td>36%</td>
</tr>
<tr>
<td>Austria</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>France</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Diversity of Nationality

Principal markets of the Iberdrola Group

- Brazil
- Mexico
- United Kingdom
- USA
- Spain

Other nationalities on Iberdrola’s Board: France

Number of directors with nationality of countries involving the main markets of Iberdrola*

<table>
<thead>
<tr>
<th>Country</th>
<th>2013</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>USA</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Mexico</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

* In the case of directors with double nationality, both have been taken into account in the analysis.
Distinctive Features of the Members of the Audit and Risk Supervision Committee

It is especially important for the members of the Audit and Risk Supervision Committee to have prior experience in relation to the positions they hold. The three members making up the committee are independent, have been members of other boards of directors, come from geographical areas that are key to the activities of the Iberdrola group, and have experience in finance. All of them also have experience in the area of accounting, auditing, or risk management:
Committee comprised exclusively of independent directors

Members from three geographical areas that are strategic to the business activities of Iberdrola group

All members with significant experience in the area of accounting, auditing or risk management

Members of the Audit and Risk Supervision Committee

Chair: Georgina Kessel
- Chair of the Audit Committee of Scotiabank Inverlat (Board member since 2014)
- Chair of the Board of Directors of Pemex and CFE (2006-2011) and general manager of the National Mint of Mexico (2002-2006)

Member: Denise Holt
- Board member and member of the Risk Committee of HSBC Bank plc. (since 2011)

Member: José W. Fernández
- Chair of the Audit and Compliance Committee of Iberdrola USA (2014-2015)
- Partner at Gibson, Dunn & Crutcher, U.S. law firm specialising in international mergers and acquisitions and emerging markets finance

The position of secretary of the Audit and Risk Supervision Committee is held by an external lawyer (Rafael Sebastián Quetglas), which strengthens the independence of the committee.
Profiles

Below is a summary of the profiles of the members of Iberdrola’s Board of Directors, a more complete version of which is available on the corporate website (www.iberdrola.com):
<table>
<thead>
<tr>
<th>Name</th>
<th>Director since...</th>
<th>Classes of Directors</th>
<th>EC</th>
<th>ARSC</th>
<th>AC</th>
<th>RC</th>
<th>CSRC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr José Ignacio Sánchez Galán</td>
<td>2001</td>
<td>Executive</td>
<td>C</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Xabier de Irala Estévez</td>
<td>2005</td>
<td>Proprietary</td>
<td>M</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Iñigo Víctor de Oriol Ibarra</td>
<td>2006</td>
<td>Other external</td>
<td></td>
<td>M</td>
<td>M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ms Inés Macho Stadler</td>
<td>2006</td>
<td>Independent</td>
<td>M</td>
<td></td>
<td>C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr Braulio Medel Cámara</td>
<td>2006</td>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>Ms Samantha Barber</td>
<td>2008</td>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td>C</td>
<td></td>
</tr>
<tr>
<td>Ms María Helena Antolín Raybaud</td>
<td>2010</td>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td>C</td>
<td></td>
</tr>
<tr>
<td>Mr Santiago Martínez Lage</td>
<td>2010</td>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>Mr José Luis San Pedro Guerenabarrena</td>
<td>2012</td>
<td>Other external</td>
<td></td>
<td></td>
<td></td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>Mr Ángel Jesús Acebes Paniagua</td>
<td>2012</td>
<td>Independent</td>
<td>M</td>
<td></td>
<td></td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>Ms Georgina Kessel Martínez</td>
<td>2013</td>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td>C</td>
<td></td>
</tr>
<tr>
<td>Ms Denise Mary Holt</td>
<td>2014</td>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>Mr José Walfredo Fernández</td>
<td>2015</td>
<td>Independent</td>
<td></td>
<td></td>
<td></td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>Mr Manuel Moreu Munaiz</td>
<td>2015</td>
<td>Other external</td>
<td></td>
<td></td>
<td></td>
<td>M</td>
<td></td>
</tr>
</tbody>
</table>

C: chair M: member
Chairman & Chief Executive Officer

Ignacio Galán
Chairman of the Board of Directors and chief executive officer
Director since: 2001
Type: executive
Committees: Executive (chairman)
Age: 65

Ignacio graduated as an industrial engineer from ICAI (Universidad Pontificia Comillas). He also holds a degree in Business Administration from ICADE and a degree in General Corporate Management and Foreign Trade from Escuela de Organización Industrial in Madrid. He speaks English, French, Italian, and Portuguese.

Married and with four children, he adheres, above all, to fundamental values like integrity, effort, and commitment. Conscious of the significant role played by companies in today’s world and of their capacity to contribute towards a more sustainable society, at Iberdrola he develops a business model based on ethics, transparency, innovation, and the integration of people and cultures, designed to create long-term value for the benefit of its shareholders and of society at large.
Most significant experience

Track record before joining Iberdrola
He began his professional career at Tudor (now, Exide group), where he held various management positions and undertook the international expansion of this company engaged in the manufacture and sale of batteries. In the 1990s, he served as chief operating officer of ITP (Industria de Turbopropulsores), where he gave a boost to the design, manufacture, and maintenance of aeroplane engines and gas turbines and brought onto the payroll employees and technicians left unemployed after the restructuring of the shipbuilding industry in the Estuary of Bilbao. In addition, he served as chair of the European Eurojet aerospace consortium for the development and manufacture of the Eurofighter engine and as chief executive officer of Airtel (now, Vodafone Spain), where he worked towards the liberalisation of the telecommunications sector in Spain.

Work in Progress at Iberdrola
Since 2001, Ignacio has led one of the most successful transformation processes undertaken by a large company in recent years, which has allowed the Company to become the leading European electric company by stock market capitalisation. Iberdrola has also become a world leader in renewable energy, with close to 26,000 MW —more than half of its total installed capacity (more than 46,500 MW)—, and one of the most environmentally-friendly European electric companies.

All while maintaining Iberdrola’s long-term commitment to corporate governance, ethics, and sustainability, for which it has received, for the third consecutive year, the World Finance Corporate Governance award from the prestigious publication World Finance and the Best Corporate Governance Europe award from Ethical Boardroom. Iberdrola has also been distinguished as one of the world’s most ethical companies by the Ethisphere Institute, and is the only electric company in Europe to have been selected for inclusion on the Dow Jones Sustainability Index (DJSI) over the last sixteen years.

In the institutional arena, Ignacio has chaired the electricity cluster of the World Economic Forum (Davos) of which he forms a part, and he is a member of the Board and the Executive Committee of the European Round Table of Industrialists, of the Global Sustainable Electricity Partnership (sponsored by the United Nations) and of the group that brings together the main electric companies in Europe. In Spain, he is a member of the Consejo Empresarial para la Competitividad, the Círculo de Empresarios Vascos, the Círculo de Economía, and the Asociación para el Progreso de la Dirección (APD), among other bodies.

In the world of academia, he has been awarded honorary doctorate degrees by the Universities of Salamanca (2011), Edinburgh (2011), and Strathclyde (Glasgow) (2013), where he is also a visiting professor. Since 2012, he has chaired the Social Council of Universidad de Salamanca, which advocates internationalisation, innovation, and the alignment of university courses of study with current business needs.
“Iberdrola is going to continue to wager on a proposal of sustainable value for its shareholders and for all of society, consolidating its position in key strategic markets with a stable and attractive regulatory environment, which allows it to maintain a balanced risk profile while continuing to strengthen its financial strength and its operational efficiency. The Company will continue to lead this exciting and challenging transition of the industry towards low-emission and environmentally sustainable energy models, while also maintaining its firm commitment to the best corporate governance standards”.

He has received numerous awards throughout his career, including:

• Nine times (the latest in 2015) as Best CEO for European electric companies by the Institutional Investor Research Group.
• Responsible Capitalism Award, by the FIRST organization (2014).
• Gold Medal of the City of Salamanca, awarded by the Municipality of Salamanca (2013).
• Commander of the Most Excellent Order of the British Empire, by Queen Elizabeth II (2014).
• Best CEO in the European utilities sector and among Spanish listed companies for investor relations, according to the Thomson Extel Survey (2011).
• Lagun Onari (Friend of the Basques) distinction, bestowed by the Basque Government (2011).
• Member of GlobalScot, a worldwide network under the auspices of the Scottish government that brings together the businesspersons most fully committed to economic development in Scotland (2010).
• Gold Medal of the Province of Salamanca, awarded by the Provincial Council of Salamanca (2009).
• International Economics Award, given by the Cristóbal Gabarrón Foundation (2008).
• Business Leader of the Year Award, given by the Spain-United States Chamber of Commerce (2008).
• Best CEO of the Year Award, as part of the Platts Global Energy Awards (2006).
• Best CEO in Investor Relations Award, given by IR Magazine (2003-2005).
Non-executive directors

Xabier de Irala

Director since: 2005
Type: proprietary
Committees: Executive
Age: 69

Xabier earned a bachelor’s degree in industrial engineering and holds a postgraduate degree in Business Administration. He has spent part of his career at industrial companies in the energy sector. He has been executive vice-chair and chief executive officer of the ABB group’s subsidiary in Spain and a director at Enagás, and has also held various management positions at General Electric. He possesses additional experience in other fields, with his positions as chair of Iberia and chair of BBK being particularly noteworthy.

He currently divides his time working on his position at Iberdrola with his work as a member of the board of CajaSur Banco, and he participates in various academic and business institutions such as Alianza para la Excelencia Turística, and the Comité Bilateral Hispano-Filipino. He lives in Bilbao and Saint-Jean-de-Luz (France) and is very fond of mountaineering and of Basque pelota.
“From the standpoint of the Board of Directors and the Executive Committee, we work to ensure that Iberdrola’s strategy and management is in accordance with the values that guide and inspire us so that Iberdrola continues to create value in a sustainable manner”.

**Most significant experience brought to the Board of Directors**

- Chair of Iberia (1996-2003), where he led two critical projects in the management of one of the leading Spanish companies: its process for its listing on the stock exchange and its restructuring and pathway to profitability.
- Chair of Bilbao Bizkaia Kutxa (BBK, 2003-2009), where he laid the groundwork for the merger with Kutxa and Caja Vital for the creation of Kutxabank, an experience that enabled him to acquire extensive financial expertise.
- He has also gained experience in corporate administration/executive management in other sectors, as he has been a director at Euskaltel, Alesis Aerospace, and Tubacex. In addition, he has been a member of the advisory board at the Barceló group and at IBM Europe, and he continues to sit, as an independent director, on the board of directors of CajaSur Banco.
- Executive vice-chair and chief executive officer of the ABB group’s subsidiary in Spain (1990-1996), where he was at the helm of one of the world leaders in electrical engineering and one of the leading suppliers to energy companies, thus acquiring extensive knowledge of the electricity industry.
- Director at Enagás (2007-2009), where he gained a deep understanding of the gas business in Spain.
- Xabier spent a large part of his professional career at the General Electric group, where he held various administration and management positions in different locations (the United Kingdom, Portugal, Spain, and France) and thus acquired distinctive experience in the management of multinational companies.
Íñigo de Oriol

Director since: 2006
Type: other external
Committees: Appointments. Remuneration
Age: 53

Íñigo earned a bachelor’s degree in International Business, holds a postgraduate degree in Executive Corporate Management, and a degree as financial analyst. His professional career has been closely linked to the energy industry, in which he has been at the helm of the boards of directors of companies in various countries, gaining extensive experience in Latin America.

He boasts a long professional career with the Iberdrola Group, which gives him broad and rigorous knowledge of the Company. He currently divides his time at Iberdrola with his work as a member of the board of Empresa de Alumbrado Eléctrico de Ceuta. He lives in Madrid and his interests include nature photography and playing tennis and Padel tennis.
“Iberdrola has tirelessly sought excellence in the talent management of senior management and members of the board, applying best market practices in recruitment and remuneration policies. The company will continue to work to improve and to adopt the latest trends to continue to align itself with leaders in this area”.

**Most significant experience brought to the Board of Directors**

- During his career as a senior officer at Iberdrola, he has presided over the boards of directors of electric companies in which the group has an interest in various countries (2001-2006). He has been chair of Electricidad de La Paz (Bolivia), of Empresa de Luz y Fuerza Eléctrica de Oruro (Bolivia), and of Iberoamericana de Energía Iberener (Chile), as well as a director of Neoenergia (Brazil) and of Empresa Eléctrica de Guatemala, thus acquiring wide experience in different electricity markets, especially in Latin America.
- In other industries, he has been chair of the Board of Empresa de Servicios Sanitarios de Los Lagos (ESSAL) in Chile.
- He participated in the management of the aforementioned companies during a period in which Iberdrola undertook large investment projects in the region. Íñigo’s work at that time allowed him to hone his skills in the area of relations with shareholders and institutional investors like the other shareholders of such companies in Bolivia, Brazil, Chile, and Guatemala.
- He served as Iberdrola’s director of Corporate Governance for the Americas (2001-2006), promoting adherence by subsidiaries and investee companies in such region to the principles and values embodied in Iberdrola’s Corporate Governance System, which has equipped him with useful knowledge for the position he holds on the committees of which he is a member.
- His positions as director of Management Control at Amara (1989-1992) and as financial analyst at the Financial Division (1992-1997) and at the International Division (1997-2001) are other highlights of his professional career within the group, during which he has gained extensive knowledge of Iberdrola as well as experience in financial matters.
Inés Macho
/
Director since: 2006
Type: independiente
Lead independent director
Committees: Executive. Remuneration (chair)
Age: 56 años

Inés holds a degree in Economics as well as postgraduate and doctorate degrees in the same field. Throughout her academic career, she has taught at universities in Germany, Belgium, Brazil, Denmark, France, and Portugal, in addition to Spain, and has been elected as a member of noted associations in the academic, economic, and business environment, like the European Economic Association.

Ines divides her time between her positions within Iberdrola and her teaching work at Universidad Autónoma de Barcelona and at the Barcelona Graduate School of Economics, and is a member of various economic associations. She lives in Barcelona, and likes reading and travelling.
“Iberdrola has a remuneration system that is aligned with the growing demands of the market, and which is intended to promote the sustainability and profitability of the company over the long term. Furthermore, as lead director, I would like to give the shareholders my commitment to defend their interests so that their concerns occupy a significant portion of the agenda of meetings of the Board of Directors”.

**Most significant experience brought to the Board of Directors**

- A member from 2009 to 2014 of the International Scientific Advisory Committee of the Basque Centre for Climate Change (bc3) (climate change research centre linked to Ikerbasque) and chair in 2011 of the Scientific Committee of the Conference of the Asociación Española para la Economía Energética (the Spanish affiliate of the International Association for Energy Economics – IAEE), which has provided here with knowledge relating to the areas of social responsibility and the energy sector.

- Author of a number of papers on general business strategy and the organisational business approach that are of specific interest for the positions she holds on Executive and Remuneration committees (including “Competition for Managers and Market Efficiency” and “Mergers, Investment Decisions and Internal Organization”).

- Professor of Economics in the Economics and Economic History Department of Universidad Autónoma de Barcelona, as well as Professor of the Barcelona Graduate School of Economics. An expert in the areas of incentives and contracts and of industrial organisation, she has been a visiting professor at universities in America, Europe, and Asia.

- Member of the Executive Committee of the European Association for Research in Industrial Economics, as well as of the Board of the French Economic Observatory (Observatoire Français des Conjonctures Économiques) (OFCE) since 2013.

- Member of the Advisory Council of the Research Service of “la Caixa” (2008-2011) and president of Asociación Española de Economía (2005), which positions witness to her extensive expertise in economic matters.
Braulio Medel

/ 
Director since: 2006
Type: independent
Committees: Corporate Social Responsibility
Age: 68

Braulio holds a graduate degree and a doctorate degree in Economics and Business Administration. He has pursued a career primarily in the financial sector and in the academic world as a professor of Public Finance. He has served as Deputy Minister for Economy and Finance of the Autonomous Government of Andalusia and as chair of Consejo Andaluz de Colegios de Economistas.

He is currently chair of Fundación Bancaria Unicaja, executive chair of Unicaja Banco, and vice-chair of Confederación Española de Cajas de Ahorros (CECA), of which he was CEO. He lives in Málaga and his interests include travelling and playing tennis and chess. He is also a theatre and poetry enthusiast, and admires the work of Antonio Machado.
I am proud to see the advancements made this year by Iberdrola in engaging various stakeholders, especially the shareholders. Noteworthy events include the approval of the Shareholder Engagement Policy and the organisation of events such as Shareholder Day, which reflect the company’s interest in protecting and reaching out to the small shareholder. These efforts have been recognised by the market with various awards and prizes for our activities in this area”.

**Most significant experience brought to the Board of Directors**

- Executive chair of Unicaja since 1991, where he has led the process of transformation of the company and its adjustment to the new regulatory framework, which is proof of his deep knowledge of financial matters. He is also chair of Federación de Cajas de Ahorros de Andalucía, and has been chair of Ahorro Corporación and of Confederación Española de Cajas de Ahorros (CECA) (of which he is currently vice-chair) and vice-chair of Agrupación Europea de Cajas de Ahorros.
- Chair of Hidralia and member of the board of director of Compañía Sevillana de Electricidad, S.A., as well as the listed companies Acerinox (since 2008) and Abertis Infraestructuras (2005-2010), which gives him knowledge of the industrial sector and strengthens his experience in the administration and executive management of large companies.
- Chair of Fundación Bancaria Unicaja and vice-chair of board of trustees of Fundación CIEDES (Centro de Investigaciones Estratégicas y Desarrollo Económico y Social). He has been a member of Fundación Tres Culturas del Mediterráneo, Fundación El Legado Andalusi, and Fundación Doñana 21, which has provided him with knowledge in the area of social responsibility.
- Professor of Public Finance at Universidad de Málaga and has published over a hundred scientific works, including many books and articles in specialised publications.
Samantha Barber

/  
Director since: 2008  
Type: independent  
Committees: Corporate Social Responsibility (chair)  
Age: 46

Samantha qualified in Applied Foreign Languages and European Politics and holds a postgraduate degree in EC Law. She has spent her professional career in the fields of business and corporate social responsibility. She has been a consultant within the European Parliament, a board member of Business for Scotland, and the chief executive of Scottish Business in the Community.

Samantha currently lives in Edinburgh (Scotland, United Kingdom), and is a member of the prestigious Global Scot Network and of the Advisory Board for the MBA programme of Imperial College, London, among others. In 2013 and 2014, she was chosen as one of the “Top 100 Women to Watch” according to the FTSE Cranfield University list. A great enthusiast of viniculture, she is deeply impressed by its development in Spain. Her interests include reading and skiing.
“Maximum respect for the values, culture and Code of Ethics of the company is fundamental to the success of the long-term industrial enterprise, and in fact is one of the differentiating factors of Iberdrola. I am confident that I will be able to continue contributing from the committee that I chair to maintaining the full alignment of the activities of the Board and of the company with these ethical principles.”

**Most significant experience brought to the Board of Directors**

- For nine years, she was a member of the Board of Directors of Right Track Scotland, an organisation dedicated to advancing educational, training, and employment opportunities for youths at risk of social exclusion, which has given her broad experience in the area of corporate social responsibility.
- She is chair of Scottish Ensemble, vice-chair of Scotland’s 2020 Climate Group, and a member of the Advisory Board for Breakthrough Breast Cancer, which witnesses to her experience at the helm of organisations and activities involving multiple stakeholders.
- Member of the Advisory Board of Scottish Power following the integration of the Scottish company into the Iberdrola group (2007-2008), a position from which she contributed to the coordination and implementation of global activities and broadened her experience in connection with the energy market in the United Kingdom.
- Board member of Business for Scotland (1998-2000) and chief executive of Scottish Business in the Community (2000-2009), in which positions she acquired vast knowledge and experience in the area of institutional relations in Europe and specifically in the Scottish market.
- She began her career as a policy advisor within the European Parliament, where she provided support to the Economic and Monetary Affairs Committee during four years.
María Helena Antolín

/ 

Director since: 2010

Type: independent

Committees: Appointments (chair)

Age: 49

María Helena holds a degree in International Business and Business Administration, as well as a postgraduate degree in Business Administration. She has developed her career in the industrial sector and is currently vice chair of the board of directors and a member of the management committee of Grupo Antolin. She is also the vice president of Club Excelencia en Gestión.

María Helena lives in Burgos and Madrid, and she likes travelling, skiing, and water sports.
“Talent management within the Board of Directors and the company is a critical factor for ensuring their proper operation. At the Appointments Committee, we will continue working for the Board to be aligned with the current and future needs of the company in a way that ensures the quality of its decisions and its ability to effectively promote the corporate interest”.

Most significant experience brought to the Board of Directors

- She has spent her entire professional career at Grupo Antolin, where she has held positions of responsibility in various areas of the company. These include industrial management and creation of the Marketing, Communication and Institutional Relations department, which demonstrates her broad experience in the administration and senior management of large companies.

- She was a director of Iberdrola Renovables and a member of its Related Party Transactions Committee for three years (2007-2010), which broadened her experience as an independent adviser in large corporations.

- As a corporate director, she has performed duties at a global level within Grupo Antolin, where she first held various positions at subsidiaries based in Germany, France, and Italy and stood out for her broad vision and profound knowledge of management in international markets.

- French Foreign Trade Advisor - Spain section.

- In addition to her current responsibilities in the field of marketing, communication, and institutional relations, she has performed executive duties in the areas of Human Resources Development and Quality of Grupo Antolin, which has afforded her highly valuable experience, at both the domestic and the international levels, in matters specifically related to the Appointments Committee.
Santiago Martínez Lage

Director since: 2010
Type: independent
Committees: Remuneration
Age: 69

Santiago holds a degree in Law and broadened his studies in International Relations and Business Administration. A member of the Spanish Diplomatic Corp, currently on leave, he is chairman of the law firm Martínez Lage, Allendesalazar & Brokelmann.

In 2013 he received the APTISSIMI award for Lifetime Achievement by ESADE Alumni. He lives in Madrid and his interests include literature and winter sports.
“I am proud to be a board member of a company that considers its employees to be a strategic asset and encourages their development and training. Within the Remuneration Committee, we are clear that one of the pillars of the corporate governance system is having a remuneration policy that attracts and retains talent, while at the same time promoting the sustainability and profitability of the company over the long term”.

**Most significant experience brought to the Board of Directors**

- Independent director of Iberdrola Renovables from 2007 to 2010, where he sat on the Executive Committee, which equipped him with knowledge of the energy industry before joining the Board of Directors of Iberdrola.
- Secretary of the board of directors of companies belonging to multinational groups (currently SKF Española and previously Fujitsu Services and Telettra España), which has allowed him to gain experience in management of global companies.
- A career diplomat on leave, he has wide experience and expertise in the area of institutional relations at the international level. He has been posted to Algiers (Algeria), Libreville (Gabon), Sofia (Bulgaria), and Paris (France), and has also served at the Office of the Secretary of State for Relations with the European Community, where he provided advice to the Spanish Delegation in the negotiations for accession to the European Communities.
- He has a profound knowledge of EC Law and was the founder and director, for twenty-eight years, of the Gaceta Jurídica de la Unión Europea y de la Competencia. He is also vice-chair of the Asociación Española para el Estudio del Derecho Europeo (Spanish Association for the Study of European Law) and the Real Academia de Jurisprudencia y Legislación (European Law Section of the Royal Academy of Jurisprudence and Legislation).
- In 1985 he established the law firm Martínez Lage & Asociados (now, Martínez Lage, Allendesalazar & Brokellmann), a leading law office in Spain in the fields of EC Law and Competition Law.
- Chair of the Appointments and Remuneration Committee of Iberdrola Renovables during his time at that company, which has provided him with expertise in the area of remuneration, which is useful for the committee of which he is a member.
- In addition, he was a member and the secretary of Iberdrola’s Audit and Risk Supervision Committee between 2010 and 2012.
José Luis San Pedro  
/  
Director since: 2012  
Type: other external  
Committees: Executive  
Age: 69

José Luis is an industrial engineer specialising in Energy Techniques and holds a degree in Economics and Business, specialising in finance. He has spent the largest part of his professional career at the Iberdrola Group. His track record in the energy industry, and specifically within the group, has earned him recognition as one of the leading experts in the industry. In 2012 he was appointed chief operating officer of Iberdrola, which position he held until June 2014, when he began to serve with the status of other external director.

He is currently the chair of the Board of Directors of Iberdrola España. José Luis lives in Bilbao, and his interests include reading, hiking, and biking.
“My profound knowledge of the sector and of the Group, acquired over more than forty years of experience working at Iberdrola, allows me to affirm that the company is in an enviable position to face the exciting challenges arising in the energy sector at the global level. Thus, I believe that Iberdrola will consolidate its leadership position and emerge even stronger in this transformation of the energy model”.

**Most significant experience brought to the Board of Directors**

- With a track record of forty years at the Iberdrola group, he was appointed Business CEO of the group in 2011. He began working at the Planning and Studies Division of Iberduero (now, Iberdrola) and went on to serve as head of various areas within the Company, such as the administration, finance, control, regulation, and services areas until becoming Business CEO of the group, a career path that reached a culmination point in 2012 with his appointment as chief operating officer of Iberdrola.

- First as head of the Studies and Planning Department (1982-1984) and then as general manager of Control, Regulation, and Services of Iberdrola (2000-2011), he played an active role in the analysis and implementation of the restructuring of the electricity industry in Spain, thus gaining extensive knowledge of regulation in the electricity industry and institutional relations. The historical perspective he can contribute and his experience in leadership and management constitute quality assets in dealing with the main strategic risks facing the business.

- He has been director of Administration and Finance (1984-1991) and general manager of Economy and Finance of Iberdrola (1991-2000), and a member of the board and of the executive committee of Corporación IBV, Servicios y Tecnologías, where he acquired in-depth knowledge of financial and economic matters.
Ángel Acebes
/
Director since: 2012
Type: independent
Committees: Executive. Appointments
Age: 57

Ángel holds a degree in Law and has almost twenty years’ experience as a practicing lawyer. He has also discharged high-level duties in the institutional sphere, including his position as member of the Council of Ministers of the Spanish Government. He also has experience as a board member, as he has sat on the boards of directors of Caja Madrid Cibeles and of Banco Financiero y de Ahorros.

He lives in Madrid and divides his time between his position at Iberdrola and his work as chair and founding member of Grupo MA Abogados Estudio Jurídico, and is also a trustee of various foundations. His interests include watching films and reading.
“Iberdrola will continue maximising economic impact and social return in the communities in which it does business, generating employment and wealth within its surroundings, with a maximum commitment to compliance with tax rules”.

Most significant experience brought to the Board of Directors

• Minister for Public Administrations (1999-2000), Minister of Justice (2000-2002), and Minister of the Interior (2002-2004) of the Spanish Government, in which positions he gained extensive knowledge of the functioning of governmental entities and the relations therewith. During his political career, he has also been a senator and a national deputy, acquiring in-depth knowledge of the regulatory framework.
• A practicing lawyer between 1982 and 1994, specialising in Commercial Law.
• He returned to practice in 2008 and founded Grupo MA Abogados Estudio Jurídico (of which he is chair), a law firm with offices in six autonomous communities with more than forty lawyers working in different areas, such as corporate law, corporate governance, competition, mergers and acquisitions, and regulated industries.
• Member of the board of Caja Madrid Cibeles (2008-2011) which manages the investments of grupo Caja Madrid in other companies with activities in the financial and insurance sectors as well as the retail banking sector outside of Spain, which contributes to his knowledge of international markets.
• Member of the board of Banco Financiero y de Ahorros (BFA) and chair of its Audit and Compliance Committee (27 July 2011 - 24 April 2012).
• During his work at Banco Financiero y de Ahorros (BFA), he also had the opportunity of enhancing his knowledge of industries in which the Iberdrola group operates, as he was in direct contact with companies in which BFA had an interest and which conducted their activities in the energy industry (such as the Company itself or the Comsa Ente group), as well as in the industrial/technological sector (such as Indra and Mecalux), most of which companies have a strong international presence.
Georgina Kessel  
/  
Director since: 2013  
Type: independent  
Committees: Audit and Risk Supervision (chair)  
Age: 65  

Georgina holds graduate, Master’s and Doctor’s degrees in Economics, and has spent her career primarily in the energy and financial sectors in Mexico. She has been chair of the Mexican Energy Regulatory Commission (Comisión Reguladora de Energía), State Secretary for Energy of Mexico, chair of the Board of Directors of Pemex and of the Board of Directors of CFE, general manager of Banobras and of the National Mint of Mexico, and a board member at Nafinsa and Bancomext, as well as holding other positions in the public sector.  

She currently lives in Mexico City and divides her time between her position at Iberdrola and her work as a director of the Mexican subsidiary of Scotiabank and as a partner of Spectron E&I. Her interests include exercise, walking, reading, and yoga.
“It is fundamental for a company of Iberdrola’s size to a robust internal control system and appropriate risk management. This allows it to stay at the forefront of good governance and international best practices and to respond to the growing demands of the market”.

**Most significant experience brought to the Board of Directors**

- As chair of the Board of Directors of two of the main corporations within the energy industry in Mexico, Pemex and CFE (the first electric company in the country) (2006-2011), she has led the design of policies and the supervision of financial changes and of infrastructure investment programmes. She also drove the creation of specialised audit areas within said companies, prior to the reforms in the sector.

- Her participation in the Energy Council of the World Economic Forum (WEF) and in the United Nations Organization Secretary General’s advisory group (Sustainable Energy for All) has allowed her to gain expertise in connection with the energy industry and to develop a global vision thereof, with an emphasis on issues of energy sustainability and transition.

- First president of the Energy Regulatory Commission (Comisión Reguladora de Energía) (1994) and State Secretary for Energy of the Government of Mexico (2006-2011), which positions have equipped her with in-depth knowledge of regulatory and institutional matters as a result of her direct involvement in the energy transition process and in the design and implementation of the regulation of the electricity industry in Mexico.

- As a board member of Nafinsa (2006-2011) and general manager of Banobras (2011-2012), she has participated in the design of financing schemes for the creation of infrastructure in Mexico, the supervision of credit portfolio quality, the strengthening of audit work, internal control, and risk analysis, and the implementation of new credit facilities for sustainable projects, among others.

- Chair of the Audit Committee of Scotiabank Inverlat (board member since 2014).

- Author of academic and technical works on economics and regulation.
Denise Holt

/ 
Director since: 2014
Type: independent
Committees: Audit and Risk Supervision
Age: 66

Denise holds a Bachelor of Arts degree in Spanish, French and Politics, as well as a Doctor of Laws honoris causa. A career diplomat, she has spent a large part of her professional life at the United Kingdom diplomatic service, which has provided her with extensive international experience in territories like Brazil, Mexico, and Spain. In the business field, she possesses experience in the finance, health, and energy sectors.

She currently lives in London (United Kingdom), where she divides her time between her position as a board member of Iberdrola with her activities at HSBC Bank and various institutions, including Bristol University. Denise loves languages, politics, and cultures, especially the Spanish culture.
"Within the Board of Directors and the Audit and Risk Supervision Committee, we are heavily engaged in managing the risks of the Group, which fundamentally requires anticipation and independent control, as well as a commitment to the objectives of the businesses”.

**Most significant experience brought to the Board of Directors**

- First secretary of the Embassy of the United Kingdom in Brazil (1990-1993) and ambassador of the United Kingdom to Mexico (2002-2005) and Spain (2007-2009), which has afforded her experience in this country and in three of the international markets in which Iberdrola operates.
- Director for Human Resources (1999-2002), for Migration (2005-2007) and for the Overseas Territories (2005-2007) at the UK Foreign and Commonwealth Office, as well as member of various international organisations, like the Anglo-Spanish Society (of which she was chair between 2010 and 2013) and Wilton Park international conference centre (2012-2015).
- Independent director and member of the Risk Committee of HSBC Bank since 2011, which has allowed her to gain vast experience in the financial and risk management sectors, an asset required for the position she holds on the committee of which she is a member.
- Chair and independent director of M&S Financial Services, a subsidiary of HSBC Bank.
- Independent director of Nuffield Health since 2013 and member of the Quality and Safety and Compensation Committees of the Board of Directors of that entity.
- Director of Scottish Power Renewable Energy (2011-2012) and of Scottish Power Networks Holdings (2012-2014), which has provided her with knowledge of the energy industry.
- Chair of the Appointments Committee of the British Alzheimer’s Society (since 2010) and member of the Remunerations Committee of Nuffield Health (since 2013), which has given her in-depth knowledge in both areas.
José W. Fernández

/ 

Director since: 2015
Type: independent
Committees: Audit and Risk Supervision
Age: 60

José has a bachelor’s degree in history and a Juris Doctor. He is a partner in the law firm Gibson, Dunn & Crutcher. He also developed a significant career at the institutional level, becoming Assistant Secretary of State for Economic, Energy and Business Affairs for the United States of America.

He lives in New York (United States of America) and combines his position at Iberdrola with the practice of law. He is also the author of articles on international political matters. He is an enthusiast of jazz and sports. For a brief period, he was a professional basketball player in Spain.
“Based on my experience in the U.S. market, I believe that the merger of Iberdrola USA and UIL Holdings Corporation is a brilliant strategic operation that strengthens the company’s position in a key market for the Group such as the United States and allows it to confront the transformation of the energy sector in the country with maximum assurances”.

Most significant experience brought to the Board of Directors

- A former Assistant Secretary of State for Economic, Energy and Business Affairs for the United States of America (2009-2013), he has significant knowledge regarding the U.S. energy market, a geographically strategic area for Iberdrola.
- He has been an independent director of Iberdrola USA (2013-2015), which has provided him with prior knowledge of the group and rounds out his knowledge of the industry.
- He is a partner in the New York office of the law firm Gibson, Dunn & Crutcher, specialising in international mergers and acquisitions and finance in emerging markets in Latin America, the Middle East, Africa, and Asia, which gives him a professional profile with international experience and a broad knowledge of financial matters. Along these lines, he was named one of the “World’s Leading Lawyers” by Chambers Global for his M&A work.
- His legal career, as well as his career at public institutions, where apart from being Assistant Secretary of State he became the State Department’s representative in the Committee on Foreign Investment in the United States, has given him a profound knowledge of the functioning of institutional relationships.
- He has served on the Board of Trustees of Dartmouth College and on the boards of NPR-station WBGO-FM and the Middle East Institute, among others, which has given him experience on boards of directors.
- His activities within non-governmental organisations, such as Acción Internacional and academic institutions such as Dartmouth College give him experience in matters relating to corporate social responsibility.
- Chair of the Audit and Compliance Committee of the country subholding company Iberdrola USA (2014-2015).
Manuel Moreu
/
Director since: 2015
Type: other external
Committees: Corporate Social Responsibility
Age: 62

Manuel has a Doctorate in naval engineering and a Master’s degree in Oceanic Engineering. Throughout his career he has combined the administration and management of companies within various industries (especially offshore engineering) with intense teaching and documentary work. He has been a member of the board of Gamesa and Iberdrola Renovables.

He lives in Madrid and combines his position at Iberdrola with his position as chairman of Seaplace, H.I. Ingeniería y Proyectos, and Howard Ingeniería y Desarrollo, as well as with his position as a member of the board of Tubacex. He is a fan of nature and sports.
“After the recent agreement adopted at the Paris summit on climate change, a new and exciting period has begun for renewable energy, one in which I am sure that Iberdrola will continue to be a leader in the use of environmentally-friendly energy sources”.

**Most significant experience brought to the Board of Directors**

- Member of the boards of directors of Tubacex (since 2015), Iberdrola Renovables (2007-2011) and Gamesa Corporation Tecnológica (2013-2015), which has given him a deep knowledge of the energy industry and of the Iberdrola group.
- He is the Founder of Seaplace, an engineering firm specialising in the maritime industry, which provides to the Board of Directors profound experience in the offshore wind industry and offshore technology, one of the foundations for growth expected by the Group, and the development of which Iberdrola wants to lead.
- He is also a member of the management bodies of companies in various industries in his capacity as a sole director of the boards of H.I. Ingeniería y Proyectos (consulting) and Howard Ingeniería y Desarrollo (technology and communications), and as a member of the Spanish Committee of Lloyd’s Register EMEA (activities connected to maritime and offshore transport), which gives him broad experience in management and senior management and a knowledge of the operation of boards of directors.
- He has been a member of the Audit and Compliance Committee of Gamesa during his term, and is knowledgeable about financial and risk management within listed companies His financial knowledge is supplemented by his professional career as an entrepreneur.
- A professor at Universidad Politécnica de Madrid – ETSIN, teaches Repsol’s Master’s program in oil and the Maritime Master’s program of Instituto Marítimo Español and Universidad Pontificia Comillas, he has engaged in significant teaching and authorship work. He has been dean of the Colegio Oficial de Ingenieros Navales y Oceánicos de Madrid y de España. He is the chair of the Instituto de la Ingeniería de España.
Secretary of the Board of Directors

Julián Martínez-Simancas

Non-director secretary since: 2007
Age: 65
Julián holds a degree in Law and is a member of the Government’s Legal Service (Cuerpo de Abogados del Estado) on voluntary leave.

He has had an extensive career in the private sector, including the financial and industrial sectors. At Iberdrola, he has been involved in the creation of the group’s corporate and governance structure, bringing to the Company the most advanced good governance trends. As a result, the Company was recognised for the third consecutive year, at the Corporate Governance Awards 2016, granted by the publication Ethical Boardroom, as the European utility with the best corporate governance practices.

He lives in Bilbao and Madrid, and he enjoys good reading, music, and sports.


During his career in the financial sector, which culminated in his appointment as executive vice president and member of the Management Committee of Banco Santander Central Hispano (now, Banco Santander) (1978-2002), he discharged legal and executive duties at numerous companies.

He also served as director at Airtel Móvil (now, Vodafone España) (1998-2000), at Sociedad General Azucarera de España (1996-1998), and at Cementos Portland Valderrivas (2003-2005), among other companies in the industrial sector.

Since he joined Iberdrola in 2002, he has acquired extensive and profound knowledge about the Company, participating in its process of transformation through the following positions, general secretary, assistant to the vice-chair & chief executive officer, deputy secretary of the Board of Directors and chair of the Company’s Regulatory Compliance Unit, executive director of Iberdrola México, S.A. de C.V., and member of Iberdrola’s Advisory Committee in Andalusia.

In addition to being secretary of the Board of Directors and of its Executive Committee, he is currently a member of the board of Iberdrola España, the country subholding company that carries out the duties of organisation and strategic coordination of the energy-related businesses of the Iberdrola group in Spain.

He has been a professor at some of the most prestigious universities and business schools in Spain.

He is the author and editor of books and articles on legal and financial matters, and the editor of several collective works focusing on innovation in law and corporate governance, such as Derecho sobre Internet (Internet Law), Cuadernos de Derecho para ingenieros (Legal Journals for Engineers), Tratado de tributación medioambiental (Treatise on Environmental Taxation), and Energía eléctrica: manual básico para juristas (Electrical Power: Basic Manual for Jurists).
Deputy Secretary of the Board of Directors

Santiago Martínez Garrido

Non-director Deputy Secretary since: 2015
Age: 47
Santiago holds a degree in Law and is a member on voluntary leave of the Government’s Legal Service (Cuerpo de Abogados del Estado) and of the Corp of Lawyers of the Autonomous Community of Castile and León.

He has spent his professional career as a Government Lawyer at the High Courts of Appeals (Tribunales Superiores de Justicia) of Catalonia and of Castile-La Mancha, at the Autonomous Government of Castile and León, and at the Ministry of the Interior (1997-2000). He held the post of chief of staff of the Secretary of State for Justice (2000-2002) and chief of staff of the Ministry of Justice (2002-2004), and has been a member of various boards of directors of public and private companies: Transmediterránea (2002-2003), Infoinvest (2002-2003), and Sociedad Estatal de Exposiciones Internacionales (2004-2005).

He has also been corporate counsel, secretary and member of the Board of Directors of Iberdrola Renovables (2009-2011).

He joined Iberdrola in 2004 as director of Legal Services, responsible for providing legal advice to the corporate divisions. He is currently the director of Legal Services of Iberdrola, secretary of the Board of Directors of Iberdrola España, and member of the board of directors of Avangrid, Iberdrola Brasil, Neoenergía, and Elektro Electricidade e Serviços. He also holds the position of secretary of Fundación Iberdrola España.
Counsel to the Board and Secretaries of the Consultative Committees

The positions of counsel to the Board of Directors and secretary of each of its consultative committees are held by persons other than the secretary of the Board of Directors. All of them are well-respected outside lawyers, which ensures their independence and enriches debate and the exchange of viewpoints at the meetings of the Board of Directors and its committees.

Rafael Mateu de Ros
/ Counsel to the Board of Directors and secretary of the Remuneration Committee
Joined Iberdrola in: 2011
Age: 63

Rafael holds graduate and doctorate degrees in Law and has also completed postgraduate programmes in EC Law and in Management. He has worked as a lawyer both at the Government’s Legal Service (Cuerpo de Abogados del Estado) and in the private sector. Throughout his career he has served as secretary of the board of directors and head of legal services at various companies, including Bankinter. He is a founding partner of the law firm Ramón & Cajal Abogados, based in Madrid, and an independent director and chair of the appointments and corporate governance committee of Bankinter.

Rafael Sebastián
/ Secretary of the Audit and Risk Supervision Committee
Joined Iberdrola in: 2012
Age: 61

Rafael holds graduate and doctorate degrees in Law as well as a degree in Economics and Business Administration and Management. He began his professional career in the financial sector as head of the Legal Services and general secretary and secretary of the board of directors of Citibank España, and then became managing partner of the New York office of the law firm Uria Menéndez, where he is currently a partner in the corporate area in the Madrid office. His professional practice at Uria Menéndez covers a wide range of corporate and banking work.
Fernando Bautista
/ Secretary of the Corporate Social Responsibility Committee
Joined Iberdrola in: 2014
Age: 58

Fernando holds a degree in Law and a degree in Economics and Business Sciences. He has practiced law as a partner at the law firms J & A Garrigues and Freshfields, and is currently a lawyer in solo practice specialising in the provision of strategic legal advice on Corporate and Financial Law. He has been secretary of the boards of directors of Spanish subsidiaries of international entities and is a member of the board of Abante Asesores and of Axia Real Estate SOCIMI, among other positions.

Íñigo Gómez-Jordana
/ Secretary of the Appointments Committee
Joined Iberdrola in: 2015
Age: 53

Íñigo has a degree in Law, with a Master’s degree in International Relations and a Master’s degree in Law. He has been a partner in the law firms Clifford Chance and Allen & Overy, as well as managing partner and senior partner of the latter’s Madrid office. He is currently a practicing attorney and is a senior partner of the Anglo-American law firm DLA Piper International and is a member of the Advisory Board of Fundación de Estudios Financieros.
Shareholder Week
Pursuant to the Mission, Vision, and Values of the Iberdrola group and the Shareholder Engagement Policy, Iberdrola seeks to enhance the role of the shareholders, by fostering their active participation through constructive, ongoing, and efficient dialogue to which they are all invited.

Iberdrola will hold Shareholder Week from 4 to 8 April 2016, organising various social, cultural, and technological and digital innovation activities for all of its shareholders in order to promote their engagement in the life of the Company.

Shareholder week will culminate on 8 April 2016 with the holding of a new edition of Shareholder Day, a day on which there will be various presentations and activities to familiarise the shareholders with the business, corporate, and institutional reality of Iberdrola.

During the Shareholder Week, Iberdrola wants to thank the support and trust of its close to 600,000 shareholders, acknowledging the efforts made by so many families that have entrusted the Company during years, generation after generation. For this reason, in the Shareholder Day, the “Iberdrola Together 2016” award will be granted for first time to one of those families that have accompanied Iberdrola in its story of success and that has a greater number of shareholders of the Company.
Shareholder Day Schedule of Activities

The schedule of activities for Shareholder Day, which will be held on 8 April 2016, is as follows:

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
</tr>
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<tbody>
<tr>
<td>08:30</td>
<td>Opening of doors to Palacio Euskalduna</td>
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<tr>
<td>09:00</td>
<td>Musical welcome performance: Anne Etchegoyen (Biotz Alai Choir)</td>
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<tr>
<td>09:15</td>
<td>Interviews on “Acción Social” (Social-Welfare Actions) and “Ingeniería de Altura” (High-Altitude Engineering)</td>
</tr>
<tr>
<td>09:35</td>
<td>Presentation and showing of short film “Renovable” (Renewable), directed by Jon Garaño and José Mari Goenaga</td>
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<tr>
<td>09:40</td>
<td>Musical performance by “Belize”</td>
</tr>
<tr>
<td>09:50</td>
<td>Showing of the video “Iberdrola Together 2016”</td>
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<tr>
<td>10:00</td>
<td>Delivery of the “Iberdrola Together 2016”</td>
</tr>
<tr>
<td>10:20</td>
<td>Musical performance by Julieta Venegas</td>
</tr>
<tr>
<td>10:35</td>
<td>Showing of the short animated film “Dextrógiros &amp; Levógiros” (Right turns/Left turns) directed by Magoga Piñas (project director for El Ranchito)</td>
</tr>
<tr>
<td>10:40</td>
<td>Interview with Eugenio Ampudia</td>
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<tr>
<td>10:50</td>
<td>Musical farewell performance: Anne Etchegoyen (Biotz Alai Choir)</td>
</tr>
<tr>
<td>11:30</td>
<td>Holding of 2016 General Shareholders’ Meeting</td>
</tr>
<tr>
<td>13:30</td>
<td>Drinks and snacks</td>
</tr>
</tbody>
</table>

1 If the General Shareholders’ Meeting is held on first call, as expected. Otherwise, if the General Shareholders’ Meeting is held on second call, it would be at the same place and time on the following day.
In addition, beginning at 09:00 until the start of the 2016 General Shareholders’ Meeting, those attending Shareholder Day can participate in two forums:

**Iberdrola Business Forum**

There will be a presentation of some of Iberdrola’s most spectacular projects throughout the world, such as the Wikinger Offshore Wind Farm (one of the largest deep-water facilities worldwide), the Maine transmission line (connecting Canada and the United States of America), the Scottish Power grid projects, Iberdrola’s wager on Mexico, and the Avangrid transaction. One can also learn key aspects regarding the agreements on vulnerable customers as well as the commercial and corporate strategy of Iberdrola, the leading European electric company by stock market capitalisation.

**Iberdrola Future Forum: digital transformation**

At which attendees can become more familiar than ever with an offshore wind farm, thanks to the best virtual reality technology using latest-generation devices, with the most spectacular images and an explanation by a Company specialist. You can also enjoy virtual reality with games connected to energy consumption in daily life. There will also be a discussion of current issues such as digital transformation, Iberdrola’s commitment to innovation, and the direction of new trends in the use of technologies like mobile and social media.

During the meeting with Company representatives after the General Shareholders’ Meeting, Iberdrola desires to share the concerns and hear the opinions of all of its shareholders regarding the past, present, and future of the Company.

Questions and considerations that arise during this meeting, as well as other questions that the shareholders ask the Company through other channels of participation established in accordance with the provisions of the Shareholder Engagement Policy, such as the On-Line Shareholders (OLS) channel, or that are raised during the General Shareholders’ Meeting through the Office of the Shareholder, may be brought forward at the General Shareholders’ Meeting by the director of Investor Relations, so that they may be answered together with the other questions asked by the shareholders or their representatives during their presentations.
Place of the Meeting and Access Points

Shareholder Day and the General Shareholders’ Meeting will be held in Bilbao at Palacio Euskalduna, avenida Abandoibarra número 4, 48011 Bilbao (www.euskalduna.net):

The entrance to Palacio Euskalduna that should be used by those attending Shareholder Day is entrance 3.

There will be approximately three hundred spaces available free of charge for those attending Shareholder Day at the car park for Palacio Euskalduna.

Participation in Shareholder Day

All shareholders meeting the requirements established to attend the General Shareholders’ Meeting or the persons who are going to represent them thereat may participate in Shareholder Day.
Additional Information

More information about the activities scheduled for Shareholder Week can be obtained at on the social media in which the Company has a presence, at the website www.semanadelaccionista2016.iberdrola.com, within the On-Line Shareholders (OLS) system continuously available on the corporate website (www.iberdrola.com), or by contacting the Office of the Shareholder through free phone (+34) 900 100 019 (hours: Monday to Friday, from 09:00 to 19:00), or via the e-mail accionistas@iberdrola.com.
Iberdrola General Shareholders’ Meeting
The Chairman of Iberdrola, Ignacio S. Galán during the General Shareholders’ Meeting 2015
© Iberdrola
The main event of Shareholder Day is the General Shareholders’ Meeting, the principal channel for participation of the shareholders within the Company.

Iberdrola’s desire to encourage and facilitate the participation of all the shareholders is reflected by the inclusion in this General Shareholders’ Meeting of multiple measures to encourage and allow you to attend and participate. By way of example, the Company has adopted measures to facilitate the participation of shareholders with reduced mobility and with auditory or visual limitations. There are also means to facilitate the attendance of shareholders with children, by providing a childcare centre with qualified staff for babysitting.

The Company will also pay an attendance bonus in the gross amount of 0.005 euro per share to the shareholders present in person or by proxy at the General Shareholders’ Meeting who have provided due evidence of their attendance thereat in person or by proxy.

All of these efforts reflect the commitment of the Company and its Board of Directors to the shareholders and the strong wish for them to participate in the Iberdrola enterprise.

The Company has also achieved verification of compliance with the ISO 20121 standard for sustainable event management in the management of this General Shareholders’ Meeting. For this purpose, in organising the General Shareholders’ Meeting, special consideration has been given to the provisions of the Sustainability Policy with respect to the sustainable management of events, managing the General Shareholders’ Meeting event with integrity, scrupulously complying with all applicable requirements (especially including laws on safety and health, noise, waste, privacy, and personal data protection), and promoting accessibility, inclusivity, and non-discrimination.
Agenda for the General Shareholders’ Meeting

Items relating to the annual accounts, the management of the company, and the auditor

1. Approval of the individual annual accounts of the Company and of the annual accounts of the Company consolidated with those of its subsidiaries for financial year 2015.

2. Approval of the individual management reports of the Company and of the management reports of the Company consolidated with those of its subsidiaries for financial year 2015.

3. Approval of the management and activities of the Board of Directors during financial year 2015.

4. Re-election of Ernst & Young, S.L. as auditor of the Company and of its consolidated group for financial year 2016.

Items relating to shareholder remuneration

5. Approval of the proposed allocation of profits/losses and distribution of dividends for financial year 2015.

6. Approval of two increases in share capital by means of scrip issues for two new editions of the “Iberdrola Flexible Dividend” system for the free-of-charge allocation of new shares to the shareholders of the Company in the following amounts: (A) a first increase in share capital by means of a scrip issue at a maximum reference market value of 855 million euros, and (B) a second increase in share capital by means of a scrip issue at a maximum reference market value of 985 million euros. Each of the increases provides for: (i) an offer to the shareholders of the acquisition of their free-of-charge allocation rights at a guaranteed fixed price, and (ii) delegation of powers to the Board of Directors, with express power of substitution, including, among others, the power to set the date on which the increases must be implemented and to amend the article of the By-Laws setting the share capital.
Items relating to the express authorisations and delegations being requested

7. Authorisation to the Board of Directors, with express power of substitution, to increase the share capital upon the terms and within the limits set out in section 297.1.b) of the Companies Act, with the power to exclude pre-emptive rights, limited to a maximum nominal amount of 20% of the share capital, including such amount as may arise from the approval and implementation of the proposed resolution set forth in item 8 of the agenda.

8. Authorisation to the Board of Directors, with express power of substitution, for a term of five years, to issue debentures or bonds that are exchangeable for and/or convertible into shares of the Company or of other companies and warrants on newly-issued or outstanding shares of the Company or of other companies, with a maximum limit of five billion euros. The authorisation includes the delegation of such powers as may be required to: (i) determine the basis for and terms and conditions applicable to the conversion, exchange, or exercise; (ii) increase share capital to the extent required to accommodate requests for conversion; and (iii) exclude the pre-emptive rights of the shareholders in connection with the issues, limited to a maximum nominal amount of 20% of the share capital, including such amount as may arise from the approval and implementation of the proposed resolution set forth in item 7 of the agenda.

Item relating to the composition of the Board of Directors

9. Re-election of the following directors: (A) Mr Iñigo Víctor de Oriol Ibarra, as other external director; (B) Ms Inés Macho Stadler, as independent director; (C) Mr Braulio Medel Cámara, as independent director; and (D) Ms Samantha Barber, as independent director; and appointment of (E) Mr Xabier Sagredo Ormaza, as other external director.
Items relating to the update of the Corporate Governance System

10. Amendment of the following articles of the By-Laws: (A) articles 2, 3, 5, 6, 7, 8, 9, and 32, to formalise the inclusion of the Mission, Vision, and Values of the Iberdrola group within the Corporate Governance System and to stress the Company’s commitment to its corporate values, to social return, and to the engagement of all stakeholders, and creation of a new Preliminary Title; (B) article 12, to refer to the indirect participation of the shareholders of IBERDROLA, S.A. in the other companies of the Iberdrola group, and restructuring of Title I; and (C) articles 34, 37, 38, 39, 40, 41, 42, 43, 44, and 45, to clarify the distribution of the powers of the Appointments Committee and of the Remuneration Committee, and to make other improvements of a technical nature.

11. Amendment of the following articles of the Regulations for the General Shareholders’ Meeting: (A) articles 1, 6, 13, and 14, to formalise the Company’s commitment to the sustainable management of the General Shareholders’ Meeting as an event and to promote environmentally-friendly channels of communication; (B) article 16, to regulate the gift for the General Shareholders’ Meeting; and (C) articles 22 and 32, to make improvements of a technical nature.

Item relating to the reduction in share capital

12. Approval of a reduction in share capital by means of the retirement of 157,197,000 own shares representing 2.46% of the share capital. Delegation of powers to the Board of Directors, with express power of substitution, to, among other things, amend the article of the By-Laws setting the share capital.

Item relating to general matters

13. Delegation of powers to formalise and implement all resolutions adopted by the shareholders at the General Shareholders’ Meeting, for conversion thereof into a public instrument, and for the interpretation, correction, and supplementation thereof, further elaboration thereon, and registration thereof.

Item relating to the resolution submitted to a consultative vote

Frequently asked questions and information of interest regarding the General Shareholders’ meeting
The chairman of Iberdrola, Ignacio Galán, chatting with shareholders
© Iberdrola
What documentation does the Company publish with regard to the General Shareholders’ Meeting?

In addition to the announcement of the call to meeting, from the date of its publication the Company includes and continuously maintains the following information and documents on its corporate website (www.iberdrola.com):

1. The model form of attendance, proxy, and absentee voting card that the Company makes available to the depositaries to facilitate the issuance thereof.

2. The full text of the proposed resolutions corresponding to the items included in the agenda of the call to meeting, together with the respective reports of the Board of Directors required by law or otherwise deemed appropriate.

3. The reports prepared by the Board of Directors with regard to the proposed appointments and re-elections of the directors submitted to the shareholders at the General Shareholders’ Meeting.

4. The Annual Financial Report of the Company for financial year 2015, which includes:
   a. the individual annual accounts of the Company and the annual accounts of the Company consolidated with those of its subsidiaries for financial year 2015;
   b. the individual management reports of the Company and the management reports of the Company consolidated with those of its subsidiaries for financial year 2015;
   c. the respective audit reports; and
   d. the directors’ statement of responsibility provided for in section 118 of the Securities Market Act (Ley del Mercado de Valores).


6. Other annual reports for financial year 2015 approved by the Company’s Board of Directors:
   a. the Annual Corporate Governance Report, which explains the ownership and management structure of the Company, the operation of its corporate decision-making bodies, the risk control system, related-party transactions, and the Company’s level of compliance with the recommendations of the Good Governance Code of Listed Companies, in accordance with the form approved by the National Securities Market Commission;
b. the **Annual Director Remuneration Report**, which reports on the Company's director remuneration policy for the current financial year and on the application thereof during financial year 2015;

c. the **Annual Activities Report of the Consultative Committees of the Board of Directors**, which describes the initiatives implemented by the Audit and Risk Supervision Committee, the Appointments Committee, the Remuneration Committee, and the Corporate Social Responsibility Committee;

d. the **Annual Report on the Application of the Shareholder Engagement Policy and the Policy regarding Communication and Contacts with Shareholders, Institutional Investors, and Proxy Advisors**; and

e. the **Sustainability Report**, which provides information on the performance of the Company in the economic, environmental, social, and corporate governance dimensions.

7. the **Report on Related-Party Transactions with Directors and Significant Shareholders**.

8. The current texts of the documents that form the Corporate Governance System of the Company, including the **By-Laws**, the **Regulations for the General Shareholders’ Meeting**, and the **Regulations of the Board of Directors**.


10. This **Shareholder’s Guide**.

11. Information regarding the total number of shares and voting rights on the date of publication of the announcement of the call to meeting.

Furthermore, a few days after the publication of the announcement of the call to meeting, the Company will include on its corporate website the **Integrated Report**, summarising the key operating and financial figures of the annual reports for financial year 2015 (based on the financial statements submitted for approval by the shareholders at the General Shareholders’ Meeting) and which reflects future prospects and the strategic positioning of the Company.

How can shareholders access these documents?

In addition to the aforementioned documents being available on the Company’s corporate website (www.iberdrola.com), the shareholders are entitled to examine at the registered office and to request the immediate delivery without charge (which delivery may be carried out by e-mail, with confirmation of receipt, if the shareholder accepts this form of delivery) of copies of:

(a) The individual annual accounts of the Company and the annual accounts of the Company consolidated with those of its subsidiaries for financial year 2015.

(b) The proposed resolutions and the director reports.

(c) The other documents that must be made available to the shareholders.
Does the Company publish an English translation of the documents?
Yes. An English translation of the main documents relating to the General Shareholders’ Meeting will be included on the corporate website (www.iberdrola.com) after the publication of the announcement of the call to meeting. In the event of any discrepancy between the English translation and the Spanish version, the latter shall prevail.

**Items on the Agenda relating to Approval of the Annual Accounts, the Management of the Company, and the Re-election of the Auditor**

What is the opinion of the Company’s auditor regarding the individual and consolidated accounts of the Company for financial year 2015?
The report of the Company’s auditor, Ernst & Young, S.L., does not contain any qualifications. In its opinion, the individual and consolidated annual accounts of the Company for financial year 2015 give a true and fair view, in all material respects, at both the individual and consolidated levels, of the equity and financial position of the Company and its group, as well as the results of operations and cash flows for the year ended 31 December 2015.

The individual and consolidated annual accounts have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and in accordance with other applicable provisions of the financial information regulatory framework.

What were the results of the Company during 2015?
During the financial year ended 31 December 2015, Iberdrola obtained net profit attributed to the controlling Company equal to 2,422 million euros.

Has the independence of the Company’s auditor been verified?
Yes. The Audit and Risk Supervision Committee has verified the independence of the Company’s auditor and has set out the results in the Report on the Independence of the Auditor in relation to the Audit Report for Financial Year 2015, which is available on the corporate website.

Is a change in auditor expected in future years?
Yes. After a tender led by the Audit and Risk Supervision Committee, the Board of Directors resolved on 15 December 2015 to propose to the shareholders at the General Shareholders’ Meeting to be held in 2017 the appointment of KPMG Auditores, S.L. as auditors of the Company for financial years 2017 to 2019.
What is Iberdrola’s shareholder remuneration policy?

Iberdrola’s forecasts for 2016-2020 foresee a growth of the remuneration to the shareholder in line with the increase of its results and, particularly, a raise of 4% of the remuneration charged to financial year 2015 submitted to the General Shareholders’ Meeting, until reaching a minimum remuneration of 0.28 euro per share. Additionally, the proposal allows the shareholders to continue enjoying the benefits of the “Iberdrola Flexible Dividend” system and a share buy-back programme to avoid their dilution.

What will be the total shareholder remuneration charged to financial year 2015?

The overall remuneration proposed by the Board of Directors to the shareholders at the General Shareholders’ Meeting with a charge to financial year 2015 will amount to approximately 0.28 euro (gross) per share. Said amount breaks down as follows:

(a) Cash dividend in the gross amount of three euro cents per share.

(b) Price of the commitment to purchase the free-of-charge allocation rights delivered to the shareholders in the context of the implementation of the second capital increase of the “Iberdrola Flexible Dividend” system approved by the shareholders at the General Shareholders’ Meeting of 27 March 2015, which was paid in January 2016. The price amounted to 0.127 euro (gross) per share.

(c) Price of the commitment to purchase the free-of-charge allocation rights in the context of the implementation of the first capital increase of the “Iberdrola Flexible Dividend” system which is subject to the approval of the shareholders at this General Shareholders’ Meeting, which is expected to be implemented in July 2016. It is estimated that said price, added to the foregoing amounts, will put total remuneration with a charge to financial year 2015 at a minimum of 0.28 euro (gross) per share.

What is the “Iberdrola Flexible Dividend”?

It is a flexible remuneration formula implemented by the Company since 2010 that partially replaces the cash dividend and that is implemented by means of two increases in share capital by means of scrip issues, which gives the shareholder the ability to choose among three remuneration options:

(a) Receive new bonus shares of the Company (with no tax withholding).

(b) Receive cash by selling their free-of-charge allocation rights to the Company (with a tax withholding) at a guaranteed price.
(c) Receive cash by selling their free-of-charge allocation rights on the market (with no tax withholding). Shareholders who pay tax in Spain and choose this option can elect a favourable tax treatment consisting of not paying tax on the amount received and deferring this tax until the sale of the shares, which will reduce the tax cost of acquisition, which rule shall be in force until 1 January 2017 (for more information about applicable taxation, see the report of the Board of Directors).

A shareholder may also combine the three options based on the shareholder’s needs.

The free-of-charge allocation of new shares to shareholders who fully or partially choose the first option, or to those who have acquired free-of-charge allocation rights on the market, is implemented through two increases of capital by means of scrip issues (i.e. with a charge to the reserves of the Company).

Further information may be found in the respective report of the Board of Directors.

When does Iberdrola remunerate its shareholders?

The “Iberdrola Flexible Dividend” system proposed to the shareholders at the General Shareholders’ Meeting provides for two approximate implementation dates:

(a) July 2016. In this implementation, the maximum reference market value of the shares issued and distributed will be 855 million euros.

(a) December 2016 o January 2017. In this implementation, the maximum reference market value of the shares issued and distributed will be 985 million euros.

The cash dividend is expected to be paid in the month of July 2016.

When do I have to hold the shares to receive the remuneration?

To both receive the cash dividend and to benefit from the “Iberdrola Flexible Dividend” system, you must have the shares registered in your name in the corresponding book entry register at the end of the day determined by the Board of Directors (which will be published sufficiently in advance), pursuant to the provisions of the corresponding resolution of the shareholders, the proposals for which (allocation of profit/loss), cash dividend, and (increase in capital by means of scrip issues, and “Iberdrola Flexible Dividend”).
Item on the Agenda relating to the Composition of the Board of Directors

What standards has the Board of Directors used to make the proposals for appointment and re-election of directors?

The Company has a *Director Candidate Selection Policy* that is public, specific, and verifiable, and that sets out a wide range of criteria, including their professional qualifications, experience, origin, availability, and personal qualities.

In accordance with the provisions of said policy, each of the proposals for appointment and re-election of directors was made based on a proposal (in the case of independent directors) or a report (in the case of other external directors) prepared by the Appointments Committee, which evaluated the competency, experience, and merits of the candidates, and verified that they were not affected, directly or indirectly, by any of the instances of incompatibility with or prohibition against holding such office or by having interests that conflict with or are contrary to the corporate interest as set forth in provisions of a general nature or in the Company’s Corporate Governance System.

Specifically, in preparing the proposals for appointment and re-election of directors, the Board of Directors has taken into account the respectability, capability, expertise, competence, experience, qualifications, availability, and commitment to their duties of each of the candidates.

A description of the criteria taken into consideration in each proposed appointment or re-election of directors is set forth in the corresponding report.
What can be expected of the composition of the Board of Directors after the General Shareholders’ Meeting?

If the respective proposed resolutions are approved the composition of the Board of Directors of Iberdrola after the General Shareholders’ Meeting will be as follows:

<table>
<thead>
<tr>
<th>Director</th>
<th>Position</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. José Ignacio Sánchez Galán</td>
<td>Chairman &amp; CEO</td>
<td>Executive</td>
</tr>
<tr>
<td>Mr. Íñigo Víctor de Oriol Ibarra</td>
<td>Member</td>
<td>Other external</td>
</tr>
<tr>
<td>Ms Inés Macho Stadler</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Mr. Braulio Medel Cámara</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Ms Samantha Barber</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Ms María Helena Antolín Raybaud</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Mr. Santiago Martínez Lage</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Mr. José Luis San Pedro Guerenabarrena</td>
<td>Member</td>
<td>Other external</td>
</tr>
<tr>
<td>Mr. Ángel Jesús Acebes Paniagua</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Ms Georgina Kessel Martínez</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Ms Denise Mary Holt</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Mr. José Wolfredo Fernández</td>
<td>Member</td>
<td>Independent</td>
</tr>
<tr>
<td>Mr. Manuel Moreu Munaiz</td>
<td>Member</td>
<td>Other external</td>
</tr>
<tr>
<td>Mr. Xabier Sagredo Ordaza</td>
<td>Member</td>
<td>Other external</td>
</tr>
<tr>
<td>Mr. Julián Martínez-Simancas Sánchez</td>
<td>Non-director Secretary</td>
<td></td>
</tr>
<tr>
<td>Mr. Santiago Martínez Garrido</td>
<td>Non-director Deputy Secretary</td>
<td></td>
</tr>
<tr>
<td>Mr. Rafael Mateu de Ros Cerezo</td>
<td>Counsel</td>
<td></td>
</tr>
</tbody>
</table>
Items on the Agenda relating to the Modification of the Corporate Governance System

What is the purpose of the by-law modification?
The amendment of the By-Laws is intended to formalise the inclusion of the Mission, Vision, and Values of the Iberdrola group within the Corporate Governance System and to stress the Company’s commitment to its corporate values, to social return and the engagement of all stakeholders, to refer to the indirect participation of the shareholders of IBERDROLA, S.A. in the other companies of the Iberdrola group, to clarify the regulation of the powers of the Appointments Committee and of the Remuneration Committee, and to make other improvements of a technical nature.

What is the purpose of the modification of the regulations?
The amendment of the Regulations for the General Shareholders’ Meeting is intended to formalise the Company’s commitment to the sustainable management of the General Shareholders’ Meeting as an event and to promote environmentally-friendly channels of communication, to regulate the gift for the General Shareholders’ Meeting, and to make improvements of a technical nature.

Item on the Agenda relating to the Reduction in Capital

What is the purpose of the buy-back programme and the reduction in share capital by means of the retirement of own shares?
The reduction in capital and the share buy-back programme are intended to avoid dilution of the financial ratios per share as a result of the implementation of the “Iberdrola Flexible Dividend” remuneration system, which benefits all the shareholders.

The resolution is intended, on the one hand, to ratify the resolutions of the Board of Directors in connection with the approval of the share buy-back programme for all shareholders and, on the other, to reduce capital through the retirement of both treasury shares of the Company and those acquired under the above-mentioned share buy-back programme.
Item on the Agenda relating to the Delegation of Powers to Formalise and Implement the Resolutions adopted by the Shareholders acting at the General Shareholders’ Meeting

This resolution, which is of a technical nature, is intended to facilitate the implementation of the resolutions adopted by the shareholders at the General Shareholders’ Meeting on the preceding items, mainly with a view to recording them with the Biscay Commercial Registry.

Item on the Agenda relating to the Consultative vote regarding the Annual Director Remuneration Report for financial year 2015

The Annual Director Remuneration Report provides for maintaining the fixed remuneration and amounts for the attendance bonus for all directors, as well as the limit on the annual variable remuneration of the chairman & chief executive officer. As explained in said report, the fixed remuneration of the non-executive directors and the amounts for the attendance bonus have been frozen since 2008.

Right to Receive Information prior to the General Shareholders’ Meeting

Shareholders may request information about the General Shareholders’ Meeting through the interactive On-Line Shareholders (OLS) system, which is continuously available on the corporate website, or by free phone (+34) 900 100 019 (hours: Monday to Friday, from 9:00 to 19:00) or via the e-mail (accionistas@iberdrola.com) of the Office of the Shareholder.

As from the publication of the announcement of the call to meeting, shareholders may also exercise the legal right to receive information regarding the matters included in the agenda of the call to meeting, the information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the last General Shareholders’ Meeting, i.e. since 27 March 2015, as well as the audit reports on the individual annual accounts and management reports of the Company and on the annual accounts and management reports of the Company consolidated with those of its subsidiaries for financial year 2015, upon the terms described in the Rules of Implementation for the Management of the General Shareholders’ Meeting.
Attendance, Proxy Representation, and Absentee Voting

Shareholders whose shares have been registered in their name in the respective book-entry register prior to 24:00 on 3 April 2016 (if the General Shareholders’ Meeting is held, as anticipated, on first call) or on 4 April 2016 (if the General Shareholders’ Meeting is held on second call) may attend the General Shareholders’ Meeting and take part in the deliberations thereat.

Shareholders may attend the General Shareholders’ Meeting in person or through a proxy representative. Alternatively, they may cast an absentee vote prior to the General Shareholders’ Meeting, without needing to attend in person.

The rules governing attendance, proxy representation, and absentee voting make up a strong system that allows for all assurances regarding the due identification of the shareholders participating in the General Shareholders’ Meeting, either directly or through a proxy representative, and either in person or from a distance, and the proper processing of their vote. This ensures that the results of the votes at the General Shareholders’ Meeting faithfully reflect the will of all shareholders that have decided to participate therein.

What documents should the shareholders bring in order to attend the General Shareholders’ Meeting in person?
The national identity document or any other official identification document generally accepted for such purpose. It is not necessary to bring the attendance, proxy, and absentee voting card.

From what time can one enter Palacio Euskalduna?
Beginning at 08:30 on the day of the meeting.

Can shareholders access the General Shareholders’ Meeting after the time set for commencement specified in the call to meeting?
Shareholders and proxy-holders arriving after the time of commencement of the meeting set in the call to the General Shareholders’ Meeting (i.e. after 11:30) may enter the meeting as invitees.

Attendance, proxy, and absentee voting card: what do I do if I don’t receive it or it is lost?
The attendance, proxy, and absentee voting card is not needed to attend the General Shareholders’ Meeting in person because it will be sufficient to show a national identity document or any other generally valid official identity document of the shareholder.
Nor is the card required for those who wish to grant a proxy or cast an absentee vote through the corporate website, but rather it will be sufficient for them to verify their identity using their recognised electronic signature or their personal passwords.

Shareholders who prefer to appoint a proxy representative or cast an absentee vote delivering or sending their card by post can contact their depositary in order for it to issue them a new card, or access the Company’s corporate website to duly verify their identity in order to request a duplicate card.

The Office of the Shareholder can inform shareholders on a personalised basis of the alternatives available to participate in the General Shareholders’ Meeting based on their preferences.

How can changes be made to the personal data in the card?
The depositary should be contacted.

Can shareholders who are unable or unwilling to attend the General Shareholders’ Meeting in person do so through a proxy representative?
Yes. All shareholders having the right to attend may be represented at the General Shareholders’ Meeting by another person, even though not a shareholder, by granting their proxy thereto. This is governed by the provisions of the Rules of Implementation for the Management of the General Shareholders’ Meeting.

If the proxy is granted to third parties, it is recommended that the national identity document (DNI) number together with the given name and surnames of the proxy-holder be included in the proxy cards that they send to the Company to facilitate their identification at the entrances to Shareholder Day.

How should proxy-holders be accredited to access the General Shareholders’ Meeting?
Regardless of the medium the shareholder uses to notify the Company of the proxy granted, the proxy-holder must be identified as such and provide documents to prove the proxy-holder’s identity at the registration tables available on Shareholder Day from 08:30.

Persons attending on behalf of corporate shareholders shall be required to provide evidence of their representative authority. For this purpose, the representatives must present themselves at the registration tables sufficiently in advance such that the requirements set forth in the Rules of Implementation for the Management of the General Shareholders’ Meeting may be verified and the shareholders and their proxies may be included in the list of attendees.

Can absentee votes be cast prior to the General Shareholders’ Meeting, without needing to attend in person?
Yes. Absentee votes may be cast prior to the General Shareholders’ Meeting as provided in the Rules of Implementation for the Management of the General Shareholders’ Meeting.
How should proxies and absentee voting be exercised?

Proxies and absentee voting can be exercised:

(a) by completing the proxy or absentee voting form available on the corporate website (www.iberdrola.com) using the personal passwords provided by the Company or electronic their signature based on the electronic national identity document or an electronic certificate issued by the Royal Spanish Mint (Fábrica Nacional de Moneda y Timbre) in respect of which no revocation has been recorded;

(b) by sending the card by mail addressed to the Company at apartado de correos número 1.113, 48008 Bilbao; or

(c) by delivering it to the office of the depositary acting as intermediary or at any of the following premises provided by the Company:

**Bilbao**
Torre Iberdrola, Plaza Euskadi, número 5
From Tuesday 29 March to Friday 1 April and from Monday 4 to Thursday 7 April, nonstop from 10:00 to 19:00.
Saturday 2 and Sunday 3 April, from 10:00 to 14:00.

**Madrid**
Calle Tomás Redondo, número 1.
From Tuesday 29 to Thursday 31 March and from Monday 4 to Wednesday 6 April, nonstop from 10:00 to 19:00.
Friday 1 and Thursday 7 April, from 10:00 to 14:00.
Calle Lagasca, número 86.
From Tuesday 29 March to Friday 1 April and from Monday 4 to Wednesday 6 April, nonstop from 10:00 to 19:00.
Saturday 2 and Thursday 7 April, from 10:00 to 14:00.

**Barcelona**
Torre Mapfre, calle La Marina, número 16-18, planta 39.
From Tuesday 29 March to Friday 1 April and from Monday 4 to Wednesday 6 April, nonstop from 10:00 to 19:00.
Thursday 7 April, from 10:00 to 14:00.
Valencia
Centro Comercial Aqua, calle Menorca, número 19 (esquina paseo de la Alameda), planta 3.
From Tuesday 29 March to Friday 1 April, Tuesday 5, and Wednesday 6 April, nonstop from 10:00 to 19:00.
Thursday 7 April, from 10:00 to 14:00.

Valladolid
Calle Isabel La Católica, número 3.
From Tuesday 29 March to Friday 1 April and from Monday 4 to Wednesday 6 April, nonstop from 10:00 to 18:30.
Thursday 7 April, from 10:00 to 14:00.

Zaragoza
Centro Empresarial El Trovador, plaza Antonio Beltrán Martínez, número 1, 8º G.
From Tuesday 29 March to Friday 1 April and from Monday 4 to Wednesday 6 April, nonstop from 10:00 to 18:30.
Thursday 7 April, from 10:00 to 14:00.

How can I obtain my personal passwords?
In order to take advantage of new shareholder relations technologies and foster shareholder participation in the General Shareholders’ Meeting, Iberdrola has a verification system using personal passwords for shareholders interested in exercising their rights and accessing other services that may be offered through the corporate website (www.iberdrola.com), including On-Line Shareholders (OLS), the exclusive channel of communication for shareholders.

If you are an individual shareholder and your shares are deposited in your name with a Spanish institution, you can obtain your personal passwords by making a request through the Company’s corporate website (www.iberdrola.com). The Company will send the personal passwords by post to the address you provide in the territory of Spain, without charge.

In order to duly ensure your identity, the personal passwords will be sent through an exclusive delivery service that will only deliver them to the person appearing as the holder of the shares in the corresponding book-entry register, for which reason it is imperative that you personally receive them.

The use of the passwords is governed by the provisions of the Rules of Implementation for the Management of the General Shareholders’ Meeting.
Will the personal passwords for 2015 continue to be valid?
Yes. If you already have personal passwords that the Company delivered to participate in the 2015 General Shareholders’ Meeting, you can use them again this year.

Is there any incentive to participate in the Meeting with personal passwords?
Yes. True to its commitment to encourage the participation of shareholders and to manage the General Shareholders’ Meeting in a sustainable manner, Iberdrola has announced a drawing for a touch-screen tablet and one lot of Iberdrola shares (valued in an amount of not more than 300 euros, based on the listing price thereof) among all those shareholders who exercise their right to proxy representation or absentee voting using personal passwords. More information can be found in the Rules of Implementation for the Management of the General Shareholders’ Meeting and on the corporate website (www.iberdrola.com).

What period do shareholders have to grant proxies and cast absentee votes?
Until 24:00 on 7 April 2016. If the General Shareholders’ Meeting cannot be held on first call contrary to expectations, the deadline would be automatically extended to the same time the next day.

The Company will extend the deadline to exercise said rights upon the terms set forth in the Rules of Implementation for the Management of the General Shareholders’ Meeting.

Presentations and Voting

Can the shareholders or their proxy-holders make presentations during the General Shareholders’ Meeting?
Yes. Requests by shareholders or their proxy-holders to make presentations shall be made before the commencement of the meeting to the Office of the Shareholder, which shall be available for this purpose at Palacio Euskalduna beginning at 08:30 on the day of the General Shareholders’ Meeting, with evidence of their name and surname, and company name in case the shareholder represents a legal entity, as well as the number of shares owned or represented thereby. It is suggested that such requests be submitted as soon as possible after entering Palacio Euskalduna to facilitate preparation of the list of participants.

If you intend to make a presentation during the General Shareholders’ Meeting, read the Rules of Implementation for the Management of the General Shareholders’ Meeting to know the matters with respect to which you can do so, the time for doing so, and the guidelines to keep in mind when making your presentation.
Shareholders who so prefer, or their proxy-holders, may also ask questions at the Office of the Shareholder located at Palacio Euskalduna so that a representative of the Company (which is expected to be the director of Investor Relations) can submit them to the chair together with questions that the shareholders have sent to the Company through other channels of participation.

Can questions be asked through other channels of participation?

Yes. It is expected that the director of Investor Relations will raise before the General Shareholders’ Meeting the questions or comments that the shareholders have provided prior to or during the meeting.

When are the proposals put to a vote?

At the end of the period for presentations by shareholders and their representatives and the response by the chair of the General Shareholders’ Meeting.

How are the proposals put to a vote?

The chair of the General Shareholders’ Meeting has the duty to determine the voting procedures and systems in accordance with the law and the Company’s Corporate Governance System.

Shareholders and their proxy representatives have the right to have the notary record their vote against or in favour, against, or in blank, or their abstention, in the minutes of the meeting.

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**Proclamation and Publication of the Results**

When will the results of voting be announced?

If the chair of the General Shareholders’ Meeting determines at the time of voting that there is a sufficient number of votes to approve or reject all or part of the proposed resolutions, the chair may declare them to be approved or rejected, in whole or in part.

How can one find out the quorum and the results of the votes at the General Shareholders’ Meeting and access the resolutions that have been adopted?

On the corporate website (www.iberdrola.com) within five calendar days of the end of the General Shareholders’ Meeting.
Attendance Bonus and Gift for Shareholders

Will an attendance bonus be paid to shareholders that attend the General Shareholders’ Meeting?
The Company, through the respective depositaries, will pay an attendance bonus in the gross amount of 0.005 euro per share to the shareholders present in person or by proxy at the General Shareholders’ Meeting who have provided due evidence of their attendance thereat in person or by proxy.

Will a gift be given to shareholders that attend the General Shareholders’ Meeting?
As is the custom of the Company, a gift will be delivered at the offices authorised to receive the attendance cards prior to the holding of the General Shareholders’ Meeting and at the entrance to the Meeting.

In addition, other shareholders who attend by proxy representation or cast an absentee vote may request the gift upon the terms set out in the Rules of Implementation for the Management of the General Shareholders’ Meeting.

Sustainable Event

What do the certificates of the Basque Government (Erronka Garbia) and AENOR (ISO 20121) mean regarding the sustainability of the General Shareholders’ Meeting event?
The Basque Government, through the public-owned company Ihobe, has given the General Shareholders’ Meeting the “Erronka Garbia” environmental seal, which certifies Iberdrola’s exemplary conduct in key aspects of sustainability in the organisation of the General Shareholders’ Meeting and its sociocultural commitment to the utmost reduction of the negative impacts that such event might generate.

Likewise, AENOR has certified that the design, planning, and management of the General Shareholders’ Meeting, included within Shareholder Day, complies with the ISO 20121 quality standard, a voluntary international standard for the management of sustainable events. Compliance with this standard confirms Iberdrola’s leadership in sustainability and verifies that it has identified potential negative impacts of a social, economic, and environmental nature associated with the holding of the General Shareholders’ Meeting and that it has eliminated or reduced them through better planning of the organisation and management thereof.
Guarantees and Additional Information for Shareholders

What other measures are established by the Company to guarantee the rights and interests of shareholders and transparency at the General Shareholders’ Meeting?

The Board of Directors has been advised by its legal counsel concerning the call to the General Shareholders’ Meeting and has resolved to request the presence of a notary to prepare minutes of the General Shareholders’ Meeting.

In addition, Deloitte Advisory, S.L. will review compliance with the procedures relating to proxy-granting, absentee voting, list of shares and shareholders present in person and by proxy, quorum, calculation, exercise of the right to participate by the shareholders or their proxy representatives, processing and counting of the proxies and votes of the shareholders at the General Shareholders’ Meeting, as well as compliance generally with the Company’s Corporate Governance System and the Rules of Implementation for the Management of the General Shareholders’ Meeting as regards the proceedings of the General Shareholders’ Meeting.

The legal validity and conformance of the Rules of Implementation for the Management of the General Shareholders’ Meeting to the Company’s Corporate Governance System has been the subject of a favourable legal opinion issued by Ms María Enciso Alonso-Muñumer, attorney-at-law and full professor of commercial law at Universidad Rey Juan Carlos.

How does the Company process the personal data of its shareholders?

The personal data that shareholders provide to the Company or that are provided thereto within the framework of the General Shareholders’ Meeting will be included in files for which the Company is responsible in order to manage the development, compliance with, and supervision of the shareholding relationship.

If the shareholder includes personal data of other individuals on the card, the shareholder shall be responsible for informing such persons of the details set forth above and for complying with any other requirements that may apply for the proper provision of personal data to the Company, without the Company having to take any additional action in terms of information or consent.

How can the rights of access, rectification, objection, and erasure of personal data be exercised?

The owner of the data shall, in all cases and whenever legally admissible, have the rights of access, rectification, objection, or erasure of the data collected by the Company by sending a letter to Iberdrola
What services does the Office of the Shareholder provide?

The shareholders may contact the Office of the Shareholder when they so desire in order to request information about Shareholder Day and the General Shareholders’ Meeting through the free phone (+34) 900 100 019 (hours: Monday to Friday, from 9:00 to 19:00) or via the e-mail accionistas@iberdrola.com.

In particular, the Company advises proxy representatives and individuals seeking to attend the meeting on behalf of corporate shareholders to go to the Office of the Shareholder prior to the General Shareholders’ Meeting for purposes of demonstrating in advance the adequacy of the documents they wish to use to prove their representative powers.

On Shareholder Day, the Office of the Shareholder will be available to the shareholders at Palacio Euskalduna as from 08:30 in order to generally assist and inform the attendees and to provide them with such additional information as they may request and is appropriate.

In addition, the Office of the Shareholder will be available to the shareholders and their proxy representatives attending the General Shareholders’ Meeting in order to:

(a) Assist and inform the attendees who state their desire to make a presentation in accordance with the provisions of this Shareholder’s Guide and the Rules of Implementation for the Management of the General Shareholders’ Meeting, preparing the list of presenting parties for this purpose and collecting the written text of their presentations.

(b) Answer questions regarding the proceedings raised by them prior to the commencement of the proceedings, without prejudice to the shareholders’ rights to take the floor, make proposals, and vote, in accordance with the law and the Company’s Corporate Governance System.

(c) Provide to the attendees who so request the full text of the proposed resolutions regarding each of the items on the agenda of the call to meeting, as well as the reports and other documents made available to the shareholders in connection with such proposals.

In any event, the formal exercise by shareholders of the rights to receive information, proxy-granting, and absentee voting through electronic or telematic means shall require compliance with the provisions of the Rules of Implementation for the Management of the General Shareholders’ Meeting.

What measures does the Company take to facilitate the observation and dissemination of the General Shareholders’ Meeting?

An audiovisual recording will be made of the proceedings of the General Shareholders’ Meeting for live broadcast through such media as the Company may determine, and will be available to the public on
the corporate website (www.iberdrola.com) in the absence of technical incidents beyond the Company’s control. By entering the premises where the General Shareholders’ Meeting is to be held, attendees consent to the capture and reproduction of images of their person and to the processing of their personal data through such media.

Observing the General Shareholders’ Meeting through an audiovisual broadcast thereof does not give shareholders any rights other than those established by applicable law and the Corporate Governance System.

Simultaneous interpretation of presentations made in Spanish into Euskera (Basque), English, and Portuguese, as well as consecutive interpretation into Spanish of the presentations of shareholders wishing to speak in such languages during the General Shareholders’ Meeting, will also be provided.

Once the General Shareholders’ Meeting has been called to order, the use by the shareholders of voice amplification systems, mobile telephones, recording and audiovisual transmission cameras and, generally, any instrument that may alter the conditions of visibility, sound, light, transparency, and speed of the proceedings or prejudice the orderly conduct thereof is forbidden.

What accessibility measures does the Company provide to its shareholders?

Shareholders with visual limitations may request through the corporate website (www.iberdrola.com) that the announcement of the call to meeting be sent to them in Braille.

The Company will provide appropriate means to facilitate access to and egress from the premises where Shareholder Day will be held for all attendees with reduced mobility, whether physical or due to visual impairment.

The Company will also adopt the measures necessary for attendees with auditory or visual limitations to participate in the General Shareholders’ Meeting. Along these lines, the General Shareholders’ Meeting will be subject to simultaneous interpreting into Spanish sign language and audio description for attendees with visual limitations.

The Company will provide a childcare centre supervised by qualified professionals, including babysitting staff, for those attending Shareholder Day with minors.

For purposes of access to the information concerning the General Shareholders’ Meeting through the corporate website (www.iberdrola.com), the shareholders are informed that it is continuously updated and has been developed in compliance with priority guidelines 1 and 2 of the web content accessibility guide 1.0 (WCAG) established by the World Wide Web Consortium (W3C), as certified by the seal awarded by Fundación Technosite, S.A. in order to enable all shareholders, regardless of disability, age, or the use of unconventional technology, to access and browse the corporate website.
Frequently asked questions and information of interest regarding the General Shareholders’ meeting

How can additional information be obtained regarding the General Shareholders’ Meeting?

More information about the General Shareholders’ Meeting can be viewed on the corporate website (www.iberdrola.com) or by contacting the Office of the Shareholder through any of the following means:

(a) Phone: (+34) 900 100 019 (hours: Monday to Friday, from 9:00 to 19:00).
(b) Address: Plaza Euskadi número 5, 48009 Bilbao and calle Tomás Redondo número 1, 28033 Madrid.
(c) E-mail: accionistas@iberdrola.com.

The Office of the Shareholder will be open during the General Shareholders’ Meeting at Palacio Euskalduna (avenida Abandoibarra número 4, Bilbao).

Information for Holders of ADRs and CDIs

Registered holders of American Depositary Receipts (“ADRs”) representing ordinary shares of the Company will receive, through JPMorgan Chase Bank, N.A., the voting instructions card by means of which they will be able to exercise their voting rights at the General Shareholders’ Meeting.

If holders of ADRs wish to ask any questions in connection with the General Shareholders’ Meeting, they may send them by e-mail to the Company, to investor.relations@iberdrola.es, or by post to calle Tomas Redondo 1, 28033 Madrid, Spain, to the attention of the Office of the Shareholder.

Holders of CREST Depositary Interests (“CDIs”) representing ordinary shares of the Company will receive from Equiniti Limited the voting instructions card by means of which they will be able to instruct the depositary of the CDIs to exercise their voting rights in their name at the Company’s General Shareholders’ Meeting.

In addition, holders of CDIs may request the documents and information relating to the General Shareholders’ Meeting (or a summary thereof) by writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, prior to the holding thereof.

If holders of CDIs wish to ask any questions in connection with the General Shareholders’ Meeting, they may send them by e-mail to the Company, to investor.relations@iberdrola.es, or by post to calle Tomas Redondo 1, 28033 Madrid, Spain, to the attention of the Office of the Shareholder.
Information for Institutional Investors and Proxy Advisors

Institutional Investors
Investor Relations Office
Fax: (+34) 917 842 064
E-mail: investor.relations@iberdrola.es.
Post: Plaza Euskadi número 5, 48009 Bilbao

Proxy Advisors
Corporate Governance Division
Fax: (+34) 944 664 481
E-mail: gobierno.corporativo@iberdrola.es.
Post: Plaza Euskadi número 5, 48009 Bilbao

The Investor Relations Office may take any measures required to adapt information, proxy-granting, and voting means and instruments to the characteristics of such shareholders, respecting in all cases the principle of equal treatment.

Instructions for Filling Out the Attendance, Proxy, and Absentee Voting Cards

Iberdrola has provided the financial intermediary and management institutions or depositaries of the shares with a form of card.

If you wish to attend the General Shareholders’ Meeting in person, it is not necessary to bring the card, because you will be able to register by showing your national identity document or any other equivalent document.

To appoint a proxy or cast an absentee vote, shareholders must complete the card in the following manner. These instructions are based on the form of card that Iberdrola provides to the institutions. If the card that your institution has sent you does not follow this form, you can contact the Office of the Shareholder to obtain help in filling out the card.
Check this box if you want to cast an absentee vote. Otherwise it shall be deemed that a proxy is granted.

If you decide to grant a proxy, you can indicate here the identity of your representative. Otherwise it shall be deemed that you grant a proxy to the chairman of the Board of Directors.

**Front side of the card**

If you want to grant a proxy or cast an absentee vote, please remember to sign the card.

To use this card to grant a proxy or cast an absentee vote, it must, after it is signed, be sent to IBERDROLA, S.A. (apartado de correos 1,113, 48089 Bilbao) or delivered to the shareholder service locations announced on www.iberdrola.com. If granting a proxy, this card may also be delivered to your proxy representative in order for the representative to attend the General Shareholders’ Meeting with the card signed by the shareholder and with the representative’s DNI or other equivalent document.

Shareholder’s signature

In .................., on the ........... day of ................., 2016

It shall be deemed that the absentee vote is casted — or that specific instructions are given to vote — in favour of all resolutions proposed by the Board of Directors unless otherwise is specified by marking the corresponding boxes.

**Back side of the card**

It shall be deemed that you grant a proxy to the chairman of the Board of Directors for items not on the agenda unless you check this box.

In matters in which the proxy-holder is affected by a conflict of interest, the proxy shall be deemed to have been granted in connection with such matters, successively, to the chair of the General Shareholders’ Meeting, to the secretary for the General Shareholders’ Meeting, and to the deputy secretary of the Board of Directors, unless this box is checked, where the shareholder shall be deemed to instruct the proxy-holder to abstain in connection with such matters.
More information and key dates
Iberdrola Investor Relations App

Download the Iberdrola Investor Relations App to obtain more information regarding the General Shareholders’ Meeting, to access the presentation of results in real time, to see the share price and performance, financial documentation, extra multimedia content, dividends, schedule of events, and more.

More Information on the Items of the Agenda

1. Approval of the individual annual accounts of the Company and of the annual accounts of the Company consolidated with those of its subsidiaries for financial year 2015. Where can I find the most important information?

2. Approval of the individual management reports of the Company and of the management reports of the Company consolidated with those of its subsidiaries for financial year 2015. Where can I find the most important information?

3. Approval of the management and activities of the Board of Directors during financial year 2015. Where can I find the most important information?

4. Re-election of Ernst & Young, S.L. as auditor of the Company and of its consolidated group for financial year 2016. Where can I find the most important information?
   See the Report on the Independence of the Auditor prepared by the Audit and Risk Supervision Committee.

5. Approval of the proposed allocation of profits/losses and distribution of dividends for financial year 2015. Where can I find the most important information?

6. Approval of two increases in share capital by means of scrip issues in order to implement two new editions of the “Iberdrola Flexible Dividend” system for the free-of-charge allocation of new shares to the shareholders of the Company. Where can I find the most important information?
   See the report of the Board of Directors on this item of the agenda.

7. Authorisation to the Board of Directors to increase share capital. Where can I find the most important information?
   See the report of the Board of Directors on this item of the agenda.

8. Authorisation to the Board of Directors to issue exchangeable and/or convertible debentures or bonds and warrants. Where can I find the most important information?
   See the report of the Board of Directors on this item of the agenda.
9. Re-election of the following directors: Mr Iñigo Víctor de Oriol Ibarra (other external); Ms Inés Macho Stadler (independent); Mr Braulio Medel Cámar (independent); and Ms Samantha Barber (independent); and appointment of Mr Xabier Sagredo Ormaza (other external). Where can I find the most important information?

See the reports of the Board of Directors and of the Appointments Committee relating to the proposed appointment and re-election of directors.

10. Amendment of the By-Laws. Where can I find the most important information?

See the report of the Board of Directors on this item of the agenda.

11. Amendment of the Regulations for the General Shareholders’ Meeting. Where can I find the most important information?

See the report of the Board of Directors on this item of the agenda.

12. Reduction in share capital by means of the retirement own shares. Where can I find the most important information?

See the report of the Board of Directors on this item of the agenda.

13. Delegation of powers. Where can I find the most important information?

See the proposed resolutions.

14. Consultative vote regarding the Annual Director Remuneration Report for financial year 2015. Where can I find the most important information?

See the Annual Director Remuneration Report.

Annual Reports and Complementary Documentation regarding the Iberdrola Group

- Individual annual accounts
- Consolidated annual accounts
- Report on independence of the auditor
- Annual Corporate Governance Report
- Annual Director Remuneration Report
- Annual Activities Report of the Consultative Committees of the Board of Directors
- Report on Related-Party Transactions with Directors and Significant Shareholders
- Sustainability Report and complementary information
- Integrated Report, February 2016
Key Upcoming Dates

- Presentation of first quarter 2016 results: 27 April 2016.
- Presentation of first half 2016 results: 20 July 2016.
- Presentation of third quarter 2016 results: 26 October 2016.

Commitment to Continuous Improvement

Iberdrola has made a commitment to the continuous improvement of the General Shareholders’ Meeting and of its system for sustainable management of this event. In compliance with this commitment, the Company makes the e-mail address accionistas@iberdrola.com available to the shareholders, through which they can express their opinion regarding the organisation of the event to allow the Company to identify any opportunities for improvement for the holding of subsequent General Shareholders’ Meetings.

On-Line Shareholders (OLS)

Stay in touch with Iberdrola through On-Line Shareholders (OLS), an interactive system that will allow you to easily and continuously, both before and after the General Shareholders’ Meeting:

- View the most frequently asked questions and answers regarding the Company.
- Make queries of or request clarifications vis-à-vis other shareholders, either openly or confidentially, regarding the matters contemplated in the preceding section or regarding issues relating to your status as a shareholder.
- Access the legal and corporate documentation that you require.
- Make queries regarding the ethical principles governing the Iberdrola group or report situations that are not in accordance therewith through the Ethics Mailbox.

You simply need to access it using your user name and password, and you will benefit from all these advantages that Iberdrola makes available to you.

If you have any question, you can contact us through the free phone (+34) 900 10 00 19 or write to us at the email address: accionistas@iberdrola.com.
Sustainable Event

Pursuant to the provisions of the Company’s Sustainability Policy, the Basque Government (through the public-owned company Ihobe) and AENOR have issued certificates verifying that the Iberdrola has complied with the criteria on environmental sustainability of events in the Basque Country and with the ISO 20121 standard for sustainable event management, respectively, in the management of the General Shareholders’ Meeting.
ERREGISTRO-ZIURTAGIRIA
REGISTRATION CERTIFICATE

Eusko Jaurlaritzako Ingurumen eta Lurralde Politika Saileko Ingurumen Sailburuordetzak ekitaldi hau erregistratua izan dela egiazatzen du:

The Environment and Territorial Policy Department of the Basque Country certifies that the event:

IBERDROLA 2016 GENERAL SHAREHOLDERS’ MEETING
inside the Shareholder Day
2016KO IBERDROLA AKZIODUNEN BATZAR OROKORRA
Akziodun Egunaren barne

Erregistro-zenbakia hau da / has been registered as:

Sinadura / Signed:

Iosu Madariaga Garamendi
Ingurumeneko sailburuordea
Vice-Minister of Environment
Eusko Jaurlaritzak—Basque Government

Vitoria-Gasteiz, 2016ko otsailaren 15a, astelhena / Monday, 15th of February, 2016
Events Sustainability Management System Certificate

SE-2016/0001

AENOR, Spanish Association for Standardization and Certification certifies that the organization

IBERDROLA, S.A

has an Events Sustainability Management System according to UNE-ISO 20121:2013 standard

legal and administrative headquarters: Plaza de Euskadi, 5 - BILBAO (Bizkaia - España)

for the activity: Design, planning and events management

and for the event: General Shareholders’ Meeting, Shareholder Day

First issued on: 2016-02-15
Validity date: 2019-02-15

Avelino BRITO MARQUINA
Director General de AENOR

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