



MASTER REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. REGARDING THE PROPOSED RATIFICATIONS AND/OR RE-ELECTIONS OF NON-EXECUTIVE DIRECTORS INCLUDED IN ITEM SEVEN ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 27 AND 28 MARCH 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. Purpose of the Report

This report is submitted by the Board of Directors of IBERDROLA, S.A. (“**Iberdrola**” or the “**Company**”) pursuant to the provisions of section 529 *decies* of the Companies Act (*Ley de Sociedades de Capital*) in relation to the proposed ratification of interim appointment and re-election as directors of Mr José W. Fernández, Ms Denise Mary Holt, and Mr Manuel Moreu Munaiz, and the proposed re-election as directors of Mr Ángel Jesús Acebes Paniagua, Ms María Helena Antolín Raybaud, Mr Santiago Martínez Lage, and Mr José Luis San Pedro Guerenabarrena.

Pursuant to the provisions of such section and the Corporate Governance System, the proposed ratification of the interim appointment and re-election as directors of Mr José W. Fernández and of Ms Denise Mary Holt, and the proposed re-election as directors of Mr Ángel Jesús Acebes Paniagua, Ms María Helena Antolín Raybaud, and Mr Santiago Martínez Lage, who should belong to the category of independent directors, is submitted to the shareholders at the General Shareholders’ Meeting upon a proposal of the Appointments and Remuneration Committee.

The proposed re-election of Mr Manuel Moreu Munaiz and Mr José Luis San Pedro Guerenabarrena, belonging to the category of other external directors, is submitted to the shareholders at the General Shareholders’ Meeting after a report from the Appointments and Remuneration Committee.

Pursuant to the provisions of article 9.7.c) of the Company’s *Regulations for the General Shareholders’ Meeting*, in the event that the shareholders acting at a General Shareholders’ Meeting must deliberate on the appointment, re-election, or ratification of directors, the corresponding proposed resolution shall be accompanied by the following information:

- a) professional profile and biographical data of the director;
- b) membership on other boards of directors of listed or unlisted companies;
- c) statement of the category of director to which such person belongs or should belong;



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- d) date of their first and subsequent appointments as a director of the Company; and
- e) shares of the Company and derivative financial instruments whose underlying assets are shares of the Company of which such director is the holder.

This master report collectively evaluates the competency, experience, and merits of the proposed candidates to hold the position of director upon the terms of subsection 5 of section 529 *decies* of the Companies Act.

Individual reports for each of the candidates to be ratified and/or re-elected as directors, which include the information referred to in Article 9.7.c) of the *Regulations for the General Shareholders' Meeting*, are set forth below:

2. Report prepared by an Independent Expert regarding the Proposed Ratification and/or Re-election of Directors Covered by this Report

In order to obtain an outside analysis of the suitability of the profiles of the directors submitted for ratification and/or re-election at the General Shareholders' Meeting, the Appointments and Remuneration Committee requested a report of the internationally recognised corporate governance expert PriceWaterhouseCoopers Asesores de Negocio, S.L.

The conclusion of this report is that the various profiles of the directors whose ratification and/or re-election is proposed contribute to the progress of the Board of Directors towards excellence in the composition thereof, with improvement from both the structural viewpoint as well as the capabilities of its members.

3. Overall Rationale for the Proposals

In preparing the proposals for ratification and/or re-election, the Board of Directors as taken into account the suitability of the professional profiles of the candidates to the unique aspects of the business carried out by the Company and the industries in which it operates and its international nature.

In this regard, the Board of Directors is of the opinion that, in order to be able to exercise their oversight and control duties properly, all its members must possess an appropriate combination of adequate qualifications and skills in the following areas:

- a) knowledge of the industries in which the Company does business;
- b) experience in and background knowledge of economic and financial matters, management of highly qualified human resources, and legal and regulatory frameworks;
- c) international experience and background knowledge of the geographical markets that are most significant for the Company; and

d) experience in and knowledge of management, leadership, and business strategy.

The curriculum vitae of the directors whose ratification and/or re-election is being submitted at the General Shareholders' Meeting shows their competence as administrators, their merits to hold the position of director, their extensive experience in industries relevant to the Company and the group, and their in-depth knowledge of various business areas, which ensures the contribution of multiple viewpoints to the debate of matters within the Board of Directors.

Specifically, the proposal for ratification and/or re-election of directors adds new profiles with knowledge in markets and sectors that are key to the company: Mr José W. Fernández and Ms Denise Mary Holt are experts in the US and British markets, respectively, and Mr Manuel Moreu Munaiz has broad experience in offshore wind generation technology.

Overall, the proposals for ratification and/or re-election of the non-executive directors submitted to the shareholders at the General Shareholders' Meeting contributes to maintaining a high percentage of independent directors compared to the composition of the Board of Directors at the last Annual General Shareholders' Meeting, and entails a qualitative improvement in its structure.

In terms of the length of service of the non-executive directors, the ratification and re-election of the three directors appointed since the last Annual General Shareholders' Meeting entails a reduction in the average length of service of non-executive directors from 5.8 to 4 years.

It also entails a notable increase in the diversity of gender and nationality.

With the ratification and/or re-election of Ms Denise Mary Holt and Ms María Helena Antolín Raybaud, the percentage of women on the Company's Board of Directors (which increased from 29% to 36%) will become one of the highest among comparable European companies.

Along these lines, the proposal doubles the percentage of non-Spanish directors (from 14% to 29%).

Finally, the Appointments and Remuneration Committee has verified that Mr José W. Fernández, Ms Denise Mary Holt, Mr Manuel Moreu Munaiz, Mr Ángel Jesús Acebes Paniagua, Ms María Helena Antolín Raybaud, Mr Santiago Martínez Lage and Mr José Luis San Pedro Guerenabarrena meet the requirements of respectability, capability, expertise, competence, experience, qualifications, training, availability, and commitment to the duties of the position, and that they are 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 Corporate Governance

System.

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Bilbao, 17 February 2015

INDIVIDUAL REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. REGARDING THE PROPOSED RATIFICATION AND RE-ELECTION OF MR JOSÉ W. FERNÁNDEZ INCLUDED IN SECTION A OF ITEM SEVEN ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 27 AND 28 MARCH 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. Introduction

This report is submitted by the Board of Directors of IBERDROLA, S.A. (the “**Company**”) pursuant to the provisions of section 529 *decies* of the Companies Act (*Ley de Sociedades de Capital*) in relation to the proposed ratification of the interim appointment and re-election of Mr José W. Fernández as director.

This proposal in turn forms a part of the proposal for ratification and/or re-election of other non-executive directors of the Company, which has been evaluated collectively in a master report.

This report individually assesses the professional profile and biographical data of the candidate and other information referred to in article 9.7.c) of the *Regulations for the General Shareholders' Meeting*.

2. Professional Profile and Biographical Data of Mr José W. Fernández

Born in Cienfuegos, Cuba in 1955, a U.S. citizen.

Degree in History from Dartmouth University (New Hampshire, United States of America), and J.D. from Columbia University (New York, United States of America).

He has spent a large part of his career as a lawyer specializing in international commercial matters. He has also had a distinguished career in the institutional field, serving as Assistant Secretary of State for Economic, Energy and Business Affairs of the United States.

He divides his time between his position at Iberdrola with his duties as a partner of Gibson, Dunn & Crutcher

Noteworthy experience for the holding of his positions at Iberdrola:

Energy industry

He has been Assistant Secretary of State for Economic, Energy and Business Affairs in the United States (2009-2013), during which time he headed the department responsible for overseeing energy security policy in the country, and also investment

policy, international trade, development and debt policy.

He has also been an independent director at Iberdrola USA, Inc., a subholding company of Iberdrola that engages in the activities of organisation and strategic coordination of the businesses of the group in the United States of America.

Other industries 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.

He has been a board member of Dartmouth College, NPR Station WBGO-FM, Middle East Institute, the Ballet Hispanico of New York, and NGOs such as Acción Internacional. He is currently board member of Council of the Americas and the Center for American Progress, among others.

Other information

He has been the State Department's representative on the Committee on Foreign Investment of the United States.

Among other accolades, he was named one of the "World's Leading Lawyers" by Chambers Global for his work in mergers and acquisitions, an "Expert" in the International Financial Law Review and one of the "World's Leading Privatization Lawyers" by Euromoney.

In 2013 he was named "Embajador de la Marca España" (Ambassador of the Spain Brand) a company comprised of several government agencies and important Spanish companies for his work in promoting commercial relations between the United States and Spain.

3. Membership on Other Boards of Directors

Mr Fernández does not belong to other board of directors of listed or unlisted companies.

4. Type of Director to be Assigned

Mr José W. Fernández has been proposed based on his personal and professional status, being able to carry out his duties without being affected by relations with the Company, its significant shareholders or its officers, which merits him the status of independent director. The effective availability of the candidate to provide the dedication required to hold this office has been verified therewith.

5. Date of First Appointment as Director of the Company and Positions Held on the Board of Directors

He was appointed on an interim basis as an independent director of the Company by the Board of Directors at its meeting held on 17 February 2015.

He is a member of the Audit and Risk Supervision Committee.

6. Ownership of Shares of the Company and Derivative Financial Instruments with Shares of the Company as Underlying Assets

Mr José W. Fernández is not the direct or indirect owner of shares of the Company or of derivative financial instruments with shares of the Company as underlying assets, and has no link to holders of significant equity interests.

7. Proposed Resolution

The Board of Directors has concluded that the knowledge of the functioning of North American governments in particular, and the North American market in general will allow Mr José W. Fernández to provide a full view of this key market for Iberdrola.

After assessing the overall proposals for ratification and/or re-election of non-executive directors, upon the terms of the master report set forth above, and individually, the information regarding Mr José W. Fernández set forth in this report, the proposed resolution submitted for approval of the shareholders at the General Shareholders' Meeting is the following:

“A.- Ratification of the interim appointment and re-election of Mr José Walfredo Fernández as director, with the status of external independent director.

To ratify the appointment of Mr José Walfredo Fernández as director designated on an interim basis by resolution of the Board of Directors adopted at the meeting held on 17 February 2015, and to re-elect him, upon the proposal of the Appointments and Remuneration Committee, for the by-law mandated four-year term, with the status of external independent director.”

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Bilbao, 17 February 2015

INDIVIDUAL REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. REGARDING THE PROPOSED RATIFICATION AND RE-ELECTION OF MS DENISE MARY HOLT INCLUDED IN SECTION B OF ITEM SEVEN ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 27 AND 28 MARCH 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. Introduction

This report is submitted by the Board of Directors of IBERDROLA, S.A. (the “**Company**”) pursuant to the provisions of section 529 *decies* of the Companies Act (*Ley de Sociedades de Capital*) in relation to the proposed ratification of the interim appointment and re-election of Denise Mary Holt as director.

This proposal in turn forms a part of the proposal for ratification and/or re-election of other non-executive directors of the Company, which has been evaluated collectively in a master report.

This report individually assesses the professional profile and biographical data of the candidate and other information referred to in article 9.7.c) of the *Regulations for the General Shareholders' Meeting*.

2. Professional Profile and Biographical Data of Ms Denise Mary Holt

Born in Vienna, Austria, in 1949.

Degrees in Spanish Philology, French Philology, and Political Sciences from the University of Bristol and Doctor of Laws from the University of Bristol (England, United Kingdom).

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 countries such as Brazil, Mexico and Spain. In the business field, she possesses experience in the finance, health, and energy sectors.

She divides her time between her position as a director of Iberdrola and her activities in international organisations, academic institutions, and her position as a director of HSBC Bank plc.

Noteworthy experience for the holding of her positions at Iberdrola:

Energy industry

She possesses experience and expertise in the energy industry, having been a

director at Scottish Power Renewable Energy Ltd. from 2011 to 2012 and at Scottish Power Networks Holdings Ltd. from 2012 to 2014.

Other industries

She also possesses experience as a member of the board of directors of international companies and institutions in other sectors, like the financial and health industries. In the financial sector, she has been an independent director and member of the Risk Committee of HSBC Bank plc. since 2011, and is also chair and independent director of its subsidiary M&S Financial Services Ltd. In the health sector, she is an independent director of Nuffield Health and a member of the Quality and Safety Committee, and Remuneration Committee, of the Board of Directors of such institution.

Also noteworthy is the vast experience as a manager she has gained during her extensive diplomatic career. She has been first secretary of the British Embassy in Brazil (1990-1993), Director of Human Resources (1999-2002) and of Migration (2005-2007) and for the Overseas Territories at the UK Foreign and Commonwealth Office (2005-2007) and British ambassador to Mexico (2002-2005) and to Spain and Andorra (2007-2009).

Other information:

A former chair of the Anglo-Spanish Society (2010-2013), Ms Holt currently has ties with international organisations like Wilton Park International Conference Centre as well as with academic institutions like the Cañada Blanch Centre for Contemporary Spanish Studies of the London School of Economics and Political Science, the Institute of Latin American Studies of the University of London, and the University of Bristol. She chairs the Nominations Committee of the British Alzheimer's Society.

She was also named Dame Commander of the Order of Saint Michael and Saint George for her contribution to the British diplomatic service.

3. Membership on Other Boards of Directors

Ms Denise Mary Holt is an independent director of HSBC Bank plc., of its subsidiary M&S Financial Services Ltd., and of Nuffield Health.

4. Type of Director to be Assigned

Ms Denise Mary Holt has been proposed based on her personal and professional status, being able to carry out her duties without being affected by relations with the Company, its significant shareholders or its officers, which merits her the status of independent director. The effective availability of the candidate to provide the dedication required to hold this office has been verified therewith.

5. Date of First Appointment as Director of the Company and Positions

Held on the Board of Directors

She was appointed on an interim basis as an independent director of the Company by the Board of Directors at its meeting held on 24 June 2014.

She is a member of the Audit and Risk Supervision Committee.

6. Ownership of Shares of the Company and Derivative Financial Instruments with Shares of the Company as Underlying Assets

Ms Denise Mary Holt is the direct and indirect owner of 204 shares of the Company is not the owner of derivative financial instruments with shares of the Company as underlying assets, and has no link to holders of significant equity interests.

7. Proposed Resolution

The Board of Directors has concluded that Ms Denise Mary Holt's in-depth knowledge of the UK market and of the businesses carried out by the Iberdrola group in that territory, her extensive experience in the area of international relations thanks to her training, extensive diplomatic career, and ability to contribute her knowledge in the financial sector to the discussion, together with her performance as a director to date, makes her ideal to continue holding the position of director.

After assessing the overall proposals for ratification and/or re-election of non-executive directors, upon the terms of the master report set forth above, and individually, the information regarding Ms Denise Mary Holt set forth in this report, the proposed resolution submitted for approval of the shareholders at the General Shareholders' Meeting is the following:

“B.- Ratification of the interim appointment and re-election of Ms Denise Mary Holt as director, with the status of external independent director.

To ratify the appointment of Ms Denise Mary Holt as director designated on an interim basis by resolution of the Board of Directors adopted at the meeting held on 24 June 2014, and to re-elect her, upon the proposal of the Appointments and Remuneration Committee, for the by-law mandated four-year term, with the status of external independent director.”

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Bilbao, 17 February 2015

INDIVIDUAL REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. REGARDING THE PROPOSED RATIFICATION AND RE-ELECTION OF MR MANUEL MOREU MUNAIZ, INCLUDED IN SECTION C OF ITEM SEVEN ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 27 AND 28 MARCH 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. Introduction

This report is submitted by the Board of Directors of IBERDROLA, S.A. (the “**Company**”) pursuant to the provisions of section 529 *decies* of the Companies Act (*Ley de Sociedades de Capital*) in relation to the proposed ratification of the proposed interim appointment and re-election of Mr Manuel Moreu Munaiz as director.

This proposal in turn forms a part of the proposal for ratification and/or re-election of other non-executive directors of the Company, which has been evaluated collectively in a master report.

This report individually assesses the professional profile and biographical data of the candidate and other information referred to in article 9.7.c) of the *Regulations for the General Shareholders' Meeting*.

2. Professional Profile and Biographical Data of Mr Manuel Moreu Munaiz

Born in Pontevedra in 1953.

Doctorate in naval engineering from Escuela Técnica Superior de Ingenieros Navales (ETSIN) of the Universidad Politécnica and a master's degree in Oceanic Engineering from the Massachusetts Institute of Technology (MIT).

Throughout his career he had divided his time as an executive in companies in several industries (in particular offshore engineering) with extensive teaching and educational work. He has been a board member of Gamesa Corporación Tecnológica, S.A. and Iberdrola Renovables, S.A. and is a board member of Metalships & Docks, S.A., Rodman Polyships, S.A. and Neumáticas de Vigo, S.A. (NEUVISA).

He divides his time between his position at Iberdrola with teaching work and his position as chairman of Seaplace, S.L., H.I. Ingeniería y Proyectos S.L. and Howard Ingeniería y Desarrollo S.L

Noteworthy experience for the holding of his position at Iberdrola:

Energy industry and industrial engineering

He has been a member of the Board of Directors of Iberdrola Renovables, S.A. (2007-2011), and director and member of Comisión de Auditoría y Cumplimiento de Gamesa Corporación Tecnológica, S.A. (2013-2015).

In 1981 he founded Seaplace, S.L., an engineering company which specialises in the design and analysis of fixed and floating offshore structures for the oil industry, energy and aquaculture, among others.

Other industries

He is also the sole director of HI Iberia Ingeniería y Proyectos S.L. (a consulting company that develops software, simulations and business models) and Howard Ingeniería y Desarrollo S.L. (technology and communications sector).

He was also head of the Technical Department of Sociedad Española de Clasificación y Registro de Buques, Artefactos Flotantes e Ingenios Oceánicos, S.A. (Fidenavis), a company that engages in activities related to maritime transport.

Other information:

He has engaged in intense teaching and documentary work. He is currently an assistant lecturer at Universidad Politécnica de Madrid (ETSIN), and also teaches in Repsol's Master's program in oil and in the Maritime Master's programme of Instituto Marítimo Español and Universidad Pontificia Comillas.

He is the Chair of Instituto de la Ingeniería de España since 2012 and was dean of Colegio Oficial de Ingenieros Navales y Oceánicos of Madrid and Spain.

3. Membership on Other Boards of Directors

Mr Manuel Moreu Munaiz is a director of Metalships and Docks, Rodman Polyships and Cofinave Gestión, S.L.; and chair of Seaplace, S.L., HI Iberia Ingeniería y Proyectos, S.L. and Howard Ingeniería y Desarrollo, S.L.

4. Type of Director to be Assigned

Mr Manuel Moreu Munaiz will continue to be assigned to the category of other external director as he has been a director of Gamesa Corporación Tecnológica, S.A. with which the Company maintains a significant business relationship. The effective availability of the candidate to provide the dedication required to hold this office has been verified therewith.

5. Date of First Appointment as Director of the Company and Positions Held on the Board of Directors

He was appointed director of the Company on an interim basis by its Board of

Directors on 17 February 2015.

6. Ownership of Shares of the Company and Derivative Financial Instruments with Shares of the Company as Underlying Assets

Mr Manuel Moreu Munaiz is the direct or indirect owner of 41,840 shares of the Company, is not the owner of derivative financial instruments with shares of the Company as underlying assets, and has no link to holders of significant equity interests.

8. Proposed Resolution

The Board of Directors has concluded that the technical knowledge and experience of Mr Manuel Moreu Munaiz in new energy generation technologies, in addition to his history as a businessman and director of listed companies justifies his ratification and re-election as a director.

After assessing the overall proposals for ratification and/or re-election of non-executive directors, upon the terms of the master report set forth above, and individually, the information regarding Mr Manuel Moreu Munaiz set forth in this report, the proposed resolution submitted for approval of the shareholders at the General Shareholders' Meeting is the following:

“C.- Ratification of the interim appointment and re-election of Mr Manuel Moreu Munaiz as director, with the status of other external director.

To ratify the appointment of Mr Manuel Moreu Munaiz as director designated on an interim basis by resolution of the Board of Directors adopted at the meeting held on 17 February 2015, and to re-elect him, upon the proposal of the Appointments and Remuneration Committee, for the by-law mandated four-year term, with the status of other external director.”

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Bilbao, 17 February 2015

INDIVIDUAL REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. REGARDING THE PROPOSED RE-ELECTION OF MR ÁNGEL JESÚS ACEBES PANIAGUA INCLUDED IN SECTION D OF ITEM SEVEN ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 27 AND 28 MARCH 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. Introduction

This report is submitted by the Board of Directors of IBERDROLA, S.A. (the “**Company**”) pursuant to the provisions of section 529 *decies* of the Companies Act (*Ley de Sociedades de Capital*) in relation to the proposed re-election of Mr Ángel Jesús Acebes Paniagua as director.

This proposal in turn forms a part of the proposal for ratification and/or re-election of other non-executive directors of the Company, which has been evaluated collectively in a master report.

This report individually assesses the professional profile and biographical data of the candidate and other information referred to in article 9.7.c) of the *Regulations for the General Shareholders' Meeting*.

2. Professional Profile and Biographical Data of Mr Ángel Jesús Acebes Paniagua

Born in Ávila, in 1958.

Degree in Law from Universidad de Salamanca and lawyer, with almost twenty years of practice experience. 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, S.A. and Banco Financiero y de Ahorros, S.A. (“BFA”)

He divides his time between his position at Iberdrola and his work as chair and founding member of Grupo MA Abogados Estudio Jurídico.

Noteworthy experience for the holding of his positions at Iberdrola:

Energy and industrial engineering industries

A practicing lawyer between 1982 and 1994, specialising in Commercial Law.

He returned to law practice in 2008 and founded Grupo MA Abogados Estudio Jurídico (of which he is chair), a law firm based in six Spanish Autonomous Communities

with more than forty lawyers working in areas, such as corporate law, corporate governance, competition, mergers and acquisitions, and regulated industries.

He has been a member of the board of BFA between July 27, 2011 and April 24, 2012, acting as chairman of its Auditing and Compliance Commission. Through this position, he has had ties to affiliates of BFA active in the energy sector (such as Iberdrola itself and the Comsa Ente, S.A. group), as well as in the industrial/technological sector (such as Indra, S.A., a technological services company, and Mecalux, S.A., active in logistic solutions), which companies, in most cases, have a strong international presence.

He also has a significant understanding of the regulatory area and regarding the functioning of public institutions and of the relations with them, as he has been Minister of Public Administrations (1999-2000), of Justice (2000-2002), and of the Interior (2002-2004) of the Government of Spain. During his political career, he has also been a senator and a Spanish MP, acquiring in-depth knowledge of the regulatory framework.

Other industries

He also possesses experience in the management of companies with an international profile, as a result of having served on the board of Caja Madrid Cibeles, S.A. (2008 - 2011), which manages the investments of Caja Madrid group in other companies in the financial and insurance sectors (such as Mapfre Internacional, S.A.) and also in the retail banking industry outside Spain.

Other information:

He is a trustee of Fundación Universitaria de Ávila, UCAV, and gives courses, workshops, and lectures on various matters relating to law, politics, and social matters.

3. Membership on Other Boards of Directors

Mr Acebes Paniagua is not a member of other boards of directors of listed or unlisted companies.

4. Type of Director to be Assigned

Mr Ángel Jesús Acebes Paniagua has been proposed based on his personal and professional status, being able to carry out his duties without being affected by relations with the Company, its significant shareholders or its officers, which merits him the status of independent director. The effective availability of the candidate to provide the dedication required to hold this office has been verified therewith.

5. Date of First Appointment as Director of the Company and Positions Held on the Board of Directors

He was appointed a director of the Company on an interim basis by its Board of

Directors on 24 April 2012, and was ratified and re-elected as a director at the General Shareholders' Meeting of 22 June 2012.

He is a member of the Executive Committee.

6. Ownership of Shares of the Company and Derivative Financial Instruments with Shares of the Company as Underlying Assets

Mr Ángel Jesús Acebes Paniagua is the direct and indirect owner of 5,632 shares of the Company, is not the owner of derivative financial instruments with shares of the Company as underlying assets, and has no link to holders of significant equity interests.

7. Proposed Resolution

The Board of Directors has concluded that the lengthy experience of Mr Acebes Paniagua in the public sector gives him an in-depth knowledge of public institutions in Spain, a key element given the importance of the regulatory environment to the businesses carried out by the Company, as he has been able to show during his last term, both in his activities during plenary meetings and at meetings of the Executive Committee.

Furthermore, the experience of Mr Ángel Jesús Acebes Paniagua at numerous companies during his phase as a director of one of the principal financial institutions in Spain allows him to continue contributing quite positively to the debates and in the decision-making process of the Board of Directors.

After assessing the overall proposals for ratification and/or re-election of non-executive directors, upon the terms of the master report set forth above, and individually, the information regarding Mr Ángel Jesús Acebes Paniagua set forth in this report, the proposed resolution submitted for approval of the shareholders at the General Shareholders' Meeting is the following:

“D.- Re-election of Mr Ángel Jesús Acebes Paniagua as director, with the status of external independent director.

To re-elect Mr Ángel Jesús Acebes Paniagua as director, upon the proposal of the Appointments and Remuneration Committee, for the by-law mandated four-year term, with the status of external independent director.”

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Bilbao, 17 February 2015

INDIVIDUAL REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. REGARDING THE PROPOSED RE-ELECTION OF MS MARÍA HELENA ANTOLÍN RAYBAUD INCLUDED IN SECTION E OF ITEM SEVEN ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 27 AND 28 MARCH 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. Introduction

This report is submitted by the Board of Directors of IBERDROLA, S.A. (the “**Company**”) pursuant to the provisions of section 529 *decies* of the Companies Act (*Ley de Sociedades de Capital*) in relation to the proposed re-election of Ms María Helena Antolín Raybaud as director.

This proposal in turn forms a part of the proposal for ratification and/or re-election of other non-executive directors of the Company, which has been evaluated collectively in a master report.

This report individually assesses the professional profile and biographical data of the candidate and other information referred to in article 9.7.c) of the *Regulations for the General Shareholders' Meeting*.

2. Professional Profile and Biographical Data of Ms María Helena Antolín Raybaud

Born in Toulon, France, in 1966.

Degree in International Business and Business Administration from Eckerd College, St. Petersburg, Florida (United States of America), and holds a Master in Business Administration from Anglia University, Cambridge (United Kingdom) and from Escuela Politécnica de Valencia (Spain).

She has spent her career in the industrial sector and is currently a director, deputy chairman and member of the Managing Board of Grupo Antolín Irausa, S.A..

Noteworthy experience for the holding of her positions at Iberdrola:

Energy and industrial engineering industries

She has experience as a member of the board of energy and industrial companies as an external independent director of Iberdrola Renovables, S.A. and member of its Related-Party Transactions Commission between between 2007 and 2010.

She has also been a member of the Managing Board of Sernauto (Asociación

Española de Fabricantes de Equipos y Componentes para Automoción) since 2011. She has been in charge of the corporate Industrial and Strategy divisions of Grupo Antolín, where she is currently deputy chairman and corporate director of Marketing, Communication, and Institutional Relations.

Previous experience in connection with the committee of which she is a member

She has domestic and international experience in areas relating to her position as a member of the Corporate Social Responsibility Committee. At Grupo Antolín-Irausa, S.A. she held the positions of director of Human Resources Development and head of Total Quality. As a corporate director she has performed duties at a global level within the group, in which she started out taking on various responsibilities at subsidiaries based in Germany, France, and Italy.

Other information:

She is a member of the Permanent Commission of the Club Excelencia en Gestión and a board member of France Foreign Trade (*Comercio Exterior de Francia*), Spain section.

3. Membership on Other Boards of Directors

Ms María Helena Antolín Raybaud is a director of Grupo Antolín Irausa, S.A.

4. Type of Director to be Assigned

Ms María Helena Antolín Raybaud has been proposed based on her personal and professional status, being able to carry out her duties without being affected by relations with the Company, its significant shareholders or its officers, which merits her the status of independent director. The effective availability of the candidate to provide the dedication required to hold this office has been verified therewith.

5. Date of First Appointment as Director of the Company and Positions Held on the Board of Directors

She was appointed director of the Company at its General Shareholders' Meeting of 26 March 2010.

She is a member of the Corporate Social Responsibility Committee.

6. Ownership of Shares of the Company and Derivative Financial Instruments with Shares of the Company as Underlying Assets

Ms María Helena Antolín Raybaud is the direct and indirect owner of 2,868 shares of the Company, is not the owner of derivative financial instruments with shares of the Company as underlying assets, and has no link to holders of significant equity interests.

7. Proposed Resolution

The Board of Directors has concluded that her business experience at Grupo Antolín and her training in the area of business management and administration gives Ms Antolín Raybaud broad knowledge in the areas of business management, at both the domestic and international level, which allows her to contribute her practical knowledge and her personal experience in the decision-making process of the Company's Board of Directors, and to continue contributing quite positively to the work of the Corporate Social Responsibility Committee.

After assessing the overall proposals for ratification and/or re-election of non-executive directors, upon the terms of the master report set forth above, and individually, the information regarding Ms María Helena Antolín Raybaud set forth in this report, the proposed resolution submitted for approval of the shareholders at the General Shareholders' Meeting is the following:

“E.- Re-election of Ms María Helena Antolín Raybaud as director, with the status of external independent director.

To re-elect Ms María Helena Antolín Raybaud as director, upon the proposal of the Appointments and Remuneration Committee, for the by-law mandated four-year term, with the status of external independent director.”

* * *

Bilbao, 17 February 2015

INDIVIDUAL REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. REGARDING THE PROPOSED RE-ELECTION OF MR SANTIAGO MARTÍNEZ LAGE INCLUDED IN SECTION F OF ITEM SEVEN ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 27 AND 28 MARCH 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. Introduction

This report is submitted by the Board of Directors of IBERDROLA, S.A. (the “**Company**”) pursuant to the provisions of section 529 *decies* of the Companies Act (*Ley de Sociedades de Capital*) in relation to the proposed re-election of Mr Santiago Martínez Lage as director.

This proposal in turn forms a part of the proposal for ratification and/or re-election of other non-executive directors of the Company, which has been evaluated collectively in a master report.

This report individually assesses the professional profile and biographical data of the candidate and other information referred to in article 9.7.c) of the *Regulations for the General Shareholders' Meeting*.

2. Professional Profile and Biographical Data of Mr Santiago Martínez Lage

Born in Betanzos, A Coruña, in 1946.

Degree in Law from Universidad Complutense de Madrid. Continued his studies at the Escuela de Funcionarios Internacionales de Madrid, the Escuela Diplomática, The Hague Academy of International Law, the “Europa Instituut” in Amsterdam (The Netherlands), and INSEAD in Fontainebleau (France).

A career diplomat currently on leave, he is the chairman of the law firm Martínez Lage, Allendesalazar & Brokelmann.

Noteworthy experience for the holding of his positions at Iberdrola:

Energy and industrial engineering industries

He has experience as a board member in the engineering and energy industries. In the energy sector, he served as an external independent director of Iberdrola Renovables, S.A. from 2007 to 2010. In the industrial sector, he is secretary of the board of directors

of companies belonging to multinational groups like SKF Española, S.A. In the past, he was a member of the boards of other companies such as Fujitsu Services y Telettra España.

Other industries

He has also served in the position of secretary of the Board of Directors of Empresa Nacional Elcano de la Marina Mercante, S.A.

Previous experience in connection with the committee of which he is a member

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.

In 1985 he established the law firm Martínez Lage & Asociados (now, Martínez Lage, Allendesalazar & Brokelmann), a leading law firm in Spain specialised in European Union and Competition Law.

He served as a member of the Executive Committee of Iberdrola Renovables, S.A., and as chair of its Appointments and Remuneration Committee. Before joining the Appointments and Remuneration Committee he was also a member of the Audit and Risk Supervision Committee.

Other information:

He is vice-chair of the Spanish Association for the Study of European Law (Asociación Española para el Estudio del Derecho Europeo) and the European Law Section of the Royal Academy of Jurisprudence and Legislation (Real Academia de Jurisprudencia y Legislación). In addition, he is a trustee of the Spain Mexico Foundation and a member of the Arbitrator Appointment Committee of the Spanish Court of Arbitration. He was general secretary of the International Federation for European Law (FIDE) and a member of the Board of Directors of the Círculo de Empresarios.

In 2013 he won the APTISSIMI award to Professional Careers for ESADE Alumni.

3. Membership on Other Boards of Directors

Mr Martínez Lage does not belong to other boards of directors of listed or unlisted companies

4. Type of Director to be Assigned

Mr Santiago Martínez Lage has been proposed based on his personal and professional status, being able to carry out his duties without being affected by relations with the Company, its significant shareholders or its officers, which merits him the status of independent director. The effective availability of the candidate to provide the dedication required to hold this office has been verified therewith.

5. Date of First Appointment as Director of the Company and Positions Held on the Board of Directors

He was appointed director of the Company at its General Shareholders' Meeting of 26 March 2010.

Member of the Appointments and Remuneration Committee.

6. Ownership of Shares of the Company and Derivative Financial Instruments with Shares of the Company as Underlying Assets

Mr Santiago Martínez Lage is the direct and indirect owner of 14,984 shares of the Company, is not the owner of derivative financial instruments with shares of the Company as underlying assets, and has no link to holders of significant equity interests.

7. Proposed Resolution

The Board of Directors has concluded that Mr Martínez Lage's training as a diplomat and his in-depth knowledge of European Community law, which is quite relevant to the businesses that the Iberdrola group carries out in Europe, allows him to continue contributing positively with his knowledge in the area of EC regulation and his experience in the area of international relations, both in the decision-making processes of the Board of Directors and in the deliberations of the Appointments and Remuneration Committee.

After assessing the overall proposals for ratification and/or re-election of non-executive directors, upon the terms of the master report set forth above, and individually, the information regarding Mr Santiago Martínez Lage set forth in this report, the proposed resolution submitted for approval of the shareholders at the General Shareholders' Meeting is the following:

"F.- Re-election of Mr Santiago Martínez Lage as director, with the status of external independent director.

To re-elect Mr Santiago Martínez Lage as director, upon the proposal of the Appointments and Remuneration Committee, for the by-law mandated four-year term, with the status of external independent director.”

* * *

Bilbao, 17 February 2015

INDIVIDUAL REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. REGARDING THE PROPOSED RE-ELECTION OF MR JOSÉ LUIS SAN PEDRO GUERENABARRENA INCLUDED IN SECTION G OF ITEM SEVEN ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 27 AND 28 MARCH 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. Introduction

This report is submitted by the Board of Directors of IBERDROLA, S.A. (the “**Company**”) pursuant to the provisions of section 529 *decies* of the Companies Act (*Ley de Sociedades de Capital*) in relation to the proposed re-election of Mr José Luis San Pedro Guerenabarrena as director.

This proposal in turn forms a part of the proposal for ratification and/or re-election of other non-executive directors of the Company, which has been evaluated collectively in a master report.

This report individually assesses the professional profile and biographical data of the candidate and other information referred to in article 9.7.c) of the *Regulations for the General Shareholders' Meeting*.

2. Professional Profile and Biographical Data of Mr José Luis San Pedro Guerenabarrena

Born in Bilbao, in 1946.

Industrial engineer specialising in Energy Techniques from Escuela Técnica Superior de Ingeniería Industrial (ETSII) in Bilbao, and degree in Economics and Business from Facultad de Ciencias Económicas y Empresariales in Sarriko (Bilbao), specialising in finance.

His track record of more than forty years in the energy industry, and specifically within the Iberdrola 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 on the Board with the status of other external director.

Noteworthy experience for the holding of his positions at Iberdrola:

Energy and industrial engineering industries

Has spent most of his professional career at the Iberdrola group. He began his journey in 1971 at Iberduero, S.L. (now Iberdrola) as head of the demand and production

research section of the Planning and Research Division. In 1980 he was appointed head of the Management Systems Department and in 1982 assumed management of the Research and Planning Department, and since then he has participated actively in the study and implementation of the process for restructuring the electricity industry in Spain.

He also held the positions of director of Administration and Finance of Iberduero, S.A. (now Iberdrola) between 1984 and 1991 and of general manager of Economy and Finance of Iberdrola between 1991 and 2001, during which periods he was responsible for the group's financial operations.

In 2000 he assumed the position of general manager of Control, Regulation and Services of Iberdrola, S.A. and, in 2011, of business CEO of the group. In 2012 he was appointed chief operating officer of Iberdrola, S.A., which position he held until June 2014, when he began to serve on the Board with the status of other external director.

He is currently the chair of the Board of Directors of Iberdrola España, S.A., the country subholding company that carries out the duties of organisation and strategic coordination of the businesses of the Iberdrola group in Spain.

Other industries

For more than ten years he was a board member and member of the Executive Committee of Corporación IBV, Servicios y Tecnologías, S.A., a company 50% owned by Iberdrola and Banco Bilbao Vizcaya Argentaria, S.A. for investing in business activities in industries like information technology, telecommunications, and aeronautics.

3. Membership on Other Boards of Directors

Mr José Luis San Pedro Guerenabarrena is a director and chairman of the Board of Directors of Iberdrola Spain.

4. Type of Director to be Assigned

Mr José Luis San Pedro Guerenabarrena will continue to be assigned to the category of other external director as he was the chief operating officer of the businesses of the group until June 2014. The effective availability of the candidate to provide the dedication required to hold this office has been verified therewith.

5. Date of First Appointment as Director of the Company and Positions Held on the Board of Directors

He was appointed director of the Company on an interim basis by the Company's Board of Directors on 24 April 2012, and ratified and re-elected at the General Shareholders' Meeting of 22 June 2012.

Member of the Executive Committee.

6. Ownership of Shares of the Company and Derivative Financial Instruments with Shares of the Company as Underlying Assets

Mr José Luis San Pedro Guerenabarrena is the direct and indirect owner of 633,510 shares of the Company, is not the owner of derivative financial instruments with shares of the Company as underlying assets, and has no link to holders of significant equity interests..

7. Proposed Resolution

The Board of Directors has concluded that the long history of Mr José Luis San Pedro Guerenabarrena within the Company and various companies of its group, where he has held various executive positions, with his career at the Company culminating as chief operating officer of the businesses, gives him privileged knowledge of the internal operation of all of the businesses, their risks, their threats, and their competitive advantages, allowing him to continue contributing with his experience and analysis, as he has done during his last term, within the debates of the Board of Directors and its Executive Committee.

In addition, his training as an engineer and his experience in the finance area allow Mr San Pedro Guerenabarrena to notably enrich the decision-making process of the Board of Directors with his technical views and knowledge.

After assessing the overall proposals for ratification and/or re-election of non-executive directors, upon the terms of the master report set forth above, and individually, the information regarding Mr José Luis San Pedro Guerenabarrena set forth in this report, the proposed resolution submitted for approval of the shareholders at the General Shareholders' Meeting is the following:

G.- Re-election of Mr José Luis San Pedro Guerenabarrena as director, with the status of other external director.

To re-elect Mr José Luis San Pedro Guerenabarrena as director, upon the proposal of the Board of Directors and after a report from the Appointments and Remuneration Committee, for the by-law mandated four-year term, with the status of other external director."

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Bilbao, 17 February 2015