

E. GENERAL SHAREHOLDERS' MEETING

E.1. Indicate and, if applicable, explain whether there are differences with the minimum requirements set out in the Companies Law in connection with the quorum needed to hold a valid General Shareholders' Meeting.

YES	NO
	X

	% of quorum different from that established as a general rule in Section 102 of the Companies Law	% of quorum different from that established in Section 103 of the Companies Law for the special cases set forth in such Section 103
Required quorum upon first call	0	0
Required quorum upon second call	0	0

E.2. Indicate and, if applicable, explain whether there are differences with the rules provided by the Companies Law for the adoption of corporate resolutions:

YES	NO
	X

Describe the difference from the rules provided by the Companies Law.

E.3. Explain the rights of the shareholders regarding general shareholders' meetings which are different from the rights provided for in the Companies Law.

IBERDROLA RENOVABLES' shareholders have broader rights than those required under the Law. Among such rights, regulated in the By-Laws and in the Regulations for the General Shareholders' Meeting and specifically developed in the Corporate Governance Policy approved by the Board of Directors of the Company in its meeting of February 19, 2008, the following are notable:

1. RIGHT TO RECEIVE INFORMATION

La normativa interna de IBERDROLA RENOVABLES desarrolla lo dispuesto. The internal regulations of IBERDROLA RENOVABLES develop the provisions of Section 112 of the Companies Law and Section 117 of the Securities Market Law regarding the means that the Company must make available to the shareholders for them to exercise their right to receive information prior to and during the course of the General Shareholders' Meeting.

In compliance with such Section 117 of the Securities Market Law, Article 10.1 of the Regulations for the General Shareholders' Meeting provides for the right of shareholders to request information prior to the meeting "via

mail or other means of electronic or long-distance data communication," such as the Company's website (www.iberdrolarenovables.es), which permits access to documentation relating to the General Shareholders' Meeting, and the exercise of the right of representation and the right to vote.

Furthermore, IBERDROLA RENOVABLES has fulfilled its commitment to use its best efforts to provide on its website, from the moment of the notice of the call, English versions of the information and principal documents related to the General Shareholders' Meeting in order to facilitate the attendance and participation of shareholders who do not speak Spanish. Such information was made available within 48 hours following the notice of the call to the meeting.

As far as the right to receive information during the General Shareholders' Meeting is concerned, Article 18 of the Regulations for the General Shareholders' Meeting provides for the Office of the Shareholder [*Oficina del Accionista*], which must be set up at each meeting "for the purpose of (i) answering questions regarding the proceedings raised by the shareholders prior to the commencement of the session, without prejudice to shareholders' legal and by-laws rights to take the floor, make proposals and vote, and (ii) assisting and informing attendees and shareholders who wish to take the floor, preparing for such purpose a list of those who previously state their desire to participate, as well as collecting the text of their statements, if such statements are available in writing."

2. RIGHT TO ATTEND

Pursuant to Article 18 of the By-Laws, every shareholder entitled to vote is granted the possibility of attending the General Shareholders' Meeting because no minimum number of shares is required for such purpose.

However, as provided in such Article 18, in order to exercise the right to attend, shareholders must cause the shares to be registered in their name in the corresponding book-entry registry at least five (5) days prior to the day on which the General Shareholders' Meeting is to be held.

In addition, the By-Laws contemplate measures to facilitate the attendance of shareholders at the General Shareholders' Meeting, and admit the possibility of such meeting being held at different places that are interconnected through video conference systems.

Thus, Article 19.3 of the By-Laws provides that *"the General Shareholders' Meeting may be attended by going to the place where the meeting is to be held or, if applicable, to other places provided by the Company and indicated in the call to meeting, and which are connected therewith by video conference systems that allow recognition and identification of the parties attending, permanent communication among the attendees regardless of their location, and participation and voting, all in real time. The principal place of the meeting must be located in the municipal area of the Company's registered office, but supplemental locations need not be so located. For all purposes relating to the General Shareholders' Meeting, attendees at any of the sites shall be deemed attendees at the same individual meeting. The meeting shall be deemed to have been held at the principal location thereof."*

IBERDROLA RENOVABLES' Corporate Governance Policy states that a paramount objective is that all persons, regardless of any disability, their age, or the technology used, be able to surf the Company's website without encountering any access difficulties.

3. RIGHTS TO BE REPRESENTED AND TO VOTE FROM A DISTANCE

Pursuant to Article 18.5 of the By-Laws, all shareholders having the right to attend may be represented at the General Shareholders' Meeting by proxy through another person, even though such person is not a shareholder.

In addition to traditional means, IBERDROLA RENOVABLES' regulations grant shareholders the power to appoint proxies and to vote by mail or electronic communication at any General Shareholders' Meeting held, regardless of the resolutions that may be adopted by the Board of Directors in each case.

In this regard, Article 18.6 of the By-Laws provides that *"...proxies shall be given in writing or by postal or electronic correspondence, in which case the provisions of the Regulations for the General Shareholders' Meeting shall apply."*

Furthermore, Article 23 of the By-Laws gives shareholders the possibility to *"cast their vote regarding proposals relating to the items included in the agenda by mail or by electronic communication,"* with the rules relating to distance voting being further developed in Article 33 of the Regulations for the General Shareholders' Meeting.

E.4. Indicate, if applicable, the measures adopted to encourage the participation of shareholders at General Shareholders' Meetings.

Pursuant to Article 18.1 of the By-Laws, all shareholders may attend the General Shareholders' Meeting and take part in deliberations thereof, with the right to be heard and to vote.

In addition to the rights to request that a meeting be called, to receive information, to be present at meetings, to be represented by proxy and to cast votes from a distance mentioned above, IBERDROLA RENOVABLES develops a policy encouraging the participation of shareholders at the General Shareholders' Meeting by means of the following measures:

- Holding the General Shareholders' Meeting at premises having the equipment needed for the meeting to be appropriately conducted and followed.
- If necessary, the use is contemplated of accessory locations for attendance at the General Shareholders' Meeting which are connected to the primary location by videoconference systems permitting recognition and identification of those in attendance, permanent communication among attendees regardless of the place where they are, and participation and voting.
- In addition to the publication of the call to meeting by the means established in applicable regulations, financial agencies or brokers are hired for a better distribution of the information among the Company's wide base of institutional and international investors.
- Personalized assistance and guidance to shareholders who wish to participate, provided through the Office of the Shareholder, which shall have a specific place for such purposes at the premises where the Meeting is held in order to deal with any issues raised by attendees prior to the commencement of the meeting and to provide assistance and information to the shareholders who wish to use the floor.
- Making available to the shareholders means for translating the various presentations.
- The possibility of accessing the live broadcast of the meeting through the Company's website (www.iberdrolarenovables.es).

E.5. Indicate whether the chairman of the General Shareholders' Meeting is also the chairman of the Board of Directors. Describe, if applicable, the measures adopted to ensure the independence and proper operation of the General Shareholders' Meeting:

YES	NO
X	

Description of measures

- Pursuant to Article 9.10 of the Regulations for the General Shareholders' Meeting, the Board of Directors may require that a Notary Public attend the General Shareholders' Meeting and prepare the minutes thereof. When this is the case, the Chairman of and the Secretary for the General Shareholders' Meeting shall not prepare the minutes, which task is entrusted to a notary public, thereby guaranteeing neutrality to the shareholders.
- The Company has the necessary means to control and electronically compute the proxies and votes from a distance (by mail or electronic communication), to prepare the list of shareholders present in person or by proxy at the General Shareholders' Meeting, which list shall be electronically recorded and attached to the minutes of the meeting, and to compute the quorum to hold meetings and to adopt resolutions (as provided by Article 17.2 of the Regulations for the General Shareholders' Meeting). This allows for verification of the existence of a quorum to hold a valid meeting.

To this end, the Company prepares and proposes to the entities participating in the *Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.* (Iberclear) the format of the attendance card to be issued to the shareholders, such that the cards issued are uniform and include a bar code or other system which allows for the electronic reading thereof in order to facilitate the computerized calculation of attendees (Article 13.2 of the Regulations for the General Shareholders' Meeting).

These computerized systems are also useful to resolve or clarify doubts or claims in connection with the list of attendees.

- In addition, from the moment they enter the premises, shareholders are assisted by the staff of the Office of the Shareholder (Articles 18 and 19.1 of the Regulations for the General Shareholders' Meeting), which staff is permanently available to resolve any issues and to facilitate shareholders' participation in the General Shareholders' Meeting, as indicated in section E.3 of this report.
- Regarding the powers of the Chairman with respect to the shareholder participation period at the General Shareholders' Meeting, pursuant to Article 28.3 of the Regulations for the General Shareholders' Meeting, the Chairman, in the exercise of his ordering powers:
 - a) may extend the time initially allocated to each shareholder, when the Chairman deems it appropriate;
 - b) may decide the order in which answers will be provided to the shareholders and whether such answers will be given following each presentation period or as a collective response after the last presentation;
 - c) may request the presenting parties to clarify issues that have not been understood or which have not been sufficiently explained during the presentation;
 - d) may call the presenting shareholders to order so that they limit their presentation to business properly before the General Shareholders' Meeting and refrain from making improper statements or exercising their right in an abusive or obstructionist manner
 - e) may announce to the presenting parties that the time for their presentations will soon be ending, so that they may adjust their discourse and, when the time granted for their presentation has ended, or if they persist in the conduct described in the preceding paragraph, may withdraw the floor from them; and, if the Chairman believes that their presentation might alter the proper order and normal conduct of the meeting, the Chairman may cause the presenting parties to leave the premises and, if applicable, may adopt appropriate measures in order to comply with this provision; and
 - f) may deny the floor when the Chairman believes that a particular matter has been sufficiently debated, is not included in the agenda, or hinders the progress of the meeting.

The above-cited provision also requires the Chairman to maintain order in the room *"in order to allow the presenting parties to make their presentations without undue interruption."*

- Article 31.1 of the aforementioned Regulations authorizes the Chairman of the General Shareholders' Meeting, in contemplation of the possibility that extraordinary circumstances occur during the course of the meeting which temporarily prevent the normal progress thereof, *"to suspend the session for the time the Chairman deems appropriate (but not for more than two (2) hours) in order to reestablish the conditions needed for the continuation thereof."*
- In addition, Article 32.1 of the Regulations for the General Shareholders' Meeting grants those attending the meeting the power to decide a continuation of their sessions over one or more consecutive days, at the proposal of the Directors or at the request of shareholders representing at least one-fourth of the capital present.

E.6. Indicate the amendments, if any, made to the Regulations for the General Shareholders' Meeting during the fiscal year.

No amendments were made to the Regulations for the General Shareholders' Meeting during fiscal year 2008.

E.7. Indicate the data on attendance at the general shareholders' meetings held during the fiscal year referred to in this report:

Date of General Shareholders' Meeting	Attendance data				Total
	% of shareholders present in person	% of shareholders represented by proxy	% distance voting		
			Electronic voting	Other	
06/26/2008	80.05	8.62	0.001	0	88.67

E.8. Briefly describe the resolutions adopted by the shareholders acting at the general shareholders' meetings held during the fiscal year to which this report refers and the percentage of votes by which each resolution was passed.

During fiscal year 2008, IBERDROLA RENOVABLES held one General Shareholders' Meeting, which took place on June 26, 2008, upon first call, and at which the shareholders adopted the following resolutions, all of which were approved by a majority in excess of 99% of the capital present at the Meeting in person and by proxy:

ITEMS RELATING TO THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT OF THE COMPANY:

1. Examination and approval, if applicable, of the individual Annual Financial Statements of IBERDROLA RENOVABLES, S.A. (Balance Sheet, Profit and Loss Statement and Notes) and of the consolidated financial statements of IBERDROLA RENOVABLES, S.A. and its subsidiaries (Balance Sheet, Profit and Loss Statement, Statement of Changes in Shareholders' Equity, Statement of Cash Flows, and Notes) for the fiscal year ended on December 31, 2007.
2. Examination and approval, if applicable, of the proposal for the allocation of profits/losses for the fiscal year ended on December 31, 2007.
3. Examination and approval, if applicable, of the individual management report of IBERDROLA RENOVABLES, S.A. and of the consolidated management report of IBERDROLA RENOVABLES, S.A. and its subsidiaries for the fiscal year ended on December 31, 2007.
4. Examination and approval, if applicable, of the management and actions of the Board of Directors during the fiscal year ended on December 31, 2007.
7. Examination and approval, if applicable, of the delivery of shares of the Company to the Chief Executive Officer, as beneficiary of the compensation plans of IBERDROLA RENOVABLES, S.A. (Annual variable compensation in shares, share delivery plan and Strategic Bonus 2008-2010).
8. Examination and approval, if applicable, of an action plan for employees (including managers), and delegation to the Board of Directors of the power to implement, develop, formalize and execute such plan.
9. Authorization to the Board of Directors, with the express power of delegation, to create and fund Associations and Foundations, pursuant to applicable legal provisions.

ITEMS RELATING TO AMENDMENT OF BY-LAWS:

10. Amendment of By-Laws.
 - 10.a) Amendment of Section 1 of Article 4 ("Registered and branch offices").
 - 10.b) Amendment of Section 2 of Article 48 ("Company fiscal year and preparation of the annual financial statements").

ITEMS RELATING TO THE AUTHORIZATIONS AND THE EXPRESS DELEGATION OF POWERS REQUESTED FOR THE BOARD OF DIRECTORS, TO THE RE-ELECTION OF THE AUDITOR AND TO COMPENSATION THROUGH DELIVERY OF SHARES OF THE COMPANY:

5. Authorization to the Board of Directors, with the express power of delegation, for the derivative acquisition of the Company's own shares by the Company itself and/or by its subsidiaries, up to a maximum of five (5%) percent of the share capital, pursuant to applicable law, for which purpose the authorization granted by the shareholders at the General Shareholders' Meeting of November 5, 2007 is hereby deprived of effect to the extent of the unused amount.
6. Re-election or, if this is not possible, appointment of the Auditor of the Company and of the IBERDROLA RENOVABLES Group.

ITEMS RELATING TO GENERAL MATTERS:

11. Delegation of powers to formalize and execute 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 or further elaboration thereon until the required registrations are made.

Below is a breakdown of the vote on each of the preceding proposals:

Items on the agenda	In favor	In favor (%)	Against	Against (%)	Blank	Blank (%)	Abstentions	Abstentions (%)
Item 1	3,743,921,655	99.96	415,230	0.01	0	0.00	1,009,035	0.03
Item 2	3,744,920,986	99.99	418,156	0.01	0	0.00	6,778	0.00
Item 3	3,744,909,921	99.99	425,453	0.01	0	0.00	10,546	0.00
Item 4	3,717,889,527	99.27	101,425	0.00	0	0.00	27,354,968	0.73
Item 5	3,744,916,750	99.99	38,015	0.00	0	0.00	391,155	0.01
Item 6	3,744,890,568	99.99	416,335	0.01	0	0.00	39,017	0.00
Item 7	3,739,247,883	99.84	5,294,955	0.14	0	0.00	803,082	0.02
Item 8	3,736,610,714	99.77	8,700,328	0.23	0	0.00	34,878	0.00
Item 9	3,743,887,301	99.96	1,409,714	0.04	0	0.00	48,905	0.00
Item 10.A	3,745,253,433	100.00	38,038	0.00	0	0.00	54,449	0.00
Item 10.B	3,745,287,425	100.00	9,988	0.00	200	0.00	48,307	0.00
Item 11	3,733,158,671	99.67	6,646	0.00	0	0.00	12,180,603	0.33

E.9. Indicate whether there are any by-law restrictions requiring a minimum number of shares to attend the General Shareholders' Meeting.

YES	NO
	X

Number of shares required to attend the General Shareholders' Meeting

E.10. Indicate and justify the policies followed by the company with respect to proxy-voting at the General Shareholders' Meeting.

The Company's policy is to encourage shareholders' attendance at General Shareholders' Meetings.

As regards proxy-voting, Article 13.2 of the Regulations for the General Shareholders' Meeting provides that the Company may propose to the entities participating in the *Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.* (Iberclear) the format of the attendance card to be issued to the shareholders, as well as "the formula to be recited in such document in order to delegate proxy representation at the meeting in favor of another person, which should also set forth the way

in which the proxy-holder will vote on each of the resolutions proposed by the Board of Directors for each item on the agenda in the absence of specific instructions of the shareholder being represented.”

The Board of Directors, upon calling a General Shareholders' Meeting, prepares a form of proxy card in accordance with Article 13.2 of the Regulations of the General Shareholders' Meeting, ensuring the uniformity of the card and including in each case (without prejudice to the possibility of drafting more detailed instructions) a space in the attendance card for the voting instructions that permits the shareholders to check the appropriate box to vote in the affirmative, in the negative, in blank or to abstain in order to provide the indications that the represented shareholder desires to give to the proxy-holder. In this way, the voting instructions may be recorded easily in the corresponding computerized system.

Pursuant to Article 18 of the By-Laws and Article 12 of the Regulations for the General Shareholders' Meeting, shareholders have the following alternatives to prove the validity of the proxy granted:

- a) By submission of the attendance card or a validation certificate at the shareholders' registration desks at the place and on the date set for the General Shareholders' Meeting.
- b) By mail addressed to the Company including the duly signed proxy and by signing the corresponding attendance card for such purpose.
- c) By e-mail sent with the recognized electronic signature of the shareholder, by means of a communication to the Company through the Company's website (www.iberdrolarenovables.es), which must state both the proxy granted and the name of the shareholder to whom the proxy is given.

Regardless of the manner in which they are received, all proxies are recorded in a computerized application, which is also used to control and compute proxies and voting instructions, prepare the list of attendees and verify the quorum required to hold valid meetings and the majority required to adopt resolutions, pursuant to Article 17.2 of the Regulations for the General Shareholders' Meeting.

E.11. Indicate whether the Company is aware of any policy of institutional investors as to participating or not in the decisions of the Company:

YES	NO
	X

E.12. Indicate the address and manner for accessing corporate governance content on your website.

[www.iberdrolarenovables.es/accionistas e inversores/gobierno corporativo](http://www.iberdrolarenovables.es/accionistas_e_inversores/gobierno_corporativo)