

THIRD BEST SPANISH BANK
IN CUSTOMER SERVICE

CUSTOMER SATISFACTION INDEX
82.4%

SATISFACTION SURVEYS
112,080

POST-SALE SURVEYS
2,400

“PLUS+” BRANCHES FOR ADVICE
52

COMPLAINT RESPONSE
TIME REDUCTION
40%

THE CUSTOMER AT THE HEART OF WHAT WE DO

In an increasingly competitive environment, Bankia's primary goal is to have satisfied, loyal customers. In all its activities the bank gives priority to delivering an increasingly efficient, high quality service, striving always to meet the needs and expectations of consumers.

Customer behaviour is changing very fast and the bank is adapting to respond to the new demands. Keeping pace with customers in this transformation, without moving too fast or too slow, requires above all an ability to listen. Only by listening will the bank be able to detect users' emerging demands and measure their satisfaction with the service they receive.

It is precisely this alignment with customers' needs that has inspired Bankia's Strategic Plan 2016-2018. One of the first measures associated with the new plan is the launch of the "sin comisiones" (no fees) strategy. Since the start of this year, the only requirement for individual customers to sign up to this programme is to have their salary (minimum 450 euros per month) or pension (minimum 200 euros per month) paid directly into their Bankia account. The programme offers a total exemption on all the demand accounts of all qualifying customers, old or new. This is just one initiative, of the many yet to come, that has resulted from listening to customers.

MEASURING QUALITY

Another result of the concern for listening to customers and delivering the highest quality is Plan Avanza, a programme to improve service quality in

the branches that demands an in-depth knowledge of the customer experience. To gain that knowledge, satisfaction levels are measured continuously, especially in respect of the activities that have the biggest impact on the bank's sales performance.

This regular monitoring helps keep management processes and methods constantly under review and serves to identify the branches that can be used as a model and those that need the most improvement, for which specialised improvement plans are developed.

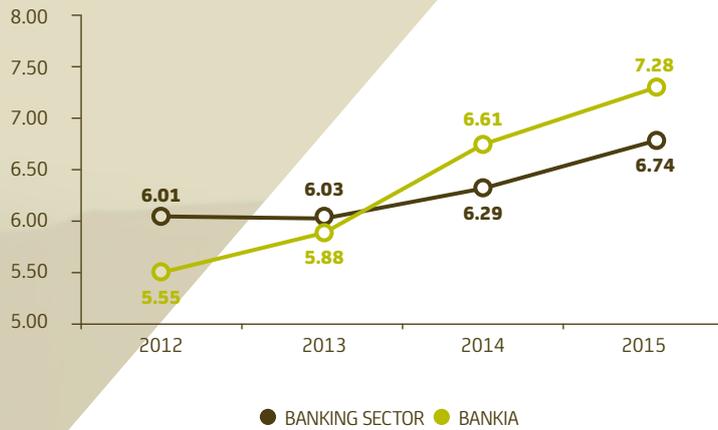
One of the measurement tools used is satisfaction surveys. In 2015 a total of 112,080 satisfaction surveys were conducted, with a view to finding out what customers expected and to what extent their expectations were met in their interactions with Bankia.

Another customary method of measuring service quality is mystery shopping (unannounced visits to branches by supposed customers, whose real mission is to report back on the service they receive). Mystery shopping services are usually provided by outside companies and the results allow comparisons between the objective quality of different financial institutions. Bankia has risen to third place among Spanish banks in service quality, with an above-average score.

CUSTOMER SATISFACTION (%)



THIRD BEST RESULTS IN MYSTERY SHOPPING ACTIONS



This improvement is a consequence of having put the customer at the centre of the bank's activities, involving the whole organisation, from the Individuals, Businesses and Private Banking segments to central services. Central services, for example, have signed service level agreements that demonstrate their determination to deliver a quality service to the branches, with all that this entails for the end customer.

The quality performance improvement is also attributable to the new segmentation of branches by customer profile. Of the 1,941 retail banking branches in Spain, 52 are "Plus+" branches, devoted purely to financial advising; 135 are Agile Branches (open all day), focused on the more transactional services; and 462 are situated in the areas surrounding the Agile Branches and are open mornings and afternoons. The remaining 1,254

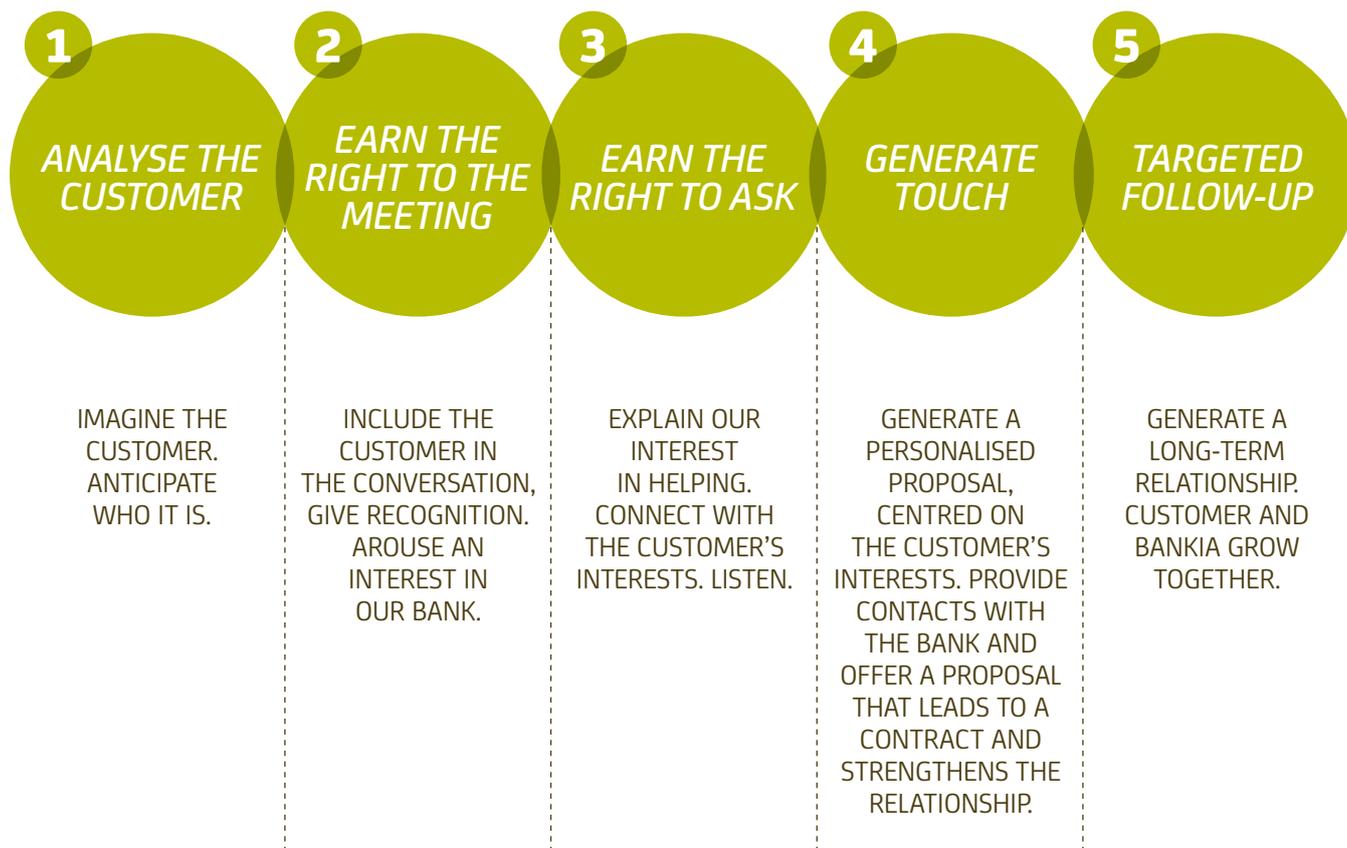
are universal branches. To serve business customers, the bank has 61 business centres (two of them embedded in other branches) and two corporate banking branches. Bankia Banca Privada has 13 branches, which serve high net worth customers who require specialised advice.

Another way of measuring service quality is through post-sale surveys. A total of 2,400 such surveys were conducted in 2015, achieving product acceptance of 73.1%.

RELATIONAL QUALITY

During the second half of 2015, the Relational Quality Model was implemented in the retail banking network. This model shifts the marketing paradigm away from product-focused actions towards a customer-focused approach, with the aim of building unique relationships with customers, centred on customers' emotions and needs. The bank's aim is to reach more customers in a different way, following a five-step model.

RELATIONAL QUALITY MODEL



Branches that follow this process see immediate improvements in productivity, value added to customers, overall customer satisfaction and customer acquisition. Starting in December, specific workshops were held to support the implementation process, reinforcing the steps of the model and capitalising on success stories.

The Relational Quality Model is fundamental to the strategy Bankia has adopted for 2016 to position itself in relation to customers.

CUSTOMER SERVICE

Bankia's Customer Service Department (CSD) is an independent body which helps to improve the bank's relations with its users, always in as equitable a way as possible and following applicable law and industry best practices.

Over the course of 2015, the CSD designed new complaints and claims management procedures, so as to deliver a faster, more satisfactory response. These procedures include:



*THE RELATIONAL
QUALITY MODEL IS
FUNDAMENTAL TO
THE STRATEGY BANKIA
HAS ADOPTED FOR
2016 TO POSITION
ITSELF IN RELATION TO
CUSTOMERS*



*DURING 2015,
BANKIA'S CUSTOMER
SERVICE DEPARTMENT
(CSD) DEvised NEW
PROCEDURES FOR
HANDLING CLAIMS AND
COMPLAINTS TO OFFER
QUICKER SATISFACTORY
RESPONSES*

- An early detection system for the most common complaints, so that all areas of the bank can work to resolve them.
- An online training module aimed at encouraging employees to be proactive in resolving incidents that lie within their scope of responsibility.
- A tool for monitoring complaints at regional level, broken down by customer type, with special emphasis on complaints relating to treatment received in the branches.

The CSD also put special effort into reducing response times, with the result that by the end of the year the average was 28 days, compared to 47 days the previous year, a reduction of 40% in just one year. The target for 2016 is to increase the branches' capacity to resolve incidents for themselves, providing solutions designed for the most common incidents.

Complaints handling is governed by Customer Care Regulations. Complaints are channelled through the complaint forms available at all Bankia branches, which include both the bank's own forms and those supplied by the supervisory bodies (Banco de España, CNMV).

COMPLAINTS ACCEPTED
FOR INVESTIGATION

49,318

COMPLAINTS RECEIVED
FROM CUSTOMERS

67,703

COMPLAINTS RESOLVED IN
THE CUSTOMER'S FAVOUR

22,693

AVERAGE RESPONSE TIME
FOR ACCEPTED CUSTOMER
COMPLAINTS

28 DAYS

