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08. INDEPENDENT REVIEW REPORT.

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Ernst & Young, S.L.
Torre Picasso
Plaza Pablo Ruiz Picasso, 1
28020 Madrid
España

Tel: 915 727 200
Fax: 915 727 238
ey.com

INDEPENDENT REVIEW OF THE SUSTAINABILITY INFORMATION INCLUDED IN THE BANKIA ANNUAL REPORT FOR 2016

To the Board of Directors of Bankia, S.A.

Scope of the work

At the request of the management of Bankia, S.A. (hereinafter Bankia), we have performed a review of the sustainability information included in the 2016 Bankia Annual Report (hereinafter the Report) and in the table of GRI G4 indicators included in chapter 7 of the Report. That information has been prepared in accordance with:

- GRI's Sustainability Reporting Guidelines, version 4 (G4), and their Financial Services Sector Supplement.
- The principles stated in the AA1000APS (2008) standard issued by AccountAbility (Institute of Social and Ethical AccountAbility).

The perimeter the Bankia Group has taken into account in preparing the Report is defined in chapter 7 ("Index of GRI G4 content") of the Report, in the section titled "Scope and external review of extra-financial information".

The preparation of the sustainability report and the information it contains are the responsibility of the management of Bankia, who are also responsible for defining, adapting, and maintaining the management systems and internal controls from which the information is obtained. Our responsibility is to issue an independent report based on the procedures performed in our review.

Criteria

Our review was carried out based on:

- The Guidelines for Reviewing Corporate Responsibility Reports issued by Spain's Official Register of Auditors of Accounts (ICJCE),
- The ISAE 3000 standard (Assurance Engagements Other than Audits or Reviews of Historical Financial Information), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) for limited assurance engagements.
- The AA1000 AccountAbility Principles Standard (2008) for type 2 moderate assurance engagements.

Procedures performed

We conducted our review by putting questions to senior management and the various business units that were involved in the preparation of the Report and by performing the analytical procedures and sampling reviews described below:

- Interviews with the persons responsible for preparing the sustainability information in order to obtain an understanding of how the sustainability objectives and policies are taken into account, put into practice and integrated in the Bankia Group's strategy.
- Analysis of the processes for compiling and validating the sustainability information contained in the Report.
- Review of the processes the Bankia Group has in place for identifying material issues and for involving stakeholders.
- Review of the conformity of the structure and content of the sustainability information with GRI's G4 Sustainability Reporting Guidelines, their Financial Services Sector Supplement, applying the Comprehensive option, and the principles stated in the AA1000APS (2008) standards.
- Verification by sampling of the quantitative and qualitative information provided in the Index of GRI G4 content included in chapter 7 of the Report and the accuracy with which it has been compiled from the data supplied by the information sources. The review procedures were defined so as to provide the stated level of assurance.
- Verification that the financial information reflected in the Report has been audited by an independent third party.

These procedures were performed on the sustainability information contained in the Report and in the Index of GRI G4 content included in chapter 7 of the Report, with the perimeter and scope stated above.

This review is substantially less in scope than a reasonable assurance engagement. The level of assurance is therefore also lower.

On no account should this report be considered an audit report.

Independence

We carried out our work in accordance with the standards of independence required by the Code of Ethics of the International Federation of Accountants (IFAC).

The work was carried out by a team of sustainability experts with extensive experience in reviewing this kind of information.

Conclusions

Based on our review of the sustainability information included in the Report and in the table of GRI G4 indicators annexed to the Report and the scope described above, we conclude that:

- Having reviewed the index of GRI G4 content included in chapter 7 of the Report, nothing has come to our attention that causes us to believe that the information has not been prepared, in all material respects, in accordance with the GRI G4 Sustainability Reporting Guidelines and their Financial Services Sector Supplement, including the reliability of the data, the appropriateness of the information presented and the absence of material deviations or omissions.
- As regards the application by the Bankia Group of the AA1000 APS (2008) standard issued by AccountAbility, nothing has come to our attention that causes us to believe that the Bankia Group has not applied the principles of inclusivity, materiality and responsiveness, as detailed in chapter 7 ("Index of GRI G4 content") of the attached Report, in the section titled "Scope and external review of extra-financial information".

Recommendations

We have presented our recommendations for improvements regarding the application of the AA1000APS (2008) principles to the management of Bankia. The most significant recommendations are as follows:

- **Inclusivity:** Mechanisms are in place to identify stakeholders. We recommend that regular consultations continue to be conducted with internal and external stakeholders to ensure that they participate in the Bankia Group's sustainability strategy.
- **Materiality:** The material issues to be included in the Report are identified. We recommend that the identified material issues continue to be linked to the strategy for mitigating the Bankia Group's reputational risks.
- **Responsiveness:** Mechanisms are in place for designing, evaluating and communicating the company's responses to the stakeholders' main expectations. We recommend that the active listening process and the response to stakeholders' expectations continue to be developed.

This report has been prepared solely for Bankia, in accordance with the terms of our engagement.

ERNST & YOUNG, S.L.

María del Tránsito Rodríguez Alonso
Socia
Madrid, 24 de febrero de 2017



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