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THE MODEL

THE CORPORATE GOVERNANCE SYSTEM IS DESIGNED TO SERVE THE CORPORATE INTERESTS OF SHAREHOLDERS.

Bankia has a corporate governance system that has been approved by the Board of Directors and that is based on the group's corporate values in matters of business ethics and corporate social responsibility, namely, integrity, professionalism, commitment, proximity and achievement orientation.

The model rests on the principles of good governance adopted and set forth in Bankia's Corporate Governance and Organisational Structure Policy, as approved by the Board of Directors, and is based on the recommendations of the CNMV's Code of Good Governance for Listed Companies.

The Corporate Governance System comprises the corporate documents, the internal rules and procedures of conduct, and corporate policies. Its essential

purpose is to serve the corporate interest, understood as the interest common to all the shareholders of an independent public company that has a broad institutional and retail shareholder base and that is oriented to the profitable and sustainable pursuit of its corporate purpose and the creation of value in the long term.

governing the actions of the shareholders' supreme representative body and its rules of operation (notice of meetings, meeting preparation, information, attendance, procedure and exercise of voting rights).

- Board of Directors Regulations. These set out the principles governing the work of the Board, its basic rules of operation and rules of conduct for its members.

CORPORATE DOCUMENTS

• **Bylaws.** The Bylaws establish the bank's fundamental rules and principles of organisation and operation. They are implemented through two sets of regulations:

- General Meeting Regulations. These determine the principles

INTERNAL RULES OF CONDUCT

The Group also has other internal procedures and rules of conduct that comply with legal or regulatory requirements or implement good governance recommendations. They include:

- **The Code of Ethics and Conduct**, which sets out the commitments and guiding principles for directors, senior managers and the rest of the employees and that regulates their relations with one another and with other stakeholders.
- **The Internal Rules of Conduct in the Securities Markets**, which set out the obligations arising from the fact of being a listed company. Among other matters, they state the rules on market abuse and conflict of interest management.

These rules are implemented and supplemented by internal provisions and procedures, such as the customer protection and whistleblowing channel regulations and the rules for the prevention of money laundering and the financing of terrorism.

CORPORATE POLICIES

These policies lay down guidelines or general principles for the group's governing bodies, functions, activities and processes, with special attention to their legal certainty. They are general in scope and are intended to remain in place in the long term. They have been approved by the Board of Directors in accordance with legal requirements and taking good

governance recommendations into account. Most notably they include:

- **Bankia Group Corporate Governance and Organisational Structure Policy.** This defines the main corporate governance issues and commitments and provides general guidelines for the group's organisation through its various subsidiaries and the configuration of their respective governing bodies. The goal is to create a proper framework of coordination and efficiency among the various companies.
- **Policy on Information, Communication and Contacts with shareholders, institutional investors and proxy advisors.** This sets out the principles that will ensure ongoing communication and dialogue with stakeholders. Its purpose is to create stable relationships of trust and promote transparency, always taking into account the rules against market abuse and the principle of equal treatment for people in the same position.
- **Director Selection Policy and Senior Manager Selection and Appointment Policy.** These policies establish the criteria that should be taken into account in the selection and re-election of members of the Board of Directors and members of Senior Management. The Director Selection Policy promotes diversity of knowledge, experience and gender on the Board.
- **Remuneration Policy for directors, managing directors and the holders of Senior Management positions.** This policy sets out the principles of the remuneration system and the types of remuneration, in accordance with the laws and regulations on solvency and capital companies.
- **Risk Control and Management Policies.** These address the information and internal control systems for controlling and managing the different types of risk, both financial and non-financial (including social, environmental, corporate governance, reputational and tax risks). They also include criteria for determining acceptable risk levels and measures to limit potential impacts.
- **Investment and Financing Policy.** This policy sets out Bankia's guidelines and general approach to investment and financing.
- **Responsible Management Policy.** This promotes the integration of social, environmental and corporate governance criteria in management. The aim is that the group's activity should be oriented to creating value for its various stakeholders.
- **Dividend Policy.** This policy sets out the principles that must govern the Board of Directors' proposals and resolutions concerning shareholder remuneration.
- **Treasury Shares Policy.** This contains the rules on transactions in the Company's own shares, in accordance with the limits and other requirements of the securities market regulations.
- **Conflicts of Interest Policy.** This specifies procedures to prevent conflicts of interest affecting shareholders, members of the Board of Directors and Senior Management, employees, suppliers, customers and other parties related to any of these groups.