01. WHO WE ARE.
BANKIA’S DISTINCTIVE IDENTITY CAN BE EXPLAINED FROM MANY DIFFERENT ANGLES: ITS PRINCIPLES, ITS ORGANISATION, THE WAY IT CREATES VALUE, ITS OWNERSHIP STRUCTURE AND THE WAY IT RELATES TO EMPLOYEES. ALL THESE THINGS HAVE A COMMON DENOMINATOR: THE IMPORTANCE OF TEAM WORK.

No. EMPLOYEES 13,159

No. SHAREHOLDERS 239,033

TOTAL No. BRANCHES 1,936
BANKIA DEFINES ITS VISION, MISSION AND VALUES IN ORDER TO EXPLAIN NOT ONLY HOW IT DOES THINGS BUT ALSO WHY. VISION, MISSION AND VALUES PROJECT A UNIQUE AND RECOGNISABLE WAY OF DOING THINGS THAT HELPS ALL THE BANK’S PROFESSIONALS WORK TOGETHER AND BUILD STRONG, STABLE RELATIONSHIPS OF TRUST.

Bankia’s vision, mission and values are the bedrock of its culture. Their principles influence the bank’s business strategy and management model. They also determine the bank’s working philosophy and the relationships it establishes, both internally within the organization and externally with stakeholders (including customers, shareholders, employees, suppliers and society at large).

**VISION**
- Take a principle-based approach in order to provide you with the best banking service

**MISSION**
- Provide an efficient, high quality service to our customers
- Reward our shareholders competitively
- Make a positive contribution to the public finances
- Provide our employees with opportunities for professional development
- Help to improve the market’s assessment and perception of the financial system

**VALUES**
- Professionalism
- Integrity
- Commitment
- Proximity
- Achievement
- Orientation
In February 2016 the Board of Directors approved the 2016-2018 Responsible Management Plan, which was prepared taking both the bank’s strategy and the opinions of its stakeholders into consideration. The plan gives concrete expression, through initiatives and projects, to the main themes of the bank’s responsible management policy.

The Responsible Management Plan rests on two fundamental practices: listening to and dialogue with stakeholders; and continuous supervision and assessment of actions taken under the plan. The plan has a series of projects and annual objectives that are monitored through a dashboard, which is updated each quarter and is presented to the Board of Directors. The main lines of work in 2016 and the degree of achievement of project objectives are follows:
01.1 MISSION, VISION AND VALUES.

CORPORATE GOVERNANCE

Foster a culture of transparency and integrity that protects the interests of all stakeholders.

CUSTOMERS

Honest relationships that match customers’ real needs. In Bankia the customer is the greatest asset, so offering the customer high levels of professionalism and high quality service is a core objective.

EMPLOYEES

Work and make progress in a common project in which the culture of responsible management impregnates every aspect of the business and where success for Bankia is success for everybody.

2016 MILESTONES

- Create a Board Responsible Management Committee.
- Define and implement the extra-financial (reputational) risk map.
- Responsible management training and awareness building for BoD.
- Promote financial education.
- Define a set of rules for responsible marketing.
- Define and approve the Equal Opportunities Charter.
- Assess employees’ loyalty to the values.
All of BANKIA’s responsible management initiatives and projects are driven by the Responsible Management Committee, created in December 2014.

2016 MILESTONES

SOCIETY

Listen to, identify and support the real needs of the community. The Bank will work to ensure that growth is positive and sustainable for all parties involved.

SUPPLIERS

Extend the commitment to responsible management to the supply chain. Bankia works with suppliers to apply best ethical, social and environmental practices and build lasting relationships.

ENVIRONMENT

Respect the environment and take responsibility for impacts arising from the bank’s activity. Work to reduce the bank’s environmental footprint and promote responsible attitudes among employees, suppliers and customers.

Create a Dual Vocational Training research and development centre.

Design products and services with an environmental and social focus.

Renew UNE 15896 certification in Purchasing.

Draw up the supply chain risk map.

Organise ethical, social and environmental awareness days for suppliers.

Develop environmental awareness programmes for professionals.

Source 100% of electricity from renewable sources.
01.1 MISSION, VISION AND VALUES.
RESPONSIBILITY, SUPERVISION AND ASSESSMENT

Ultimate responsibility for corporate social responsibility in Bankia belongs to the Board of Directors. In December 2015 the remit of the Appointments Committee was extended to include overseeing responsible management policy and the committee’s name was changed to that of the Appointments and Responsible Management Committee. Made up of four independent directors, this committee reviews and assesses the bank’s corporate social responsibility policy and practice and oversees relations with the different stakeholder groups.

All the initiatives and projects relating to Bankia’s responsible management are overseen by the Responsible Management Committee, which was created in December 2014. The Committee is made up of the managers from the various units in the bank that have direct relations with stakeholders. The Committee is chaired by the Deputy General Directorate of Communication and External Relations, which has a standing invitation to attend meetings of the Board of Directors. The post of secretary of the committee is held by the Corporate Social Responsibility Directorate, which is in charge of researching, proposing, coordinating and fostering internal debate on responsible management in Bankia.

ACTIVE LISTENING AS A MEANS TO IMPROVE

In 2016 Bankia carried out another materiality analysis (the previous one was carried out in 2014) to get a first-hand account of the expectations and perceptions of the most important stakeholders. To do that it conducted surveys both internally (managers and commercial network) and externally (shareholders, personal and business customers, industry experts, regulators, standard-making bodies, suppliers, analysts), using face-to-face and telephone interviews, focus sessions and questionnaires.

Bankia’s teams worked together to incorporate the results of this active listening exercise into the bank’s decision-making processes. Communication with each stakeholder group is built on transparency (knowledge of Bankia’s present and future), participation and dialogue (ongoing, two-way communication) and mutual benefit (balanced development and progress, not only economic development).
01.1 MISSION, VISION AND VALUES.

CHANNELS OF DIALOGUE

CUSTOMERS
- LETTERS AND E-MAILS TO THE CHAIRMAN
- COMMERCIAL NETWORK
- CUSTOMER SERVICE
- SOCIAL NETWORKS
- "BANKIA ACTUALIDAD" (BANKIA NEWS)

SHAREHOLDERS AND INVESTORS
- GENERAL SHAREHOLDERS’ MEETING
- COMMERCIAL NETWORK
- ROAD SHOWS
- INTERNATIONAL CONFERENCES
- SHAREHOLDER’S OFFICE
- "BANKIA EN30SEGUNDOS" (BANKIA IN 30 SECONDS) WEEKLY NEWSLETTER
- SHAREHOLDER AND INVESTOR INFORMATION SERVICE

EMPLOYEES
- PEOPLE MANAGERS
- INTRANET
- ONLINE FORUMS
- FOCUS GROUPS
- "BANKIA ONLINE" MAGAZINE

SUPPLIERS
- SUPPLIER PORTAL
- SUPPLIER SERVICE CENTRE
- SPECIALISED STRATEGIC SUPPLIER MANAGER
- SATISFACTION SURVEYS
- CORPORATE WEB SITES
- CONFIDENTIAL WHISTLE-BLOWING CHANNEL

SOCIETY
- COMMERCIAL NETWORK
- "BANKIA ACTUALIDAD" (BANKIA NEWS)
- CSR MAILBOX
- VOLUNTEERS’ PORTAL
- SOCIAL NETWORKS
- WEBSITE WWW.ENACCION.BANKIA.COM
- CORPORATE WEB SITES
- ANNUAL REPORT
- BANKIA BLOG
- WEBSITE WWW.BANKIAESTUDIOS.COM

GOVERNING BODIES
- INTERNAL AND EXTERNAL WORK DAYS
- MEETINGS WITH EMPLOYEES
- E-MAILS FROM THE CHAIRMAN
- DIRECTORS’ BLOG
The scope of the materiality analysis, which was prepared with the assistance of an independent body, was broadened compared to 2014. The surveys were carried out with a dual objective:

- To define the content of the bank’s Annual Report and thus give priority to the information needs of the different stakeholder groups.
- To identify any particularly important issues that should guide the bank’s responsible management strategy.

The materiality analysis also provided information about stakeholders’ opinion regarding potential risks to the bank’s image, which will help to improve reputational risk management.

**IMPORTANCE FOR STAKEHOLDERS (IN ORDER OF MATERIALITY)**

- Transparency in product information
- Customer service
- Bankia’s financial position (solvency / economic strength)
- Ethics in financial management
- Commercial policy (fees and commissions, product and service offering, aid, etc.)
- Corporate culture: mission, vision, values and Code of Ethics and Conduct
- Social return: statement of state aid repayment
- Social commitment and contribution
- Bankia’s business strategy
- Corporate governance (composition, functions, management quality, assessment and control)
- People development
- Responsible commercial processes
- Supplier management
- Responsible management of employees (equality, work-life balance, diversity, etc.)
- Responsible culture and performance (policies, mechanisms, etc.)
- Digitisation strategy
01.1 MISSION, VISION AND VALUES.

MATERIALITY MATRIX

MOST MATERIAL ISSUES*

1. Transparency in product information
2. Implementation of actions to rebuild trust among stakeholders (customers, employees, shareholders, suppliers, society)
3. Customer service
4. Implementation of good corporate governance practices
5. Responsible customer relationship management model
6. Ensure compliance with CSR policy and implementation of Bankia’s CSR Plan
7. Initiatives to involve stakeholders (customers, employees, shareholders, society, etc.)
8. Implementation of actions envisaged in Bankia’s strategy aimed at being useful to customers
9. Responsible management of employees (equality, work-life balance, diversity, etc.)
10. Fight against corruption and bribery
11. Regulatory compliance
12. Social commitment and contribution

(*) High importance for stakeholders and Bankia.
01.1 MISSION, VISION AND VALUES.

MEMBERSHIP OF THE GLOBAL COMPACT

Bankia is committed to the United Nations (UN) Global Compact. In compliance with that commitment and by virtue of the relationship between the principles of the Global Compact and the indicators of the Global Reporting Initiative (GRI), this report complies with the “in accordance – comprehensive” requirements of the GRI G4 guidelines and also serves as a progress report.

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BUSINESSES SHOULD UPHOLD THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT.

BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES.

BUSINESSES SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY.

BUSINESSES SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.
The immediate challenge for the bank is to determine which of the sustainable development goals are most closely linked to its activity and then transfer them to its business model through the relationship it maintains with its stakeholders and the environment in which it proposes to create value. Bankia therefore listens to the sectors of society that are closest to it, identifies their real needs and supports them.

On the other hand, identifying the material issues through materiality analysis allows Bankia to concentrate its efforts in each area on the issues that have the most impact on the accomplishment of the Sustainable Development Goals. Thus, from the G4 Guidelines, Bankia selects the GRI indicators that show most clearly the relationship between Bankia’s performance and the outcome in terms of sustainable development, in order to monitor them (see Annexe p. 209).

SUSTAINABLE DEVELOPMENT GOALS

Bankia considers the sustainable development goals adopted by the UN Assembly in September 2015 to be a key part of its corporate social responsibility policy and so used them as a reference in preparing its 2016-2018 Responsible Management Plan.

This plan identifies the goals Bankia supports in its activity, in the context of a responsible and sustainable approach to business.
BENCHMARK INDICES AND INITIATIVES

Once a year, Bankia submits to an analysis by various sustainability rating agencies, which assess its responsible management strategy. These analyses include an assessment of environmental, social and corporate governance management systems and the bank’s financial and extra-financial risks and of the extent to which responsible management is integrated in the bank’s organisational structure and business.

Sustainability Indices
In Collaboration with RobecoSAM

The DJSI is a selective index which includes only companies that have demonstrated sustainable management performance based on evidence and results, with profitability as the first filter for eligibility.

In December 2016, Bankia also joined the FTSE4Good IBEX Index and the FTSE4Good Index, which was created in 2001 and includes companies from around the world that meet certain environmental, social and corporate governance criteria.

This index is intended to showcase organisations that have integrated ESG (environmental, social and good governance) criteria in their risk policies and risk management.

Each year, Bankia also responds to the Global Climate Change Report questionnaire, which asks about climate change strategy and management. In 2016 it was included in the Climate A List, in recognition of its transparency on climate change management and the steps it has taken to reduce carbon emissions and mitigate the business risks arising from climate change.

Also in 2016, the Merco corporate reputation monitor included Bankia for the first time in the last five years. Bankia’s chairman, José Ignacio Goirigolzarri, was placed among the top ten business leaders in Spain.

INITIATIVES AND FORUMS OF WHICH BANKIA IS A MEMBER

Bankia is also a leading member of the Transparency, Good Governance and Integrity Cluster, which is a platform of companies, coordinated by Forética, that serves as business forum for leadership, knowledge, exchange and dialogue in matters of governance. Within this framework, Bankia supported the presentation of the report on the regulatory framework on transparency in Europe, which addresses the implications of the European directive on non-financial reporting and diversity.

Bankia’s governing bodies are:

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the highest decision-making body on matters assigned to it by law or the bylaws, including, among others, the appointment and removal of directors, the approval of the annual accounts, the distribution of dividends, the acquisition or disposal of core assets and the approval of the directors’ remuneration policy.

BOARD OF DIRECTORS

The Board of Directors represents the company and has the broadest powers to supervise its management, except in matters reserved to the General Meeting of Shareholders. Among other things, it approves the strategic or business plan and the annual management objectives and budget and decides general policies and strategies and corporate governance policy.

BOARD OF DIRECTORS

8 INDEPENDENT DIRECTORS
3 EXECUTIVE DIRECTORS
20 MEETINGS IN 2016
Bankia’s Board of Directors has five committees, whose members are appointed on the basis of their suitability and taking their knowledge, aptitudes and experience and the tasks assigned to each committee into consideration.

**AUDIT AND COMPLIANCE COMMITTEE**

**4 MEETINGS IN 2016.**

**Antonio Greño Hidalgo**
Chairman

**Joaquín Ayuso García**

**Jorge Cosmen Menéndez-Castañedo**

**José Luis Feito Higueruela**

**Miguel Crespo Rodríguez**
Secretary

Oversees the effectiveness of the internal control, internal audit and risk management systems, as well as the statutory financial reporting process. Makes proposals to the Board for the selection, appointment, re-election and replacement of the statutory auditors and conducts the necessary relations with them. Examines and supervises compliance with the bank’s governance and compliance rules, among other responsibilities.
01.2
GOVERNING BODIES.

APPOINTMENTS AND RESPONSIBLE MANAGEMENT COMMITTEE

- **4** INDEPENDENT NON-EXECUTIVE DIRECTORS.
- **12** MEETINGS IN 2016.

Joaquín Ayuso García
Chairman
Francisco Javier Campo García
Fernando Fernández Méndez de Andés
Álvaro Rengifo Abbad
Miguel Crespo Rodríguez
Secretary

Has general authority to propose and report on the appointment and removal of directors and senior managers. Assesses the competencies, knowledge, ability, diversity and experience that are needed on the Board of Directors. Defines the functions and aptitudes required of candidates to fill vacancies. Assesses the time and commitment required for directors to be able to perform their task effectively. Examines and organises the succession plan for the governing bodies. Reviews corporate social responsibility policy, strategy and practice. Assesses all aspects of the bank’s social, environmental, political and reputational risks.

REMUNERATION COMMITTEE

- **4** INDEPENDENT NON-EXECUTIVE DIRECTORS.
- **9** MEETINGS IN 2016.

Eva Castillo Sanz
Chairman
Joaquín Ayuso García
Jorge Cosmen Menéndez-Castañedo
Fernando Fernández Méndez de Andés
Miguel Crespo Rodríguez
Secretary

Has general authority to propose and report on directors’ and senior managers’ remuneration and other terms of their contracts. Reviews remuneration programmes, assessing their appropriateness and results. Ensures transparency in remuneration and monitors adherence to Bankia’s remuneration policy.
RISK ADVISORY COMMITTEE

3 INDEPENDENT NON-EXECUTIVE DIRECTORS.

36 MEETINGS IN 2016.

José Sevilla Álvarez
Chairman

Francisco Javier Campo García
Chairman

Eva Castillo Sanz

Fernando Fernández Méndez de Andés
Secretary

Miguel Crespo Rodríguez

Advises the Board of Directors on overall risk propensity and related strategy. Oversees the asset and liability pricing policy and presents risk policies to the Board of Directors. Refers the risk control and management policy to the Board through the Internal Capital Adequacy Assessment Report (ICAAP Report). Supervises the internal risk control and management function. Advises the Board on the company’s credit risk authority framework.

BOARD RISK COMMITTEE

1 EXECUTIVE DIRECTOR AND THREE INDEPENDENT NON-EXECUTIVE DIRECTORS.

3 INDEPENDENT NON-EXECUTIVE DIRECTORS.

42 MEETINGS IN 2016.

José Sevilla Álvarez
Chairman

Francisco Javier Campo García
Chairman

Eva Castillo Sanz

Fernando Fernández Méndez de Andés
Secretary

Miguel Crespo Rodríguez

Executive body with responsibility for approving risk-related decisions within the scope of authority delegated by the Board of Directors. Guides and administers the exercise of delegated authority by lower-ranking bodies. Approves relevant transactions and defines overall risk limits. Reports to the Board on any risks that may affect the bank’s solvency, recurring results, operations or reputation.

MANAGEMENT COMMITTEE

The Management Committee is made up of José Ignacio Goirigolzarri, chairman of Bankia; José Sevilla, CEO; Antonio Ortega, executive director and general manager of People, Organisation and Technology; Miguel Crespo, general secretary and secretary of the Board of Directors; Amalia Blanco, deputy general manager of Communication and External Relations; Fernando Sobrini, deputy general manager of Retail Banking, and Gonzalo Alcubilla, deputy general manager of Business Banking.
01.2 GOVERNING BODIES.

- MEMBERS OF THE BOARD OF DIRECTORS OF BANKIA
- NON-DIRECTOR SECRETARY OF BANKIA
- MANAGEMENT COMMITTEE OF BANKIA
BANKIA BOARD COMMITTEES

APPOINTMENTS AND RESPONSIBLE MANAGEMENT COMMITTEE
CHAIRMAN
ANTONIO GREÑO
MEMBERS
JOSÉ LUIS FEITO
JORGE COSMEN
JOAQUÍN AYUSO
SECRETARY
MIGUEL CRESPO

REMUNERATION COMMITTEE
CHAIRMAN
JOAQUÍN AYUSO
MEMBERS
FCO. JAVIER CAMPO
ÁLVARO RENGIFO
FERNANDO FERNÁNDEZ
SECRETARY
MIGUEL CRESPO

BOARD RISK COMMITTEE
CHAIRMAN
EVA CASTILLO
MEMBERS
JORGE COSMEN
FERNANDO FERNÁNDEZ
SECRETARY
MIGUEL CRESPO

RISK ADVISORY COMMITTEE
CHAIRMAN
FCO. JAVIER CAMPO
MEMBERS
EVA CASTILLO
FERNANDO FERNÁNDEZ
SECRETARY
MIGUEL CRESPO

01. WHO WE ARE
BANKIA IS A BANK WITH A PRESENCE THROUGHOUT SPAIN, A FOCUS ON RETAIL AND BUSINESS BANKING AND A GROWING MULTICHANNEL STRATEGY. IT HAS ALMOST 2,000 BRANCHES. ITS BUSINESS VOLUMES ARE ESPECIALLY HIGH IN MADRID AND THE VALENCIAN COMMUNITY.

MARKET SHARES

- **6.36%** Retail branches
- **10.11%** Credit to households
- **9.29%** Deposits by households
- **5.30%** Risk insurance
- **7.21%** Pension funds
- **5.53%** Mutual funds
- **9.23%** Card payments

(1) As of November 2016.
(2) As of September 2016.
01. WHO WE ARE
01.3 BUSINESS MODEL AND STRUCTURE.

RETAIL BANKING BRANCHES

CORPORATE BANKING CENTRE
### NO. OF RETAIL BANKING BRANCHES

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total no. of full-service branches (traditional)</td>
<td>1,243</td>
</tr>
<tr>
<td>Total no. of perimeter branches</td>
<td>397</td>
</tr>
<tr>
<td>Total no. of agile branches</td>
<td>130</td>
</tr>
<tr>
<td>Total no. of plus+ branches (advice)</td>
<td>52</td>
</tr>
<tr>
<td>Total no. of recovery centres (specialised in arrears)</td>
<td>21</td>
</tr>
<tr>
<td>Total no. of settlement and recovery centres (srs)</td>
<td>14</td>
</tr>
<tr>
<td>Total no. of developer branches</td>
<td>3</td>
</tr>
</tbody>
</table>

### NO. OF BUSINESS BANKING BRANCHES

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total no. of business centres</td>
<td>61</td>
</tr>
<tr>
<td>Total no. of corporate banking branches</td>
<td>2</td>
</tr>
</tbody>
</table>

### NO. OF PRIVATE BANKING BRANCHES

<table>
<thead>
<tr>
<th>Location</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barcelona</td>
<td>1</td>
</tr>
<tr>
<td>Madrid</td>
<td>4</td>
</tr>
<tr>
<td>Valencia</td>
<td>1</td>
</tr>
<tr>
<td>Rest of Spain</td>
<td>7</td>
</tr>
</tbody>
</table>
01.3
BUSINESS MODEL AND STRUCTURE.

PERCENTAGE OF MUNICIPALITIES WITH A BANKIA BRANCH

DISTRIBUTION OF RETAIL BRANCH NETWORK BY POPULATION CENTRE

<table>
<thead>
<tr>
<th>Population Centre</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;2,000</td>
<td>4.25%</td>
</tr>
<tr>
<td>&lt;=5,000</td>
<td>4.68%</td>
</tr>
<tr>
<td>&lt;=10,000</td>
<td>6.34%</td>
</tr>
<tr>
<td>&lt;=20,000</td>
<td>5.27%</td>
</tr>
<tr>
<td>&lt;=50,000</td>
<td>10.91%</td>
</tr>
<tr>
<td>&lt;=100,000</td>
<td>11.67%</td>
</tr>
<tr>
<td>&lt;=500,000</td>
<td>23.76%</td>
</tr>
<tr>
<td>&gt;500,000</td>
<td>33.12%</td>
</tr>
<tr>
<td>TOTAL GENERAL</td>
<td>100.00%</td>
</tr>
<tr>
<td>Region</td>
<td>No. of Ofibuses</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Castilla y León</td>
<td>5</td>
</tr>
<tr>
<td>Castilla-La Mancha</td>
<td>1</td>
</tr>
<tr>
<td>Comunidad Valenciana</td>
<td>2</td>
</tr>
<tr>
<td>Comunidad de Madrid</td>
<td>1</td>
</tr>
<tr>
<td>La Rioja</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>11</td>
</tr>
</tbody>
</table>

**Number of Branches in Low Population Areas**: 284

**Total No. of Municipalities Served by Mobile Branches**: 324
## 01.3
### BUSINESS MODEL AND STRUCTURE.

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MULTICHANNEL CUSTOMERS</strong></td>
<td>2,182,450</td>
</tr>
<tr>
<td><strong>OFICINA INTERNET USERS</strong></td>
<td>1,649,932</td>
</tr>
<tr>
<td><strong>OFICINA INTERNET FOR BUSINESSES USERS</strong></td>
<td>345,646</td>
</tr>
<tr>
<td><strong>OFICINA MÓVIL USERS</strong></td>
<td>1,121,779</td>
</tr>
<tr>
<td><strong>TRANSACTIONS CARRIED OUT BY MULTICHANNEL</strong></td>
<td>3,044 MILL.</td>
</tr>
<tr>
<td><strong>Total ATMs</strong></td>
<td>5,364</td>
</tr>
<tr>
<td><strong>ATMs in branches</strong></td>
<td>4,691</td>
</tr>
<tr>
<td><strong>ATMs moved</strong></td>
<td>673</td>
</tr>
<tr>
<td><strong>ATMs renewed since December 2013</strong></td>
<td>3,685</td>
</tr>
<tr>
<td><strong>New ATMs installed in 2016</strong></td>
<td>659</td>
</tr>
<tr>
<td><strong>ATMs adapted for people with disabilities</strong></td>
<td>3,422</td>
</tr>
<tr>
<td><strong>Number of ATMs in low population areas</strong></td>
<td>568</td>
</tr>
</tbody>
</table>
Bankia ATMs offer 53 different transactions and last year moved 20,362 million euros, of which 4,241 million were deposits.
The main objective of Bankia’s activity is to create sustainable, recurring value, taking a long-term view. This allows the bank to respond to the expectations of its stakeholders, the four most important of which are:

1. **Shareholders.** The interests of shareholders come first, especially given that a majority of the bank’s capital is held by the State, which means that the bank’s primary responsibility is to taxpayers.

2. **Customers (many of whom are also shareholders).** It is only by putting the customer at the centre that the bank is able to create value on a stable basis.

3. **Society.** The way Bankia can serve society best is by building a strong, efficient and profitable franchise that generates value in its environment.

4. **Employees.** None of the goals the bank may set itself will be achievable without an inspiring professional project to which all the people who work in the group are committed.

The value creation policy of each of the main business lines is outlined below.

- **Retail Banking.**
  This area centres on individuals, following a universal banking model. Its main goal is to build customer loyalty and increase customer retention through value-adding products and services, reliable advice and a quality offering. Continuing this line of work, in 2016 Bankia launched a programme that allows personal customers to gain exemption from fees. The bank also made further inroads in consumer finance by granting more nearly 1,500 million euros of credit, 20% more than in 2015. The strategy is implemented through a multichannel system, in which digital services (the demand for which is growing, especially through smartphones) supplement those offered by the physical...
branches and ATMs. Whichever channel the customer chooses, the working philosophy is to deliver the best experience and fully satisfy the customer’s needs.

- **Personal and Private Banking.**
  Aimed at wealthier customers who expect top-class financial and tax advice, the Private Banking area offers a highly specialised, personalised service. It has a team of highly qualified wealth managers, who advise on a wide range of products, according to each customer’s risk profile and investment objectives. Independent advice is one of the things the bank’s customers value most. In 2016, portfolio advisory and management services were a focus of attention and the service was extended to customers who want to trade for themselves. In the Personal Banking segment, which targets customers with a financial net worth of more than 75,000 euros, the value creation strategy relies on continuous contact with customers, for which account managers have specific functionalities at their disposal in the remote channels.

- **SMEs and Self-Employed Professionals.**
  Self-employed professionals are a priority group for value generation. In 2016 the bank launched a programme that eliminates fees for these customers and offered products and services tailored to their needs. Customers who are self-employed have access to personalised advice. In the micro-enterprise (annual sales of up to one million euros) and SME (between one and six million euros) segments, Bankia redefined its customer portfolio management model so as to broaden the scope of specialised customer service and established new preclassified and pre-approved financing programmes. The bank keeps in close touch with these customers not only through the branch network but also by attending many events organised specifically for micro-entreprises and SMEs.

- **Business Banking.**
  Businesses need not only financing but also advice. Meeting both these needs is the fundamental objective in this segment. The marketing policy combines price discipline - setting minimum prices based on the cost of resources and each customer’s risk (which is assessed using advanced internal models approved by the Banco de España)- with active pursuit of cross-selling opportunities. The specialisation in providing specific capital markets products (syndicated loans and related fees and commissions, bond
origination, derivatives management, currency services) is another important source of business and revenue. In collections and payments, the biggest advances in 2016 were in the means of payment segment (POS terminals). In lending, the application and approval processes for some of the main products (credit lines, guarantees, bill discounting) were redesigned and improvements were made to the foreign trade processes.

- **Bancassurance.**
  The bancassurance business is strategic for Bankia on account of its contribution to recurring revenue and its close connection with the financing needs of individual and business customers through their life cycle. The bancassurance area coordinates this activity and provides specialised support to the branches for the marketing of insurance for individuals (life, home, auto and health) and businesses (trade, credit insurance, general liability and comprehensive business), as well as savings and retirement insurance (annuities and capital guaranteed).

- **Asset management.**
  Bankia’s mutual fund manager has a wide range of products in all categories (fixed-income, equity, mixed, guaranteed, absolute return, global, etc.), so that customers can choose the one that best matches their investment preferences. Funds are marketed through Bankia’s branch network and also through remote channels. In the adverse economic and political context that prevailed in 2016, the most demanded products were guaranteed funds. In individual, employer and associated pension plans, the bank’s policy is based on the principle of maximum adaptation to each customer’s needs.

- **Real estate assets.**
  Creating value also requires cleaning up the balance sheet and complying with regulatory requirements. The group is carrying out a divestment programme to dispose of real estate assets. In 2016 the Property Management Directorate was created to bring under unified control the various functions that previously had been carried out by other areas. The creation of this unit has brought greater efficiency and a better overview of the portfolio as a whole, not only the physical properties but also their availability and any limitations or encumbrances. The new directorate coordinates sales through all channels and therefore also through Bankia’s commercial network and prepares packages of assets for placement outside the retail circuit.
Creating value also requires cleaning up the balance sheet and complying with regulatory requirements. The group is carrying out a divestment programme aimed at disposing of real estate assets.
THE BANK’S SHAREHOLDING STRUCTURE REMAINED STABLE. THE NUMBER OF SHARES IN ISSUE REMAINED UNCHANGED DURING 2016 AT 11,517 MILLION. OF THIS TOTAL, 34.1% WAS THE FREE FLOAT AND THE REMAINING 65.9% WAS HELD BY BFA. AT 31 DECEMBER BANKIA HAD 239,033 SHAREHOLDERS.

In 2016 there were no changes in Bankia’s share capital. At year-end, the share capital amounted to 9,214 million euros, represented by 11,517,328,544 fully subscribed and paid-up registered shares, with a par value of 0.8 euros per share, all of the same class and series.

The number of shareholders was 239,033, down 196,722 during the year, mainly due to the changes in ownership in 2016 as a result of the refunding of the investment to minority shareholders who bought shares in the IPO.

- **CAPITAL HELD BY BFA**: 65.9%
- **FREE-FLOAT**: 34.1%
- **PAR VALUE OF THE SHARES**: 0.80€
- **DIVIDEND PAID IN 2016**: €0.0625 per share
- **DIVIDEND YIELD**: 3.03%
### 2016 Dividends

<table>
<thead>
<tr>
<th>Date Paid</th>
<th>Ex-Dividend Date</th>
<th>Gross Amount (€)</th>
<th>Net Amount (€)</th>
<th>Rate</th>
<th>Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/03/2016</td>
<td>31/03/2016</td>
<td>0.02625</td>
<td>0.0212625</td>
<td>Ordinary</td>
<td>Results for 2015</td>
</tr>
</tbody>
</table>

### Main Shareholders by Investor Type: BFA

BFA 65.90%  RESIDENT INSTITUTIONAL 5.28%  NON-RESIDENT INSTITUTIONAL 16.81%  RETAIL 12.00%

<table>
<thead>
<tr>
<th>Bankia’s Main Shareholders by Investor Type</th>
<th>% Share Capital at 31/12/2016</th>
<th>% Share Capital at 31/12/2015</th>
<th>2016 vs 2015 (p.p.)</th>
<th>2016 vs 2015 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BFA</td>
<td>65.90%</td>
<td>64.23%</td>
<td>1.67</td>
<td>2.61%</td>
</tr>
<tr>
<td>Spanish institutional</td>
<td>5.28%</td>
<td>5.27%</td>
<td>0.01</td>
<td>0.14%</td>
</tr>
<tr>
<td>Foreign institutional</td>
<td>16.81%</td>
<td>17.78%</td>
<td>-0.97</td>
<td>-5.43%</td>
</tr>
<tr>
<td>Retail</td>
<td>12.00%</td>
<td>12.72%</td>
<td>-0.72</td>
<td>-5.62%</td>
</tr>
</tbody>
</table>
DIVIDEND

The General Meeting held in Valencia on 15 March 2016 approved the payment of a cash dividend of 2.625 euro cents per share out of profit for 2015, 50% more than the dividend paid out of profit for 2014.

The cash payment, in the total amount of 300.7 million euros, was made on 31 March to the holders of shares that carried dividend rights on the payment date, giving a payout ratio of 29% of the Bankia Group’s attributable profit for 2015.

This was the second dividend paid by Bankia since it was created and allowed the bank to make further progress in the repayment of the state aid received.

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the company’s most senior representative body and ensures equal treatment of all shareholders, including the right to attend and to vote. From the moment the Notice of General Meeting is issued, all the pertinent information is available to shareholders on the Bankia website and at the General Meeting Service Office. Shareholders who wish to raise any question regarding the agenda may do so through the channels of communication placed at their disposal for that purpose, including the Shareholders’ Electronic Forum.

The percent of total capital present in person or by proxy at the 2016 General Meeting was 76.70%, corresponding to a total of 6,586 shareholders.

CHANNELS OF COMMUNICATION

Various channels are available to give effect to Bankia’s commitment to foster dialogue with shareholders and the investment community. All of them offer open, continuous and transparent communication:

- Corporate website. Through the website, especially its Shareholder Corner section, Bankia complies with the principles of equality and symmetry of access to information. The content, in Spanish and English, is updated continuously. One of the most practical sections is the Investor’s Calendar, which shows the dates of
earnings announcements, notice of General Meetings, conferences, dividend payments and other relevant events. The website also gives access to the documents and presentations that are made available to participants in these specialised forums, along with webcasts of the company’s main financial events. The main improvements made to the corporate website in 2016 are as follows:

- Launch of the Investment School section, with articles on financial education.
- Publication of the policy on information, communication and contacts with shareholders, investors and proxy advisors.
- Improvements to the presentation of the shareholding structure, the analysts’ consensus chart and the featured items in the Investor’s Calendar, as well as a more intuitive and comprehensive presentation of the financial reports.
- Inclusion of the latest rating agency reports and historical data, and of the quarterly and historical report on the portfolio and mortgage covered bonds.
- Updates to the Dividends section.

- **Shareholder and Investor Information Service newsletter.**
  This free online publication is periodically emailed to all subscribers. To subscribe, users need only fill out the form in the Shareholder Corner. The newsletter provides information about the bank’s results, financial reports, news, material disclosures, indicators, studies and presentations, events, videos, infographics and other useful links. It is also available on the website.

- **Shareholder’s Office.**
  The Shareholder’s Office responds to inquiries about the performance of the group and the share and about the benefits of being a Bankia shareholder. During 2016 it answered 943 telephone calls and 290 email inquiries.
Other channels of communication used regularly during 2016 were text messages or SMS (a total of 102,674 SMS were sent with the quarterly results), the corporate social networks, quality surveys and the commercial network itself.

INSTITUTIONAL INVESTORS

During the year, the Investor Relations and Ratings Directorate took part in nine road shows, 14 international conferences, field trips and numerous individual visits, which served to publicise the bank’s situation and results, resolve doubts and share opinions. These events were attended by 520 institutional investors (equity and fixed income), analysts, managers and rating agencies from 296 firms and 22 different countries, 80% of them international.

Bankia was a speaker at three financial conferences addressing global investors and broadcast four quarterly results webcasts through a platform that allows live question and answers.

290
Email inquiries to the Shareholder’s Office.

102,674
Text messages with quarterly results sent out in 2016.

520
Contacts with analysts and institutional investors from 296 firms, 80% international.
Following the principles of proactivity and transparency, Bankia keeps its various stakeholders (analysts, investors, management companies, shareholders, rating agencies, bank counterparties, clearing houses, proxy advisors and other institutions and public bodies) constantly informed through periodic communications and meetings.

Apart from the financial content, Bankia also provides information on social, environmental and corporate governance matters, which are increasingly demanded by the public.

In order to respect the right to equal treatment and non-discrimination, all the information is published previously on the corporate website or via the CNMV.

**MORE INFORMATION, AND NOT JUST FINANCIAL INFORMATION**

The fee exemption strategy launched at the beginning of 2016 also benefitted individual shareholders, who no longer need to have their income deposited directly in the bank in order to be eligible for the exemption. The only requirement is that they hold one thousand or more shares deposited at the bank. Shareholders who meet this requirement no longer have to pay service or maintenance fees on any of their demand accounts, any of the usual debit cards, credit transfers in euros without limit through any channel (Oficina Internet, Oficina Móvil, ATMs and branches) or deposits of Spanish cheques in any of their accounts.

Bankia also maintains the following exclusive benefits for shareholders:

- Special terms and discounts on the Tarjeta Oro card (financing at the standard rate) and Tarjeta Platinum card (at the Tarjeta Oro rate).
- Free newsletter to keep them up to date with what’s happening at Bankia.

**TELEPHONE INQUIRIES HANDLED THROUGH THE SHAREHOLDER’S OFFICE**

943
TALENT DETECTION AND PROMOTION, CONTINUING PROFESSIONAL DEVELOPMENT AND A DISTINCTIVE MANAGEMENT STYLE ARE ESSENTIAL FOR ANY INSTITUTION WHICH, LIKE BANKIA, ASPIRES TO CONSOLIDATE ITS INDUSTRY LEADERSHIP. CUSTOMERS BENEFIT FROM IT AND SO DO THE 13,159 PEOPLE WHO WORKED FOR THE BANK AS OF 31 DECEMBER.

From a people management point of view, 2016 was a year of consolidation of the various distribution models generated the previous year, especially in the multichannel arena:

- The launch of the “Conecta con tu Experto” branches was reinforced with 18 more such branches throughout Spain. By year-end there was a total of 27 “Conecta con tu Experto” branches, with 282 staff and more than 300,000 active customers.

- Agile branches, which operate extended opening hours, numbered 130, with 795 staff.

- Two new staff roles were created: the micro-enterprise account manager and the multi-branch micro-enterprise account manager. A total of 41 professionals were assigned to these roles, bringing the total number of staff assigned specifically to the micro-enterprises and self-employed professionals segment to 301.

- People development became more transparent and more accessible to employees with the launch of a programme to publish internal vacancies on the corporate intranet. A total of 91 posts in different functional areas were advertised through 60 selection processes.

- The voluntary redundancy plan started in May the previous year continued, resulting in the separation of 176 employees during 2016.

All these actions generated 3,776 changes of assignment, providing opportunities to optimise the fit between employee profiles and the available positions in the business, especially at senior management levels.

TRAINING

Continuing professional development of its employees is strategically important
for Bankia because it strengthens the organisation, increases workforce efficiency and enables the bank to provide a higher quality service to its customers. Accordingly, in 2016 more than 666,000 hours of training were given, with the aim of reinforcing and expanding the capabilities of people in the commercial network and central services. The following educational initiatives deserve special mention:

- The accreditation of financial advisers with EFA (European Financial Advisor) certification through the European Financial Planning Association continued.

- The courses aimed at specialised Personal Banking and SME Banking account managers were extended.

- Branch managers and assistant branch managers reinforced their knowledge in the area of integrated management of SMEs.

- Training itineraries on subjects such as the sales promotion model, customer strategy and customer experience were organised for Business Banking executives and account managers.

- A programme for area and branch managers was aimed at training them to put the customer at the centre of their activity, hold quality conversations with their team and implement commercial intensity appropriately in each branch.

- The Digital Talent School started operating, with a focus on the challenges and opportunities generated by new technologies, strategies for optimising the resolution of changing situations, attracting customers’ attention and helping to position the bank appropriately.

- The Risks School also took its first steps, which first involved defining the technical competencies of risk professionals, before moving on to strengthen these professionals’ capabilities, leading to certification.

- A training programme was started aimed at identifying the characteristic traits of a Bankia senior manager, based on the bank’s values and paying special attention to the relationship with the teams.

- People who support the commercial activity from central services joined an ambitious plan which includes project management and opens the door to the Professional Project Management certification issued by the Project Management Institute.
## 01.6 HUMAN CAPITAL

### HOURS OF TRAINING BY GENDER %

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>47.45</td>
<td></td>
</tr>
<tr>
<td>Women</td>
<td>52.55</td>
<td></td>
</tr>
</tbody>
</table>

### HOURS OF TRAINING BY PROFESSIONAL CATEGORY %

<table>
<thead>
<tr>
<th>Category</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior management</td>
<td>0.96</td>
<td></td>
</tr>
<tr>
<td>Middle management</td>
<td>34.02</td>
<td></td>
</tr>
<tr>
<td>Other staff</td>
<td>65.02</td>
<td></td>
</tr>
</tbody>
</table>

### INVESTED IN TRAINING (€MN)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8.02</td>
<td>7.5</td>
</tr>
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</table>

### EMPLOYEES TRAINED

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12,589</td>
<td>13,040</td>
</tr>
</tbody>
</table>

### COURSES RUN

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>901</td>
<td>857</td>
</tr>
</tbody>
</table>

### HOURS OF TRAINING PER EMPLOYEE

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50.66</td>
<td>58.17</td>
</tr>
</tbody>
</table>

### TRAINING PROVIDED ONLINE

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60.4%</td>
<td>64.5%</td>
</tr>
</tbody>
</table>

### HOURS OF IT TRAINING

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>41,297 H.</td>
<td>17,775 H.</td>
</tr>
</tbody>
</table>
BANKIA has a Talent Model for detecting, developing and managing its employees’ potential, so as to have people who are able to help grow the business.

PROFESSIONAL DEVELOPMENT AND TALENT MANAGEMENT

Bankia has a Talent Model for detecting, developing and managing its employees’ potential, so as to have people who are able to help grow the business, reinforcing differential and sustainable competitive advantages that are consistent with the bank’s values.

During 2016 there were 229 appointments: 20 senior managers (including 10 area managers), 138 branch managers, 40 central services managers and 31 assistant branch managers. All the vacancies that arose during the year were filled from within, except for 15 managers, 35 specialists and 25 sales staff. At 31 December, 16 external selection processes remained open.

The Talent Model operates on the basis of each person’s individual responsibility for his or her own development, providing support through actions that help them increase their capabilities and potential from day to day:

- **Senior Management Program (SMP).**
  Between November 2015 and December 2016 a total of 164 managers took part in the first two editions of the Senior Management Program, given by IE Business School. Issues covered include analysis of the macroeconomic environment, the future of the financial sector, banking business transformation and digital strategy.

- **Career Development Plans (CDPs).**
  CDPs help to plan the professional development of high-potential individuals, adapting it to the present and future needs of the business and the individual. They include actions such as temporary placements in different areas of the organisation and programmes to develop management, mentoring and coaching skills. By 31 December almost two hundred CDPs had been drawn up. Since the end of 2014, a total of 101 CDPs have been designed and put into effect. Between 2015 and 2016, 17 managers with a CDP were promoted to senior manager level.

- **Management skills development programmes.**
  In 2016, in order to accelerate the careers of high-potential professionals, various editions of the management skills development programmes were run for more than a
hundred senior management candidates and managers from the commercial network and central services. All participants have the support of experienced expert consultants, who support them in their individual development plans.

- Development programme for commercial network and central services managers. Apart from face-to-face working sessions, these include a development process guided by a professional coach. 30 managers took part in the two editions that were held.

- Development programme for senior management candidates in the commercial network. Launched in 2015, the scope of this programme was extended in three new editions, in which 45 professionals took part.

- Development programme for senior management candidates in central services. A new skills development programme was designed and started. Two editions were held, with 31 participants.

- Mentoring programme. The first edition, involving 30 mentors and their mentees, ended in the last quarter of 2016. The second edition, involving another 60 of the bank’s professionals, started in June. This second edition is also set to last 18 months.

- Transformational Leadership. This is a programme run by the International Center for Leadership Development, created by Fundación CEDE. It is focused on the exercise of the management function on the basis of inspiration, example, positivism, a spirit of collaboration and respect. Bankia sponsored the tenth edition of the programme, which took place in Valencia in November. So far, 13 managers from the bank have taken part in this programme.

- Stimulus Plans. These plans are aimed at giving senior management candidates a more holistic vision, both of the business and of the bank, so that Bankia is able to meet its organisational needs internally and with the necessary quality. In 2016, 493 professionals were included in these plans, bringing the total to 841 people, of which 101 were promoted.

- Business Academy 2016-2017. This programme was started in the first few months of the year with the aim of preparing professionals for certain posts in the bank that are more difficult to fill because they are so specialised. The programme is set to last for two years and as of the end of 2016 had 10 participants.

- Bankia Dual Education Programme. This programme trains students of the advanced vocational training programme in Administration and Finance to work as customer managers in financial institutions. This pioneering project, which has an eminently practical approach, is carried out in collaboration with four training centres in Madrid and the Valencian Community. With their assistance, Bankia has designed individual work plans involving large numbers of the bank’s professionals, given the cross-
disciplinary nature of the project. After two years, in June, the first 50 students will graduate.

- **2016 WomenMatter Project.**
  In April 2016, together with around 50 other large companies, Bankia was invited to take part in a study conducted by McKinsey on gender diversity in Spain. The bank provided quantitative data and interviews with the professionals responsible for people management. In addition, 108 managers (approximately 50% women and 50% men) completed online questionnaires about perceptions within the organisation regarding gender diversity initiatives and attitudes/mentalities that can be barriers to change.

- **Filling of vacancies.**
  All the vacancies in the bank were filled internally, apart from 15 senior managers in different organisational areas, 35 specialists and 25 sales staff for the retail branch network in Valencia. Sixteen external selection processes remain open.

**EDUCATIONAL ASSISTANCE FOR EMPLOYEES**  
250,431€

**EDUCATIONAL ASSISTANCE FOR EMPLOYEES’ CHILDREN**  
9,080,172€

**EMPLOYEES GRANTED MATERNITY/PATERNITY LEAVE**  
737

**EMPLOYEES WORKING REDUCED HOURS OR ON LEAVE TO CARE FOR CHILDREN AND FAMILY MEMBERS**  
380

**MANAGEMENT STYLE GUIDE**

Senior management’s key responsibility lies in overseeing and developing teams, as the Bankia project can only succeed if all the people who work in the bank are committed to it. Becoming a senior manager entails a responsibility to generate and promote commitment and a sense of belonging, as well as adhering to guidelines and behaviours set out in the Management Style Guide, which was published in November 2016. This guide describes Bankia’s way of managing teams and is a mark of its identity, which, today more than ever, plays a decisive role in creating a major competitive advantage. It is also intended to be an accessible, simple and transparent guide for managers, to help them integrate the bank’s values in their daily activities, striving...
constantly to improve and offer the best possible service to customers.

“Building on the Management Style Guide, specific action models are being defined for each phase of a person’s working life, matching the aspirations of the professionals to the needs of the business.

**CLIMATE, CULTURE AND COMMITMENT**

In the second half of 2015 Bankia carried out its Climate, Culture and Commitment survey. Around 7,850 employees took part, giving a participation rate of 58.2% with overall satisfaction of 51%.

The overall results of the survey and a breakdown by Retail Network, Business Banking and Central Services were shared with all the bank's professionals. Based on these results, the bank is designing and implementing specific actions in the areas found to need improvement. The conclusions drawn from the survey have been used to establish a diagnosis of the situation, detect areas for improvement and define action priorities.

**STAFF HEALTH AND SAFETY**

In 2016 the bank continued to design a Healthy Work Environment Model to create an environment in which people can interact with one another at work, develop competencies and gain in well-being.

The Occupational Hazard Assessment Methodology was updated to include the subjective psychosocial dimension and steps were taken to adopt an integrated approach to workplace health promotion, including the signing of the Luxembourg Declaration, which sets the European standard in this field.

Efforts to build awareness and investigate occupational accidents, both in the workplace and on the way to or from work, continued throughout the year. The goal is to reduce the impact, frequency and severity rates, which already are below the average for the banking sector.
ACTIVE LISTENING

Bankia has implemented a multidirectional internal communication strategy based on active listening. Through the various channels at their disposal (intranet, email), employees receive, in real time, all the information they need in order to perform their duties and contribute to the success of the bank’s strategic business plans.

Active listening converts the voice of employees into a driver of change and channels employees’ opinions and suggestions to the appropriate departments, so as to identify opportunities for improvement. For that same purpose, focus groups and forums are organised on the corporate intranet and comments are published in the in-house magazine.

One of the most important projects in 2016 was to provide support for the bank’s digital transformation through a specific internal communication plan. The plan for 2017 is to create a website with content that will inspire and inform Bankia’s professionals about digitisation. A more prominent role will be given to brand ambassadors, identifying and recruiting the employees who are most active in social networks.

EMLOYEE HEALTH AND SAFETY

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
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</thead>
<tbody>
<tr>
<td>Absenteeism rate</td>
<td>3.47</td>
<td></td>
</tr>
<tr>
<td>Total working hours lost to absenteeism</td>
<td>747,319</td>
<td></td>
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<tr>
<td>Occupational accident rate</td>
<td>0.23</td>
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<tr>
<td>Total working hours lost to occupational accidents</td>
<td>6,718</td>
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<tr>
<td>Total ordinary sick leaves</td>
<td>3,979</td>
<td></td>
</tr>
<tr>
<td>Total work-related fatalities</td>
<td>0</td>
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</tr>
</tbody>
</table>

Efforts to build awareness and investigate occupational accidents, both in the workplace and on the way to or from work, continued throughout the year. The goal is to reduce the accident rates, which already are below the average for the banking sector.
01.6
HUMAN CAPITAL.

WORKFORCE PROFILE

BY GENDER

- MEN 45.39%
- WOMEN 54.61%

BY BUSINESS AREA

- % EMPLOYEES IN CENTRAL SERVICES 14.67%
- % EMPLOYEES IN BUSINESS 85.33%

BY AGE

- EMPLOYEES UNDER 30 AS % OF TOTAL WORKFORCE 0.25
- EMPLOYEES AGED 30 TO 50 AS % OF TOTAL WORKFORCE 76.59
- EMPLOYEES OVER 50 AS % OF TOTAL WORKFORCE 23.16

BY SENIORITY

- Average age of employees 44.17
- Average length of service of employees 18.33
MEN 59.28%
WOMEN 40.72%

SENIOR MANAGEMENT POSITIONS

OPEN-ENDED 100%
TEMPORARY 0%
99.96% WORK IN SPAIN

TYPE OF CONTRACT

UNWANTED EXTERNAL TURNOVER 0.59%

AVERAGE EMPLOYEE TURNOVER BY GENDER %
- WOMEN 0.23
- MEN 0.36

AVERAGE EMPLOYEE TURNOVER BY AGE %
- UNDER AGE 30 0.05
- AGE 30 TO 50 0.40
- OVER AGE 50 0.14