

RESPONSIBLE MANAGEMENT POLICY

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INTRODUCTION

Bankia's Responsible Management Policy is the bank's global and company-wide framework for corporate social responsibility and the central pillar of its responsible management strategy.

This has led to a series of action lines being established, **defining specific commitments and allocating responsibilities** to enable the bank to develop its stakeholders relations with a focus on generating value and mutual benefits.

This policy helps to guide the business, manage its risks, leverage opportunities, and to discuss, work and progress together in order **to make Bankia the leading sustainable financial institution.**

1. SCOPE OF APPLICATION

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The responsible management policy applies to Bankia S.A. Those people and companies that work with the bank or exert influence over its image and reputation shall be made aware of the policy and be subject to it.



2. PRINCIPLES AND COMMITMENTS

VALUE CREATION

Prioritising the 'how' over the 'what'

Bankia's sustainability is based on its **competitiveness** and its **capacity to create value**, achieved through management processes that give its business continuity in the medium and long-term.

It prioritises **integrity** in its financial management and investment decisions, which must be based on diligence, risk assessment and ethical criteria.

COMMITMENTS:

- **Guide, oversee and evaluate** the responsible management model.
- **Train and raise awareness** among senior management and the bank's other professionals of all those financial, social and environmental impacts that their activities may generate.
- **Identify and manage** non-financial risks in order to ensure that they are included in decision-making.



TRANSPARENCY AND GOOD GOVERNANCE

we say what we do

Earning and retaining the trust of our stakeholders, based on our values of professionalism, integrity, commitment, closeness and focus on achievement.

Acting in accordance with the established rules, respecting policies and procedures, and sharing the actions, reasons and methods for taking decisions.

COMMITMENTS:

- **Contribute to generating a culture of transparency and integrity**, which safeguards the interests of all stakeholders.
- **Consolidate the CSR function** within Bankia's governance, ensuring the correct guidance, oversight and control of the responsible management model.
- **Increase trust** in the bank through responsible conduct that is aligned with its values, in each of its actions.

ETHICS AND INTEGRITY

actions that reflect our words

Zero tolerance towards any form of corruption or corrupt conduct or practices, explicitly integrated into the management of the bank's activities and its relations with stakeholders, by means of strict internal regulations and mechanisms for identifying activities that do not comply with this requirement.

COMMITMENTS

- **Establish measures** to prevent improper conduct such as corruption, fraud and bribery in the course of the company's activities, and to combat such conduct using internal mechanisms that enable it to be disclosed and reported.
- **Act responsibly** in managing the business and comply with the tax obligations wherever the company operates, undertaking to collaborate in a transparent way with the corresponding tax authorities.



RESPECT FOR HUMAN RIGHTS

Based on coexistence

Support, respect and protect internationally recognised fundamental human rights, ensuring that due diligence processes are correctly applied to the different activities that could negatively impact these rights.

COMMITMENTS

- **Support dignified employment, promote diversity and equal opportunities**, ensure the freedom of association and collective bargaining, and reject child and forced labour.
- When **granting finance to companies**, include criteria that provide assurance and security that the funds are not going to be used to finance operations that could violate human rights.
- **Extend our commitment to the supply chain** by including human rights clauses in supplier contracts.
- **Cooperate with other institutions and organisations** to improve fundamental rights (education, equality, housing, etc.).



ACTIVE LISTENING AND DIALOGUE

Focused on satisfaction

Actively listen and maintain continuous dialogue in order to understand stakeholders' expectations and needs. Use this knowledge to design the bank's actions and projects so that they improve the customer experience and build and consolidate satisfactory long-term relationships.

COMMITMENTS

- **Promote information transparency** and responsible, simple and close communication with all stakeholders.
- **Maintain dialogue with stakeholders** via the most appropriate communication channels.
- **Incorporate the expectations** identified via stakeholder channels into the company's management and processes, always seeking continuous improvement.



CLARITY, SIMPLICITY AND UNDERSTANDING identified with the customer

Offer every customer the correct products and services according to their needs, ensuring clear and transparent information, as well as high quality advice that helps us to strengthen and increase our customers' trust in a sustainable way, while also helping us to earn the trust of potential future customers.

COMMITMENTS

- **Establish our own way of dealing with customers** based on trust, transparency, simplicity and closeness, offering only those products that are suitable for their needs and expectations.
- **Take stakeholders' opinions and expectations** into consideration when designing the bank's products and services
- **Continuously monitor and advise the customer**, informing and supporting the customer through the decision-making process.
- **Facilitate procedures** via the established stakeholder channels.
- **Promote financial education.**

RECOGNITION AND RESPECT

Foundations for professional relationships

people that work at Bankia are the visible face of our organisation and its actions. The sum of their individual conduct makes it possible to fulfil our commitment to our customers and society.

COMMITMENTS

- **Promote personal and professional development** in an attractive, safe and healthy environment.
- **Promote an environment of collaborative and efficient teamwork** that combines the necessary professionalism and dedication.
- **Encourage equal opportunities** and ensure there is no discrimination on grounds of gender, race, religion, age, capacity or sexual orientation.
- **Promote constant dialogue** between the bank and the freely-elected employee representatives as a means of analysing and reviewing employment conditions.

RESPONSIBLE PROCUREMENT

Shared growth

Convey the bank's values, policies and expected conduct along the whole supply chain, treating suppliers as an integral part of the business strategies.

COMMITMENTS

- **Promote responsible management** in the supply chain, raising awareness of Bankia's code of ethics and its associated policies to ensure they are complied with.
- **Encourage support for the local, regional and national business sector**, especially SMEs, supporting the economic development of other production sectors.
- **Promote improvement plans** among those suppliers that the bank believes it is necessary in order to fulfil our responsible commitment.
- **Evaluate and continuously monitor** the potential environmental, social and governance risks in the supply chain in order to ensure the best possible service.

CLIMATE CHANGE

An issue for everybody

Contribute to combating climate change by efficiently managing resources and monitoring and evaluating the environmental impact of the bank's activities and the operations it finances.

COMMITMENTS

- **Minimise Bankia's impact** on the environment and reduce the associated costs through more efficient resource use.
- **Ensure correct environmental management** in all processes.
- **Raise awareness among employees and train them** to use resources efficiently.
- **Develop environmentally-friendly products** and services that help to combat climate change.
- **Include clauses** about environmental commitment in supplier contracts.



SOCIAL COMMITMENT

Local development and social proximity

Identify priority social demands and develop and promote social investment to generate wealth in this area and to support the most vulnerable groups in society, seeking to maximise positive repercussions.

COMMITMENTS

- **Identify the main concerns of the closest environment** to our activity, promoting the actions established in the company's social action strategic lines:
 - > **Training and employment.** Supporting employability and vocational education and internships as methods for generating local wealth.
 - > **Local and rural development.** Supporting the most vulnerable groups in the environment closest to Bankia's activities.
 - > **Housing and new poverty.** Maintain and increase support for the Social Housing Fund, strengthening those projects that seek to alleviate issues related to new poverty.
 - > **Disabilities.** Promote and boost employment prospects for people with disabilities through collaborations with leading institutions.
 - > **Volunteering** and involvement of the bank's professionals in its social action investment decisions.



3. COMMUNICATION CHANNELS, PARTICIPATION AND DIALOGUE

COMMUNICATION CHANNELS, PARTICIPATION AND DIALOGUE

Bankia's responsible management is built on its stakeholders' expectations and needs.

Bankia has various mechanisms for communicating with its stakeholders via multiple channels so that both parties can permanently listen, participate and discuss the issues that interest them.

These channels are described on the corporate website:

[acceder a la web](#)

4. RESPONSIBILITIES

RESPONSIBILITIES

The responsible management policy is approved by Bankia's board of directors and will be regularly reviewed so that it constantly reflects the bank's values and corporate strategy as well as the demands, requests and requirements of its stakeholders so that it achieves its mission and vision.

The Appointments Committee is responsible for ensuring that **the strategy and commitments included in this policy are correctly implemented**, as well as assessing the level of achievement.

The Responsible Management Committee, comprised of those departments in the bank that have direct relationships with stakeholders, defines and/or proposes the policy, the implementation of the responsible management policy, and the corresponding projects and goals.



5. MONITORING AND OVERSIGHT

MONITORING AND OVERSIGHT



Compliance with the policy is enforced by means of the approval of the Responsible Management Committee and subsequent validation by the Management Committee and the Appointments Committee. The responsible management plan implements this policy and **details the strategy and specific projects** for the coming years.

The Responsible Management Committee will report to the Management Committee at least once every six months and will ultimately inform the Appointments Committee regarding the degree of completion of these projects.

Every year the progress in implementing this policy is published in the annual report.

The identification, evaluation and control of financial and non-financial risks (social, environmental and corporate governance) that are capable of influencing the company's performance and reputation are included in Bankia's risk map, which the Audit Committee is responsible for supervising.

The Ethics and Conduct Committee, which includes representatives from the Audit Department, the Compliance Department and the HR Department, **is responsible for compliance with the code of ethics** and for ensuring the correct functioning of the whistleblower channel and preparing periodic reports about the functioning of this channel, which are sent to the Audit and Compliance Committee.

6. APPROVAL

APPROVAL

Bankia's responsible management policy was approved by its board of directors on 28 April 2016.



