

## OTHER RELEVANT INFORMATION

Pursuant to article 227 of the consolidated text of the Securities Market Act, approved by Legislative Royal Decree 4/2015 of 23 October 2015, Bankia, S.A. hereby submits for publication on the CNMV website the full text of the notice of call of the Ordinary General Shareholders' Meeting of the Company, to be held on 23 March 2021 on first call and on 24 March 2021 on second call, at the Palacio de Congresos in the city of Valencia, it is being foreseeable that the meeting will be held on first call. The notice has been published today in the *Boletín Oficial del Registro Mercantil* (Official Gazette of the Mercantile Registry) and on the Company's website ([www.bankia.com](http://www.bankia.com)).

Also attached are the complete texts of the proposed resolutions.

The directors' reports on the Agenda items that so require, together with the rest of the documents relating to the Ordinary General Meeting, are available at the Company's website ([www.bankia.com](http://www.bankia.com)).

In accordance with the provisions of the Bylaws, of the General Meeting Regulations of the Company and of the applicable regulations, the Board of Directors has also resolved to allow electronic attendance at this Ordinary General Meeting, allowing those shareholders who so wish to attend and participate in the General Meeting in real time by remote connection on the terms set out in the meeting call, thereby avoiding inasmuch as possible their physical presence at the location where the General Meeting is to be held.

Given the exceptional context due to the situation caused by the Covid-19 pandemic, and with the aim of protecting the general welfare and the health of all persons, it is recommended that shareholders exercise their voting and proxy rights before the General Meeting is held via remote communication arrangements or attend the General Meeting electronically, on the terms described in the notice of call of the General Meeting, thus avoiding insofar as possible their physical presence at the location where the General Meeting is to be held.

Note that if the merger between Bankia, S.A. and CaixaBank, S.A. approved by their respective Extraordinary General Meetings of Shareholders on days 1 and 3 December 2020, respectively, is perfected (in a public deed executed upon fulfilment of the conditions precedent to which it was made subject, and is entered in the Mercantile Registry of Valencia) prior to the announced date of the General Meeting, then the call of the General Meeting of Shareholders will be automatically rendered null and void as a result of the Company's dissolution, as to which timely notice would be given to the shareholders and the markets in general.

Madrid, 19<sup>th</sup> February 2021

BANKIA, S.A.

## **NOTICE OF CALL**

### **BANKIA, S.A.**

#### **ORDINARY GENERAL MEETING OF SHAREHOLDERS — MARCH 2021**

The Board of Directors of Bankia, S.A. ("Bankia" or the "Company") has decided to call the shareholders to the Ordinary General Meeting to be held in Valencia, at the Palacio de Congresos – Avenida de las Cortes Valencianas nº 60, on **23 March 2021**, at **12 a.m.**, at first call or, in the absence of the requisite quorum, at second call, on 24 March 2021, at the same place and time, foreseeably at first call; the site will be open for access and attendance for those who are holders of or represent at least 500 shares from 11:00 a.m., both for the first and the second call, if applicable, in order for the shareholders to deliberate and vote on the points set out in the following

### **AGENDA**

1. Approval of the Annual Accounts and Management Report of Bankia and of its consolidated Group which have been the subject of an audit report. Approval of the consolidated statement of non-financial information of the Bankia Group. Approval of the corporate management for the year. Allocation of results. All of the above in reference to the year closed 31 December 2020.
  - 1.1. Approval of the Annual Accounts and Individual Management Report of Bankia.
  - 1.2. Approval of the Annual Accounts and Consolidated Management Report of the Bankia Group.
  - 1.3. Approval of the consolidated statement of non-financial information of the Bankia Group.
  - 1.4. Approval of the corporate management by the Board of the Company in 2020.
  - 1.5. Allocation of results.
2. Reelection of members of the Board of Directors.
  - 2.1. Reelection as director, in the category of executive director, of Mr. José Ignacio Goirigolzarri Tellaeche, for the bylaws mandated term of four years.
  - 2.2. Reelection as director, in the category of executive director, of Mr. Antonio Ortega Parra, for the bylaws mandated term of four years.
  - 2.3. Reelection as director, in the category of independent director, of Mr. Jorge Cosmen Menéndez-Castañedo, for the bylaws mandated term of four years.
  - 2.4. Reelection as director, in the category of independent director, of Mr. José Luis Feito Higuera, for the bylaws mandated term of four years.
  - 2.5. Reelection as director, in the category of independent director, of Mr. Fernando Fernández Méndez de Andés, for the bylaws mandated term of four years.
  - 2.6. Reelection as director, in the category of independent director, of Ms. Laura González Molero for the bylaws mandated term of four years.

3. Delegation of authority to the Board of Directors, with authority to subdelegate, for the formal execution, interpretation, correction and implementation of the resolutions adopted at the General Meeting.
4. Consultative vote on the annual report on remuneration of members of the Bankia Board of Directors.
5. Information on amendments made to the Board of Directors Regulations (which affect articles 4, 6, 8, 8 bis, 9, 13, 14, 15, 16, 17, 23, 27, 32, 36, 37 and 39 and include elimination of the Transitional Provision), to the Regulations of the Audit and Compliance Committee (which affect articles 1, 2, 3, 6, 8, 10, 11, 12, 13 and 14) and to the Regulations of the Appointments and Responsible Management Committee (which affect articles 1, 8, 9, 11, 12, 19, 20 and 23).

## **EVENTUAL CANCELLATION OF THE GENERAL MEETING OF SHAREHOLDERS**

Note that if the merger between Bankia, S.A. and CaixaBank, S.A. approved by their respective Extraordinary General Meetings of Shareholders on days 1 and 3 December 2020, respectively, is perfected (in a public deed executed upon fulfilment of the conditions precedent to which it was made subject and entered in the Mercantile Registry of Valencia) prior to the celebration date of the General Meeting, then the call of the General Meeting of Shareholders will be automatically rendered null and void as a result of the Company's dissolution, as to which timely notice would be given to the shareholders and the markets in general.

## **PARTICIPATION IN THE GENERAL MEETING IN VIEW OF THE CURRENT PUBLIC HEALTH RISK POSED BY THE COVID-19 PANDEMIC**

Given the exceptional context arising from the situation generated by the Covid-19 pandemic and in order to preserve the general welfare and health of all people, the Board of Directors recommends that shareholders exercise their voting and delegation rights prior to the General Meeting by means of remote communication or attend the General Meeting by telematic means, under the terms set out in this notice, thus avoiding as far as possible physical attendance at the place where the General Meeting will be held.

## **SUPPLEMENT TO THE CALL AND NEW PROPOSED RESOLUTIONS**

In accordance with the terms of article 519 of the Corporations Act, shareholders representing at least 3% of the share capital may request the publication of a supplement to the call of an Ordinary General Shareholders Meeting adding one or more points to the Agenda, provided the new points are accompanied by an explanatory justification or, as applicable, by a proposed resolution with an explanatory justification.

Similarly, shareholders representing at least 3% of the share capital may submit reasoned proposals for resolutions on matters already included or which should be included on the Agenda.

These rights will be exercised by sending certifiable notice to the Company, which must be received at the registered office at Calle Pinter Sorolla, 8, 46002 Valencia, to the attention of the Secretary of the Board of Directors, within five days following publication of this call.

This written notice must state the name or company name of the shareholder or shareholders making the request and must enclose the appropriate documentation—a copy of the Attendance, Proxy and Remote Voting Card or certificate of entitlement—evidencing shareholder status, in order to check this information against that provided by Sociedad de Gestión de los Sistemas de Registro,

Compensación y Liquidación de Valores, S.A.U. (Iberclear), and the content or the points proposed by the shareholder or the content of the proposal or proposals made by the shareholder.

If the shareholder proposes a new point or new points on the Agenda, the shareholder may also be required to attach the proposal or proposals and the reports or supporting reports for the proposals to which the points included in the supplement refer, in cases where this is necessary for legal reasons.

The supplement to the call must be published at least fifteen days before the scheduled meeting date. In addition, the Company will post on the website the proposed resolutions submitted by the shareholders and any attached documents as they are received.

## **RIGHT OF ATTENDANCE**

Any individual or legal entity that holds or represents at least 500 shares of Bankia registered in the name of the holder or, if applicable, of the represented party in the corresponding accounting register five days prior to the date on which the General Meeting is to be held is entitled to attend.

Shareholders who wish to physically attend the General Meeting must accredit their ownership of the corresponding 500 shares of the Company at the entrance to the venue where the General Meeting is held, by means of the corresponding Attendance, Proxy and Remote Voting Card, which will indicate the number, class and series of the shares they own, as well as the number of votes they may cast. The Card will be issued by the Company or by the custodians of the shares to the holders of the shares providing evidence of having registered them five days prior to the date on which the General Meeting is to be held on first call.

For the purposes of providing proof of identity of the shareholders or of those validly representing them, on entry to the venue where the General Meeting is to be held the attendees may be asked, together with presentation of the Attendance, Proxy and Remote Voting Card, for proof of identity through the presentation of the National Identity Card or any other current, official document that is generally accepted for these purposes. The venue will be open to shareholders who hold or represent at least 500 shares from 11:00 a.m. onward, both on first and on second call, as the case may be.

If the current regulations limiting the capacity of the premises where the General Meeting is held remain in force as a result of the situation generated by Covid-19, in any event and in order to respect the equality of treatment of shareholders, access to the premises will be in strict order of arrival of shareholders and representatives.

In the event that the aforesaid capacity limit is reached and therefore it is not possible for more people to attend the General Meeting, the shareholders or their representatives are warned that at that time it will no longer be possible to participate through alternative means (voting and proxy prior to the General Meeting by remote communication means or attendance by electronic means), and therefore it is especially advisable to participate and register in advance through any of the alternative channels under the terms provided in this announcement.

Without prejudice to the provisions of the preceding paragraphs, the requirements and rules for telematic attendance of shareholders and proxies are regulated in the "Telematic attendance at the General Meeting" section of this announcement.

## **PROXY AND REMOTE VOTING**

Shareholders may appoint proxies and vote by remote means of communication before the General Meeting is held, in accordance with the provisions of articles 25 and 31 of the Bylaws and articles 8, 8 bis and 20 of the General Meeting Regulations. The mechanisms for on-line voting and

appointment of proxies prior to the Meeting will be available on the Bankia website ([www.bankia.com](http://www.bankia.com)) as from 25 February 2021, and will be closed at midnight of the day preceding the date scheduled for holding the General Meeting on first call.

The person in whose favour the proxy and vote are granted shall attend the General Meeting in person, either physically or by telematic means, provided that he or she reaches the minimum number of shares conferring the right to attend. In the event that the representative physically attends the General Meeting, he or she must hand in the Attendance, Proxy and Remote Voting Card at the registration tables for entering shareholders, at the place and on the day indicated for the holding of the General Meeting and from one hour before the time scheduled for the beginning of the meeting. In the event that the representative attends the General Meeting telematically, he or she must follow the instructions provided in the "Telematic attendance at the General Meeting" section of this announcement.

Proxies may be revoked at any time and if the represented shareholder attends the General Meeting, whether physically or electronically, the proxy is automatically revoked. In any case, the provisions of paragraph "5. Deadline for delegation and voting prior to the General Meeting and priority rules" below must be complied with.

If the shareholder represented attends, the representative may not attend the General Meeting. If it does it will not be entitled to vote or participate in representation of that person, and may be required to leave the General Meeting.

The proxy must be granted specifically for each General Meeting, in writing or by remote communication.

Where the represented shareholders have issued instructions, the representative will cast the vote in accordance therewith and will be obliged to retain these instructions for one year as from the date on which the General Meeting is held.

A proxy may represent more than one shareholder, with no limit regarding the number of shareholders represented. When a representative represents multiple shareholders, it may cast conflicting votes based on the instructions given by each shareholder.

The documents stating the proxies for the General Meeting must include the following information at least:

- a) Date on which the General Meeting is held and the Agenda.
- b) Identity of the represented shareholder and the proxy. Where not specified, the proxy will be deemed to have been granted to the Chairman of the Board of Directors, without prejudice to the indications below with regard to conflict of interest.
- c) Number of shares held by the shareholder granting the proxy.
- d) Instructions on the way in which to cast the vote of the shareholder granting the proxy on each point on the Agenda.

The provisions of the preceding paragraphs will not be applicable where the proxy is a spouse, ascendant or descendant of the person represented, and provides evidence as such, or is the holder of a general power or attorney in a deed, which can be provided, to manage all the shareholder's assets in Spain.

In all cases, the number of shares represented will be calculated to establish the quorum obtained for valid constitution of the General Meeting.

The Chairman of the General Meeting or the persons designated by the Chairman will be deemed authorised to determine the validity of the proxies granted in compliance with the General Meeting attendance requirements.

Shareholders casting votes remotely, whether by mail or on-line, will be considered to be in attendance for the purposes of the quorum of the General Meeting.

Pursuant to the provisions of the Bylaws and the Regulations of the General Meeting, the Board of Directors has developed the following **rules applicable to remote proxies and voting prior to the General Meeting**:

## **1. Appointment of proxy by in-person or postal deliver**

The shareholder may appoint a proxy by completing the Attendance, Proxy and Remote Voting Card issued and sent to the shareholder's address or made available to the shareholders by the Company on its website ([www.bankia.com](http://www.bankia.com)). The Card must be duly signed by the shareholder and delivered to any of branches of the Bankia network or one of the Service Offices of the General Meeting, located at the following addresses:

Bankia, S.A. - Oficina de Atención a la Junta General de Accionistas.  
Paseo de la Castellana nº 189, 28046 Madrid.

Bankia, S.A. - Oficina de Atención a la Junta General de Accionistas.  
C/ Pintor Sorolla nº 8, 46002 Valencia.

The shareholder may likewise appoint a proxy by completing the Attendance, Proxy and Remote Voting Card issued and sent to the shareholder's address, signing it and delivering it, for these purposes, by mail or any other similar courier service to the following address:

Bankia, S.A. - Dirección de Valores.  
Calle Gabriel García Márquez nº 1, 28232 Las Rozas – Madrid.

Shareholders who are legal persons that grant a proxy to a third party by mail must enclose a copy of the power of attorney of the individual who signs the Attendance, Proxy and Remote Voting Card or provide evidence of said person's powers by some other legally admissible means.

## **2. Appointment by electronic means**

Individuals may grant proxies or vote directly through the Electronic Service operational on the Bankia website ([www.bankia.com](http://www.bankia.com)) by complying with the related instructions, detailing the proxies granted and the identity of the shareholders granting the proxies, including their electronic signatures based on an Electronic User Certificate issued by the Spanish Royal Mint (FNMT- RCM) or electronic DNI.

All electronic proxies (except those granted to the Chairman of the Board of Directors, to Directors or to the General Secretary of Bankia) must be printed and submitted, together with the identification document, by the designated representatives, to the staff responsible for registering shareholders on the day and at the place of holding the General Meeting, within one hour prior to the time scheduled for the General Meeting to begin. In the case of electronic delegations sent through the Electronic Service enabled on the Bankia website and made in

favour of persons who are going to attend the General Meeting by electronic means, the Telematic Attendance Platform enabled for this purpose on the website ([www.bankia.com](http://www.bankia.com)) will indicate to the representatives attending by electronic means the delegations received in their favour so that, if appropriate, they can accept them.

### **3. Remote voting prior to the General Meeting by remote means of communication**

The same procedure shall be followed as for remote delegation by in-person or postal delivery provided for in paragraph 1 above.

### **4. Electronic voting prior to the General Meeting**

Individuals may cast their vote directly through the Electronic Service operational on the Bankia website ([www.bankia.com](http://www.bankia.com)) following the relevant instructions and using their electronic signatures based on an Electronic User Certificate issued by the Spanish Royal Mint (FNMT-RCM) or electronic DNI.

### **5. Proxy and voting period prior to the General Meeting and priority rules**

#### **5.1. Time limits for receipt by the Company of proxy appointments and remote votes prior to the General Meeting, whether delivered in person or by mail or by electronic means:**

Proxies granted and votes cast by means of remote communication must be received by the Company before midnight on the day prior to the scheduled date of the General Meeting on first call, i.e. before midnight on 22 March 2021.

Votes cast remotely may only be rendered null and void by subsequent express revocation made by the same means and within the same term as those relating to the votes cast, by personal attendance, either physically or electronically, at the meeting of the shareholders who cast the vote, or due to the sale of the shares entitling the shareholders to vote, provided this is known by Bankia.

A remote vote may not be changed once cast, except through personal attendance at the meeting, either physically or electronically, of the shareholder who cast the vote or, in the case of electronic voting, through a subsequent valid vote cast within the established term, or through the revocation of the vote cast electronically within the established term or through the submission of the vote, within the stipulated time limit, by way of the Attendance, Proxy and Remote Voting Card.

#### **5.2. Rules on priority of proxies, remote voting and attendance in person:**

##### **a) Priority of proxies, remote voting and attendance in person:**

Attendance in person at the General Meeting, either physically or electronically, of a shareholder who had previously granted a proxy or voted remotely, through whichever means for casting votes, will render said proxy or vote null and void, provided that the shareholder owns or represents at least 500 shares.

Votes cast through whichever means will render ineffective any proxy granted electronically or in writing either previously (in which case the proxy is deemed to have been revoked) or subsequently (in which case the proxy is deemed not to have been granted).

##### **b) Priority based on means used for granting the proxy or for casting the vote:**



Where shareholders grant proxies validly both by electronic means and using the Attendance, Proxy and Remote Voting Card printed on paper, the latter takes priority over the former regardless of their respective dates.

Also, votes cast validly by handwritten signature on the Attendance, Proxy and Remote Voting Card printed on paper render votes made by electronic means ineffective, whether cast earlier or later.

c) Priority based on the timing of the proxy appointment or vote:

Without prejudice to the provisions of section 5.2.b) above, which will take precedence over the provisions of this section, if a shareholder grants multiple proxies, the most recent proxy granted takes priority.

The same rule shall apply if a shareholder casts several votes, such that if a shareholder casts multiple and inconsistent votes, the vote cast most recently will have priority.

**6. Conflict of interest situations of the representative and rules of interpretation of the power of representation**

Before being appointed, the proxy must advise the shareholder in detail as to whether a conflict of interest exists. If the conflict is subsequent to the appointment and the shareholder granting the proxy has not been advised of the possible existence of such conflict, the proxy-holder shall immediately inform the shareholder thereof. In both cases, if new precise voting instructions have not been received for each of the matters on which the representative has to vote on behalf of the shareholder, the representative must abstain from casting a vote.

If the proxy has been validly granted in accordance with the law and the General Meeting Regulations but instructions are not included for casting the vote or if doubts arise as to the recipient or the scope of the proxy, it will be understood that: (i) the proxy is granted to the Chairman of the Board of Directors; (ii) it refers to all the proposals forming part of the Agenda of the General Meeting; (iii) the vote will be cast in favour of the proposals made by the Board of Directors; and (iv) it also covers any points that may arise outside the Agenda, in respect of which the representative will cast a vote in the way he or she considers appropriate having regard to the corporate interest.

Unless indicated otherwise by the represented shareholder, where the representative is involved in a conflict of interest, representation will be understood to be granted to the Chairman of the Meeting, and if the latter is in a conflict of interest, the Secretary of the General Meeting, except in those cases for which there are specific voting instructions for each of those points. If the Secretary of the General Meeting is also in a conflict of interest, he or she must abstain.

**7. Other matters**

Any of the co-owners of a deposit of shares may vote, grant proxies or attend. The rules of priority among them established in section 5 above will apply. In any event, if there are co-owners of shares the provisions of article 126 of the Corporations Act will apply.

Shareholders who are legal entities and shareholders who are not residents in Spain must consult the Service Office for the General Meeting of Shareholders to adapt, with due



safeguards, the mechanisms for remote voting and proxy appointments to their specific circumstances.

Where the shareholder is a legal entity, it must notify any amendment to, or revocation of, the powers of attorney of its representative and, accordingly, Bankia accepts no liability until this notification has been made and provided that this occurs before the General Meeting commences.

Transfer of shares entitling shareholders to vote of which Bankia is aware at least five days before the date contemplated for holding the General Meeting will render the votes cast and proxies granted null and void.

The shareholder is wholly responsible for custody of the electronic signature for using the on-line proxy appointment and voting service.

## **8. Technical issues**

Bankia reserves the right to modify, suspend, cancel or restrict the electronic voting and proxy mechanisms prior to the General Meeting when required or forced to do so for technical or security reasons.

Bankia will not be liable for any losses caused to shareholders as a result of faults, overloads, line failures, connection failures, malfunctioning of the mail service or any other eventuality of an identical or similar nature beyond Bankia's control that hinder the use of the electronic voting and proxy mechanisms prior to the General Meeting.

## **TELEMATIC ATTENDANCE AT THE GENERAL MEETING**

Without prejudice to the provisions of the preceding paragraphs, in accordance with the provisions of article 31.6 of the Bylaws and article 20 bis of the Regulations of the General Meeting of Shareholders, the Board of Directors of the Company has resolved that shareholders entitled to attend and their representatives may attend the General Meeting by electronic means.

In order to guarantee the identity of those attending, the correct and full exercise of their political rights, real-time interactivity and the appropriate development of the meeting, shareholders or representatives who wish to attend the General Meeting telematically must access the Telematic Attendance Platform through the "Telematic Attendance" link enabled for this purpose on the Company's website ([www.bankia.com](http://www.bankia.com)). Once the shareholder or its representative has registered on the Telematic Attendance Platform, it may attend, intervene and vote at the General Meeting through remote communication means in real time, all in accordance with the terms set out in the following sections.

Likewise, the person attending telematically will be able to follow the entire course of the General Meeting, which will be transmitted live (streaming) through the corporate website ([www.bankia.com](http://www.bankia.com)).

### **1. Prior registration of shareholders and representatives and connection:**

Shareholders who wish to attend the General Meeting by electronic means must:

- a) Pre-registration:

Register on the Telematic Attendance Platform enabled for this purpose on the website ([www.bankia.com](http://www.bankia.com)) following the instructions established therein, accrediting their identity between 8:00 a.m. on 12 March 2021 and 23:59 p.m. on 22 March 2021, by one of the following means: (i) the National Electronic Identity Document; or (ii) an electronic signature based on an Electronic User Certificate issued by the Fábrica Nacional de Moneda y Timbre – Real Casa de la Moneda (FNMT-RCM). No registration of attendees will be accepted outside this period. The Company reserves the right to ask shareholders for any additional means of identification it deems necessary to verify their status as shareholders and to guarantee the authenticity of the vote or delegation.

b) Connection as a telematic attendee:

Once registered in accordance with section a) above, the shareholder must connect as a telematic attendee by accessing the Telematic Attendance Platform set up for this purpose on the website ([www.bankia.com](http://www.bankia.com)), between 8:00 a.m. and 12:00 a.m. on the day of the General Meeting, accrediting itself by following the instructions established therein. Only those attendees who have been accredited in the period indicated may speak and/or vote at the General Meeting.

c) Accreditation of the delegation by the representative:

In order for the representative to be able to attend the General Meeting telematically, he or she must accredit his or her delegation and identity to the Company by physically delivering or sending by post the Attendance, Proxy and Remote Voting Cards, as well as a copy of the National Identity Document, Foreigner's Identity Number or Passport of the representative (legal entities that are shareholders must also attach a copy of the powers of attorney of the natural person who signs the Card or accredit their powers of attorney by any other legally valid means), at the addresses and within the periods established in the "Delegation and remote voting" section above or by granting the delegation through the Electronic Service enabled on the Bankia website ([www.bankia.com](http://www.bankia.com)) following the instructions set out therein, under the terms and deadlines set out in the "Proxies and Remote Voting" section above.

Without prejudice to the aforesaid accreditation, the representatives must also register on the Telematic Attendance Platform set up for this purpose on the website ([www.bankia.com](http://www.bankia.com)) and accredit themselves as telematic attendees under the same terms provided for in sections a) and b) above in relation to the shareholders.

## 2. Exercise of the rights of intervention, information and proposal:

Shareholders or their representatives who, in exercise of their rights, wish to intervene telematically at the Meeting and, if appropriate, request such information or clarification as they may deem necessary regarding the items on the Agenda, the information accessible to the public that the Company has provided to the National Securities Market Commission since the last General Meeting was held and the auditor's report, or make such proposals as are permitted by law, shall formulate their intervention or proposal in writing, sending an electronic communication with their intervention, with a maximum of 4,000 characters or by attaching their written intervention via the "Intervention" link on the Telematic Attendance Platform set up for this purpose on the website ([www.bankia.com](http://www.bankia.com)) from 8:00 a.m. on the day of the General Meeting until the Chairman of the Meeting opens the floor to speakers.

A telematic attendee who wishes his or her intervention to be recorded verbatim in the minutes of the Meeting must indicate this clearly and expressly in the text of the former.

The interventions of those attending by telematic means will be answered verbally during the General Shareholders' Meeting or in writing, within seven days of the meeting.

### **3. Voting:**

Votes on the proposals relating to items on the Agenda may be cast via the "Voting" link on the Telematic Attendance Platform set up for this purpose on the website ([www.bankia.com](http://www.bankia.com)) from the start of the General Meeting at 12:00 a.m. until the end of the voting period for the proposed resolutions at the Meeting, which will be indicated in due course during the Meeting.

With regard to the proposed resolutions on those matters not included in the Agenda that have been presented in the legally admissible cases, those attending by telematic means may cast their votes through the "Voting" link of the Telematic Attendance Platform enabled for this purpose on the website ([www.bankia.com](http://www.bankia.com)) from the moment these proposals are read out during the General Meeting and until the conclusion of the voting period for the proposed resolutions during the Meeting is declared, which will be indicated in due course during the Meeting.

### **4. Exercise by the telematic attendees of their right to formulate protests or reservations about the constitution of the Meeting:**

The shareholders or representatives attending the General Meeting telematically may register the protests or reservations they have about the constitution of the General Meeting by sending an electronic communication through the "Intervention" link of the Telematic Attendance Platform enabled for this purpose on the website ([www.bankia.com](http://www.bankia.com)).

### **5. Leaving the meeting:**

Those attending by telematic means who wish to state their express abandonment of the General Meeting must do so by sending an electronic communication through the "Intervention" link of the Telematic Attendance Platform set up for this purpose on the website ([www.bankia.com](http://www.bankia.com)). Once they have communicated their express wish to leave the meeting, all of their subsequent actions will be deemed not to have been taken.

### **6. Other matters:**

The Company shall not be liable for any damages that may be caused to the shareholder or representative as a result of the occasional unavailability of its website, as well as for breakdowns, overloads, line failures, connection failures or any other event of the same or similar nature, beyond the control of the Company, without prejudice to the adoption of the measures required in each situation, including the possible temporary suspension or extension of the General Meeting if necessary to guarantee the full exercise of their rights by the shareholders or their representatives.

## **OTHER DOCUMENTS AVAILABLE ON THE WEBSITE**

Independently of the right to information and in addition to the documentation indicated in the previous section, from the date of publication of this notice of call the following documents, among others, are available without interruption on the Company's website ([www.bankia.com](http://www.bankia.com)):

- (i) This notice of call.
- (ii) The total number of shares and voting rights as at the date the General Meeting is called.

- (iii) The full text of the proposed resolutions for the points on the General Meeting Agenda.
- (iv) The explanatory reports and proposals required by article 529 decies of the Corporations Act on point 2 of the Agenda.
- (v) Financial statements of Bankia, S.A., individual management report and auditors' report for 2020, as well as the consolidated financial statements, management report of the Group and auditor's report for the same year.
- (vi) Consolidated statement of non-financial information of the Bankia Group for 2020.
- (vii) Annual Corporate Governance Report for 2020.
- (viii) Annual Report on Director Remuneration for 2020.
- (ix) Report of the Audit and Compliance Committee for 2020, including information on the auditor's independence, functioning of the Committee and related party transactions.
- (x) Report of the Appointments and Responsible Management Committee for 2020.
- (xi) Report of the Remuneration Committee for 2020.
- (xii) Instructions for attending the General Meeting, either physically or electronically, prior proxy granting and remote voting
- (xiii) Attendance, Proxy and Remote Voting Card.
- (xiv) Regulations of the Shareholders' Electronic Forum.
- (xv) Right to Information.
- (xvi) Company Bylaws
- (xvii) General Meeting Regulations.
- (xviii) Board of Directors Regulations.
- (xix) Regulations of the Audit and Compliance Committee.
- (xx) Regulations of the Appointments and Responsible Management Committee.
- (xxi) Regulations of the Remuneration Committee.
- (xxii) FAQs, including, amongst other items, information on the location where the General Meeting will be held and on telematic attendance.
- (xxiii) The valid requests for information, clarifications or questions submitted by the shareholders pursuant to their right of information and the replies provided by the directors.

## **RIGHT TO INFORMATION**

As from the date the notice of call is published, shareholders may examine (in the Service Offices of the General Meeting located at Calle Pintor Sorolla nº 8, 46002 Valencia (registered office) or at

Paseo de la Castellana nº 189, 28046 Madrid, Monday to Friday, from 9:00 a.m. to 14:00 p.m.), or request that they be sent, immediately and free of charge, a copy of the verbatim texts of the proposed resolutions on the Agenda already approved by the Board of Directors and such prescribed reports as may relate to the points on the Agenda. In any event, all shareholders may request to be given or sent free of charge the annual Financial Report for 2020, which includes the individual annual financial statements and management report, the consolidated annual financial statements and consolidated management report, including the consolidated statement of non-financial information, and the respective reports of the statutory auditors.

Pursuant to articles 197 and 520 of the Corporations Act and article 7 of the Regulations of the General Meeting of Shareholders of the Company, from the publication of the notice of call of the General Meeting and up to and including the fifth day prior to the date scheduled for the meeting, shareholders may request information or clarification or formulate, in writing, the questions they consider pertinent regarding the matters included on the Agenda of the General Meeting, regarding the information accessible to the public that the Company has provided to the National Securities Market Commission since the last General Meeting was held, and regarding the auditor's report.

Requests for information must be addressed in writing to the Service Offices of the General Meeting at the addresses indicated above and either delivered by hand to the Service Offices of the General Meeting from Monday to Friday from 9:00 a.m. to 14:00 p.m. or else sent by post or electronic means using the Electronic Service provided on the Company's corporate website ([www.bankia.com](http://www.bankia.com)), in which case, in order to provide the system with the appropriate guarantees of authenticity and identification of the shareholders exercising their right to information, the shareholder must use an advanced or recognised electronic signature, as specified in the Electronic Signature Law 59/2003 of 19 December, based on either a recognised electronic certificate for which there is no record of its having been revoked and that has been issued by the Royal Spanish Mint (FNMT-RCM), or an electronic ID number. Whichever means is used for sending the requests for information, the shareholders' requests must include their name and surnames (or company name), the taxpayer identification number and evidence of the shares held, in order to be able to check this information against the list of shareholders and the number of shares appearing in each shareholder's name provided by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear). The shareholder will be understood to give his or her consent to the requests for information being answered by a reply to the email address of the requesting shareholder. Furthermore, for the purposes of exercising their rights, persons with disabilities and the elderly, and any other shareholders who so desire, may also request information by contacting the Service Offices of the General Shareholders Meeting by telephone (+34 91 787 75 75 and +34 91 602 46 75, from Monday to Friday from 8:00 a.m. to 22:00 p.m.).

In view of the limitations in effect at any given time as a result of the situation generated by COVID-19, it is recommended that shareholders wishing to make requests for information send their request by post or telematically through the Electronic Service provided on the Company's corporate website ([www.bankia.com](http://www.bankia.com)), since such limitations, while they exist, may restrict access to the Company's registered office or to its offices at Paseo de la Castellana no. 189.

Valid requests for information or clarification and questions submitted in writing, and the answers provided by the directors in writing, shall be posted on the Company's website.

Shareholders may verbally request during the General Meeting any information or clarification they deem necessary regarding the items on the Agenda, the information accessible to the public that the Company has provided to the National Securities Market Commission since the last General Meeting, and the auditor's report. In relation to valid oral requests for information or clarification made during the General Meeting that are not satisfied at that time, the Board of Directors will provide such information in writing within seven days following the conclusion of the General Meeting. In relation to the exercise of the right to information by those attending the General

Meeting by telematic means, the instructions set out in the "Telematic Assistance to the General Meeting" section of this announcement must be followed.

Where the information requested in a particular question is already clearly, expressly and directly available to all shareholders in question-and-answer format on the Company's corporate website ([www.bankia.com](http://www.bankia.com)), the directors may limit their reply to referring to that information. Also, pursuant to the provisions of article 197 of the Corporations Act and article 7.4 of the Company's General Meeting Regulations, it is hereby stated that the directors shall not be obliged to provide the aforesaid information, when (i) the information is not necessary for the protection of the rights of the shareholder, or there are objective reasons to conclude that it may be used other than for corporate purposes, or its disclosure is harmful to the company or the related companies, (ii) the request does not refer to items on the Agenda or to the information accessible to the public provided by the National Securities Markets Commission since the holding of the most recent General Meeting or to the last audit report, (iii) the information may for any reason be considered abusive or contrary to the principles of equal treatment of shareholders, or (iv) for other reasons established by law or in the Articles of Association. Information cannot be refused if the request is by shareholders representing at least 25% of capital.

## **SPECIAL INFORMATION INSTRUMENTS**

In accordance with article 539.2 of the Corporations Act, Bankia has set up on its corporate website ([www.bankia.com](http://www.bankia.com)) a Shareholders Electronic Forum (hereinafter the "**Forum**"), which can be accessed with the appropriate safeguards by all individual shareholders and by any voluntary associations of shareholders that may be set up in accordance with the provisions of article 539.4 of the Corporations Act.

The Forum may publish initiatives to achieve a sufficient percentage to exercise a minority right provided for by law, as well as offers or requests for voluntary representation.

The Forum is not a mechanism for on-line conversations between shareholders, nor a place for virtual debate. Nor does the Forum constitute a communication channel between the Company and its shareholders. The Forum is set up for the purpose of facilitating communication between Bankia shareholders from the time the General Meeting is called until it is held.

After entering the Forum via the Bankia website ([www.bankia.com](http://www.bankia.com)), shareholders must identify themselves, by using their electronic signature based on an Electronic Certificate of User issued by the Spanish Royal Mint (FNMT-RCM) or the electronic DNI. Legal persons and non-residents of Spain should consult the Service Office of the General Meeting in order to adapt, with the requisite safeguards, the mechanisms for participating in the Shareholders Electronic Forum. As from the date of publication of the notice of the call, the necessary information and requirements for participating in the Forum may be consulted on the Bankia website ([www.bankia.com](http://www.bankia.com)). Access to the Forum and the terms and conditions for its use and operation will be governed by the provisions of this call of General Meeting and in the operating rules for the Shareholders Electronic Forum, which may be consulted on the Bankia website.

## **NOTARY PARTICIPATION IN THE GENERAL MEETING**

The Board of Directors has requested the presence of a public Notary to write up the minutes of the General Meeting, in accordance with the terms of article 203 of the Corporations Act in conjunction with article 101 of the Regulations of the Mercantile Registry and article 4.2 of the General Meeting Regulations.

## **STREAMING OF THE GENERAL SHAREHOLDERS MEETING**

The General Meeting is expected to be broadcast live (streaming) via the corporate website ([www.bankia.com](http://www.bankia.com)).

## **PROTECTION OF PERSONAL DATA**

The personal data that shareholders or their representatives submit to Bankia for purposes of exercising their General Meeting information, attendance, proxy and voting rights, or that are provided by the banks and securities brokers and dealers that hold the shares of those shareholders in custody via Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), will be processed and entered in databases of Bankia (C/Pintor Sorolla, 8, 46002, Valencia and taxpayer identification number (CIF) A14010342), for the purpose of managing the pursuit, development and control of the shareholder relationship and, where applicable, the representation relation that exists, on the basis of compliance with the legal obligations set out in the Corporations Act. All personal data included in the Attendance, Proxy and Remote Voting Card are necessary and mandatory in order to exercise attendance, proxy and voting rights, and participate in the presentation phase, if so requested. If the Card is not properly filled out, Bankia may refuse to perform the actions indicated above.

The shareholders will be responsible for obtaining the consent of the representatives they designate, if proxies are granted, in order for their personal information to be processed by Bankia for the aforementioned purpose.

The details may be notified to the public Notary who will attend the General Meeting and to third parties in exercise of the right of information provided for under law, or made accessible to the public to the extent that they form part of the documentation available on the Company website ([www.bankia.com](http://www.bankia.com)) or are stated at the General Meeting, which may be the subject of audio-visual recording and public broadcast on the website.

By attending the General Meeting, participants give their consent to such recording and broadcasting. Shareholders or shareholder representatives who are data subjects may at all times exercise their rights of portability, access, rectification, cancellation, objection and limitation by e-mailing their written request to such effect, with proof of their identity, to [protecciondedatos@bankia.com](mailto:protecciondedatos@bankia.com) or to the postal address Apartado de Correos 61076 Madrid 28080, indicating "Protección de datos-Accionistas" as reference.

## **ADDITIONAL INFORMATION DERIVED FROM THE CURRENT PUBLIC HEALTH RISK SITUATION CAUSED BY THE COVID-19 PANDEMIC**

In light of the Covid-19 pandemic, in the event that the General Meeting is held on the scheduled dates, 23 March on first call, and 24 March on second call, if a situation arises that makes it advisable and possible under current regulations, the Board of Directors may resolve that the General Meeting be held exclusively by electronic means, i.e. without the physical attendance of shareholders and their representatives, on the same dates and at the same time as provided in this announcement, the following rules being applied (unless the Board of Directors approves and makes time announcement of different rules according to the regulations prevailing at that time:

1. Shareholders may exercise their rights, in person or by proxy, only by remote means of communication prior to the General Meeting or by telematic means under the terms set forth in this announcement.



2. The Chairman shall only invite or authorise the attendance at the General Meeting of the internal and external collaborating personnel who are essential to make the holding of the General Meeting possible.
3. The members of the Board of Directors will attend the General Meeting on the terms established in article 180 of the Corporations Act and in article 9.2 of the Regulations of the General Meeting. In this regard, the members of the Board of Directors may attend the meeting by audio or video conference, the meeting being deemed to have taken place at the registered office regardless of the location of the Chairman of the Meeting.
4. The public notary may provide telematic assistance using real-time remote means of communication that adequately guarantee the fulfilment of the notary's function. The notarial minutes will be disseminated by the Company through its publication on the corporate website ([www.bankia.com](http://www.bankia.com)).
5. In any case, the Board of Directors shall inform the shareholders and the markets in general in a timely manner, making the corresponding announcement complementary to this notice of call of the General Meeting within the five days prior to the date scheduled for the meeting on first call.

Valencia, 16 February 2021

General Secretary and Secretary to the Board of Directors

Miguel Crespo Rodríguez

## **PROPOSED RESOLUTIONS FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS OF BANKIA, S.A. – MARCH 2021**

- 1. Approval of the Annual Accounts and Management Report of Bankia and of its consolidated Group which have been the subject of an audit report that had been object of audited report. Approval of the consolidated statement of non-financial information of the Bankia Group. Approval of the corporate management for the year. Allocation of results. All of the above in reference to the year closed 31 December 2020.**

### **1.1. Approval of the Annual Accounts and Individual Management Report of Bankia.**

To approve the annual accounts of Bankia, comprising the Balance Sheet, the Income Statement, the Statement of Recognised Income and Expenses, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Annual Accounts, prepared by the Board of Directors, as well as the Management Report, prepared by the same body, for the financial year closed 31 December 2020.

It is noted that, in accordance with article 263.1 of the Spanish Corporations Act, Bankia's Annual Accounts and Management Report have been the subject of an audit report.

### **1.2. Approval of the Annual Accounts and Consolidated Management Report of the Bankia Group.**

To approve the annual accounts of the Bankia consolidated group, comprising the Consolidated Balance Sheet, the Consolidated Income Statement, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the Notes to the Consolidated Annual Accounts, prepared by the Board of Directors, and the consolidated Management Report, prepared by the same body, for the financial year closed 31 December 2020.

It is noted that, in accordance with article 263.1 of the Spanish Corporations Act, the Bankia Group's Annual Accounts and consolidated Management Report have been the subject of an audit report.

### **1.3. Approval of the consolidated statement of non-financial information of the Bankia Group.**

To approve the consolidated non-financial information statement, which forms part of the Bankia Group's consolidated Management Report prepared by the Board of Directors, for the year ended 31 December 2020.

It is noted that, in accordance with article 49.6 of the Commercial Code, the consolidated non-financial statement has been verified by an independent verification service provider.

### **1.4. Approval of the corporate management by the Board of the Company in 2020.**

To approve the Board of Directors' management of the Company in 2020.

### **1.5. Allocation of results.**

To approve the proposed allocation of the Company's results for the year ended 31 December 2020 as follows:

To apply the total profit for the year to voluntary reserves.

Consequently, the distribution of the profits obtained by Bankia in the year ended 31 December 2020, which amounted to 250,565,530.57 euros, will be as follows:

To voluntary reserves: 250,565,530.57 euros.

## **2. Reelection of members of the Board of Directors.**

All reelections of directors proposed to the General Meeting are accompanied by the explanatory report of the Board of Directors provided for in article 529 decies of the Corporations Act and, furthermore, (i) in the case of the reelection of Mr. José Ignacio Goirigolzarri Tellaeche and of Mr. Antonio Ortega Parra as executive directors, with the favourable report of the Appointments and Responsible Management Committee, and (ii) in the case of the reelections of Mr. Jorge Cosmen Menéndez-Castañedo as an independent director, of, Mr. José Luis Feito Higuera as an independent director, of Mr. Fernando Fernández Méndez de Andés as an independent director and of Ms. Laura González Molero as an independent director, with the proposal of the Appointments and Responsible Management Committee. These reports have been made available to the shareholders as from the publication of the notice of call of the General Meeting.

The directors whose reelection is submitted for the approval of the General Shareholders' Meeting were reelected as directors of the Company, for the bylaws term of four years, by resolution of the General Shareholders' Meeting held on 24 March 2017, with the exception of Ms. González, who was ratified by resolution of the General Shareholders' Meeting held on 22 March 2019, with the term of office expiring on the date corresponding to the position of the member she replaced. Consequently, and being close to the expiration of the four years for which they were reelected as directors of Bankia, S.A. and given that at the date of the call of this General Meeting the merger between Bankia, S.A. and CaixaBank, S.A. approved by their Extraordinary General Shareholders' Meetings held on 1 and 3 December 2020, respectively, is still in process and has not yet been completed, the Board of Directors has deemed it appropriate to submit for the approval of its shareholders the reelection of Messrs. Goirigolzarri, Ortega, Cosmen, Feito and Fernández and Ms. González, for the bylaws term of four years, although it is estimated that in a short period of time the merger will be completed, resulting in the extinction of Bankia and, consequently, the automatic termination of all the members of its board of directors.

### **2.1 Reelection as director, in the category of executive director, of Mr. José Ignacio Goirigolzarri Tellaeche, for the bylaws mandated term of four years.**

It is resolved, at the proposal of the Board of Directors, with the favourable report of the Appointments and Responsible Management Committee, to reelect director Mr. José Ignacio Goirigolzarri Tellaeche, of legal age, married, a national of Spain and with address for the purposes hereof at Paseo de la Castellana nº 189, 28046-Madrid, in the category of "executive director", for the bylaws mandated term of four years reckoned from the date this General Meeting is held.

Mr. José Ignacio Goirigolzarri Tellaeche will accept his reelection by any legally admissible means.

### **2.2 Reelection as director, in the category of executive director, of Mr. Antonio Ortega Parra, for the bylaws mandated term of four years.**

It is resolved, at the proposal of the Board of Directors, with the favourable report of the Appointments and Responsible Management Committee, to reelect director Mr. Antonio Ortega

Parra, of legal age, married, a national of Spain and with address for the purposes hereof at Paseo de la Castellana nº 189, 28046-Madrid, in the category of "executive director", for the bylaws mandated term of four years reckoned from the date this General Meeting is held.

Mr. Antonio Ortega Parra will accept his reelection by any legally admissible means.

**2.3 Reelection as director, in the category of independent director, of Mr. Jorge Cosmen Menéndez-Castañedo, for the bylaws mandated term of four years.**

It is resolved, at the proposal of the Appointments and Responsible Management Committee, to reelect director Mr. Jorge Cosmen Menéndez-Castañedo, of legal age, married, a national of Spain and with address for the purposes hereof at Paseo de la Castellana nº 189, 28046-Madrid, in the category of "independent director", for the bylaws mandated term of four years reckoned from the date this General Meeting is held.

Mr. Jorge Cosmen Menéndez-Castañedo will accept his reelection by any legally admissible means.

**2.4 Reelection as director, in the category of independent director, of Mr. José Luis Feito Higuera, for the bylaws mandated term of four years.**

It is resolved, at the proposal of the Appointments and Responsible Management Committee, to reelect director Mr. José Luis Feito Higuera, of legal age, married, a national of Spain and with address for the purposes hereof at Paseo de la Castellana nº 189, 28046-Madrid, in the category of "independent director", for the bylaws mandated term of four years reckoned from the date this General Meeting is held.

Mr. José Luis Feito Higuera will accept his reelection by any legally admissible means.

**2.5 Reelection as director, in the category of independent director, of Mr. Fernando Fernández Méndez de Andés, for the bylaws mandated term of four years.**

It is resolved, at the proposal of the Appointments and Responsible Management Committee, to reelect director Mr. Fernando Fernández Méndez de Andés, of legal age, married, a national of Spain and with address for the purposes hereof at Paseo de la Castellana nº 189, 28046-Madrid, in the category of "independent director", for the bylaws mandated term of four years reckoned from the date this General Meeting is held.

Mr. Fernando Fernández Méndez de Andés will accept his reelection by any legally admissible means.

**2.6 Reelection as director, in the category of independent director, of Ms. Laura González Molero for the bylaws mandated term of four years.**

It is resolved, on the proposal of the Appointments and Responsible Management Committee, to reelect director Ms. Laura González Molero, of age, divorced, a national of Spain and with domicile for the purposes hereof at Paseo de la Castellana nº 189, 28046-Madrid, in the category of "independent director", for the articles mandated term of four years reckoned from the date this General Meeting is held.

Ms. Laura González Molero will accept her reelection by any legally admissible means.

**3. Delegation of authority to the Board of Directors, with authority to subdelegate, for the formal execution, interpretation, correction and implementation of the resolutions adopted at the General Meeting.**

To delegate to the Board of Directors, which may subdelegate without distinction to the Chairman of the Board of Directors, any of the directors, the General Secretary and the Secretary of the Board of Directors, as broadly as may be necessary in law, so that any of them, without distinction, may formalise, interpret, develop, correct and arrange for attestation as a public document of the resolutions adopted at this General Meeting as well as executing such public or private documents as may be necessary until obtaining the corresponding registration of the resolutions adopted in the Commercial Registry, including requests for partial registration, with authority even for correction or rectification in light of the verbal or written review undertaken by the Registrar.

**4. Consultative vote on the annual report on remuneration of members of the Bankia Board of Directors.**

To approve, on a consultative basis, the Annual Report on the Remuneration of the members of the Board of Directors, prepared by the Board of Directors, in compliance with article 541 of the Corporations Act, and in accordance with the model approved by Circular 1/2020 of 6 October 2020 of the National Securities Market Commission (CNMV), amending Circular 5/2013 of 12 June, which establishes the models for the annual corporate governance report of listed public limited companies, savings banks and other entities that issue securities admitted to trading on official securities markets, and Circular 4/2013 of 12 June 2013, which establishes the models for the annual report on the remuneration of the directors of listed public limited companies and of the members of the board of directors and the control committee of savings banks that issue securities admitted to trading on official securities markets, which has been sent to the CNMV through the Communication of Other Relevant Information dated 19 February 2021 and made available to the shareholders since the notice of call of this General Meeting and which, upon a prior favourable report from the Remuneration Committee, is presented to the General Shareholders Meeting.

**5. Information on amendments made to the Board of Directors Regulations (which affect articles 4, 6, 8, 8 bis, 9, 13, 14, 15, 16, 17, 23, 27, 32, 36, 37 and 39 and include elimination of the Transitional Provision), to the Regulations of the Audit and Compliance Committee (which affect articles 1, 2, 3, 6, 8, 10, 11, 12, 13 and 14) and to the Regulations of the Appointments and Responsible Management Committee (which affect articles 1, 8, 9, 11, 12, 19, 20 and 23).**

The General Meeting is informed of the resolutions adopted by the Board of Directors on 23 December 2020, following a favourable report from the Audit and Compliance Committee and the Appointments and Responsible Management Committee, consisting of the amendment of articles 4, 6, 8, 8 bis, 9, 13, 14, 15, 16, 17, 23, 27, 32, 36, 37 and 39, and the elimination of the Transitional Provision of the Regulations of the Board of Directors; in the amendment of articles 1, 2, 3, 6, 8, 10, 11, 12, 13 and 14 of the Audit and Compliance Committee Regulations; and of articles 1, 8, 9, 11, 12, 19, 20 and 23 of the Regulations of the Appointments and Responsible Management Committee.

The purpose of the amendment of the aforesaid Regulations was to adapt them to the Recommendations of the Good Governance Code for listed companies, as amended in June 2020 by the National Securities Market Commission, as well as to incorporate drafting clarifications.

Both the Board of Directors Regulations and the Audit and Compliance Committee Regulations, as well as the Appointments and Responsible Management Committee Regulations, are published on

the Company's corporate website ([www.bankia.com](http://www.bankia.com)), are registered with the Commercial Registry and have been reported to the National Securities Market Commission.

The following is a transcription of the articles of the Regulations of the Board of Directors, the Regulations of the Audit and Compliance Committee and the Regulations of the Appointments and Responsible Management Committee, highlighting the amendments made thereto:

## **A. AMENDED ARTICLES OF THE REGULATIONS OF THE BOARD OF DIRECTORS**

### **ARTICLE 4. GENERAL SUPERVISORY FUNCTION AND OTHER AUTHORITY**

1. Except for matters reserved to the competence of the general meeting, in accordance with the provisions of applicable legislation and the bylaws of the Company, the board of directors is the highest decision-making body of the Company. The foregoing is without prejudice to the delegated and other authority given carried out by the bylaws to the chairman of the board of directors.
2. The board's policy is to delegate ordinary Company management in executive bodies and management team and to concentrate its activities on the general supervisory function and consideration of those matters that are of particular importance to the Company.

Regarding the foregoing, the board of directors will define a system of corporate governance that guarantees sound and prudent management of the Company, and includes an appropriate distribution of functions within the organisation and the prevention of conflicts of interest, monitoring the application of that system and periodically controlling and evaluating its effectiveness, if applicable adopting appropriate measures to correct any possible deficiencies.

3. The board will assume, without delegation, such authority as is legally reserved directly to it, and such other authority as may be necessary for responsible exercise of the general supervision function.
4. The board takes responsibility for providing the markets with timely, accurate and reliable information, particularly on ownership structure, substantial amendments to governance rules, trading in treasury shares and particularly significant related-party transactions.
5. The board will approve the financial information the Company periodically must make public.
6. The board will establish the dividend policy and present the corresponding proposed resolutions regarding allocation of profits and other forms of remuneration of shareholders to the general meeting of shareholders, and, if applicable, will order payment of interim dividends.
7. In particular, without prejudice to the powers recognised in the bylaws, the board of directors will have the following authority which may not be delegated:
  - a) The approval of the strategic or business plan, as well as the management objectives and annual budget, the investment and financing policy, the corporate social responsibility ~~policy and the dividend policy~~ and sustainability in environmental and social matters and the dividend policy, assuming responsibility for administration and management of the Company, approval of and overseeing the application of its strategic objectives, its risk strategy and its internal governance.

- b) The determination of the general strategies and policies of the Company, in particular the determination of the tax strategy of the Company, the policy for control and management of risk, including tax risk, and supervision of the internal reporting and control systems, as well as ensuring the integrity of the accounting and financial reporting systems, including financial and operational control and compliance with applicable legislation.
- c) The determination of the corporate governance policy for the Company and the group of which it is the controlling company; as well as regular supervision, control and periodic evaluation of the effectiveness of the corporate governance system and, if applicable, adoption of appropriate measures to correct deficiencies; organisation and functioning of the board of directors and, in particular, approval and modification of its own regulations.
- d) The supervision of the process of preparing and presenting financial information and the directors' report, which shall include the prescribed non-financial information, and approval of the financial information that, by reason of its status as a listed company, the Company must publish periodically, as well as supervising the process of disclosure of information and the communications related to the Company.
- e) The preparation, if applicable, of the statement of non-financial information for submission to the general meeting.
- ~~d)f)~~ The definition of the structure of the corporate group of which the Company is the controlling entity.
- ~~e)g)~~ The approval of all kinds of investments and operations which, due to their high value or special characteristics, are strategic in nature or have high tax risk, unless their approval is the remit of the general meeting.
- ~~f)h)~~ Approval of the creation or acquisition of shareholdings in entities of purpose special or entities resident in countries or territories considered to be tax havens, and any other transactions or operations of a comparable nature the complexity of which might impair the transparency of the Company or its Group.
- ~~g)i)~~ The approval, after obtaining a report from the audit and compliance committee, of transactions entered into by the Company or companies in its Group with directors, or with shareholders who, either individually or together with others, hold a significant interest, including shareholders represented on the board of directors of the company or of other companies in the same group or with persons related to them. The affected directors, or those representing or related to the affected shareholders, must refrain from participating in deliberation and voting on the resolution in question. Only transactions simultaneously having the three following characteristics are exempt from this approval:
  1. they must be carried out under contracts whose terms are standardised and apply *en masse* to a large number of customers,
  2. they must be carried out at prices or rates which are established generally by the supplier of the good or service in question, and
  3. their value must not exceed one percent of the Company's annual income.
- ~~h)j)~~ The supervision of the actual operation of the committees created by it and of the actions of the delegated bodies as well as, when so envisaged by the law, of the officers appointed by it, in all cases including senior management.



- ~~i)k)~~ The policy on treasury shares.
  - ~~j)l)~~ The call of the general meeting of shareholders and the preparation of the agenda and proposed agreements.
  - ~~k)m)~~ Decisions relating to directors' remuneration, in accordance with the provisions of the bylaws, and with the remuneration policy, where applicable as approved by the general meeting.
  - ~~l)n)~~ The authorisation or waiver of the obligations deriving from the duty of loyalty as provided by law.
  - ~~m)o)~~ The formulation of the annual accounts and their presentation to the general meeting.
  - ~~n)p)~~ Making any kind of report required by law to the board of directors, provided that the matter covered by the report is nondelegable.
  - ~~o)q)~~ The appointment and removal of the chief executive officer of the Company, as well as the establishment of the terms of his contract.
  - ~~p)r)~~ The Appointment and removal of the executives reporting directly to the board or any of its members, as well as the establishment of the basic terms of their contracts, including their remuneration, on a proposal from the chief executive of the society.
  - ~~q)s)~~ The powers the general meeting has delegated to the board of directors, unless it had been expressly authorised by it to subdelegate them.
8. In the terms envisaged in the applicable law, in the event of a duly justified situation of urgency, decisions relating to the above matters may be taken by the delegated persons or bodies, and must be ratified at the first board of directors meeting held after adoption of the decision.

## **ARTICLE 6. GUIDING PRINCIPLES**

The sole objective of the Company's directors in their decisions will be the corporate interest of the Group, regardless of who proposed their appointment as directors. Thus the directors of the Company will be understood to be entitled to participate in all decisions and resolutions of the board of directors, except for those expressly excluded in the bylaws or these regulations.

The board of directors also will see to it that the Company faithfully complies with current laws, respects the uses and good practices of the sectors or countries where it does business, and observes the principles of sustainability ~~social responsibility~~ voluntarily accepted by it.

## **ARTICLE 8. QUALITATIVE COMPOSITION**

1. In order to be appointed as a member of the board of directors it will not be necessary to be a shareholder. Nevertheless, once appointed, all members of the board of directors should acquire and maintain a shareholding in the Company.

The members of the board of directors must satisfy the requirements of banking regulation to be considered to be honourable persons suitable for exercise of that function. Supervening failure to satisfy those requirements will be grounds for removal of the director.

2. The board of directors, in the exercise of its authority of proposal to the general meeting and co-optation to cover vacancies on the board, will:
  - a) to it that the external or non-executive directors represents a wide with respect to executive directors, and among them there is a reasonable number of independent directors; and
  - b) progress in the professionalism of the board of directors based to the extent possible, the recommendations of good corporate governance.

When classifying directors as executive, proprietary or independent, the definitions established in the applicable legislation will be followed.

3. The general composition of the board of directors as a whole must include sufficient knowledge, competence and experience in the governance of credit institutions for appropriate understanding of the activities of the Company, including its principal risks, ensuring the effective capacity of the board of directors to take decisions independently and autonomously for the benefit of the Company. In any event it must see to it that the procedures for selection of its members favour diversity of experience, age and knowledge, facilitate the selection of female directors in numbers that allow a balanced presence of men and women to be achieved and, in general, do not suffer from implicit biases that could imply any discrimination.
4. The board will state the classification of each director to the general meeting of shareholders that is to make or ratify the appointment. Also, on an annual basis and after verification by the appointments and responsible management committee, that classification will be reviewed by the board of directors, reporting thereon in the annual corporate governance report.
5. Members of the board of directors may not at the same time occupy more positions than as contemplated by the banking and commercial regulations applicable from time to time.

## **ARTICLE 8 BIS. BOARD DIVERSITY AND DIRECTOR SELECTION POLICY ~~DIRECTOR SELECTION POLICY~~**

1. The board of directors will approve a policy aimed at favouring a proper composition of the board ~~a director selection policy~~ that will be specific and verifiable, ~~and~~ that ensures that proposals for appointment or re-election are based on prior analysis of the ~~needs~~ competences required by the board of directors and favours diversity of knowledge, experience, age and gender, taking into account measures that promote the presence of a significant number of female directors in the Company, in accordance with best corporate governance practices
2. The results of the prior analysis of the competences required by ~~needs of~~ the board of directors will be set forth in an explanatory report of the appointments and responsible management committee, which will be published upon call of the general meeting of shareholders to which the ratification, appointment or re-election of each director is submitted.
3. The appointments and responsible management committee annually will verify compliance with the director diversity ~~selection~~ policy, reporting thereon in the annual corporate governance report.

## **ARTICLE 9. CHAIRMAN OF THE BOARD**

1. The board of directors, following a report from the appointments and responsible management committee, will appoint its chairman, the term of office of which will be indefinite for so long as the chairman remains a director, with no limits on re-election.

The chairman of the board of directors, in addition to the power of representation referred to in Article 36 of the bylaws, will be the executive chairman of the Company, with the maximum authority given thereto for that purpose by the board of directors. The authority delegated to the chairman may be granted by it by way of power of attorney, in particular the authority to propose appointment of members of the Company's senior executives, and to authorise any other appointments within the Company.

The chairman of the board of directors will be the chief executive of the Company and will have the maximum authority necessary for exercise of that position, without prejudice to the authority, if any, given to the chief executive officer, having the following authority, in addition to the other authority granted in the bylaws and these regulations:

- a) to see to overall compliance with the bylaws and implementation of the resolutions of the general meeting and the board of directors;
- b) to exercise top-level oversight of the Company and all of its departments;
- c) to head the Company's management team, always in accordance with the decisions and criteria set by the general meeting and board of directors within the scope of their respective authorities;
- d) together with the managing director, to handle matters related to ordinary management of the Company;
- e) to propose the appointment and removal of the chief executive officer to the board of directors, after obtaining a report from the appointments and responsible management committee;
- f) to call and chair the meetings of the board of directors, setting the agenda and directing discussions and deliberations;
- g) to chair general meetings of shareholders;
- h) to ensure that directors receive sufficient information in advance to deliberate on the points of the agenda;
- i) to encourage debate and the active participation of the directors during meetings, safeguarding their right to freely choose their position and express their opinion; and
- j) any other functions that have been delegated to him.

When the chairman of the board is an executive director, the board of directors will appoint, from among the independent directors, on proposal of the appointments and responsible management committee, a coordinating independent director who will gather all questions and concerns communicated thereto by the external directors, and may request call of the board of directors and inclusion of points on the agenda. In particular, in addition to the other functions legally corresponding thereto, the coordinating independent director will reflect the concerns of the non executive directors, organising possible common positions of the

independent directors, serving as a channel for communication or spokesman for such common positions; it will maintain contacts with investors and shareholders in order to be familiar with their points of view for purposes of forming an opinion regarding their concerns on the terms set forth in the corporate policy on reporting to and communication, and contacts and engagement with the shareholders, institutional investors and voting advisors approved by the entity, in particular in respect of corporate governance of the company; he will coordinate the succession plan for the chairman; and it will direct the evaluation of the chairman's performance of his duties.

The term for service as the coordinating independent director will be three years, with no successive re-election. Status as the coordinating independent director will cease by expiration of the term for which the coordinator was appointed, and when the coordinator ceases to be a director, when being a director the coordinator loses status as an independent director, or when so resolved by the board of directors upon proposal of the appointments and responsible management committee.

2. The chairman must call the board and place the matters in question on the agenda when so requested by one of the independent directors. In the event of a tie, the chairman will have a casting vote.
3. The chairman, as the one responsible for efficient functioning of the board of directors, will prepare and submit to the board of directors the estimated planning of the matters of an ordinary and/or regular or recurring nature to be considered; he will be responsible for directing the board and the effectiveness of its functioning; he will see to it that sufficient time is given for discussion of strategic questions, and will order and revise refresher programmes for each director, when circumstances so advise. Also, the chairman will see to it that the directors receive sufficient information for the performance of their duties, with each director being entitled to request such additional information and advice as may be required for performance of his duties, and to request that the board of directors be assisted by experts from outside the Company's departments, regarding such matters submitted to its consideration that by their special complexity or importance so require.
4. On the terms contemplated in the bylaws, the chairman also will have the powers and authority of the board of directors except for those that by law or the bylaws cannot be delegated.

## **ARTICLE 13. EXECUTIVE COMMITTEE**

1. An executive committee may be formed, which will be made up of no fewer than five (5) and no more than seven (7) directors, at least two of whom shall be non-executive directors, and one of them an independent.
2. Resolutions to permanently delegate any power of the board of directors to the executive committee or to appoint members of the executive committee will require the approval of at least two-thirds of the directors.
3. The executive committee will have the powers permanently delegated to it by the board of directors at the time the committee is created or subsequently, insofar as the law and the bylaws allow them to be delegated.
4. The chairman of the board of directors will act as chairman of the executive committee. The secretary thereof will be the secretary of the board, and the assistant secretary of the committee, if any, will be the assistant secretary of the board.

5. The executive committee will handle all matters within the jurisdiction of the board of directors that, in the judgment of the committee itself, must be resolved without further delay, with the sole exception of matters that may not be delegated under the provisions of law, the bylaws or these regulations.

In any other case, resolutions adopted by the executive committee will be valid and binding without need of subsequent ratification by the full board.

6. The executive committee will meet as often as called by the chairman, on his own initiative or at the request of any one (1) of its members.
7. Resolutions of the executive committee will be adopted by absolute majority of the members present at the meeting in person or by proxy.  
In the event of a tie, the chairman will have a casting vote.
8. The executive committee must report to the board on the matters considered and the decisions adopted at its meetings. For this purpose, at the first meeting of the board following a meeting of the committee the resolutions adopted by the aforesaid committee will be reported, and all directors shall receive a copy of the committee meetings minutes.

## **ARTICLE 14. AUDIT AND COMPLIANCE COMMITTEE**

1. The audit and compliance committee must be composed exclusively of non-executive directors, the majority of them independent, with a minimum of 3 and a maximum of 5 members. However, when the members of the committee so decide and at the prior invitation of the chairman, other directors (including executive directors), senior managers and employees may attend, exclusively to address the specific items on the agenda for which they have been called to attend, leaving the meeting before the deliberation and decision making on those matters begins. The members of the audit and compliance committee must be appointed by the board of directors having regard to their knowledge, aptitudes and experience in accounting or auditing, ~~or both~~ and managing financial and non-financial risks, and the committee's tasks. Between them, the members of the committee must have the abovementioned knowledge and experience, as well as relevant specialist knowledge of the banking industry.
2. The committee will be chaired by an independent director, who must also have the necessary knowledge, aptitudes and experience in accounting, auditing and ~~risk management~~ managing financial and non-financial risks and the committee's tasks in general. The chairman of the committee must be replaced every four years and the same person may be re-elected to the post after one year has elapsed since the end of that person's previous term of office. The committee's chairman may contact the head of the Company's internal audit unit at any time with requests for information on internal audit activities. Similarly, regardless of established organisational reporting relationships, the head of internal audit must maintain continuous functional contacts with the audit and compliance committee and its chairman. The audit and compliance committee must in any case oversee the performance of the internal audit unit.
3. The committee will have a secretary and, optionally, an assistant secretary, who need not be directors and may be other than the secretary and assistant secretary of the board of directors, respectively.
4. The committee will meet as many times as it is convened by resolution of the committee itself or its chairman and no less than four times per year. Any members of the management team or staff who are called upon to do so are obliged to attend the committee's meetings and to cooperate with it and provide access to any information they may have at their disposal. The

committee may also call upon the statutory auditor to attend, although the statutory auditor must not be invited to take part in the decision-making part of the committee's meetings. The committee must always meet on the occasion of the publication of annual or interim financial information and in these cases may request the presence of the internal auditor and, if it has issued any review report, the statutory auditor to provide input on any agenda item for which they have been invited to attend. At least part of these meetings with the internal or statutory auditor must take place without the management team being present, so that any specific issues arising from the audit reviews can be discussed exclusively with the auditor.

One of the committee's meetings must be used to assess the efficiency of the Company's governance rules and procedures and the extent of the Company's compliance with them and to prepare the information the board must approve and include in the annual public documentation.

At least twice a year, the committee must hold joint sessions with the risk advisory committee to discuss common concerns and any other matters that fall within the remit of both committees and so must be examined and supervised by both.

5. There will be a quorum for the audit and compliance committee with the attendance, in person or by proxy, of at least a majority of its members. It will adopt its resolutions by absolute majority of the members of the committee in attendance at the meeting, in person or by proxy. In the event of a tie, the chairman will have a casting vote. The members of the committee may extend proxies to other members. The resolutions of the audit and compliance committee will be maintained in a minutes book, each entry in which will be signed by the chairman and the secretary.
6. Without prejudice to any other tasks that may be assigned to it by the board, the audit and compliance committee has all the functions assigned to it under applicable law and, in particular and without limitation, the following basic responsibilities:
  - a) Reporting to the general meeting of shareholders on questions posed in respect of matters within the competence of the committee, in particular regarding the results of the audit, explaining how it has contributed to the integrity of the financial information and the role played by the committee in this process.
  - b) Monitoring the effectiveness of the internal control of the Company, ensuring that the internal control policies and systems implemented are effectively put into practice, the internal audit, regulatory compliance, and systems for control and managing financial and non-financial risks of the Company and, if applicable, of the Group risk management, and discussing significant weaknesses in the internal control system detected in the development of the audit with the auditor, all without compromising its independence. For such purposes, the committee if applicable may submit recommendations or proposals to the board of directors and the corresponding term for their monitoring. In particular, regarding internal reporting and control systems:
    - verifying the appropriateness and integrity of internal control systems and reviewing the appointment and replacement of those responsible therefor;
    - reviewing and monitoring the process of preparation and the integrity of the financial information on the Company and, where appropriate, the Group, reviewing compliance with legal provisions, appropriate definition of the scope of consolidation and proper application of accounting principles;
    - overseeing and periodically assessing the internal control systems and the systems for control and management of financial and non-financial risks of the Company and, if

applicable, of the Group, operational, technological, legal, social, environmental, political and reputational or corruption-related risks, so that the principal risks are identified, managed and appropriately disclosed, independently of the powers that rest with the risk advisory committee and with other committees in respect of risk supervision matters periodically reviewing the internal control and risk management systems, so that the principal risks are identified, managed and appropriately disclosed;

- safeguarding the independence and effectiveness of the internal audit and regulatory compliance functions; reviewing the internal audit directorate's annual work plan, annual budget and annual resource plan, which shall be approved by the board of directors; proposing to the board overall guidance and the annual work plan for the internal audits, ensuring that its activity is primarily focused on the key risks (including reputational risks); making proposals for the selection, appointment and removal of the head of internal audit functions, who shall inform the committee directly on the internal audit activities and execution of the annual work plan, including any possible incidents and limitations of scope that may arise, and on the results and follow-up of its recommendations, and submit a report of activities at the end of each year; proposing the budget for the internal audit services; receiving periodic reports on their activities; and ensuring that senior management takes the findings and recommendations of those reports into account. In particular, the internal audit services will respond to any requests for information they may receive from the audit and compliance committee in the exercise of its duties;
  - monitoring the performance of the regulatory compliance unit, the head of which will report directly to the committee on issues arising in the implementation of the annual work plan, and at the end of each financial year will submit an activities report;
  - establishing and supervising a mechanism that allows employees and other persons related to the Company such as directors, shareholders, suppliers, contractors or subcontractors, to communicate, on a confidential basis and in certain cases anonymously, potentially significant irregularities, including financial and accounting or breached of any other type, relating to the Company that they detect inside the Company or its Group. It shall also promote compliance with the Code of Ethics and Conduct approved by the Company, verifying the functioning of the Ethics and Conduct Committee within the scope of its authority, which committee will submit an activities report to the audit and compliance committee at the end of each financial year;
  - establishing and supervising the existence of a model for prevention and detection of crimes that may result in criminal liability of the Company.
- c) Monitoring and evaluate the process of preparing and presenting the required financial and non-financial information and presenting recommendations or proposals to the board of directors, aimed at safeguarding its integrity, and in particular:
- reporting in advance to the board of directors on the relevant financial and non-financial information which the Company must make public on a regular basis;
  - reviewing the Company's accounts, monitoring to compliance with legal requirements and proper application of generally accepted accounting principles accounting standards, and reporting on proposed changes of accounting standards and principles suggested by management; and



- reviewing the issue prospectuses and the periodic financial information, if any, that the board is required to provide to the markets and market supervisory bodies.
- d) Submitting to the board of directors proposals for selection, appointment, reelection and replacement of the auditor, taking responsibility for the process of selection, in accordance with the provisions of Community regulations, as well as the terms of its engagement.
- e) Establishing the appropriate relationships with the external auditor to receive information regarding such questions as may result in a threat to the independence thereof, for review by the committee, and any others related to the process of auditing accounts and, when appropriate, authorising the permitted services, on the terms contemplated in the Community regulations and in the applicable rules regarding independence, and such other communications as may be contemplated in the legislation regarding auditing of accounts and audit standards. In particular:
  - acting as a communications channel between the board of directors and the auditors, evaluating the results of each audit and the responses of the management team to its recommendations and mediating in the event of disputes between the former and the latter regarding the principles and criteria applicable to the preparation of the financial statements;
  - receiving regular information from the outside auditor on the audit programme and its implementation, and verifying that senior management is acting on its recommendations;
  - ensuring that the external auditor at least annually has a meeting with the full board of directors to report to it on the work performed and the evolution of the accounting and risk situation of the Company;
  - supervising compliance with the audit contract, seeking to ensure that the opinion on the annual accounts and the principal content of the auditor's report are drafted clearly and accurately;
  - ensuring the independence of the external auditor in the performance of its duties and, to that end:
    - maintaining relationships with the statutory auditor in order to gather information on matters that may call its independence into question, as well as any other matters relating to the audit process, and engaging in such other communications with the statutory auditor as are contemplated in the audit legislation and technical standards for audits;
    - ensuring that the Company and the auditor comply with current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other requirements designed to safeguard auditors' independence;
    - seeing to it that the remuneration of the external auditor for its work does not compromise its quality or independence;
    - in the event of resignation of the external auditor, reviewing the underlying reasons; and

- supervising that the Company reports any change of auditor to the Spanish securities exchange authority, the Comisión Nacional del Mercado de Valores (CNMV) as a material disclosure, accompanied by a statement regarding the existence of disagreements with the outgoing auditor and, if applicable, the substance thereof.

In any event, annually it must receive from the external auditors a declaration of their independence as regards the Company or entities directly or indirectly related thereto, as well as detailed and individualised information on additional services of any kind provided to and the corresponding fees perceived from such entities by the external auditor or persons or entities related thereto, pursuant to the rules regulating the activity of auditing accounts.

- f) Annually, prior to the issue of the audit report, issuing a report stating an opinion as to whether the independence of the auditors of the accounts or audit companies has been compromised. This report in any event must contain a reasoned evaluation of the provision of each and every one of the additional services referred to in the preceding section that have been provided, taken individually and as a whole, other than the legal audit, as regards the scheme of independence of the auditors and regulations governing the activity of auditing accounts.
- g) Examining and supervising compliance with these regulations, the Company's internal code of conduct for the securities markets, the manuals and procedures for prevention of money laundering and, in general, the Company's corporate governance and compliance policies and rules, and making the necessary proposals for improvement thereof, likewise striving to ensure that the corporate culture is aligned with its purposes and values. In particular, the audit and compliance committee is charged with:
  - Overseeing the application of the general policy on the reporting of economic-financial, non-financial and corporate information, and on communication and relations with shareholders and investors, proxy advisors and other stakeholders, including monitoring the way the Company communicates and engages with small and medium shareholders ~~Supervise the shareholder and investor communications and relationships strategy, including small and medium-sized shareholders.~~
  - Periodically evaluating and reviewing ~~the adequacy~~ the Company's corporate governance system in order for it to fulfil its mission of promoting the corporate interests and, as applicable, taking account of the legitimate interests of stakeholder groups.
  - ~~Evaluate everything related to operational, technological and legal risks of the Company, independently of the powers that rest with the risk advisory committee and other committees for supervising risks.~~
  - Receive information and, if applicable, issue reports regarding measures disciplining members of the board of directors or senior management of the Company.
- h) Reporting to the board on the creation or acquisition of shares in special purpose vehicles or entities resident in countries or territories considered tax havens, as well as and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the gGroup.
- i) Reporting in advance to the board of directors on any matters within its remit envisaged by law, the bylaws and the board regulations.

k) Any other functions entrusted to it or authorised by the board.

The provisions of paragraphs d), e) and f) of the preceding subsection will be understood to be without prejudice to the rules regulating auditing of accounts.

7. In addition, the audit and compliance committee will report to the board, prior to the adoption by it of the corresponding decisions, on related party transactions.
8. The audit and compliance committee will be informed of any fundamental changes or corporate transactions the Company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, in particular, on the exchange ratio proposed.
9. For better performance of its duties, the audit and compliance committee may seek the advice of outside professionals on matters within its competence.
10. The audit and compliance committee will prepare an annual report of its actions, highlighting the principal incidents, if any, that have arisen in respect of matters within its competence.
11. The provisions of this article may be further implemented in the Audit and Compliance Committee Regulations.

## **ARTICLE 15. APPOINTMENTS AND RESPONSIBLE MANAGEMENT COMMITTEE**

1. The appointments and responsible management committee will be composed of non-executive directors and a majority of independent directors, with a minimum of 3 and a maximum of 5 directors all of the foregoing without prejudice to attendance when so agreed by the members of the committee and upon the invitation of the chairman, other directors, including executive directors, senior executives and any employee or third party may attend, only to address those specific agenda items for which they are cited. Except in specific case whose proper justification shall be recorded in the minutes of the committee meeting, guests shall not attend the deliberation and voting phases of the committee.

When the Company has designated a coordinating independent director, it shall endeavour to appoint him as a member of the committee .

2. The members of the appointments and responsible management committee will be appointed by the board of directors, based on the knowledge, ability and experience of the directors and the responsibilities of the committee. The committee will be chaired by an independent director appointed by the board of directors. The chairman of the committee must be replaced every four years, and may be reelected one or more times for terms of the same length.
3. The committee will have a secretary and, optionally, an assistant secretary, who need not be directors and may be other than the secretary and assistant secretary of the board of directors, respectively.
4. The committee will meet as often as called by resolution of the committee itself or its chairman, and at least four times per year. Further, it also will meet whenever the board of directors or its chairman requests the issue of a report or adoption of proposals.

In particular, when so advised by the situation, meetings will be held jointly with the remuneration committee and coordination mechanisms will be established between the two committees to ensure the policies and criteria applied by the committee to attract and retain talent are consistent.

5. There will be a quorum when a majority of the directors that are members of the committee are present in person or by proxy.
6. The committee will adopt its resolutions by absolute majority the members of the committee, present at the meeting in person or by proxy. In the event of a tie, the chairman will have a casting vote.
7. The appointments and responsible management committee will have general authority to propose and report on matters of appointments and removal of directors and senior managers. In particular, without prejudice to other tasks assigned to it by the board, the appointments and responsible management committee will be responsible for:
  - a) assessing the skills, knowledge, ability, diversity and experience required for the board of directors and, therefore, defining the necessary functions and abilities for candidates wishing to cover each vacancy, and assessing the necessary time and dedication to carry out their duties in an effective manner, ensuring that the non-executive directors have sufficient time available for proper performance of their duties;
  - b) identifying, recommending and making proposals to the board of directors of independent directors to be appointed by co-option or, for submission to decision by the general meeting of shareholders, and proposals for reelection or removal of those directors by the general meeting;
  - c) identifying, recommending and reporting to the board of directors on proposals for the appointment of the other directors to be appointed by co-option or for submission to decision by the general meeting of shareholders, and proposals for their reelection or removal by the general meeting of shareholders;
  - d) at the initiative of the chairman, reporting, on a non-binding basis, on resolutions of the board related to the appointment or removal of senior managers of the Group and the basic terms of their contracts, without prejudice to the authority of the remuneration committee regarding remuneration matters, and periodically reviewing the policy of the board of directors regarding selection and appointment of members of senior management of the Group and making recommendations to it;
  - e) analysing the existence and updating of plans for succession of the chairman, the vice chairman, if applicable, and the chief executive officer and senior managers of the Company and, if applicable, making proposals to the board of directors in order for such succession to occur in an orderly and planned manner;
  - f) ensuring the independence, impartiality and professionalism of the secretary and assistant secretary of the board of directors, reporting on their appointment and removal for approval of the full board;
  - g) setting a goal of representation for the gender under-represented on the board of directors and to develop guidance on how to increase the number of the under-represented gender to achieve this objective. Also, the committee will ensure, that by providing new vacancies selection procedures do not suffer of implicit biases that interfere with the selection of the under-represented gender;

- h) regularly (at least once each year) evaluating the structure, size, composition and performance of the board of directors, if applicable making recommendations to it regarding possible changes;
  - i) regularly (at least once each year) evaluating the suitability of the various members of the board of directors and the board as a whole, and reporting thereon to the board of directors;
  - j) reporting to the board of directors on issues relating to good corporate governance of the Company regarding matters within the competence of the committee (objectives, management of talent, liability insurance, etc.) and making the proposals necessary for improvement thereof;
  - k) proposing to the board of directors the board diversity and director selection policy and annually verifying compliance therewith;
  - l) without prejudice to the functions of the audit and compliance committee, the ethics and conduct committee will submit to the appointments and responsible management committee, periodically and at least at the end of each financial year, an activities report in relation to performance of its functions, in particular as regards oversight and monitoring of the Code of Ethics and Conduct;
  - ~~m) reviewing the Company's corporate social responsibility policy, seeing to it that it is aimed at creation of value;~~ n) assessing and periodically reviewing the Company's policy on corporate social responsibility and sustainability in environmental and social matters, with the aim of ensuring that the policy fulfils its mission of promoting the corporate interest and takes into account, as applicable, the legitimate interests of the other groups of stakeholders;
  - ~~o) overseeing that the Company's practices in environmental and social matters are in keeping with the chartered strategy and policies~~ monitoring and evaluating the processes of relationships with the various stakeholder groups;
  - ~~p) evaluating everything relating to the social, environmental, political and reputational risks of the Company, independently of the powers that rest with the risk advisory committee and other committees for supervising risks;~~
  - ~~q) coordinating the process of reporting non-financial and diversity information, in accordance with applicable regulations and international standards of reference, independently of the powers that rest with other committees.~~
  - o) to monitor and evaluate processes in relation to different interest groups.
8. The committee will consult with the chairman and, if applicable, with the chief executive of the Company, especially on matters relating to executive directors and senior managers.
  9. For better performance of its duties, the committee may use such resources as it deems to be appropriate, including the advice of external professionals on matters within the scope of its authority, ensuring that their interests are appropriately aligned and taking into account any potential conflicts of interest when contracting professionals. The committee will receive appropriate funding for this.

10. The chairman and any director may make suggestions to the committee related to the matters within the scope of its competence and, in particular, may propose potential candidates to fill director vacancies.
11. In the performance of its duties, the appointments committee will take into account, inasmuch as possible and on a continuing basis, the need to ensure that the board of directors' decision-making is not dominated by one individual or by a small group of individuals such as could harm the interests of the entity as a whole.
12. The provisions of this article may be further implemented in the regulations of the appointments and responsible management committee.

## **ARTICLE 16. RISK ADVISORY COMMITTEE**

1. The risk advisory committee will be comprised of a minimum of 3 and a maximum of 5 directors, who may not be executive directors. The members of the risk advisory committee must collectively have the appropriate knowledge, ability and experience to fully understand and control the risk strategy and risk tolerance of the Company. At least one third of its members must be independent directors. In any event, the chairman of the committee will be an independent director.
2. Resolutions of the risk advisory committee will be adopted by absolute majority of the directors comprising the committee, present at the meeting in person or by proxy. In the event of a tie, the chairman will have a casting vote.

3. The risk advisory committee will have the following functions:

- a) Advising the board of directors regarding overall risk exposure of the Company, current and future, and its strategy in this regard, and assisting it in overseeing the implementation of the strategy.

Notwithstanding the foregoing, the board of directors will be responsible for the risks assumed by the Company.

- b) Ensuring that the pricing policy for assets and liabilities offered to customers takes full account of the business model and risk strategy of the Company. If it does not, the risk advisory committee will present the board of directors with a plan for correction thereof.
- c) Determining, together with the board of directors, the nature, amount, format and frequency of reporting on risks that is to be received by the risk advisory committee itself and the board of directors.
- d) Collaborating for the establishment of rational remuneration practices and policies. To that end, and without prejudice to the functions of the remuneration committee, the risk advisory committee will monitor whether the incentives policy contemplated in the remuneration system takes account of risk, capital, liquidity and the probability and timing of profits.
- e) Submitting risk policies to the board of directors.
- f) Proposing the risk control and management policy of the Company and the Group to the board of directors, by way of the Capital Self-Evaluation Report (*Informe de Autoevaluación de Capital*, or "IAC"), which must specifically identify or determine ~~which in particular will identify:~~

- The various kinds of risk, financial and nonfinancial (*inter alia* operating, technological, legal, social, environmental, political and reputation including corruption-related risks) to which the Company and the Group are exposed, including contingent liabilities and other off-balance-sheet risks within financial or economic risks.
  - The report on the risk management and control model based on different layers, of which the risk advisory committee itself will form part.
  - The internal reporting and control systems to be used to control and manage the referenced risks, including contingent liabilities and off-balance-sheet risks.
  - The risk level the Company sees as acceptable ~~The risk levels assumed by the Company.~~
  - The measures envisaged for mitigating the impact of identified risk events should they occur ~~The corrective measures to limit the impact of the identified risks, should they materialise.~~
- g) Referral to the board of directors of proposals for:
- Approval of policies for assumption, management, control and reduction of risks to which the Company is or may be exposed, including those deriving from the macroeconomic environment as related to the status of the economic cycle.
  - Approval of the general internal control strategies and procedures, on the status of which it periodically will be advised.
  - Periodic reports of the results of verification and control functions undertaken by the Company's units.
- h) Undertaking periodic monitoring of the loan portfolio of the Company and the Group, with the purpose of proposing to the board of directors the control of the adaptation of the risk assumed to the established risk profile, with particular attention to the principal customers of the Company and the Group and the distribution of risks by business sector, geographical areas and types of risk.
- i) Periodically verifying evaluation systems, processes and methodologies and criteria for approval of transactions.
- j) Proposing to the board of directors the evaluation, monitoring and implementation of the instructions and recommendations of supervisory entities in the exercise of their authority and, if applicable, referring proposals of actions to be taken to the board of directors, without prejudice to following the instructions received.
- k) Verifying that the risk reporting processes of the Company are those appropriate for management of the risks assumed, and, if not, proposing such improvements as it deems to be necessary for correction thereof.
- l) Proposing to the board of directors the Company's scheme of Credit Risk Authority.
- m) Supervising the internal risk control and management function, the head of which will, at the end of each financial year, submit an activities report to the committee, and evaluating whether the risk unit has the processes, technical resources and human resources necessary



for proper fulfilment of its functions in an independent manner, in accordance with the risk profile of the Company.

In particular, the risk advisory committee will supervise the functions of the risk unit in relation to:

- Assurance of the good functioning of the risk control and management systems, in particular that all important risks affecting the Company are appropriately identified, managed and quantified.
  - Active participation in the elaboration of the risk strategy and in important decisions regarding the management thereof.
  - Seeing to it that the risk control and management systems adequately mitigate the risks within the context of the policy defined by the board of directors.
4. For the proper performance of its duties, the risk advisory committee will have unrestricted access to the information on the risk status of the Company and, if necessary, to the risk management unit and specialised external advisors.
  5. The Director of the risk unit will be a senior manager, meeting the requirements set forth in the applicable regulations and in the performance of his/her duties having direct access to both the board of directors and the board and advisory risk committees, that Director being removable in accordance with the provisions of applicable regulations.

## **ARTICLE 17. MEETINGS OF THE BOARD OF DIRECTORS**

1. The board of directors generally will meet once each month, following the estimated planning of matters of an ordinary and/or recurring nature to be considered. Each individual director may propose other points for the agenda, initially not contemplated. The foregoing must be understood to be without prejudice to the proposal or analysis of any other matter that should be submitted to consideration of the board of directors, apart from matters of an ordinary and/or recurring nature. In addition, it will meet as often as called by the chairman, on his own initiative or on request of an independent director. In the latter case the chairman will call the extraordinary meeting within a maximum term of three business days after receipt of the request, to be held within the three following business days, including on the agenda items to be considered at the meeting.
2. The board of directors will be called by individual notice, stating the agenda for the meeting in sufficient detail. This notice will be sent by fax, e-mail or letter to each of the directors, at least 5 days in advance of the date contemplated for the meeting, unless, in the judgment of the chairman, the urgency of the matters to be considered requires an urgent call, which may be made by telephone, fax, e-mail or any other remote means, sufficiently in advance to allow the directors to fulfil their duty to attend. Unless the board of directors meets or has been exceptionally called for reasons of urgency, the chairman, with the collaboration of the secretary, will see to it that the directors have the information necessary to deliberate and adopt resolutions regarding the matters to be dealt with sufficiently in advance.

When, exceptionally, by reason of urgency, the chairman wishes to submit decisions or resolutions not appearing on the agenda for approval of the board of directors, express prior consent of the majority of the directors present will be required, with that consent to be reflected in the minutes.

Directors may seek such additional information as they deem to be necessary regarding matters within the competence of the board. Information requests must be made to the chairman or secretary of the board.

For purposes of both call of the board and any communication with directors, the e-mail address the director provides to the Company of the time of accepting the position will apply, the director being required to notify the Company of any change in this regard.

3. The board of directors will be understood to be validly constituted at the place stated in the call. The board also may validly meet without need of a call if the holding of the meeting is unanimously accepted by those present in person or by proxy.
4. Without prejudice to the foregoing, the board may meet by videoconference, multiple telephone conference or such comparable means as may exist in the future, or in multiple rooms simultaneously, provided that interactivity and intercommunication among the various sites is assured in real time by audio-visual or telephonic means and, therefore, there is unity of action, unless 4 directors state their opposition to use of such means. In this case, the call will state the connection system and, if applicable, the places where the necessary technical resources will be available for attendance at and participation in the meeting. Under these circumstances resolutions will be deemed to have been adopted at the corporate headquarters.
5. If no director opposes so doing, the board of directors also may adopt its resolutions in writing (including by fax or e-mail prior and subsequent to the sending of the original by mail), without need of a physical meeting. In this case, the directors may send their votes and the matters they wish to have included in the minutes by e-mail.
6. Agendas for meetings will clearly indicate those points in respect of which the board of directors must adopt a decision or resolution, so that the directors may, in advance, study or collect the information necessary for adoption thereof.

## **ARTICLE 23. REMOVAL OF DIRECTORS**

1. Directors will cease to serve as such when the term for which they were appointed elapses, when so decided by the general meeting or when they are to resign.
2. When, by reason of resignation or ~~otherwise by resolution of the general meeting~~, a director leaves office before the end of his or her term, the director will give a sufficient explanation of the reasons for the resignation or, in the case of non-executive directors, his or her opinion on the grounds for removal by the general meeting, in a letter that will be sent to all members of the board of directors. The reason for leaving office will be reported in the annual corporate governance report. Furthermore, insofar as significant for investors, the Company will as soon as possible publicly announce the departure of the director, with sufficient reference to the reasons or circumstances provided by the director.
3. In the event that the board of directors proposes the removal of any external director before the end of the bylaws term for which the director was appointed, the proposal must be motivated and have the corresponding report of the appointments and responsible management committee. The board of directors will not propose the removal of any independent director before the expiry of that director's tenure as mandated by the bylaws, except where just cause is found much appreciated by the board of directors, after a report from the appointments and responsible management committee. The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction produces changes in the

capital structure of the Company, in order to meet the proportionality criterion referred to in the good corporate governance recommendations.

4. Without prejudice to the foregoing, directors will place their charge at the disposal of the board of directors and formally tender their resignations, if the board deems it to be desirable, in the following circumstances:

- a) When they are subject to any of the grounds of incompatibility or prohibition or unsuitability contemplated by law.
- b) When they are tried for or accused of alleged criminal offenses or subject to disciplinary proceedings for serious or very serious infractions brought by the supervisory authorities.

For these purposes, any director of the Company must advise the board of directors of the existence of circumstances, whether related or unrelated to the director's activity in the Company, that could be detrimental to the credit and reputation of the Company, in particular of any criminal investigation of the director, as well as ~~subsequent~~ procedural developments.

The board of directors, having been informed or being otherwise made aware of any situation of those mentioned in the preceding paragraph, will examine the cases as soon as possible and, having regard to the concrete circumstances, will decide, upon prior report from the appointments and responsible management committee, if it should or should not adopt any measure, including, opening an internal investigation, requesting the director's resignation or proposing his or her removal to the general meeting. The foregoing will be disclosed in the annual corporate governance report, unless there are special circumstances that warrant otherwise and those circumstances are recorded in the minutes. This is without prejudice to the information that the Company must disseminate, if appropriate, when adopting the corresponding measures.

~~If a director is indicted or tried for any of the crimes indicated in Article 213 of the Corporations Act, the board will examine the matter as soon as possible and, in view of the particular circumstances, decide whether or not it is appropriate for the director to remain in the position.~~

- c) When they are seriously admonished by the audit and compliance committee for violating their duties as directors.
  - d) When their remaining as directors could present a reputation risk to the interests of the Company.
  - e) When they leave the positions, offices or functions with which their appointments as executive directors were associated.
  - f) In the case of proprietary directors, when the shareholder at whose behest they were appointed fully transfers the interest it had in the Company or reduces it to a level that requires reduction of the number of its proprietary directors.
  - g) In the case of independent directors, when for supervening reasons they fail to satisfy the conditions imposed in order to be considered independent directors.
5. If an physical representative of a legal person that is a director is subject to any of the circumstances contemplated in the preceding section, it will be disqualified from exercising that representation.

## ARTICLE 27. REMUNERATION OF DIRECTORS

1. The director's position is remunerated.
2. The remuneration of directors will consist of a fixed periodic amount for attendance at meetings of the board of directors and its committees, without prejudice to reimbursement of the corresponding expenses. The maximum amount of annual remuneration of all the directors in their capacities as such must be approved by the general meeting and will remain in effect until modification thereof is approved. The fixing of that amount, its distribution among the various directors and the frequency of receipt thereof will correspond to the board of directors. For this purpose the board of directors will take into account of the functions and responsibilities given to each director, the director's membership on board committees and the other objective circumstances deemed to be relevant.
3. Directors performing executive functions within the Company, whatever the nature of their legal relationship therewith, will further be entitled to receive remuneration for the performance of these functions, to be determined by the board of directors on proposal of the remuneration committee, in accordance with the bylaws and the remuneration policy approved by the general meeting, comprised of (a) a fixed part, appropriate to the services and responsibilities assumed; (b) a variable part, correlated with some indicator of the performance of the director or the business; (c) an assistant part, covering the appropriate insurance and welfare systems; (d) an indemnification in the event of separation or any other form of termination of the legal relationship with the Company not owing to breach attributable to the director; and (e) the monetary amounts deriving from exclusivity, post-contractual non-competition and minimum term or loyalty clauses, if any, appearing in the contract. The aforesaid remuneration will be included in a contract to be entered into between the director and the Company, which must be approved by the board of directors with the favourable vote of two thirds of its members, and must be attached as an annex to the minutes of the meeting. The affected director must refrain from attendance, deliberation and participation in voting. The director may not receive any remuneration for the performance of executive functions the amounts or categories of which are not contemplated in the contract.
4. Determination of the amount of the remuneration items comprising the fixed part, the manner of configuring and indicators for calculation of the variable part, the assistance provisions, and the indemnification or the criteria for calculation thereof, also corresponds to the board of directors.
5. In any event, the remuneration of members of the management bodies of the Company will be in accordance with the provisions regarding this matter contained in corporate and banking regulation.
6. In any case, non-executive directors of the Company who receive any remuneration by reason of membership on any management body of the entity that is the majority shareholder of the Company, or have an employment or senior management contract with that entity, will not be entitled to receive any remuneration by reason of their positions as directors of the Company, except for reimbursement of their expenses.
7. In addition, executive directors of the Company who receive any remuneration by reason of performance of executive functions for the entity that is the majority shareholder of the Company will not be entitled to receive any remuneration for their executive functions within the Company, except for reimbursement of their expenses.

8. The executive directors of the Company, if any, will not be entitled simultaneously to receive remuneration in the form of per diems by reason of their membership on any management body of the entity that is the majority shareholder of the Company.
9. Additionally, directors performing advisory functions other than the supervision and collegial decision-making inherent in their positions as directors, whatever the nature of their relationship with the Company, will be entitled to receive such employment or professional remuneration, fixed or variable, in cash or in kind as, by resolution of the board of directors of the Company, is appropriate for the performance of such functions.
10. The Company will secure civil liability insurance for its directors on the usual terms commensurate with the circumstances of the Company.
11. In addition, independently of the remuneration contemplated in the preceding paragraphs, it is contemplated that remuneration systems may be established that are indexed to the stock market price of shares or involve delivery of shares or options on shares in favour of directors. These cases will require a resolution of the general meeting, which must include the maximum number of shares that can be allocated to this remuneration system each financial year, the exercise price or the calculation system for the exercise price of the share options, the value of the shares taken by way of reference if applicable, and the term of duration of the remuneration plan.
12. Also, and prior compliance of the legal requirements, similar remuneration systems may be established for personnel (whether or not management personnel) of the Company.
13. The board shall ensure that the remunerations of the directors meets criteria of moderation and adaptation with the results of the company. In particular, the board shall ensure that the ~~external~~ director remuneration is ~~sufficient~~ the remuneration needed to attract and retain directors with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive directors.
14. The general meeting of the Company, at least every three (3) years, as a separate point on the agenda, will approve the director remuneration policy, which will be adapted as applicable to the remuneration system set forth in the bylaws, on the terms contemplated by law. The proposal of the aforesaid remuneration policy must attach a report of the remuneration committee.
15. In addition, on an annual basis the remuneration policy will be subject to central and independent internal evaluation, to verify compliance with the remuneration procedures and guidelines adopted by the board of directors.
16. The board of directors of the Company periodically will review and adopt the general principles of the remuneration policy and will be responsible for monitoring its implementation.

## **ARTICLE 32. DUTY TO PREVENT CONFLICTS OF INTEREST**

1. In particular, the duty to prevent conflicts of interest referred to in paragraph d) of the previous article places an obligation on directors:
  - a) Not to enter into transactions with the Company, unless they are small-scale, ordinary transactions carried out on the standard terms for customers, that is to say, transactions

that do not need to be reported in order to give a true and fair view of the Company's assets and liabilities, financial position and results of operations.

- b) Not to use the Company's name or their status as directors to unlawfully influence the execution of private transactions.
  - c) Not to use the Company's assets, including confidential information, for private ends.
  - d) Not to exploit the Company's business opportunities for their own benefit.
  - e) Not to seek advantages or remuneration from parties other than the Company and its Group through the performance of their duties, unless the advantages or remuneration consist of mere business courtesies.
  - f) Not to carry on activities for their own account or on behalf of others that actually or potentially bring them into competition with the Company or that in any other way place them in permanent conflict with the interests of the Company.
2. The above provisions will also apply if the beneficiary of the prohibited actions or activities is a person related to a director.
3. In any case, directors will notify the board of directors of any direct or indirect conflict which they themselves or persons related to them may have with the interests of the Company.

For these purposes, persons related to directors will be deemed to be those indicated in article 231 of the Corporations Act.

4. Directors' conflicts of interest will be reported in the annual report.

## **ARTICLE 36. RELATIONS WITH THE MARKETS**

1. The board of directors will advise the public immediately regarding
- a) Material disclosures capable of appreciably influencing the stock market price of the Company's share.
  - b) Changes materially affecting the shareholding structure of the Company.
  - c) Substantial changes in the rules of governance of the Company.
  - d) Related party transactions of particular importance with board members.
  - e) Treasury share transactions that have special relevance.
2. The board will adopt the measures necessary to guarantee that quarterly, semi-annual and any other financial information that is disclosed to the markets is prepared in accordance with the professional practices, principles, criteria and policies as the annual financial statements and is equally reliable. In this regard, the audit and compliance committee will report in advance to the board of directors on the financial information the Company is to publish periodically before it is disseminated.
3. The board of directors annually will prepare and publish a corporate governance report, in accordance with the provisions of law.

4. The following information regarding directors will be made public and updated on the Company's website:
  - a) Biographical and professional profile.
  - b) Other boards of directors to which they belong, whether or not listed companies, as well as the other compensated activities they engage in, whatever their nature.
  - c) Indication of the category to which the director belongs, in the case of external proprietary directors indicating the shareholder represented or with which the director has ties.
  - d) The date of his first appointment as a director, as well as subsequent re-elections.
  - e) Shares held in the Company and any options thereon held thereby.
5. The board of directors will define, promote and publish on its website a policy for communication, contact and engagement with shareholders, institutional investors and voting advisors that is fully consistent with the rules against market abuse and gives similar treatment to shareholders that are in the same position. The board of directors will likewise define a general policy on the communication of economic-financial, non-financial and corporate information via the channels it deems appropriate that contribute to maximising the dissemination and quality of the information disclosed to the market, investors and other stakeholders.

## **ARTICLE 37. RELATIONS WITH SHAREHOLDERS**

1. The board of directors will promote communication of the Company with its shareholders. Thus, with the assistance of any of the directors and/or members of senior management deemed to be appropriate, it will promote informational meetings regarding the progress of the Company with shareholders residing in the most important markets, in Spain and other countries. In no case will these meetings with shareholders include delivery thereto of any information that could give them a privilege or advantage over other shareholders.
2. The directors periodically will be informed of movements in shareholdings and the opinions held by significant shareholders, investors and rating agencies regarding the Company and its Group.
3. The board of directors will arrange for informed participation by shareholders in general meetings and will take appropriate measures to enable the general meeting effectively to exercise the functions assigned to it by law and the bylaws.
4. In addition, the board of directors will keep an updated Company website available to shareholders, in accordance with current regulations, on which the information that is required by law, the bylaws and regulations will be accessible. The report on the independence of the outside auditor, the reports on the functioning of the audit and compliance committee, the appointments and responsible management committee and the remuneration committee, and the report of the audit and compliance committee on related party transactions, the corporate social responsibility policy and the reports thereon will be published on the website sufficiently in advance of the holding of the general meeting. On its website the Company will publish the requirements and procedures it will accept to evidence ownership of shares, the right of attending the general meeting and the exercise or delegation of voting rights.



## ARTICLE 39. RELATIONS WITH THE STATUTORY AUDITOR

1. The relations of the board of directors with the statutory auditor of the Company will be undertaken through the audit and compliance committee.
2. The audit firm will not be engaged for services other than audit that could compromise the independence thereof.
3. The board of directors will publicly report the overall fees that the Company has paid to the audit firm other than for audit services.
4. The audit and compliance committee will work to ensure that the annual accounts presented by the board of directors to the general meeting of shareholders are prepared in accordance with the applicable accounting standards. Nevertheless, in those events in which the statutory auditor's audit report includes a qualification, the chairman of the audit and compliance Committee will give a clear explanation of the committee's opinion on the content and scope of the qualification to the general meeting. At the time the general meeting is called, a summary of said opinion will be made available to the shareholders, together with the rest of the board proposals and reports. The board of directors will arrange for preparation of the accounts in a manner that will not result in qualifications by the statutory auditor. Nevertheless, when the board believes it must maintain its position, it will, through the chairman of the audit and compliance committee, publicly explain the substance and scope of the difference and, also, will arrange for the statutory auditor also to state its comments in this regard.

## ~~TRANSITIONAL PROVISION.~~

~~Directors appointed before 1 January 2014 may complete their current terms even if they exceed the maximum duration set forth in Article 22 of these regulations.~~

## B. AMENDED ARTICLES OF THE REGULATIONS OF THE AUDIT AND COMPLIANCE COMMITTEE

### ARTICLE 1. PURPOSE

The purpose of these Regulations (the “**Regulations**”) is to set out the principles governing the work of the audit and compliance committee (the “**Committee**”) of Bankia, S.A. (hereinafter, the “**Company**”) and the basic rules for the composition, functioning and responsibilities of the committee, all this in accordance with best practice in good corporate governance in the commercial field.

### ARTICLE 2. APPROVAL, AMENDMENT, PRECEDENCE AND INTERPRETATION

1. The Regulations and successive amendments thereto will require the approval of the board of directors and will come into force on the date of approval.
2. The Regulations implement and supplement the rules applicable to the committee under commercial law and under the Company's Bylaws and Board of Directors Regulations. In the event of any inconsistency between the two, the latter prevail.

3. The Regulations must be interpreted in accordance with the law and the principles of good corporate governance and any doubt or disagreement as to their interpretation must be submitted to and resolved by the committee, which must report to the board of directors only where there is disagreement.
4. In matters not specifically provided for in these Regulations the guidelines for the board of directors set out in the Bylaws and Board of Directors Regulations apply, provided they are compatible with the nature and functions of the Committee.

## **ARTICLE 3. DISSEMINATION**

1. The members of the Committee have an obligation to know, comply with and enforce these Regulations. To that end, the secretary of the Committee must provide all members with a copy of the Regulations at the time when they accept their appointment and members must deliver to the Secretary a signed statement in which they declare that they know and accept the content of the Regulations and undertake to fulfil their obligations under the Regulations.
2. The board of directors and the committee must take the necessary steps to ensure that these Regulations are distributed as necessary among the shareholders, the investing public in general, employees and senior managers of the Company and its group of companies, for which purpose the Regulations must be published on the Company's corporate website.

## **ARTICLE 6. KNOWLEDGE AND DIVERSITY**

1. The members of the committee must be appointed by the board of directors having regard to their knowledge, aptitudes and experience in accounting or auditing, and managing financial and non-financial risks or both, and the committee's tasks. Between them, the members of the committee must have the abovementioned knowledge and experience, as well as relevant specialist knowledge of the banking industry.

A committee member will be considered to have knowledge and experience in accounting, auditing or both when he or she has:

- a) Knowledge of accounting or auditing standards, or both.
  - b) The ability to evaluate and interpret the application of accounting standards.
  - c) Experience in preparing, auditing, analysing or evaluating financial statements with a degree of complexity similar to those of the Company or in supervising one or more people engaged in such tasks.
  - d) An understanding of internal control mechanisms related to the financial reporting process.
2. Without neglecting these requirements, in order to promote a sceptical stance, critical attitude and diverse viewpoints, committee members must also be selected with a view to diversity, especially as regards gender, professional experience, competencies, industry knowledge and geographical origin. At least one member of the committee should have experience in information technology (IT).

## ARTICLE 8. OFFICERS

1. The committee must be chaired by an independent director, who must also have the necessary knowledge, aptitudes and experience in accounting, auditing and managing financial and non-financial risks ~~risk management~~ and the committee's tasks in general. A new committee chairman must be elected every four years and a person may be re-elected to the post after one year has elapsed since the end of that person's previous term of office.
2. The committee's chairman will act as its spokesperson in meetings of the Company's board of directors and, where applicable, in General Meetings of Shareholders.
3. The committee must have a secretary and may have an assistant secretary, neither of whom needs to be a director nor the same person as the secretary or assistant secretary to the board of directors.

## ARTICLE 10. SUPERVISION OF FINANCIAL AND NON-FINANCIAL REPORTING

1. The committee's responsibilities in this area are to:
  - a) Supervise and evaluate the preparation and presentation of statutory financial and non-financial reports and make recommendations and proposals to the board of directors aimed at safeguarding the integrity of financial information.

In performing this task, the committee must receive and analyse relevant reports from the heads of the internal control areas, especially internal audit, and must assess the level of trust and reliability of the system, developing proposals for improvement actions.

- b) Review the Company's accounts to ensure compliance with legal requirements and proper application of accounting standards ~~generally accepted accounting principles~~ and report on any proposals for changes to accounting standards and principles put forward by management, basing its opinion on internal audit reports, other expert reports, and management analysis and opinion, as well as information about the results of the statutory audit, although the committee must use its judgement to draw its own conclusions. The committee must also consider in what cases it makes sense and is feasible to involve the statutory auditors in the review of reports other than the financial statements.

Additionally, in the interests of effective supervision the committee must hold individual meetings with management and internal audit and maintain fluid communication with the statutory auditor for the purpose of analysing the following matters:

- (i) The appropriateness of the scope of consolidation.
- (ii) Any judgements, criteria, valuations or estimates that have a material impact on the financial statements and related non-financial reports.
- (iii) Any changes in the significant criteria applied.
- (iv) Where applicable, the reasons why in its public reports the Company uses certain alternative performance measures (APMs) instead of the measures defined directly by the accounting standards, the extent to which those APMs provide useful information to investors and the extent to which the Company complies with international recommendations and best practice in this regard.

- (v) Any material weaknesses in internal control.
- (vi) Any material adjustments identified by the statutory auditor or resulting from reviews performed by internal audit, and management's position on such adjustments, taking into account any demands sent in the current or a previous period by the Comisión Nacional del Mercado de Valores (CNMV), in order to ensure that the same incidents identified in those demands are not repeated in future financial statements.

The committee's independence must be respected in all meetings and communications. In particular, the statutory auditor must not be invited to take part in the decision-making part of committee meetings.

The committee must carry out this supervisory task continuously but also on an ad hoc basis at the request of the board of directors.

- c) Report on any draft amendments to accounting principles and criteria proposed by management.
  - d) Report to the board of directors, before publication, on the financial and related non-financial information the Company is required to publish periodically, paying special attention to the clarity and integrity of the information.
  - e) Review any issue prospectuses or periodic financial information the Board is required to disclose to the markets and their supervisory bodies.
  - f) Ensure that the financial information published on the Company's website is kept up-to-date and coincides with the information prepared by the Company's directors and published on the website of the CNMV.
  - g) Continuously review, analyse and discuss any relevant non-financial information with management, internal audit and the statutory auditor.
2. If, after the review carried out in its supervisory capacity, the committee is not fully satisfied with any aspect of the financial information, it must convey its opinion to the board of directors.

## **ARTICLE 11. SUPERVISION OF THE INTERNAL CONTROL, REGULATORY COMPLIANCE AND RISK MANAGEMENT SYSTEMS**

1. The committee's responsibilities in this area are to:
- a) Monitor the effectiveness of the Company's internal control systems, ensuring that the internal control policies and systems implemented are effectively put into practice, regulatory compliance and the systems for managing and controlling financial and non-financial risks of the Company and, if applicable, of the Group, based on the periodic reports submitted to it by the Company's managers on the performance of the systems in place and the conclusions reached in any tests carried out on those systems by the internal auditors or any other professional hired specifically for that purpose.
  - b) Discuss with the statutory auditor any material weaknesses of the internal control system detected in the course of the audit, all this without impairing the auditor's independence.

Where necessary, the committee may submit recommendations or proposals to the board of directors in this respect and advise on the monitoring period.

- c) Verify the appropriateness and integrity of the internal control systems and review the appointment and replacement of the persons responsible for them.
- d) Review Oversee and periodically assess the internal control systems and the systems for control and management of financial and non-financial risks of the Company and, if applicable, of the Group, operational, technological, legal, social, environmental, political and reputational or corruption-related risks, so that the principal risks are identified, managed and appropriately disclosed, independently of the powers that rest with the risk advisory committee and with other committees in respect of risk supervision matters.
- e) ~~Assess all matters relating to the Company's operational, technological and legal risks, independently of the risk oversight powers assigned to the risk advisory and other committees.~~
- ~~f)~~ Supervise the performance of the regulatory compliance unit, whose head must report directly to the committee any incidents in the implementation of the annual work plan and submit a report of activities at the end of each year.
- ~~g)~~ Establish and supervise a mechanism that allows employees and other persons associated with the Company such as directors, shareholders, suppliers, contractors or subcontractors, to communicate, on a confidential basis and in certain cases anonymously, potentially significant irregularities, including especially financial and accounting or breaches of any other type, relating to the Company that they see inside the Company or its Group. It shall also promote compliance with the Code of Ethics and Conduct approved by the Company, verifying the functioning of the Ethics and Conduct Committee within the scope of its authority, which committee will submit an activities report to the audit and compliance committee at the end of each financial year.

In its role as supervisor of the whistleblowing channel, the Ethics and Conduct Committee must report regularly to the committee on the operation of the channel and, in particular, on the number of reports received, the sources of the reports, the types of behaviour reported, the results of any investigations and any proposals for action. Once it has analysed this information, if it considers it necessary, the committee will propose the action to be taken to make the channel more effective and reduce the risk of irregularities in the future.

- 2. In particular, in relation to risk management systems, the committee must liaise and work closely with the risk advisory and board risk committees.

## ARTICLE 12. SUPERVISION OF INTERNAL AUDIT

- 1. The committee must safeguard the independence and effectiveness of the internal audit function based on the information it receives directly from the head of audit about any incidents that have arisen and the report of activities the head must submit to the committee at the end of each year.
- 2. In particular, the committee's responsibilities are to:
  - a) Make proposals for the selection, appointment, ~~re-election~~ and removal of the head of the internal audit functions.

- b) Ensure that internal audit staff have the right profile to preserve the unit's objectivity and independence, in accordance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and the recommendations of the CNMV's Good Governance Code of Listed Companies.
- c) Taking the principle of proportionality into account, review the guidance and annual work plan for the internal audit unit, which shall be approved by the board of directors at the proposal of the committee, ensuring that its work is primarily focused on the key risks (including reputational risks) and that its responsibilities are delimited from those of the risk management and control, management control, regulatory compliance and statutory audit units.
- d) Monitor the internal audit unit's annual work plan, ensuring that:
  - (i) The business's main risk areas identified in the plan, including the supervision of internal controls over the calculation of the alternative measures of performance (APMs) the Company uses in its periodic reports, are adequately covered in practice.
  - (ii) The unit works in a coordinated way with other assurance functions, such as risk management and control or regulatory compliance, as well as with the statutory auditor.
  - (iii) The resources initially assigned – human, technological and financial resources, including the engagement or use of experts for audits that require special qualifications – are sufficient and appropriate.
  - (iv) The head of internal audit has effective direct access to the committee.
  - (v) All material changes to the work plan are properly reported to the committee.
  - (vi) The conclusions reached by internal audit are appropriate, any action plans are implemented as agreed and the committee receives timely information on their implementation.
  - (vii) Any disagreements with management are resolved or else are submitted to the consideration of the committee.
  - (viii) Periodic reports are received on the unit's activities, including presentations of the conclusions of its reports at the scheduled intervals and the preparation of reports in line with the annual work plan or in response to specific requests made or approved by the committee. Those conclusions must include both the weaknesses or irregularities detected and the plans for resolving them and the monitoring of their implementation.
  - (ix) An annual activity report is submitted, which must contain, at a minimum, a summary of the activities carried out and the reports issued during the year, explaining any activities included in the annual plan that were not carried out and any activities carried out but not included in the plan, together with an inventory of the weaknesses, recommendations and action plans set out in the various reports.
- e) Receive information from the head of internal audit on the unit's activities and execution of the annual work plan, including any possible incidents and limitations of scope that may arise, and on the results and follow-up of its recommendations, and receive a report on its activities at the end of each year.

- e)f) Submit to the board of directors, before the end of each year, a draft annual budget and annual resource plan for the internal audit directorate, for approval.
  - f)g) Ensure that senior management takes the conclusions and recommendations of its reports into account. In particular, the internal audit function must respond to any requests for information it receives from the committee in the performance of its duties.
  - g)h) Assess the functioning of the internal audit unit and the performance of its head, for which purpose the committee must gather the opinions of other specialised committees and senior executives. The conclusions of the assessment carried out by the committee must be reported to the head of internal audit and must be taken into account by the Company in determining the head's annual variable remuneration.
3. The committee's chairman may contact the head of the Company's internal audit unit at any time with requests for information on internal audit activities. Similarly, regardless of established organisational reporting relationships, the head of internal audit must maintain continuous functional contacts with the committee and its chairman. The committee must in any case oversee the performance of the internal audit unit.

## **ARTICLE 13. RESPONSIBILITIES IN RELATION TO THE AUDITING OF ACCOUNTS**

1. The committee's main responsibilities in this area are to:
- a) Refer to the board of directors any proposals for the selection, appointment, re-election or replacement of the statutory auditor, taking responsibility for the selection process and the terms and conditions of the engagement.

In selecting the statutory auditor, the committee must take into consideration the scope of the audit, the auditor or audit firm's qualifications, experience and resources, the audit fees, the auditor's independence, the effectiveness and quality of the audit services to be provided, as well as any criteria laid down in Spanish and EU laws and regulations or in the internal procedures for the hiring of the statutory auditor.

The committee must weight the various criteria appropriately. Remuneration should not be the decisive criterion and the committee should decide in advance which aspects are negotiable, discarding any offers that might be considered abnormal or disproportionate.

In relation to the preceding point, the committee must define a statutory auditor selection procedure that specifies the criteria or parameters to be considered (the level of the fees not being the primary consideration), in relation to a sufficient number of auditors and audit firms invited to take part by the committee. Those criteria and parameters must include at least the following:

- (i) Resources, experience and geographic coverage.
- (ii) Competencies and abilities of staff, specialised IT systems and resources for handling complex issues accordant with the size and complexity of the audit to be carried out, and availability of specialists with the necessary specific knowledge and, where applicable, knowledge of International Financial Reporting Standards.
- (iii) Independence, especially as regards personal circumstances or the provision of non-audit services to the company, in accordance with auditing standards, as well as any other circumstance that may affect the auditor's independence.



- (iv) Non-discrimination on account of firm size or lack of capacity to provide non-audit services.
  - (v) Service quality and efficiency, based on the results of inspections carried out by the Spanish Accounting and Auditing Institute (ICAC), pursuant to Articles 16(3)(e) and 26(8) of the EU's Audit Regulation and Article 54 of the Spanish Audit Law (Ley de auditoría de cuentas, LAC).
  - (vi) Exclusion of any offers considered disproportionate or abnormal.
  - (vii) Aspects that may be negotiable.
- b) Ensure the independence of the statutory auditor in the exercise of its functions and, to that end:
- (i) Request and obtain from the statutory auditor, each year, a statement of its independence from the Company and any entities directly or indirectly related to the Company, as well as detailed, individualized information on any additional services provided and the fees received by the auditor or persons or entities related to it from those entities, in accordance with auditing standards.
  - (ii) Issue each year, before the auditor's report is issued, a report stating an opinion as to whether the auditor or audit firm's independence is compromised. This report must contain a reasoned assessment of the performance of each and every non-audit service provided, individually and in aggregate, taking the auditor's independence and auditing standards into account.
  - (iii) Conduct relations with the statutory auditor in order to receive information about any matters that might jeopardise the auditor's independence and assess the effectiveness of the safeguards put in place. Also, understand and assess, in aggregate, all the relationships between the Company ~~audited Entity~~ and its related entities, on the one hand, and the statutory auditor and its network, on the other, that involve the provision of non-audit services or any other type of relationship.
  - (iv) Ensure that the Company and the auditor comply with current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other requirements designed to safeguard the auditor's independence.

For that purpose, the committee must:

- i. Review and approve the Company's internal policies on personal situations, the prohibition on the provision of certain services by the auditor and the approval of the provision of non-audit services. In addition, the committee must ensure that these policies are known to the relevant persons in the Company, so that they are put into effect.
- ii. Set an indicative limit to the fees to be received by the statutory auditor for non-audit services, taking the provisions of applicable laws and regulations into account.
- iii. Approve and review the Company's internal policies for compliance with the prohibitions that apply after the audit engagement has been completed.

In approving the provision of non-audit services by the statutory auditor, the committee must consider:

- i. The nature of the services, the circumstances and context in which they are to be provided, the identity, position or influence of the person providing the services and any other relationships that person may have with the Company, any possible effects, any danger that the services may impair the auditor's independence, and any measures that have been taken to eliminate or reduce that danger to a level where it does not compromise the auditor's independence.
  - ii. Whether, given its expertise and experience, the audit firm is the most suitable candidate to provide those services.
  - iii. The remuneration for non-audit services, individually or in aggregate, compared to the remuneration for audit services and the parameters the audit firm uses to determine its own remuneration policy.
- (v) Ensure that the remuneration of the statutory auditor for its work does not compromise its quality or independence, taking into account the rules on fees set out in auditing standards.
  - (vi) If the statutory auditor resigns, the committee must examine the circumstances that prompted the resignation.
  - (vii) Ensure that the Company reports any change of auditor ~~as a material disclosure to the Spanish securities exchange authority, the Comisión Nacional del Mercado de Valores,~~ accompanied by a statement as to whether there were any disagreements with the outgoing auditor and, where applicable, the nature of the disagreements.
  - (viii) Establish internal sources, within the Company, to obtain relevant information on the independence of the statutory auditor, from financial management, other executive functions, internal audit, or other assurance functions such as regulatory compliance or risks, or external sources such as information supplied by the statutory auditor itself.
  - (ix) Seek explanations from the statutory auditor about the internal quality control system it has in place to safeguard its independence, as well as information on internal practices regarding the rotation of the audit partner and audit team and whether those practices comply with applicable Spanish and EU regulations in this respect.
  - (x) Analyse any changes in the overall remuneration of the statutory auditor.
- c) Serve as a channel of communication between the board of directors and the auditors (internal and external), assess the results of each audit and the management team's response to the auditor's recommendations and mediate in the event of disagreement between the auditors and the management team regarding the principles and criteria to be applied in preparing the financial statements. In particular, the committee must ensure that the statutory auditor holds at least one meeting each year with the full board of directors to report on the work carried out and any changes in the Company's accounting situation and risks.

- d) Once the audit has been completed, review with the statutory auditor any significant findings and the content of both the auditors' report and the additional report for the committee. In this review of the audit work, the committee must:
    - (i) Review with the auditor any major incidents detected during the audit, seek management's opinion on those incidents, verify that they have been resolved and, if not, understand why not, and follow up the auditor's recommendations.
    - (ii) Check that the audit plan has been carried out as planned and, if not, obtain an explanation of any changes made.
    - (iii) Obtain an explanation from the auditor as to how it tackled the risks it encountered.
    - (iv) Analyse the auditor's opinion in the light of the evidence available on each relevant area of the business.
    - (v) Assess whether relations with senior management and the finance department and their collaboration with the statutory auditor have been appropriate.
  - e) To complete its supervisory tasks, the committee must perform a final assessment of the work done by the auditor and how it has contributed to the quality of the audit and the integrity of the financial information, including, among others parameters, the auditor's independence; its knowledge of the business; the frequency and quality of its communications; internal opinion about the auditor, both at corporate level and in each business unit and assurance area, including internal audit and regulatory compliance; the public results of the quality controls or inspections carried out by the ICAC or other supervisors; and the auditor's transparency reports and any other information available.
 

If, based on its assessment of the auditor, the committee believes that there are matters for concern or unresolved issues as to the quality of the audit, it should consider the possibility of reporting its concerns to the board of directors and, if the board so decides, notifying the supervisory authorities accordingly.
  - f) Request information from the statutory auditor about the audit plan and its implementation and make sure that senior management takes its recommendations into account.
  - g) Supervise the performance of the audit engagement, taking steps to ensure that the auditors' opinion on the annual accounts and the main content of the audit are drafted clearly and precisely.
2. Communication between the auditor and the committee must comply with the obligations set out in auditing legislation and auditing standards and must not impair the auditor's independence or the effectiveness of the audit.
  3. The committee's relations and communications with the statutory auditor must be fluid and continuous and should follow a plan of activities and an annual schedule of meetings, most of them without the presence of the Company's management, in which any matters that may affect the audit opinion or the auditor's independence should be discussed.
  4. In particular, the committee must request information or hold discussions with the auditor about:

- a) Any relevant issue detected concerning the accounts, the internal control system or the audit.
- b) Key aspects of the auditor's strategy and work plan in relation to the audit of the Company, including the assessment of materiality or relative importance; how those key aspects have been designed to respond to the main identified risks of material misstatement; the resources allocated to carrying out the audit; where applicable, the reasons for using specialists; and a timetable for completion of the planned tasks, identifying the nature and scope of the tests of control and substantive tests.
- c) The judgements made as to the quality and applicability of the Company's accounting principles, the significant assumptions used for critical estimates (especially those involving a high degree of uncertainty) and any significant changes to those assumptions. The discussion must include any errors or breaches identified by the auditor, whether corrected by the Company or not, and any difficulties encountered in the course of the audit.
- d) The necessary communication to allow supervision of the preparation and production of economic and financial information, including the auditor's opinion on the accounting treatment management has given to complex, high-risk or controversial transactions.
- e) Information on the materiality figures for the financial statements as a whole and, where applicable, for particular transactions, balances or disclosures in the notes; the use of qualitative measures in determining materiality; and materiality for the performance of the audit engagement and how it will determine the scope and level of the audit work.
- f) The methods and assumptions used by management for significant accounting estimates, the effect of using alternative methods or assumptions, and the auditor's consideration of data or information that may be inconsistent with management's assumptions.
- g) An assessment of whether relations between the two sides have been appropriate and, if necessary, whether the committee should take steps to improve them.

## ARTICLE 14. OTHER RESPONSIBILITIES

1. Examining and supervising compliance with these regulations, the regulations of the board of directors, the Company's internal code of conduct for the securities markets, the manuals and procedures for prevention of money laundering and, in general, the Company's corporate governance and compliance policies and rules, and making the necessary proposals for improvement thereof, likewise striving to ensure that the corporate culture is aligned with its purposes and values.
2. Overseeing the application of the general policy on the reporting of economic-financial, non-financial and corporate information, and on communication and relations with shareholders and investors, proxy advisors and other stakeholders, including monitoring the way the Company communicates and engages with small and medium shareholders. This function will be performed in coordination, when necessary, with the appointments and responsible management committee ~~Supervise the strategy for communication and relations with shareholders and investors, including small and medium-sized shareholders.~~
3. Periodically evaluating and reviewing ~~the adequacy~~ the Company's corporate governance system in order for it to fulfil its mission of promoting the corporate interests and, as applicable, taking account of the legitimate interests of stakeholder groups.

4. Receive information and, where appropriate, issue reports on any disciplinary action taken against directors or senior managers of the Company.
5. Establish and supervise a system for preventing and detecting crimes that could result in criminal liability for the Company.
6. Any other functions which have been assigned to it or for which it has been granted authority by the board of directors.
7. Report to the board of directors on related-party transactions before the board makes its decisions in this respect.
8. Report to the board of directors on the creation of, or the acquisition of holdings in, special purpose vehicles or entities domiciled in countries or territories classified as tax havens and any other transactions or operations of a comparable nature which, because of their complexity, could impair the transparency of the Group.
9. Report to the board of directors, prior to decision making, on all matters within its remit provided for in law, the Bylaws or the Board of Directors Regulations.
10. The committee must be informed of any planned corporate transactions or changes to the corporate structure, so that it may analyse them and report to the board of directors on the economic terms and accounting impact of these transactions and, in particular, the proposed exchange ratio.

## **C. AMENDED ARTICLES OF THE REGULATIONS OF THE APPOINTMENTS AND RESPONSIBLE MANAGEMENT COMMITTEE**

### **ARTICLE 1. PURPOSE**

The purpose of these Regulations (the “**Regulations**”) is to determine the guiding principles of the appointments and responsible management committee (“the **Committee**”) of Bankia, S.A. (hereinafter, “the **Company**”), and the basic rules of its composition, functioning and responsibilities, based on best practices in relation to good corporate governance.

### **ARTICLE 8. OFFICERS**

1. The committee must be chaired by an independent director, appointed by the board of directors, who shall ~~who must~~ be solely evaluated according to his/her prior experience in comparable companies based on their size or complexity, as a member of appointment committees, as executive director, or as a member of the senior management team. The chairman of the committee must be replaced every four years, but may be re-elected one or more times for additional four-year periods.
2. The chairman of the committee shall act as its spokesperson at meetings of the board of directors and, if applicable, at the Company’s general meeting of shareholders.
3. The committee must have a secretary and optionally, a vice-secretary, both of whom may be non-directors and may be other than the secretary and vice-secretary of the board of directors, respectively.

## ARTICLE 9. SCOPE

The committee's primary mission is to contribute to attracting and retaining talent, ensuring that the Company has the best professionals on its governance bodies and senior management team. The committee also has the mission of assessing and reviewing the Company's policy on corporate social responsibility and sustainability in environmental and social matters, ensuring that it is designed to create value as well as supervising that the Company's practices in environmental and social matters are in keeping with the charted strategy and policies. Accordingly, and notwithstanding other tasks that may be assigned by the board, the committee shall have general powers of reporting as well as monitoring the corporate social responsibility strategy and practices, and assessing their degree of fulfilment; to propose and report on matters of appointments and removal of directors and senior managers; to report on issues relating to responsible management and, in particular but not limited to, the responsibilities stipulated in this.

## ARTICLE 11. EVALUATION AND SELECTION OF DIRECTORS

The committee must have general powers to make proposals and report on matters relating to appointments and removals of directors and senior managers. In particular, the committee must be responsible for the following, notwithstanding any other tasks assigned to it by the board:

- a) Propose to the board of directors the board diversity and director selection policy and, if applicable, the diversity policy for senior management, and to annually verify compliance with that policy, reporting thereon in the annual corporate governance report ~~Propose the director selection policy to the board of directors and annually verify its compliance, which is reported in the annual corporate governance report.~~

The aforementioned board diversity and director selection policy shall be specific and verifiable, shall ensure that proposals for appointments or re-election are based on a prior analysis of the competences required by the board of directors, and encourage a diversity of knowledge, experience, age and gender in accordance with best corporate governance practices and the terms established in this article.

- b) Evaluate the skills, knowledges and experiences of the directors that are already part of the board in order to (i) define the functions and abilities required by candidates to cover each vacancy, and (ii) assess the time and dedication required so that they can correctly perform their duties, taking into account for such purposes the diversity targets established by the Company and ensuring that non-executive directors have sufficient time to correctly perform their duties.
- c) Analyse any other roles held by each of the Company's directors. The committee must carry out this analysis as part of the above evaluation and taking into account the amount of dedication required by the board, with particular emphasis on the maximum number of boards on which a director can reasonably join, ensuring that directors dedicate sufficient time in practice and, if not, proposing appropriate measures.
- d) ~~Propose a director diversity policy to the board, and a policy for senior management if applicable, to~~ To establish a representation target for the under-represented gender on the board of directors and prepare guidelines of how to increase the number of people from the under-represented gender with a view to achieving this target, reporting on this matter in the annual corporate governance report. Likewise, the committee must ensure that in the event of new vacancies, the selection procedures do not suffer any implicit bias that may hinder the selection of people from the under-represented gender.

~~d)~~e) Develop a matrix of the skills required by the board, which defines the skills and knowledge of candidates for directors, especially executive directors and independent directors, and which helps the committee to define the functions that correspond to each position to be covered, as well as the most appropriate skills, knowledge and experience for each position.  
This skills matrix must be periodically reviewed and updated based on the challenges and opportunities that the Company is expected to face in the short, medium and long-term.

e)f) Prior to starting each selection process, the committee must specify the profile and skills required for the new director, taking into account the aforementioned skills matrix.  
The committee must assess the suitability of each candidate, regardless of the category to which the person may be appointed and the person who has made the proposal (including those that are going to be appointed under the right to appointment in the proportional system). The committee must evidence the evaluation carried out and the assessment of the suitability of the candidate to the corresponding category in the minutes of the meeting in which the matter has been discussed and, when applicable, in the report or proposal that the committee must submit to the board regarding the appointment or re-election of directors.

Accordingly, during this process, the committee (or at least its chairman or one of its members) shall meet each candidate director prior to issuing its report or proposal; it must evidence the meetings held with the candidates and, at least, the assessment that has been made of the final candidates or those considered to be suitable, in the minutes of the committee's meetings. The committee shall assess the appropriateness of using external advisers in this assessment in order to make the process as objective as possible.

g) When, selecting who should be proposed for the role of director, the committee must ensure that candidates have a history of good professional and business reputation, competence, prestige and experience in the financial sector, and are in a position to exercise good governance of the Company, in accordance with prevailing regulations in this matter.

h) In the event of directors that are legal persons, the committee must report on the individual appointed to permanently exercise the duties of the legal person director, who must fulfil the same suitability requirements, notwithstanding the fact that the committee may also assess the circumstances that may affect the suitability of the legal person (situations of insolvency, criminal proceedings, administrative sanctions, conflicts of interest, etc.).

i) In its proposal or report to appoint or re-elect directors, the committee must not only describe the result of the prior analysis carried out regarding the requirements of the board, but must also state the reasons that justify the suitability of the candidate taking into account the skills matrix. In its description and justification, the committee must refer to the specific aspects and circumstances that are relevant to the decision in each case, avoiding any generic or standard justifications, encouraging diligence in the process to select and appoint directors.

j) Obtain the formal written acceptance of the Company's policies from people appointed as directors, formally committing themselves at the time of taking up the role to fulfil the obligations and duties inherent to them and in these Regulations. The appointment of a director must be accompanied by this acceptance, at least in relation to the following aspects:

- i. legal and statutory obligations;



- ii. precedence of the corporate interest;
- iii. role on the board;
- iv. internal regulations; and
- v. declaration of the director regarding his/her relationship with significant shareholders and any other type of conflict of interest.

The committee shall take into account the details in sections e) to j) above, with the necessary adaptations, with regards to the process of evaluating and selecting senior managers.

## **ARTICLE 12. PROPOSAL TO APPOINT, RE-ELECT AND REMOVAL OF INDEPENDENT DIRECTORS**

The committee must identify, recommend and submit proposals to the board of directors regarding appointments of independent directors to be made by co-optation or, if applicable, for the decision to be submitted to the general meeting of shareholders, as well as proposals for re-elections or removals of these directors by the general meeting. Accordingly, the committee shall carry out the following actions:

- a) Outsource the search for candidates by using the services of an external expert, which should not be providing the Company with another type of significant services that could call into question its independence. In all cases, the committee's activity report must state all of the services provided by the expert and the expert's remuneration.  
The adviser that takes part in the process to select and appoint a director must not be involved in the subsequent evaluation process or in determining the director's remuneration.
- b) The chairman and any other director may make suggestions to the committee in relation to matters that fall within its area of responsibility, and in particular may propose potential candidates to cover director vacancies. Nevertheless, when candidates have been presented by significant shareholders, proprietary directors or executive directors to be assessed by the committee, the latter must take every precaution and gather all the information it deems to be relevant to ensure that the proposed candidate does not have ties that could compromise his/her independence. In its report or proposal to the board, the committee must identify who has put forward the name of the selected candidate to be assessed by the committee.
- c) Require the candidate to disclose sufficient information about his/her other activities and potential conflicts of interest that may affect the candidate, so that the committee can assess the effect that these could have on the candidate's capacity to perform the role under the stipulated conditions or on his/her actual or future independence. This information must also be collected subsequently on a periodic basis, and at least once a year. When assessing this independence, the committee must not be limited to simply verifying the non-existence of the specific cases established in the applicable regulations, but shall in general analyse whether the candidate will be able to perform his/her duties without being influenced by his/her ties to the Company or its group, its significant shareholders or its managers.

- d) Prior to proposing the candidate's appointment to the board of directors, inform this person about what is expected from him/her in terms of dedication, participation in specialist committees and commitment to the Company.
- e) In proposals to re-elect directors, the committee must take into account the same factors that apply to the initial election of directors and shall appraise the performance and assess the director during the period of time that they have held the role and their capacity to continue performing it satisfactorily.
- f) In proposals for re-elections, the committee will take into account the need to progressively renew the board. It shall therefore consider factors such as the diversity targets established by the Company, evaluating, among other aspects, the time that each director has held the role and the possibility of establishing a term that is less than the legally permitted maximum, as well as diversity targets related to age, both at an individual level and in relation to the average age of the board as a whole.
- g) With the exception of the responsibilities that relate to the general meeting, any proposal to remove an independent director that the board is going to present to the general meeting must be initiated by the committee once justified grounds have been established.

Likewise, when a director leaves a position before the end of the expected term, due to resignation or any other reason, the committee must ensure that the Company acts in a transparent way with regards to process and the causes. Therefore, when a departure is due to the resignation of the director, the committee must evaluate the information contained in the outgoing director's letter to the board, as appropriate. In the event that it deems that there is insufficient available information, it shall establish a dialogue with the director to ascertain the reasons that have led to his/her resignation (whether they are personal –health, family commitments, excess work, etc.– or for other types of reasons, for example, differences about the Company's strategy, differences with other members of the board or the management, with significant shareholders, or with any other person involved in the Company's corporate governance).

Likewise, the committee must ensure that the board of directors publishes the reasons and circumstances of the departing director in an appropriate way, including an explanation of the reasons for the departure in the annual corporate governance report.

- h) When the chairman of the board is an executive director, the committee must propose the appointment of the coordinating independent director from among the independent directors.

## **ARTICLE 19. RESPONSIBILITIES RELATING TO RESPONSIBLE MANAGEMENT**

The committee shall be responsible for the following aspects in particular, in relation to the responsible management of the Company:

- a) Assess and periodically review the Company's policy on corporate social responsibility and sustainability in environmental and social matters, with the aim of ensuring that the policy fulfils its mission of promoting the corporate interest and takes into account, as applicable, the legitimate interests of the other groups of stakeholders ~~Reviewing the Company's corporate social responsibility policy, seeing to it that it is aimed at creation of value.~~

- b) Oversee that the Company's practices in environmental and social matters are in keeping with the charted strategy and policies ~~Monitoring the corporate social responsibility strategy and practices and evaluating their degree of compliance thereof.~~
- c) Supervise and evaluate relations with different stakeholders. In particular, the chairman and other members of the committee, together with the coordinating director, shall be involved in communicating and contacting shareholders and institutional investors, mainly those not represented on the board. Likewise, the committee shall be involved with proxy advisors and shall act as intermediaries between all of the aforementioned parties and the board, carrying out exploratory inquiries into specific matters, especially those related to corporate governance, and may become involved in the process of improving any aspect. In all cases, the board must authorise these contacts and define the basic outline of the messages to be conveyed, which under no circumstances may include privileged information. Moreover, the board shall be informed about what is discussed.
- d) ~~Evaluating everything relating to the social, environmental, political and reputational risks of the Company, independently of the powers that rest with the risk advisory committee and the board risk committee.~~
- e) ~~Coordinating the process of reporting non-financial and diversity information, in accordance with applicable regulations and international standards of reference, independently of the powers that rest with other committees.~~

## ARTICLE 20. OTHER RESPONSIBILITIES

The committee shall also be responsible for the following:

- a) Inform the board of directors about any issues related to the good corporate governance of the Company in matters that fall within the committee's area of competence (targets, management of talent, liability insurance, etc.) and make the necessary proposals to improve these matters.
- b) Without prejudice to the functions of the audit and compliance committee, the ethics and conduct committee will submit to the committee, periodically and at least at the end of each financial year, an activities report in relation to performance of its functions, in particular as regards oversight and monitoring of the Code of Ethics and Conduct.
- c) Review and ensure that the information that the Company publishes on its website about matters in the committee's area of responsibility is sufficient and appropriate (information about the experience and professional careers of the directors).
- d) Participate in potential updates of the board of directors regulations in relation to the committee's areas of responsibility.
- e) Periodically design and organise programmes to update directors' knowledge.

## ARTICLE 23. MEETINGS

1. The committee must meet sufficiently in advance of the meetings of the board, as many times as it is called by resolution of the committee itself or by its chairman, and at least four times every year. It shall also meet every time that the board of directors or its chairman requests a report or proposals from the committee.

2. Minutes shall be taken of the meetings held, which, will made available to all directors.
3. Committee members must be adequately informed and prepared for their meetings.
4. In addition to the participation of all committee members at its meetings, other directors (executive or non-executive), managers and third parties may only attend the committee's meeting with a prior invitation from its chairman and their presence shall be limited to those points on the agenda for which they have been invited. In all cases, their presence must not become common practice and they should only attend when necessary. In such cases, the entries and exits of the different guests shall be recorded in the minutes of the committee's meetings and guests must not be present during the committee's discussions and votes, except in specific cases that must be appropriately justified in the meeting's minutes.
5. Mechanisms for coordinating with the remuneration committee shall be established to ensure the necessary consistency of the policies and criteria applied by the committee to attract and retain talent, as well as with the audit and compliance committee to coordinate their respective functions in relation to communication and relations with shareholders, investors and proxy advisors. In particular, joint meetings shall be held with the remuneration committee when the situation warrants and when it is deemed appropriate, and any member may form part of both committees.