



SUSTAINABLE MANAGEMENT POLICY

Board of Directors

1. INTRODUCTION	3
2. SCOPE OF APPLICATION	3
3. ACTION PRINCIPLES AND COMMITMENTS	3
3.1. VALUE CREATION	3
3.2. TRANSPARENCY AND GOOD GOVERNANCE	4
3.3. ETHICS AND INTEGRITY	4
3.4. RESPECT FOR HUMAN RIGHTS	5
3.5. ACTIVE LISTENING AND DIALOGUE	5
3.6. CLARITY, SIMPLICITY AND UNDERSTANDING	5
3.7. RECOGNITION AND RESPECT	6
3.8. RESPONSIBLE CONTRACTS	6
3.9. CLIMATE CHANGE	7
3.10. COMMITTED TO SOCIETY	7
4. COMMUNICATION, PARTICIPATION AND DIALOGUE CHANNELS	8
5. BODIES RESPONSIBLE FOR MONITORING AND SUPERVISION	8
6. DISSEMINATION OF THE POLICY	9
7. APPROVAL	10

1. INTRODUCTION

The Sustainable Management Policy of Bankia, SA is a global and cross-cutting reference framework for the Company (hereinafter Bankia or the Bank) for matters relating to sustainability and is the pillar of its sustainability strategy.

This Policy aims to create long-term value by managing social and environmental risks, including those related to climate change, and to uphold social rights.

Bankia adheres to and shares the main national and international sustainability commitments in environmental and social matters that inspire this Policy, inspire the Bank's sustainable management and serve as a lever to promote and improve cross-cutting projects and processes that benefit its relationship with stakeholders (customers, shareholders, employees, suppliers and society in general) and promote the sustainability and resilience of its activity:

- United Nations Universal Declaration of Human Rights
- United Nations Sustainable Development Goals
- United Nations Guiding Principles on Business and Human Rights.
- The United Nations Global Compact.
- Fundamental conventions of the International Labor Organization (ILO).
- National Business and Human Rights Action Plan.
- United Nations Environment Programme Finance Initiative (UNEP FI).
- Principles for Responsible Banking.
- Equator Principles.
- COP21 agreements in the Paris Agreement 2015 on climate change.
- Good Governance Code of Listed Companies - CNMV

2. SCOPE OF APPLICATION

The Sustainable Management Policy is applicable to Bankia.

People and companies that work with the Bank and may impact its activity (customers, suppliers, shareholders, etc.), will be encouraged to familiarise themselves with and to apply the policy.

3. ACTION PRINCIPLES AND COMMITMENTS

3.1 VALUE CREATION: Prioritising 'how' over 'what'

The Company sees sustainability and sustainable finance, terms that have been used in the financial sector in recent years, as synonymous. Both terms are defined based on the Bank's ability to be competitive and create value, through management that allows the continuity of its activity in the medium and long term, prioritising integrity in financial management and investment decisions, which must be based on rigour, risk consideration (ASG criteria - Environmental, Social and Corporate Governance) and ethical criteria.

- Commitments:
 - Guide, supervise and evaluate the sustainable management model.

- Train and raise awareness among senior management and the rest of the Bank's employees of all the activity's economic, social and environmental impacts.
- Identify and manage environmental, social and governance risks to integrate consideration of these aspects in business decision-making, minimise negative impacts and enhance the positive impacts of the activity.
- Provide a range of sustainable financing products, meaning that these incorporate ESG criteria, to maximise the positive impact of both the environmental and social environment, to foster sustainable development and balance profitability and sustainability objectives.

3.2 TRANSPARENCY AND GOOD GOVERNANCE: We say what we do

Bankia intends to win and keep the trust of the Company's stakeholders, based on its values: we are honest, we are close, we are professionals, we are passionate, we are brave and we make it possible.

Bankia also acts in accordance with the established rules, respecting policies and procedures and sharing its actions, reasons and ways of making decisions.

- Commitments:
 - Contribute to generating a culture of transparency and integrity, which upholds the interests of all the Company's stakeholders.
 - Ensure correct guidance, supervision and control of the Bankia sustainable management model.
 - Foster trust in the Bank through responsible behaviour aligned with the values in each of its actions.

3.3 ETHICS AND INTEGRITY: Act according to what we say, responsible leadership.

Bankia has a zero tolerance policy against behaviours, practices and all types of corruption, which is expressly integrated into the management of the Bank's activity and its relationship with stakeholders through strict internal regulations and mechanisms to detect all activities that contravenes them.

- Commitments:
 - Establish measures to prevent all misconduct, such as corruption, fraud and bribery, in its activities, and address them through internal mechanisms that allow notification and reporting of such breaches.
 - Protect customers', employees' and suppliers' data privacy, and use the data obtained during the development of its activity and for which Bankia is responsible in an ethical manner.
 - Adopt the necessary policies and action plans to ensure adequate management to ensure the security of the activity and customers from the risk of cyberattacks.
 - Bankia undertakes to act responsibly in the management of businesses and comply with tax obligations wherever it operates, committing to transparency and collaboration with the corresponding tax administrations.

3.4 RESPECT FOR HUMAN RIGHTS: Basis of coexistence

supports, respects and protects internationally recognised fundamental human rights, ensuring correct application of due diligence processes in Bankia's activities that may have a negative impact.

- Commitments:
 - Guarantee freedom of association and collective bargaining and reject child and forced labour.
 - Support decent employment, promote diversity and equal opportunities, and the right to digital disconnection.
 - When granting financing to projects and companies, include criteria to ensure that operations that could violate human rights are not financed.
 - Extend our commitment to the supply chain, including human rights clauses when entering into contracts with suppliers.
 - Collaborate with other organisations and institutions to improve fundamental rights (education, equality, housing, etc.).

3.5 ACTIVE LISTENING AND DIALOGUE: Satisfaction-oriented

Bankia considers it appropriate to engage in active listening and continuous dialogue to meet stakeholders' expectations and needs, and to use that knowledge to guide the Company's actions and projects to improve the customer experience and to build and consolidate satisfactory long-term relationships.

- Commitments:
 - Promote information transparency and responsible, simple, close communication practices with all stakeholders, which prevent information manipulation and protect integrity and honour.
 - Maintain dialogue with stakeholders through the most appropriate communication channels in each case.
 - Incorporate the expectations identified in systems for interacting with stakeholders, in the Company's management and processes, always seeking continuous improvement and excellence.

3.6 CLARITY, SIMPLICITY AND UNDERSTANDING: Identified with the customer

Bankia offers its customers products and services tailored to their needs, guaranteeing that it provides clear, transparent information, as well as rigorous, high-quality advice that will help to strengthen and increase customers' trust and gain that of those who are not yet customers in a sustainable manner.

- Commitments:
 - Establish its own way of relating to customers based on trust, transparency, simplicity and proximity, offering only those products that meet their needs and expectations.
 - Consider the opinions and expectations of stakeholders in the process of designing the Bank's products and services.
 - Assist customers to understand contracts, making them easier and using more accessible terminology.
 - Provide customers with follow-up and continuous advice, so that they are well informed and help them to make decisions.
 - Facilitate arrangements through the channels established with stakeholders.
 - Encourage financial education.

3.7 RECOGNITION AND RESPECT: Rules for relationships with customers.

It is the people who work at Bankia who show our way of being and doing things. The sum of their individual behaviour makes the commitment to customers and society possible.

- Commitments:
 - Promote personal and professional development in an attractive, safe and healthy environment.
 - Encourage a collaborative, efficient work environment that combines the professionalism and commitment required in the teams.
 - Ensure equal opportunities and guarantee the absence of discrimination based on sex, origin, religion, age, ability or sexual orientation.
 - Promote constant dialogue between the Bank and representatives freely chosen by employees as a means of analysing and reviewing working conditions.

3.8 RESPONSIBLE CONTRACTS: Growth and shared value

The Bank intends to extend Bankia's values, policies and behaviours throughout the supply chain and to consider suppliers as an intrinsic aspect of its business strategies.

- Commitments:
 - Promote sustainable management in the supply chain, raising awareness of Bankia's Code of Ethics and Conduct and related compliance policies.
 - Encourage support for the local, regional and national business community, particularly SMEs, promoting the economic development of other productive sectors.
 - Foster improvement plans among suppliers for which this is deemed necessary, in order to help disseminate the Company's responsible commitment.

- Continuously assess and monitor possible environmental, social, good governance, human rights and corruption risks and other illegal behaviours in the supply chain, to ensure the best service.

3.9 CLIMATE CHANGE: Urgency and global demand

Bankia supports the fight against climate change through effective management of resources, considers its risks, and also supervises and evaluates the environmental impact of the Company's activities and operations financed by the Company.

- Commitments:
 - Minimise Bankia's impact on the environment and reduce associated costs through more efficient consumption of resources and neutral emissions.
 - Ensure proper environmental management in all processes.
 - Raise awareness and train employees to promote efficient use of resources.
 - Identify business opportunities to develop sustainable products and services to drive the transition to a low-carbon economy and the sustainability of the environment within the scope of Bankia's activity.
 - Incorporate clauses related to environmental and climate commitment when hiring suppliers.

3.10 COMMITTED TO SOCIETY: Local development and social proximity

When conducting its activity, the Bank seeks to identify priority social demands, and to develop and promote social investment to generate wealth in the environment and support society's most vulnerable groups, seeking to maximise the positive impact.

- Commitments:
 - Identify the main concerns of those in the immediate area of the Bank's activity, promoting actions established in Bankia's strategic lines of social action:
 - Training and employment: support for employability and training with particular emphasis on Dual Vocational Training as aspects of local wealth generation.
 - Rural and local development: supporting initiatives that promote development in rural and local areas.
 - The Bank supports the Social Housing Fund by strengthening projects that seek to alleviate situations related to new poverty.
 - Disability: encouraging and improving the integration of people with disabilities into employment through alliances with benchmark organisations.
 - Volunteering and participation of professionals in Bankia's social action.

4. COMMUNICATION, PARTICIPATION AND DIALOGUE CHANNELS

Bankia's sustainable management is built around its stakeholders' expectations and needs, where transparency and access to the Bank's information and responsible communication play a major role.

Bankia has adequate mechanisms for relating to all its stakeholders and provides with multiple channels of communication, participation and permanent and two-way dialogue, to facilitate participation.

In particular, Bankia has a Confidential Whistleblower Channel, through which the Bank's employees and suppliers can report possible breaches of the Code of Ethics and Conduct in matters such as environmental protection, bribery and corruption, information security and violation of the rights of employees.

5. BODIES RESPONSIBLE FOR MONITORING AND SUPERVISION

The Sustainable Management Policy is approved by **Bankia's Board of Directors** and will be reviewed periodically, and at least annually, by the bodies involved so that it is always aligned with the Bank's values, corporate strategy and with the stakeholders' needs, requests and expectations, to fulfil Bankia's mission and vision.

The **Appointments and Responsible Management Committee** is responsible for ensuring the proper implementation and compliance with this Policy, and for periodically evaluating and reviewing its suitability to fulfil its mission to promote the social interest, considering stakeholders' legitimate interests and ensuring that the Bank's practices in environmental and social matters are in line with the strategy established and this Policy.

Likewise, the Appointments and Responsible Management Committee is the body responsible for submitting the proposal for this Policy to the Board of Directors, after validation by the Bank's Management Committee at the proposal of the Responsible Management Committee.

The **Responsible Management Committee**, which is made up of the Bank's divisions that dialogue directly with stakeholders, is responsible for implementing sustainable management and the projects and objectives for action in this area. This is based on the Policy approved by the Board.

At least once every six months, the Responsible Management Committee will report to the Steering Committee and will ultimately report to the Appointments and Responsible Management Committee on the degree of compliance with said plans.

Annually, through Bankia's non-financial information reports, it will provide external information on the progress made with the implementation of the sustainable management plan and, therefore, of this Policy.

Finally, the Audit and Compliance Committee is the body responsible for identifying, assessing and supervising any non-financial risks that may arise within the framework of this Policy, including those related to aspects of ethical and business conduct that could affect the performance and reputation of the Company, which are recorded on Bankia's risk map.

6. DISSEMINATION OF THE POLICY

This Policy will be duly communicated to all relevant personnel of the Bank by the means deemed most appropriate, so that they can fulfil their specific obligations, and the Board of Directors must oversee this obligation.

7. APPROVAL

The Bankia Sustainable Management Policy was approved by the Bankia Board of Directors, on 22 October 2020, replacing the previous Responsible Management Policy, which was approved by the Board of Directors on 28 April 2016.

APPENDIX 1

Approval and maintenance	
Body responsible for approval	Board of Directors
Division responsible for maintenance	Responsible Management Division
Minimum review frequency	Annual

Supervision of initial approval and reviews	
28/04/2016	Review and update
20/02/2018	Review and update
22/10/2020	Review and update

Supervision	
Body responsible for supervision	Appointments and Responsible Management Committee
Division responsible for supervision	Responsible Management Division
Minimum frequency of supervision	Annual