

RELEVANT EVENT

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 calling the Ordinary General Meeting of Shareholders of the Company, to be held on 22 March 2019 at first call and 23 March 2019 at second call, at the Palacio de Congresos in the city of Valencia, with the expectation that the meeting will be held at first call. The notice has been published today in the Commercial Registry Official Gazette (Boletín Oficial del Registro Mercantil – BORME) and on the company's web site (www.bankia.com).

The notice is accompanied by the full texts of the proposed resolutions.

The reports of the directors on the agenda items that so require, together with the rest of the general meeting documents, are available on the company's web site (www.bankia.com).

The above is notified as a relevant event for all pertinent purposes.

Madrid, 21st February 2019

BANKIA, S.A.

NOTICE OF CALL

BANKIA, S.A.

ORDINARY GENERAL MEETING OF SHAREHOLDERS — MARCH 2019

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 22 March 2019, at 12:00 a.m., at first call or, in the absence of the requisite quorum, at second call, on 23 March 2019, at the same place and time, foreseeably at first call; the site will be open for access and attendance by those who are holders of or represent at least 500 shares from 11:00 am, 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 audited Annual Accounts and Management Report of Bankia and of its consolidated Group. 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 2018.
 - 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 2018.
 - 1.5. Allocation of results.
2. Ratification of the appointment of Mrs. Laura González Molero as independent director.
3. Reelection of the statutory auditor of the Company and its Consolidated Group for 2019.
4. Delegation to the Board of Directors of the authority to increase the share capital by up to a maximum of 50% of the subscribed share capital, by means of one or more increases and at any time within a maximum of five years, by means of cash contributions, with authority, if applicable, to disapply preferential subscription rights up to a maximum of 20% of share capital, annulling the delegation of authority conferred at the previous General Meeting.
5. Delegation to the Board of Directors of the authority to issue, one or more times, within a maximum term of five years, securities convertible into and/or exchangeable for shares of the Company, as well as warrants or other similar securities that may directly or indirectly entitle the holder to subscribe for or acquire shares of the Company, for an aggregate amount of up to one billion five hundred million (1,500,000,000) euros; as well as the authority to increase the share capital in the requisite amount, and the authority, if applicable, to disapply preferential subscription rights up to a maximum of 20% of share capital, annulling the delegation of authority conferred at the previous General Meeting.
6. Reduction of the share capital by fifteen million five hundred eighty-seven thousand nine hundred seventy-eight (15,587,978.00) euros with cancellation (or retirement) of fifteen million five hundred eighty-seven thousand nine hundred seventy-eight (15,587,978) own shares held as treasury stock. Delegation of authority to the Board of Directors, with authority to subdelegate, to fix the terms of the reduction in respect of all matters not covered by this resolution.

7. Authorisation enabling the derivative acquisition by the Board of Directors of own shares of the Company subject to the limits and to the requirements established by the Corporations Act. Delegation within the Board of Directors of the authority to execute the resolution, annulling the authority conferred at the previous General Meeting.
8. Authorisation of the Board of Directors to distribute interim dividends during 2019.
9. Approval of the remuneration policy for Bankia directors.
10. Approval for part of the 2018 and 2019 annual variable remuneration of Executive Directors to be paid in Bankia shares.
 - 10.1. Revocation of the resolution adopted at the General Meeting of Shareholders held on 10 April 2018, under point 7 of the Agenda, which proposed that part of the 2018 annual variable remuneration of executive directors be paid in Bankia shares. In substitution of the revoked resolution, approval for part of the 2018 annual variable remuneration of executive directors to be paid in Bankia shares.
 - 10.2. Approval for part of the 2019 annual variable remuneration of executive directors to be paid in Bankia shares.
11. 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.
12. Submission for consultative vote of the annual report on remuneration of members of the Bankia Board of Directors.
13. Information on amendments made to the Board of Directors Regulations, which affect Article 14 (The Audit and Compliance Committee), and on the approval of the Regulations of the Audit and Compliance Committee.

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 3% or more 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 Pintor 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.

NOTARY ATTESTATION OF THE GENERAL MEETING OF SHAREHOLDERS

The Board of Directors has requested the presence of a notary public 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 Companies Registry and article 4.2 of the General Meeting Regulations.

RIGHT OF ATTENDANCE

This Meeting may be attended by any person, whether an individual or legal person, owning or representing at least 500 shares of Bankia registered in the name of the owner or, if applicable, of the person represented in the related accounting register five days prior to the date on which the Meeting is to be held. The shareholders must provide proof of this circumstance on entry to the venue at which the General Meeting is held, through the related Attendance, Proxy and Remote Voting Card indicating the number, class and series of shares held, and the number of votes that may be 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 at 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 requested, together with presentation of the Attendance, Proxy and Remote Voting Card, 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 site will be open for access and attendance by the shareholders owning or representing at least 500 shares from 11:00 am, both for the first and the second call, if applicable.

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 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) as from 27 February 2019 and will be closed at midnight of the third day before the date scheduled for holding the General Meeting at first call.

Shareholders must complete and sign proxies and the related Attendance, Proxy and Remote Voting Card.

The persons to whom the proxy and vote are granted must cast the vote by attending the Meeting in person, provided that they reach the minimum number of shares entitling them to attend. They must present the Attendance, Proxy and Remote Voting Cards at the registration desks at the shareholders entrance, at the place and time indicated for holding the General Meeting, as from one hour before the scheduled time for commencing the Meeting.

Proxies may be revoked at any time and if the represented shareholder attends the Meeting in person, the proxy is automatically revoked. In any event, there shall apply what is provided in "4. Basic rules for proxy appointments and voting before the General Meeting and personal attendance" below.

If the shareholder represented attends, the representative may not attend the General Meeting and if the representative attends, he or she 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 twelve months as from the date on which the Meeting is held.

A proxy may represent more than one shareholder, with no limit regarding the number of shareholders represented. A proxy representing multiple shareholders 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 any event, the number of represented shares will be used in the calculation of a quorum for the 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.

Pursuant to the provisions cited above, the Board of Directors has developed the following **rules for proxy appointments and remote voting** prior to the Meeting:

1. Appointment of proxy by in-person or postal delivery

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). 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), 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, the Directors or 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 Meeting to begin.

3. Remote voting prior to the General Meeting

The same procedure as established in section 1 above for remote appointment of proxies will be followed.

Individuals may cast their vote directly through the Electronic Service operational on the Bankia website (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.

4. Basic rules for proxy appointments and voting before the General Meeting and personal attendance

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

They must be received by midnight of the third day before the date scheduled for holding the General Meeting at first call. 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.

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 attendance in person 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 the attendance in person at the Meeting 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, in the Attendance, Proxy and Remote Voting Card.

4.2 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 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 to not have taken effect).

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 void votes made by electronic means either before or after.

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

Without prejudice to the provisions of section 4.2.(b) above, which shall take preference over the provisions under this letter, where shareholders grant several proxies, the latest action 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.

5. 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 4 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 of 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.

Disposal of shares entitling shareholders to vote that are known to the Company 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 online proxy appointment and voting service.

6. 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 the 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.

7. Situations of conflict of interest

A shareholder will be in a situation of conflict of interest and may not exercise the voting right corresponding to its shares when the purpose of the resolution to be adopted is:

- a) to release an obligation of or grant a right to the aforesaid shareholder;
- b) to provide the aforesaid shareholder with any kind of financial assistance, including extending guarantees in its favour;
- c) to excuse the aforesaid shareholder from the obligations deriving from the duty of loyalty legally established for directors.

Regarding the proxy, before its appointment it must advise the shareholder in detail if there is a situation of conflict of interest. If the conflict arose following the appointment and the represented shareholder had not been informed of its existence, the shareholder must be informed immediately. 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 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 an indication is made 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.

RIGHT OF 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 2018, 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. Also, all shareholders may request to be given or sent free of charge the proposed Director Remuneration Policy and the Report of the Remuneration Committee.

In accordance with the provisions of articles 197 and 520 of the Corporations Act and article 7 of the Regulations of the General Meeting of Shareholders, from the day of publication of the call of the General Meeting until and including the fifth day prior to the day it is scheduled to be held, or orally during the meeting itself, the shareholders may request information or clarifications or submit the written questions they consider appropriate to the matters on the Agenda. Also, in the same time frame and by the same means, the shareholders may request information or the clarifications or pose questions they deem fit, either in writing or verbally while the Meeting is being held, with regard to any information accessible to the public that may have been provided by the Company to the Spanish National Securities Markets Commission since the last General Meeting was held and with regard to the auditors' report.

Requests for information shall be sent in writing to the Service Offices for the General Shareholders Meeting at the addresses indicated above and delivered by hand at the said Service Offices for the General Shareholders Meeting, Monday to Friday from 9:00 a.m. to 14:00 p.m., at the registered office or sent by post or by electronic means using the Electronic Service provided on the Company's corporate website (www.bankia.com), in which case, in order to equip the system with appropriate guarantees of authenticity and identification of the shareholders exercising their right to information, an electronic signature (advanced or recognised), in the terms set forth in Electronic Signature Law 59/2003 of 14 December, based on either a recognised electronic certificate of which there is no record of its having been revoked that has been issued by the Royal Spanish Mint (FNMT-RCM) or an electronic DNI. 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 (91 602 46 75, or +34 81 787 75 75 for calls from outside Spain, from Monday to Friday from 8:00 am to 10:00 pm).

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.

In relation to any verbal requests made while the General Meeting is being held and that are not answered at the time for information or clarifications regarding the matters on the Agenda, regarding any information accessible to the public that may have been provided by the Company to the Spanish National Securities Markets Commission since the last General Meeting was held and regarding the auditors' report, the Board of Directors is obliged to provide this information in writing within seven days after the General Meeting has ended.

If prior to the submission of a specific question, the requested information is made clearly, expressly and directly available to all shareholders on the Company's website (www.bankia.com) in question and answer format, the directors may limit their response to referring to the information provided on the website. 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 aforementioned 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 and it is requested by shareholders representing less than 25% of the Company's share capital, (ii) the request does not refer to items on the Agenda or to 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 Bylaws.

DOCUMENTS AVAILABLE ON THE WEBSITE

Irrespective of the right of information indicated above, as from the date on which the notice of call is published, the following documents, among others, will be available for consultation on the Company website (www.bankia.com):

- (i) This call of General Meeting.
- (ii) Total number of shares and voting rights as at the date the General Meeting is called.
- (iii) Full text of the proposed resolutions for the points on the General Meeting Agenda and, if applicable, the proposed resolutions submitted by shareholders as they are received.
- (iv) Explanatory reports required by article 529 decies of the Corporations Act on point 2 of the Agenda.
- (v) Directors' reports on points 4, 5 and 6 of the Agenda.
- (vi) Reasoned proposal by the Board of Directors on point 9 of the Agenda and report of the Remuneration Committee and the proposed Director Remuneration Policy.

- (vii) Financial statements of Bankia, S.A., individual management report and auditors' report for 2018, as well as the consolidated financial statements, management report of the Group and auditor's report for the same year.
- (viii) Consolidated statement of non-financial information of the Bankia Group for 2018.
- (ix) Annual Corporate Governance Report for 2018.
- (x) Annual Report on Director Remuneration for 2018.
- (xi) Report of the Audit and Compliance Committee for 2018, including information on the auditor's independence, functioning of the Committee and related party transactions.
- (xii) Report of the Appointments and Responsible Management Committee for 2018.
- (xiii) Report of the Remuneration Committee for 2018.
- (xiv) Report on the Responsible Management Policy.
- (xv) Instructions for attending the General Meeting, proxy granting and remote voting.
- (xvi) Attendance, Proxy and Remote Voting Card.
- (xvii) Regulations of the Shareholders' Electronic Forum.
- (xviii) Right of information.
- (xix) Company Bylaws.
- (xx) General Meeting Regulations.
- (xxi) Board of Directors Regulations.
- (xxii) Audit and Compliance Committee Regulations.
- (xxiii) FAQs, including, amongst other items, information on the location where the General Meeting will be held.
- (xxiv) Valid requests for information, clarifications or questions submitted by the shareholders pursuant to their right of information and the replies provided by the directors.

SPECIAL INSTRUMENTS OF DISCLOSURE

In accordance with article 539.2 of the Corporations Act, Bankia has set up on its corporate website (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.

Any supplementary proposals to the Agenda announced in the notice of the general meeting may be posted on the Forum, together with requests for support for such proposals, initiatives to reach the percentage required to exercise statutory non-controlling shareholder rights and any offers or requests to act as a voluntary proxy.

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), 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 call, the necessary information and requirements for participating in the Forum may be consulted on the Bankia website (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.

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 Voting Card are necessary and mandatory in order to exercise attendance, proxy and voting rights, as well as to be able to speak at the General Meeting, where so requested. If not properly completed, Bankia may not execute the aforesaid actions.

The shareholders will be responsible for obtaining the consent of their representatives, if they appoint a proxy, for Bankia to process their personal data for the purposes indicated above.

The details may be notified to the 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) 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 or to the postal address Apartado de Correos 61076 Madrid 28080, indicating "Protección de datos-Accionistas" as reference.

Valencia, 18 February 2019

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 2019

- 1. Approval of the audited Annual Accounts and Management Report of Bankia and of its consolidated Group. 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 2018.**

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

Approve the annual accounts of Bankia, comprising the Balance Sheet, Income Statement, Statement of Recognised Income and Expenses, Statement of Changes in Equity, Statement of Cash Flows and 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 2018.

It is placed on record that, in accordance with article 263.1 of the Spanish Corporations Act (Ley de Sociedades de Capital), the Annual Accounts and Management Report of Bankia have been the object of an audit report.

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

Approve the annual accounts of the Bankia consolidated group, comprising the Consolidated Balance Sheet, Consolidated Income Statement, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and 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 2018.

It is placed on record that, in accordance with article 263.1 of the Corporations Act, the Annual Accounts and consolidated Management Report of Bankia have been the object of an audit report.

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

Approve the consolidated statement of non-financial information, which forms part of the consolidated management report of the Bankia Group prepared by the Board of Directors, for the year closed 31 December 2018.

It is placed on record that, in accordance with article 49.6 of the Spanish Commercial Code (Código de Comercio), the consolidated statement of non-financial information has been verified by an independent provider of assurance services.

- 1.4. Approval of the corporate management by the Board of the Company in 2018.**

Approve the Board of Directors' management of the Company in 2018.

- 1.5. Allocation of results.**

Approve allocation of the Company's results and the distribution of the dividend for the year ended 31 December 2018 as follows:

Distribute, against earnings for the year ended 31 December 2018, a gross dividend 0.11576 euro cents per share of Bankia, S.A. entitled to dividend and outstanding at the

date the payment is made. It is expressly placed on record that Bankia, S.A. will not be entitled to receive dividends for the own shares it holds directly as treasury stock.

Said dividend payment is expected to take place on 11 April 2019.

This dividend will be distributed through the affiliated participants in the securities registration, clearing and settlement service known as Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (IBERCLEAR), for which purpose the Board of Directors is hereby authorised, with express power to subdelegate this authority, to fix the exact payment date for the dividend, appoint the entity that will act as paying agent and carry out all other actions that are necessary or convenient for the successful execution of the distribution.

The profits obtained by Bankia in the year ended 31 December 2018, which amount to 833,668,369.96 euros, will be allocated as follows:

- To dividends (maximum amount to be distributed based on a fixed gross dividend of 0.11576 euros per share to a total of 3,084,962,950 shares): a maximum of 357,115,311.09 euros.
- To voluntary reserves (minimum amount to be allocated, depending on the number of shares entitled to dividends and outstanding at the date of the dividend payment): 476,553,058.87 euros.

2. Ratification of the appointment of Mrs. Laura González Molero as independent director.

It is resolved to ratify, in compliance with the applicable legal and bylaws provisions, the appointment of Mrs. Laura González Molero as Director in the "Independent Director" category, in accordance with the proposal of the Appointments and Responsible Management Committee, further to her appointment by co-optation under the resolution approved by the Board of Directors at its meeting of 25 October 2018, for the term of office that applied to the directorship of the Board member she replaced, Mr. Álvaro Rengifo Abbad.

3. Reelection of the statutory auditor of the Company and its Consolidated Group for 2019.

Reelect as statutory auditor of Bankia S.A. and its Consolidated Group for the 2019 financial year the firm of Ernst & Young, S.L., with registered office in Madrid, at Calle Raimundo Fernández Villaverde number 65, "Edificio Torre Azca", and holding taxpayer identification number (NIF) B-78970506, registered in the Commercial Registry of Madrid, page M-23123, folio 215, volume 12749, book 0, section 8 and registered in the Official Register of Auditors of Accounts (Registro Oficial de Auditores de Cuentas) under number S0530, in accordance with the proposal made by the Audit and Compliance Committee to the Board of Directors and approved by the latter.

4. Delegation to the Board of Directors of the authority to increase the share capital by up to a maximum of 50% of the subscribed share capital, by means of one or more increases and at any time within a maximum of five years, by means of cash contributions, with authority, if applicable, to disapply preferential subscription rights, up to a maximum of 20% of share capital, annulling the delegation of authority conferred at the previous General Meeting.

Delegate to the Board of Directors, in accordance with article 297.1.b) of the consolidated text of the Spanish Corporations Act (Ley de Sociedades de Capital) approved by Legislative Royal Decree 1/2010 of 2 July 2010 (the "Corporations Act"), the authority to increase, on one or more occasions, the share capital of the Company by a maximum amount of up to 50% of the capital

at the date of this authorisation, without the need for subsequent call or resolution of a General Meeting.

Such capital increase or increases, if any, as may be resolved must be implemented within a maximum term of five (5) years from the date this resolution is approved by the General Meeting.

The aforesaid increase or increases of share capital may be undertaken with or without an issue premium, either by increasing the par value of the existing shares in accordance with the requirements contemplated by Law, or by the issue of new shares, ordinary or preferred, with or without voting rights, or redeemable shares, or any others permissible in Law, or multiple forms at the same time, the consideration for the new shares or the increase of the par value of the existing shares being cash contributions.

It is also resolved to authorise the Board of Directors so that, in all matters not provided for, it may fix the terms and conditions of the increases of share capital and the characteristics of the shares, as well as offer the new shares not subscribed within the term or terms for exercise of preferential subscription rights without any restriction. The Board of Directors also may establish that, in the event of incomplete subscription, the share capital will be increased only by the amount of the subscriptions made, redrafting the corresponding article of the Bylaws related to share capital and the number of shares.

The amount available from time to time of the maximum amount referred to above will be deemed to include the amount of such capital increases as may be made for the purpose of covering conversion of debentures, by resolution of the Board of Directors in exercise of the authority delegated by the General Meeting of the Company.

By virtue of this authorisation, the Board of Directors also is authorised to seek admission to trading on secondary markets, official or not, organised or over the counter, in or out of Spain, of the shares issued by virtue of this authorisation, and take the steps and actions necessary to obtain such admission to trading before the competent authorities of the various securities markets.

The Board of Directors is expressly given the authority to disapply the right of preferential subscription, in whole or in part, up to a combined maximum nominal amount equal to 20% of the share capital as at the time of the authorisation in relation to all or any of the issues it resolves on the basis of this authorisation, in accordance with the provisions of article 506 of the Corporations Act, also including disapplication of preferential subscription rights within the context of issue of securities under the following point of the Agenda.

In any event, if the Board decides to disapply preferential subscription rights regarding any or all of the aforesaid capital increases, it will issue at the time of adopting the corresponding resolution to increase capital a report stating the specific reasons in the Company's interest justifying that measure, which will be subject to the corresponding report of an independent expert other than the statutory auditor. Said reports will be made available to the shareholders and communicated to the first General Meeting held after the issue resolution.

The Board of Directors is authorised to delegate to such Director or Directors as it deems to be appropriate the authority granted by virtue of this resolution in accordance with the provisions of article 249.bis l) of the Corporations Act.

It also is resolved to authorise the Board of Directors, as amply as legally possible, with authority to subdelegate this power to any of the directors of Bankia, so that any of them, without distinction, may take such actions as may be necessary and grant and formalise such documents and contracts, public or private, as may be necessary or appropriate for full effectiveness of the foregoing resolutions, as regards any aspects or content thereof, in particular to correct, clarify, interpret, complete, specify and implement the resolutions

adopted; and also to cure such defects, omissions and errors as may be found in the verbal or written review of the Mercantile Register, all of the foregoing on the broadest terms possible.

It is noted that the relevant report of the directors explaining the reasons for the proposed authorisation to increase share capital has been made available to the shareholders.

This delegation of authority to the Board of Directors replaces the delegation granted by the General Meeting of Shareholders of the Company held on 10 April 2018, which will therefore be rendered void.

5. Delegation to the Board of Directors of the authority to issue, one or more times, within a maximum term of five years, securities convertible into and/or exchangeable for shares of the Company, as well as warrants or other similar securities that may directly or indirectly entitle the holder to subscribe for or acquire shares of the Company, for an aggregate amount of up to one billion five hundred million (1,500,000,000) euros; as well as the authority to increase the share capital in the requisite amount, and the authority, if applicable, to disapply preferential subscription rights up to a maximum of 20% of share capital, annulling the delegation of authority conferred at the previous General Meeting.

To authorise the Board of Directors in accordance with the general scheme for issue of debentures and under the provisions of articles 286, 297, 401, 417 and 511 of the Corporations Act and 319 of the Mercantile Register Regulations, as well as in articles 13, 17, 18 and 21 of the Bylaws, to issue negotiable securities in accordance with the following terms:

- a. Securities to be issued. Debentures and bonds exchangeable for shares of Bankia or any other company, whether or not a member of its Group, and/or convertible into shares of Bankia, as well as warrants (options to subscribe new shares of Bankia or acquire existing shares of Bankia or of any other company, whether or not a member of its Group), or other comparable securities that may entitle, directly or indirectly, the acquisition of shares of the Company.
- b. Term of the delegation. The issuance of the securities under this authorisation may be carried out in one or more issues within a maximum term of five years reckoned from the date this resolution is adopted.
- c. Maximum amount. The total maximum amount of the issue or issues of securities will be one billion five hundred million (1,500,000,000) euros or its equivalent in other currencies. For purposes of calculation of the aforesaid maximum, in the case of warrants the sum of premiums and exercise prices of the warrants of the issues resolved under this delegation will be taken into account.
- d. Scope of the delegation. The Board of Directors, under the authorisation approved in this resolution, will have authority, by way of illustration and without limitation, to determine for each issue the amount, subject to the aforesaid overall quantitative limit, the place of issue, in or out of Spain, and the currency, with the euro equivalent thereof in the case of foreign-denominated issues; the name or type, whether bonds (*bonos*) or debentures (*obligaciones*), including subordinated instruments, warrants (which may be settled by physical delivery of shares or for cash differences), or any other legally admissible type; the issue date or dates; the number of securities and their par value, which in the case of convertible and/or exchangeable bonds or debentures cannot be less than the nominal value of the shares; in the case of warrants and comparable securities, the issue price and/or premium, the exercise price—which may be fixed or variable—and the procedure, time frame and other conditions governing exercise of the subscription right for the underlying shares or, if applicable, the disapplication of said right; the fixed or variable interest rate, dates and procedures for coupon payments, including the possibility of linking the remuneration to the trading price of the Company's shares or any other indices or parameters; whether they are perpetual or redeemable, and, in the case of the latter, the

types and timing of redemption and date or dates of maturity; the events of conversion. In particular, whether the conversion is on a mandatory or voluntary basis, and if voluntary, at the option of the holder or of the Issuer; the possibility of the securities being additionally or alternatively exchangeable for outstanding shares of the Company or settled by cash differences; the guarantees, redemption rates, premiums and bonuses; the form of representation, whether certificates or book entries; the anti-dilution clauses; the rules for exercising or disapplying the preferential subscription right of the shareholders and, in general the securities subscription and payment rules; the rank of securities and any subordination clauses; the law applicable to the issue; to request, if applicable, to have the issued securities admitted to trading on secondary markets, official or unofficial, organised or over the counter, in or out of Spain, subject to the pertinent legal requirements that apply in each case; and, in general, any other condition of the issue, and, if applicable, appoint the commissioner of the syndicate of holders of the securities issued and approve the fundamental rules that will govern legal relationships between Bankia and the syndicate, if required or if it is decided to form said syndicate.

Likewise, the Board of Directors is empowered, when deemed appropriate, and subject to obtaining the applicable approvals and resolution from the assemblies of the relevant syndicates of securities holders, to modify the conditions of the redemption of the issued fixed income securities and their respective maturities and interest rates, which, where appropriate, result from each of the issues carried out under this authorisation.

- e. Bases for and forms of conversion and/or exchange. For issues of convertible and/or exchangeable bonds or debentures, for purposes of determining the terms and methods of conversion and/or exchange, it is resolved that the following criteria be applied:
- (i) The securities issued under this resolution will be exchangeable for shares of Bankia or any other company, whether or not a member of its Group, and/or convertible into shares of Bankia, using a determined or determinable fixed or variable conversion and/or exchange ratio, the Board of Directors being authorised to determine whether they are convertible and/or exchangeable, and to determine if they are convertible and/or exchangeable, including of a contingent nature, on a mandatory or voluntary basis, and if voluntary, at the option of the holder or Bankia, with the regularity and over the term established in the issue resolution, which may not exceed thirty (30) years after the issue date. The aforesaid time limit will not apply to perpetual securities.
 - (ii) The Board may also decide, in the event that an issue is convertible and exchangeable, that the issuer reserves the right to choose at any time between a conversion to new shares or their exchange for outstanding Bankia shares, specifying the nature of the shares to be delivered when executing the conversion or exchange, and may also choose to deliver a combination of newly issued shares and pre-existing Bankia shares, and may also opt to settle the difference in cash. In any event, the issuer must respect the principle of equal treatment among all fixed income securities holders who convert and/or exchange their securities on the same date.
 - (iii) For purposes of the conversion and/or exchange, the securities will be measured at their par value and the shares at the fixed exchange rate established in the Board of Directors resolution approved under this authorisation, or at the variable exchange rate to be determined on the date or dates indicated in the Board resolution itself, on the basis of stock market trading price of the Bankia shares on the date(s) or in the period(s) taken as reference in that resolution. In any event the fixed exchange ratio thus determined shall not be less than the average price of the shares in the Continuous Market (Mercado Continuo) of Spanish stock exchanges on which the Bankia shares are traded, as per the closing prices, during a period to be determined by the Board of Directors of no longer than three months and no shorter than five calendar days preceding the date the Board of Directors adopts the resolution to issue the fixed-income securities or preceding the date on which the subscribers pay for

the shares, with a premium or, if applicable, a discount on that price per share, although no discount fixed on the share price may be greater than 30% of the value of the shares taken as reference in accordance with the above. In addition, a minimum and/or maximum reference price may be set for the shares for purposes of their conversion and/or exchange, on the terms decided by the Board.

- (iv) It also may be resolved to issue the convertible and/or exchangeable fixed-income securities with a variable conversion or exchange ratio. In this case, the share price for the purposes of the conversion and/or exchange will be the arithmetic mean of the Bankia share closing prices in the Continuous Market during a period to be determined by the Board of Directors of no longer than three months and no shorter than five calendar days preceding the conversion and/or exchange date, with a premium or, if applicable, a discount on that price per share. The premium or discount may be different for each conversion and/or exchange date of each issue (or, if applicable, for each class of any issue), although no discount fixed on the share price may be greater than 30% of the value of the shares taken as reference in accordance with the above. In addition, a minimum and/or maximum reference price may be set for the shares for purposes of their conversion and/or exchange, on the terms decided by the Board.
 - (v) At the time of the conversion and/or exchange, the fractions of shares payable to the holders of securities will by default be rounded down to the nearest whole number, and each holder, if so provided in the terms of the issue, will receive any resulting difference in cash.
 - (vi) Under no circumstances may the value of the share used to calculate the conversion of securities into shares be lower than its nominal value. Likewise, and as provided in article 415 of the Corporations Act, debentures may not be converted into shares when the nominal value of the debentures is lower than that of the shares.
 - (vii) When an issue of convertible and/or exchangeable bonds or debentures is approved under the authorisation contained in this resolution, the Board of Directors will issue a directors' report explaining the terms and method of the conversion that will apply to that issue on the basis of the criteria indicated above. This report will be accompanied by the relevant report of the independent expert who is not Bankia's statutory auditor and who is appointed for this purpose by the Mercantile Register according to article 414 of the Corporations Act.
- f. Terms and procedures for exercise of warrants and similar securities. In the case of issues of warrants, it is resolved to establish the following criteria:
- (i) Issues of warrants will be subject by analogy to the terms of the Corporations Act for convertible debentures. To determine the terms and procedures for their exercise, the Board of Directors is authorised to determine, on the broadest terms, the criteria to be applied to the exercise of the rights to subscribe or acquire shares of Bankia or of another company in or out of the Group, or a combination of any of the same, that derive from the securities of this kind issued under the authorisation granted here. Those issues will be subject to application of the criteria established in section e) above, with the adaptations needed to make them compatible with the legal and financial rules for securities of this kind.
 - (ii) The above criteria will be applicable, mutatis mutandis and insofar as they are applicable, to fixed income issues (or warrants) exchangeable for shares of other companies. Where applicable, references to Spanish stock exchanges will be understood to be made, where such is the case, to the markets where said shares are traded.

- g. This authorisation to the Board of Directors also includes, by way of illustration and without limitation, delegation to the Board of the following powers:
- (i) The authority of the Board of Directors, under the provisions of article 511 of the Corporations Act together with article 417 of that Act, to disapply the preferential subscription rights of shareholders, in whole or in part. If the issue of the convertible securities involves disapplication of the preferential subscription right of shareholders, the Company shall only issue convertible securities provided the capital increase required for their conversion, in aggregate with such increases as may have been approved under the other authorisations granted by the General Meeting, does not exceed 20% of the total share capital figure at the time of the authorisation. In this regard, both the capital increases under the preceding point of the Agenda and the issues of convertible securities in which there has been a disapplication of preferential subscription rights will be taken into account in the computation of this maximum. In any event, if the Board of Directors resolves to withdraw shareholders' preferential subscription rights on a specific issue of convertible debentures or bonds, warrants or other similar securities which it may eventually decide to carry out under the terms of this authorisation, it will, at the same time it approves the issue and pursuant to applicable legislation, issue a report detailing the specific reasons of corporate interest which justify said measure, which will be the subject of the pertinent report of the independent expert appointed by the Commercial Registry, other than Bankia's auditor, in accordance with articles 414, 417 and 511 of the Corporations Act. Said reports would be made available to the shareholders and communicated to the first General Meeting held after the issue resolution.
 - (ii) The authority to increase the capital in the amount needed to execute the requests for conversion and/or exercise of share subscription rights. Said powers may only be exercised insofar as the Board, when calculating the sum of the capital increase to address the issue of convertible debentures, warrants and other similar securities and any other capital increases which may have been agreed pursuant to the approvals granted by this General Meeting of shareholders, does not exceed the limit of half of the total share capital at the time of the authorisation, as provided in article 297.1.(b) of the Corporations Act. This authorisation to increase the capital includes the authority to issue and place in circulation, in one or more operations, the shares representing the capital that are needed to carry out the conversion and/or exercise of share subscription rights, as well as to amend the Bylaws article on the capital figure and, if applicable, to cancel that part of the capital increase that proves to not be necessary for the conversion and/or exercise of the share subscription rights.
 - (iii) The authority to develop and specify the bases for calculation and the formats for the conversion and/or exercise of preferential subscription rights and/or acquisition of shares, deriving from the securities to be issued, in accordance with the criteria listed in the foregoing paragraphs.
 - (iv) The delegation to the Board of Directors encompasses the broadest authority required by law for the interpretation, application, execution and development of the resolutions on the issuance of securities convertible into or exchangeable for shares of Bankia, on one or more occasions, and the accompanying capital increase, similarly granting it powers to correct or supplement them in any way required, as well as to comply with any requirements imposed by law to implement them successfully, being entitled to correct omissions or defects in said resolutions, identified by any authorities, officials or agencies, whether Spanish or foreign, also being authorised to adopt such resolutions and execute such public or private documents as may be deemed to be necessary or appropriate to adapt the foregoing resolutions on the issuance of convertible or exchangeable securities and the corresponding capital increase to the verbal or written review of the Mercantile

Registrar, and, in general, of any other competent authorities, officials or institutions in or out of Spain.

- h. Admission to trading. Authority is delegated to the Board of Directors of Bankia to apply, where appropriate, for admission to trading on official or unofficial secondary markets, organised or over the counter, in or out of Spain, for the convertible and/or exchangeable debentures and/or bonds or warrants issued by Bankia under this authorisation, with the Board of Directors being given powers as broad as legally required to carry out the formalities and actions needed for the admission to trading before the competent bodies for the various Spanish and foreign securities markets.

Authority is likewise delegated to the Board of Directors to apply for admission to trading of such new ordinary shares as may be issued to execute the conversion of the securities issued under this resolution on the Securities Exchanges or on any other markets in which the Company's shares are quoted at the time this resolution is executed, as well as their for inclusion in the Spanish stock market interconnection system (SIBE).

It is expressly placed on record that any possible subsequent application for delisting will be carried out with the same formalities as the application for admission to trading, insofar as they apply, and in such event the interests of the shareholders or debenture holders who voted against or did not vote on the resolution will be guaranteed on the terms provided by the applicable laws. It is likewise expressly declared that Bankia submits to the rules that exist or which may in the future be dictated on securities exchange matters and, especially, on trading, continuation of listing and delisting.

- i. Guarantee of issues of convertible and/or exchangeable fixed income securities or warrants by controlled companies. Under the provisions of the Bylaws, the Board of Directors also is authorised to extend Bankia's guarantee, within the limits indicated above, to new issues of convertible and/or exchangeable fixed income securities or warrants by controlled companies while this resolution is in effect.
- j. Delegation authority. The Board of Directors in turn is expressly authorised to delegate the authority referred to in this resolution under the provisions of article 249.bis.l) of the Corporations Act.

This delegation of authority to the Board of Directors replaces the delegation granted by the General Meeting of Shareholders of the Company held on 10 April 2018, which will therefore be rendered void.

6. Reduction of the share capital by fifteen million five hundred eighty-seven thousand nine hundred seventy-eight (15,587,978.00) euros with the cancellation (or retirement) of fifteen million five hundred eighty-seven thousand nine hundred seventy-eight (15,587,978) own shares held as treasury stock. Delegation of authority to the Board of Directors, with authority to subdelegate, to fix the terms of the reduction in respect of all matters not covered by this resolution.

Approve the reduction of the share capital of the Company by fifteen million five hundred eighty-seven thousand nine hundred seventy-eight (15,587,978.00) euros, through the retirement of fifteen million five hundred eighty-seven thousand nine hundred seventy-eight (15,587,978) shares held by the Company as treasury stock, each with a par value of one euro (€1.00).

The purpose of the capital reduction is therefore to retire own shares of the Company under article 317.2 of the Corporations Act and it is done in order to set up a restricted voluntary reserve on the terms of article 317.1 of the Corporations Act.

Once the reduction of share capital has been executed, article 5 of the Bylaws on the share capital will have to be amended to reflect the post-reduction share capital figure, and the resulting number of shares outstanding.

The reduction of share capital through the retirement of own shares (i) is done with a charge to voluntary or unrestricted reserves, allocating the equivalent amount of the retired shares to a reserve that can only be drawn on subject to the requirements stipulated for reductions of share capital under article 335 C) of the Corporations Act, and (ii) does not involve return of contributions as the shares are owned by the Company.

In accordance with article 335 C) of the Corporations Act, the Company's creditors do not have the right to object provided for in article 334 of said statute.

The time limit for the reduction is set at a maximum of one (1) year, reckoned from the date of fulfilment of the condition precedent to which it is subject, for having these resolutions notarised and for filing the related public deed with the Mercantile Register of Valencia for registration therein.

It is resolved to authorise the Board of Directors, as broadly as required in Law and with express powers to delegate this authority to the Chairman, to the Chief Executive Officer, to one or more directors, to the Secretary and to the Assistant Secretary so that any one of them indistinctly may execute this resolution, with capacity, in particular, by way of example and without limitation, to:

- (i) Expand and develop this resolution, specifying the terms and conditions of the reduction insofar as concerns all questions not provided for therein.
- (ii) Carry out all necessary acts to comply with the requirements of the Corporations Act, the Consolidated Text of the Stock Market Law, Royal Decree 878/2015 of 2 October 2015 on clearing, settlement and registration of negotiable securities represented as book entries, on the legal regulation of central depositaries of central counterparties and on transparency requirements for issuers of securities admitted to trading in an official secondary market, and the rest of the applicable rules, including publication of the relevant required notices.
- (iii) Carry out the acts and formalities needed to obtain the consents and authorisations that are required for the full effectiveness of this resolution, including, if applicable, the consent of the syndicates of holders of Companies debentures in accordance with article 411 of the Corporations Act.
- (iv) Carry out on behalf of the Company any action, statement or formality that is required before the Comisión Nacional del Mercado de Valores ("CNMV"), Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR), the Governing Corporations of the Stock Markets, the securities settlement and clearing service and any other public or private body or entity or registry, in or out of Spain, in relation to the reduction of capital referred to by this resolution and, in particular, so that, with effect as from the first trading session determined by the latter, upon prior execution of the deed of reduction of capital and its registration in the Mercantile Register, the retired shares be technically excluded from trading.
- (v) Amend Bylaws article 5 on the share capital to reflect the new capital figure.
- (vi) Draft and publish all such announcements as may be necessary or convenient in relation to this reduction of share capital.
- (vii) Execute on behalf of the Company all such public or private documents as may be necessary or convenient for the reduction of capital and, in general, carry out all

requisite formalities for the best execution of this resolution and the effective reduction of capital.

- (viii) Correct defects in, clarify, interpret, specify or supplement the resolutions adopted by the General Meeting of Shareholders, or the deeds or documents executed to implement those resolutions, and, in particular, all such defects, omissions or errors, substantive or formal, as may impede entry of the resolutions and their consequences in the Mercantile Register, the Official Registers of the CNMV or any others.
- (ix) In general, perform all acts that are necessary or convenient for the successful completion of the reduction of capital.

Without prejudice to the above, authority is expressly delegated to the Board of Directors to not execute the resolution if, in its judgment, market conditions in general or other circumstances that could affect the Company's interests, prevent execution of this resolution or render its execution unadvisable for reasons of corporate interest, in which event the Board shall report the decision not to execute the capital reduction by submitting the relevant material disclosure to the CNMV website.

A condition precedent for the effectiveness of this resolution to reduce capital is that there be obtained such regulatory and other authorisations as may be necessary, in particular, if mandatory, the authorisation from the European Central Bank for this capital reduction.

7. Authorisation enabling the derivative acquisition by the Board of Directors of own shares of the Company subject to the limits and to the requirements established by the Corporations Act. Delegation within the Board of Directors of the authority to execute the resolution, annulling the authority conferred at the previous General Meeting.

Authorise the Board of Directors, on the broadest possible terms, to acquire own shares of Bankia, directly or through companies in its Group, subject to the following limits and requirements:

- a. Forms of acquisition: acquisition by way of purchase, by way of any other "inter vivos" act for consideration or any other transaction permitted by law, including out of profits for the fiscal year and/or unrestricted reserves.
- b. Maximum number of shares to be acquired: the acquisitions may be made, from time to time, on one or more occasions, up to the maximum permitted by law.
- c. The price or consideration: will vary from a minimum equal to the lesser of nominal value and 75% of the stock market price on the date of acquisition, and a maximum equal to up to 5% more than the maximum price achieved by the shares in free trading (including the block market) in the Continuous Market session on the date of acquisition.
- d. Duration of the authorisation: five (5) years from the date of this resolution.

The conduct of these transactions will furthermore be in compliance with the rules in this regard contained in the Bankia Internal Rules of Securities Market Conduct.

Authorise the Board of Directors so that it may sell or redeem the shares acquired or use the own shares acquired, in whole or in part, for implementation of remuneration schemes that have delivery of shares or option rights on shares as their purpose or result therein, in accordance with the provisions of article 146.1.a) of the Corporations Act.

This delegation of authority to the Board of Directors replaces the delegation granted by the General Meeting of Shareholders of the Company held on 10 April 2018, which will therefore be rendered void.

The Board of Directors is authorised, on the broadest terms, to use the authorisation covered by this resolution for full implementation and development thereof, being entitled to delegate this authority, without distinction, to the Executive Chairman, to any of the directors, to the General Secretary and to the Board Secretary or any other person the Board expressly authorises for this purpose, with such breadth as it deems to be appropriate.

8. Authorisation of the Board of Directors to distribute interim dividends during 2019.

Authorise the Board of Directors so that it can resolve to distribute interim dividends against the profits recorded by the company as from the start of the present financial year (1 January 2019), subject to the following terms and conditions:

- (i) The amount distributable as interim dividend shall not exceed, in accordance with article 277 of the Corporations Act, the profit obtained since the end of the last financial year (31 December 2018), minus losses carried forward from previous years and the sums that must be allocated to the mandatory legal reserve, and the estimated tax payable on those profits.
- (ii) Before approving the interim dividend distribution resolution, the Board of Directors shall:
 - a. Check for fulfilment of the prudential requirements for credit institutions under Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, and amending Regulation (EU) 648/2012, and for fulfilment of the requirements for dividend distributions by credit institutions according to the European Central Bank Recommendation of 7 January 2019.
 - b. Draw up an accounting statement demonstrating there is sufficient liquidity for the proposed dividend distribution.
- (iii) Subject to fulfilment of the above requirements and restrictions, the Board of Directors may use this authorisation and resolve to distribute interim dividends one or more times and at any time during the current financial year until, at latest, the closing date thereof (31 December 2019).

After adopting the resolution to distribute interim dividends pursuant to this authorisation, the Board of Directors will draw up and publish all such announcements as may be necessary or convenient and carry out the requisite formalities for full and effective execution of this resolution.

9. Approval of the remuneration policy for Bankia directors.

Approve, in accordance with article 529 novodecies of the Spanish Corporations Act, and articles 21.1.r) and 49.9 of the Bylaws, the Remuneration Policy for Directors of Bankia, S.A. for 2019, 2020 and 2021, the text of which has been made available to the shareholders together with the rest of the General Meeting of Shareholders documentation as from the date of the notice of call of the meeting—in particular, the reasoned proposal of the Board of Directors, accompanied by the prescribed report of the Remuneration Committee—and which fixes the maximum number of shares to be delivered to executive directors pursuant to the policy. The number of shares to be delivered will be adjusted proportionally if made necessary by a change in the share capital (including, a split or reverse split of Bankia shares or possible capital reductions or increases).

Implementation of this resolution is in all events subject to attainment of such regulatory and other authorisations as may be needed.

10. Approval for part of the 2018 and 2019 annual variable remuneration of Executive Directors to be paid in Bankia shares.

In accordance with the provisions of article 34.1.l) of Law 10/2014 of 25 June 2014 on the regulation, supervision and solvency of credit institutions (hereinafter, "LRSS"), and of its implementing regulations, and of the Directors Remuneration Policy of Bankia, S.A. (hereinafter, "Bankia", the "Bank" or the "Entity"), at least 50% of the annual variable remuneration of Executive Directors must be paid in shares. In addition, in accordance with the provisions of article 219 of the Corporations Act (hereinafter, the "LSC"), and of articles 21.1.r) and 49.7 of the Bylaws of Bankia, paying part of the annual variable remuneration of the Executive Directors of Bankia in shares of the Entity requires a resolution of the General Meeting of Shareholders.

In accordance with all of the above, the General Meeting of Shareholders of Bankia held on 10 April 2018 authorised that a maximum of 93,798 shares, representing 0.00304% of the Bankia share capital be awarded to the Executive Directors of the Bank who receive annual variable remuneration. The foregoing implies award, as part of their annual variable remuneration for 2018, of: (i) a maximum of 31,266 shares to Mr. José Ignacio Goirigolzarri Tellaeché, (ii) a maximum of 31,266 shares to Mr. José Sevilla Álvarez and (iii) a maximum of 31,266 shares to Mr. Antonio Ortega Parra.

In 2019, the Board of Directors of the Bank has assessed the degree of achievement of the targets to which the 2018 annual variable remuneration was tied, and determined the amount payable to each Executive Director in respect thereof. In addition, according to the terms of Directors Remuneration Policy then in force, the number of shares payable to each Director has been determined taking into account the average trading price of Bankia shares in the last three months of 2018 (2.898 euros per share). Based on the above, the final number of shares payable to each Executive Director in respect of their annual variable remuneration for 2018 would be higher than the maximum number of shares authorised by the Bankia General Meeting of Shareholders held on 10 April 2018.

In addition, and in order to pay part of the 2019 annual variable remuneration in shares, in accordance with the provisions of the LRSS and its implementing regulations, a resolution must be approved submitting to the General Meeting of Shareholders the maximum number of shares that may be paid to the executive directors in respect of their annual variable remuneration for 2019.

For these purposes, the following resolutions are submitted to the General Meeting of Shareholders for approval:

10.1 Revocation of the resolution adopted at the General Meeting of Shareholders held on 10 April 2018, under point 7 of the Agenda, which proposed that part of the 2018 annual variable remuneration of executive directors be paid in Bankia shares. In substitution of the revoked resolution, approval for part of the 2018 annual variable remuneration of executive directors to be paid in Bankia shares.

Revoke and set aside the resolution adopted by the General Meeting of Shareholders on 10 April 2018, under point 7 of the Agenda, and in substitution thereof, it is proposed that a new resolution be approved for part of the annual variable remuneration of Executive Directors of Bankia for 2018 to be paid in Bankia shares, in accordance with articles 219 and 511 bis 1.c) of the Corporations Act, articles 21.1.r) and 49.7 of the Bylaws, the Directors Remuneration Policy then in force, and pursuant to the obligations on settlement and payment of variable remuneration set out in the LRSS, on the following terms:

1. The General Meeting of Shareholders is expressly requested to resolve on the authorisation to award the Executive Directors of Bankia a maximum number of shares, representing 0.003915% of the Bank's present share capital, in respect of 50% of the 2018 annual

variable remuneration of executive directors payable in the event of fulfilment of the conditions and achievement of the objectives set out in the annual variable remuneration system contained in the Executive Directors Remuneration Policy approved at the General Meeting of 24 March 2017. The shares are as specified below:

Shares in respect of the annual variable remuneration for 2018, 120,786 shares, representing 0.003915% of the share capital.

Of those shares there may be delivered:

39,394 to Mr. José Ignacio Goirigolzarri Tellaeché

40,765 to Mr. José Sevilla Álvarez, and

40,627 to Mr. Antonio Ortega Parra.

Some 50% of the shares will be delivered, if applicable, three years after the date on which the number of shares to be awarded has been determined, 25% after 4 years and the remaining 25% after 5 years (hereinafter, "Date of Delivery").

2. The procedure for delivering the shares and the requirements for their subsequent sale or transfer will be subject to the conditions and requirements laid down in the laws and regulations applicable to rules for credit institutions and to the requirements regarding payment of variable remuneration of executive directors, senior managers and members of the Identified Group that are provided, if applicable, by the LRSS and its implementing rules, the Bank of Spain, the European Banking Authority any other competent body, and to the Directors Remuneration Policy of Bankia.
3. In any event, the shares accrued as annual variable remuneration will be delivered only if sustainable in view of Bankia's situation and if justified by the results obtained by the Entity.
4. The final number of shares payable has been determined on the basis of the average trading price of Bankia shares in the last three months of 2018 (2.898 euros per share).

The value of the shares at the Delivery Date will be the closing price of the Bankia share on each share Delivery Date.

5. Payment of annual variable remuneration in Bankia shares may be done using own shares held as treasury stock or such other suitable financial instrument as may be advisable.
6. The Board of Directors is authorised to make the appropriate decisions to manage and administrate the delivery of shares properly, at the proposal of the Remuneration Committee. This specifically includes authority to modify the delivery conditions where necessary in order to comply with the requirements arising from legal provisions or interpretations or instructions issued in relation to present or future rules by any competent authorities and, in particular but without limitation, by the Bank of Spain or the European Banking Authority.

It is furthermore resolved to delegate to the Board of Directors all such powers as may be necessary to implement, develop and execute the delivery of shares, adopting any resolutions and signing any public or private documents that are needed or appropriate for the full effectiveness thereof, including, without limitation, authority to:

- (a) Correct, rectify, modify or supplement this resolution.
- (b) Adapt the delivery of shares to the circumstances or corporate operations that may take place during its term which, in the Board's opinion, have significant effect on the shares or on the Entity, or on the initially stipulated objectives and conditions, or as a

result of operations that change the par value of the shares, subject to the limits set out in the Spanish Corporations Act, the LRSS and the rest of the applicable laws and regulations.

- (c) Negotiate, agree and sign counterparty and liquidity contracts with the financial institutions freely designated by the Board, on the terms and conditions it deems fit.
 - (d) Draft, sign and present any public or private notice or document deemed necessary or appropriate by any public or private body for the implementation and execution of the delivery of shares.
 - (e) Carry out any action, make any declaration or pursue any procedure before any body, public entity, or agency, registry or private entity to obtain any authorisation or verification needed for implementation of the Plan.
 - (f) And, in general, carry out any action and sign any document considered necessary or convenient for the validity, effectiveness, implementation, development and execution of the delivery of shares.
7. Implementation of this resolution is in all events subject to attainment of such regulatory and other authorisations as may be needed.

10.2 Approval for part of the 2019 annual variable remuneration of executive directors to be paid in Bankia shares.

Approve, in accordance with articles 219 and 511 bis 1.c) of the Corporations Act and articles 21.1.r) and 49.7 of the Bylaws, for part of the 2019 annual variable remuneration of the Executive Directors of Bankia to be paid in Bankia shares, as provided in the Directors Remuneration Policy in effect, and pursuant to the obligations on settlement and payment of variable remuneration set out in the LRSS, on the following terms:

1. The General Meeting of Shareholders is expressly requested to resolve on the authorisation to award the Executive Directors of Bankia a maximum number of shares, representing 0.00419% of the Bank's present share capital, in respect of 50% of the 2019 annual variable remuneration of executive directors payable in the event of fulfilment of the conditions and achievement of the objectives set out in the annual variable remuneration system contained in the Executive Directors Remuneration Policy in force. The shares are as specified below:

Shares in respect of the 2019 annual variable remuneration: 129,399 shares, representing 0.00419% of the share capital.

Of those shares there may be delivered:

43,133 shares to Mr. José Ignacio Goirigolzarri Tellaeché

43,133 shares to Mr. José Sevilla Álvarez, and

43,133 shares to Mr. Antonio Ortega Parra.

Some 50% of the shares will be delivered, if applicable, three years after the date on which the number of shares to be awarded has been determined, 25% after 4 years and the remaining 25% after 5 years (hereinafter, "Delivery Dates").

2. The procedure for delivering the shares and the requirements for their subsequent sale or transfer will be subject to the conditions and requirements laid down in the laws and regulations applicable to rules for credit institutions and to the requirements regarding payment of variable remuneration of executive directors, senior managers and members of

the Identified Group that are provided, if applicable, by the LRSS and its implementing rules, the Bank of Spain, the European Banking Authority any other competent body, and to the Directors Remuneration Policy of Bankia.

3. In any event, the shares accrued as annual variable remuneration will be delivered only if sustainable in view of Bankia's situation and if justified by the results obtained by the Entity.
4. The final number of shares to be delivered will be determined by reference to the average trading price of Bankia shares in the last three months of 2019.

The value of the shares at the Delivery Date will be the closing price of the Bankia share on each share Delivery Date.

5. Payment of annual variable remuneration in Bankia shares may be done using own shares held as treasury stock or such other suitable financial instrument as may be advisable.
6. The Board of Directors is authorised to make the appropriate decisions to manage and administrate the delivery of shares properly, at the proposal of the Remuneration Committee. This specifically includes authority to modify the delivery conditions where necessary in order to comply with the requirements arising from legal provisions or interpretations or instructions issued in relation to present or future rules by any competent authorities and, in particular but without limitation, by the Bank of Spain or the European Banking Authority.

It is furthermore resolved to delegate to the Board of Directors all such powers as may be necessary to implement, develop and execute the delivery of shares, adopting any resolutions and signing any public or private documents that are needed or appropriate for the full effectiveness thereof, including, without limitation, authority to:

- (a) Correct, rectify, modify or supplement this resolution.
 - (b) Adapt the delivery of shares to the circumstances or corporate operations that may take place during its term which, in the Board's opinion, have significant effect on the shares or on the Entity, or on the initially stipulated objectives and conditions, or as a result of operations that change the par value of the shares, subject to the limits set out in the Spanish Corporations Act, the LRSS and the rest of the applicable laws and regulations.
 - (c) Negotiate, agree and sign counterparty and liquidity contracts with the financial institutions freely designated by the Board, on the terms and conditions it deems fit.
 - (d) Draft, sign and present any public or private notice or document deemed necessary or appropriate by any public or private body for the implementation and execution of the delivery of shares.
 - (e) Carry out any action, make any declaration or pursue any procedure before any body, public entity, or agency, registry or private entity to obtain any authorisation or verification needed for implementation of the Plan.
 - (f) Assess the degree of achievement of the targets charted for awarding the shares in order to proceed to their delivery. For these purposes, the Board of Directors may rely on the advice of an independent expert.
 - (g) And, in general, carry out any action and sign any document considered necessary or convenient for the validity, effectiveness, implementation, development and execution of the delivery of shares.
7. Implementation of this resolution is in all events subject to attainment of such regulatory and other authorisations as may be needed.

11. 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, indistinctly, 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 Mercantile Register, including requests for partial registration, including with authority for correction or rectification in light of the verbal or written review undertaken by the Registrar.

12. Submission for consultative vote of the annual report on remuneration of members of the Bankia Board of Directors.

Approve, on a consultative basis, the Annual Report on 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 according to the form approved by Circular 2/2018 of 12 June 2018 of the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores; CNMV) amending Circular 5/2013 of 12 June 2013, setting out the forms for the annual corporate governance report of listed public companies and other issuers of securities admitted to trading on official securities markets, and Circular 4/2013 of 12 June 2013, setting out the forms for the annual report on remuneration of directors of listed public companies and of members of the board of directors and control committee of government savings banks (*cajas de ahorro*) that issue securities admitted to trading on official securities markets; which report has been submitted to the CNMV and published in the relevant material disclosure dated 20 February 2019 and made available to the shareholders as from the call of this General Meeting and which, upon a prior favourable report from the Remuneration Committee, is submitted to the General Meeting of Shareholders.

13. Information on amendments made to the Board of Directors Regulations, which affect Article 14 (Audit and Compliance Committee) and on the approval of the Regulations of the Audit and Compliance Committee.

The General Meeting is informed of the resolutions approved by the Board of Directors on 26 April 2018, upon the prior favourable report of the Audit and Compliance Committee, which involved amending article 14 (Audit and Compliance Committee) of the Board of Directors Regulations, in order to apply the recommendations of CNMV Technical Guidelines 3/2017 regarding audit committees of public interest entities and therein stipulate that the rules of the Audit and Compliance Committee may be developed in a specific set of Regulations for that Committee, and approval of the Regulations of the Audit and Compliance Committee.

Both the Board of Directors Regulations and the Regulations of the Audit and Compliance Committee are posted on the corporate website of the Company (www.bankia.com), are entered in the Mercantile Register and have been notified to the CNMV.

Transcribed below is article 14 of the Board of Directors Regulations, specifying the modifications that have been made:

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 ~~formally agreed~~ 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 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 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 Company's internal control, the internal audit, the regulatory compliance, and systems for risk management, and discussing significant weaknesses in the internal control system detected in the performance 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 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;*
 - *periodically reviewing the internal control and risk management systems, so that the principal risks are identified, managed and appropriately disclosed;*
 - *safeguard the independence and effectiveness of the internal audit and regulatory compliance functions; review the internal audit directorate's annual work plan, annual budget and annual resource plan, which must be approved by the board of directors; make proposals for the selection, appointment and removal of the head of the internal audit functions, who must report any internal audit incidents directly to the committee and at the end of each year submit a report of activities; propose the budget for the internal audit services; receive periodic reports on their activities; and ensure 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, on a confidential basis, to communicate potentially significant irregularities, specially financial and accounting, arising within the Company, promoting 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; and*
 - *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 the process of preparation and presentation of the required 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 financial information which the Company must make public on a regular basis.*
 - *reviewing the Company's accounts, monitoring compliance with legal requirements and proper application of generally accepted accounting principles, 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 their 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 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 legislation on 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 governance and compliance rules, and making the necessary proposals for improvement thereof. In particular, the audit and compliance committee is to:*
- *Supervise the shareholder and investor communications and relationships strategy, including small and medium-sized shareholders.*
 - *Periodically evaluate the adequacy of 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, irrespective 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 on any other transactions or operations of a comparable nature whose complexity might impair the transparency of the Group.*
- i) *Reporting in advance to the board of directors on any matters within its remit envisaged by law, the bylaws and the board regulations.*

j) 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 developed in the regulations of the audit and compliance committee.*