

## 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 the complete text of the resolutions adopted by the Ordinary General Shareholders' Meeting held today, at first call, in relation to the points included on the agenda in the call of the meeting, which was reported via relevant event number 274967 on 21<sup>st</sup> February 2019.

It should be noted that all of the proposals made by the Board of Directors of Bankia, S.A. have been approved by the General Shareholders' Meeting.

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

Madrid, 22<sup>nd</sup> March 2019

BANKIA, S.A.

## **RESOLUTIONS ADOPTED BY THE ORDINARY GENERAL MEETING OF SHAREHOLDERS OF BANKIA, S.A. HELD ON 22 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.