

ANNEX 1

**ANNUAL REPORT ON REMUNERATION OF THE BOARD MEMBERS
OF LISTED PUBLIC LIMITED COMPANIES**

ISSUER IDENTIFICATION DATA

REFERENCED TO THE YEAR ENDED	31/12/2016
C.I.F.	A-58389123
CORPORATE NAME	GRIFOLS, S.A.
REGISTERED OFFICE	CALLE JESÚS Y MARÍA, 6, 08022 BARCELONA

**TEMPLATE OF ANNUAL REPORT ON REMUNERATION OF THE BOARD
MEMBERS OF LISTED PUBLIC LIMITED COMPANIES**

A COMPANY REMUNERATION POLICY FOR THE CURRENT FISCAL YEAR

A.1 Explain the remuneration policy of the Company. In this section, information is to be included on the following:

- General principles and fundamentals of the remuneration policy.
- The most significant changes made in the remuneration policy compared to that applied during the previous financial year, as well as those modifications that may have been made during the financial year of the conditions for the exercising of options already granted.
- Criteria used and composition of similar corporate groups whose remuneration policies have been examined to establish the remuneration policy of the company.
- Relative importance of the variable compensation concepts in relation to those fixed and criteria followed to determine different components of the directors' remuneration package (remuneration mix)

Explain the remuneration policy

The remuneration system of the members of the Board of Directors and the remuneration policy of the Company aims to remunerate directors adequately based on their commitment, qualifications and effective responsibility, ensuring that it does not become an obstacle to their independence and that said remuneration is in accordance to market requirements. The directors' remuneration policy included in the Annual Remuneration Report corresponding to the financial year 2014, approved, on consultative vote, by the General Shareholders' Meeting of the Company held on 29 May 2015 is applicable during the three financial years following the year of its approval, in accordance with article 529 *novodecies* of the Spanish Companies Act, pursuant to the provisions of the Transitional Provision of Law 31/2014, of 3 December, amending the Spanish Companies Act in matters of corporate governance.

The remuneration regime of the members of the Board of Directors and the remuneration policy are regulated in the Company's Articles of Association and in the Regulations of the Board of Directors.

A. Articles of Association of the Company

Article 20.bis of the Articles of Association establishes that the remuneration of the board members as such shall be a fixed amount. To that end, the General Shareholders' Meeting will approve, at least every three years and with validity for the three years following the year of its approval, the directors' remuneration policy, which shall necessarily set out the maximum amount of the annual remuneration to be paid to all the directors as such, and the Board of Directors shall be in charge of its distribution among the members. The duties and responsibilities of each director, the membership to Board committees and other relevant objective circumstances shall be taken into account when distributing the amount.

Notwithstanding the foregoing, the directors will have the right to be refunded any expenses incurred upon while holding their office, and to receive remuneration for performing their executive duties specified in the contracts approved in accordance with the Spanish Companies Act, as long as it adjusts to the directors' remuneration policy approved by the General Shareholders' Meeting pursuant to the Company's Corporate Governance System and any applicable legal provision.

B. Regulations of the Board of Directors of the Company

Articles 26 and 27 of the Regulations of the Board of Directors complement and develop article 20.bis of the Articles of Association and establish that the directors' remuneration policy must include, necessarily, the maximum annual remuneration to be paid to all directors in their capacity as such.

With respect to the remuneration of the directors for performing executive duties, the policy must include: (i) the amount of the annual fix remuneration and its variation during the period to which the policy refers; (ii) the different parameters to set the variable components; and (iii) the main terms and conditions of their contracts including, in particular, duration, severance payments or compensations for the early termination of their relationship, and exclusivity, post-contractual non-competition, and retention or loyalty agreements.

The Board of Directors, with the guidance of the Appointments and Remuneration Committee, shall adopt all measures within its reach to guarantee that the remuneration of non-executive directors is in line with the following directives:

- (a) the non-executive director should be remunerated in relation to his actual dedication, qualification and responsibility;
- (b) the non-executive director should be excluded from remuneration systems based on receiving shares in the Company or companies of the Group, stock options or financial instruments referenced to the value of the share, in variable remunerations linked to the Company's profits or welfare systems;

This directive, however, shall not affect the receiving of shares in the Company, on the condition that the directors keep them until their resignation as director;

- (c) The amount of the non-executive director's remuneration should be calculated in order to encourage dedication, but not become an obstacle to independence.

C. Changes in the remuneration policy

1. During fiscal year 2016 there have been no changes in the Company's remuneration system. However, it is convenient to remind that, on 10 December 2015, the Succession Plan was approved, as well as notified on 14 December 2015. On 1 July 2016, the Succession Plan started to be implemented, affecting the remuneration policy as detailed below.

Year 2016 was a transitional year, as Victor Grifols Deu, son of Victor Grifols Roura, Chairman and Chief Executive Officer of the Company, joined the Board of Directors, after the General Shareholders' Meeting gave its approval on 27 May 2016. Additionally, Raimon Grifols Roura, brother of the Chief Executive Officer, also joined the company in an executive position, leaving his post as a partner in a law firm. This was the first stage of the Succession Plan which began a transitional management that ended on 1 January 2017.

In accordance with article 249 of the Spanish Companies Act, the new directors' senior management contracts were approved by the Board of Directors on 27 May 2016, although they did not enter into effect until 1 July 2016. Both contracts comply with the Company's remuneration policy and were approved by the Appointments and Remuneration Committee.

The incorporation of these two directors in the category of "executive directors" has not changed the remuneration policy.

2. With effect from 1 January 2017, and as set out in the Succession Plan, Mr. Victor Grifols Roura resigned as Chief Executive Officer, staying on as non-executive Chairman of the Board of Directors. That same day, Raimon Grifols Roura and Victor Grifols Deu became the Chief Executive Officers of the Company. The appointments took place during the meeting of the Board of Directors held on 16 December 2016.

Therefore, as of 1 January 2017, the Company's remuneration policy changed owing to the position held by Victor Grifols Roura as non-executive Chairman of the Board of Directors, as his remuneration for his role in the Company is different to that of the other members of the Board of Directors, as described in section A3.

The remuneration of the Chairman of the Board of Directors will be a fixed annual amount of 965 (in thousands of euros) for fiscal year 2017. The Chairman of the Board of Directors will no longer perceive a variable remuneration. The remuneration of Mr. Grifols has been determined taking into account his proven experience as director and Chairman of Grifols, S.A., in addition to his

knowledge in the sector where the Company operates. During fiscal year 2017, a proposal will be made to the General Shareholders' Meeting to renew Mr. Grifols' position as director for an additional 4 years period.

When deciding the remuneration of Mr. Grifols, which is the same fixed amount he had when he held an executive position, excluding any variable amount, the additional duties that he will carry out, as well as those set out in the Spanish Companies' Act for the position of Chairman of the Board of Directors, were taken into account. In particular, but not limited to, these duties are related to: (i) the internal procedures of the Board of Directors, (ii) the advising of the Chief Executive Officers, (iii) corporate governance, (iv) the composition and efficiency of the Board of Directors, (v) the external representation of the Company.

It should be highlighted that Mr. Grifols has not received any compensation for the termination of his executive role and duties.

A.2 Information on preparatory work and the decision-making process that has been followed in order to determine the remuneration policy and the role performed, where applicable, by the Remuneration Committee and other bodies of control in the configuration of the remuneration policy. This information shall, where applicable, include the mandate given to the Remuneration Committee, its composition, and the identity of any external advisors whose services may have been used to define the remuneration policy. Additionally, the character of those board members who, where applicable, may have intervened in the definition of the remuneration policy shall be expressed.

Explain the process to determine the remuneration policy

According to the Regulations of the Board of Directors, board members shall be entitled to obtain the remuneration established by the Board of Directors under the provisions of the Articles of Association and other regulations and in accordance with the indications of the Appointments and Remuneration Committee, ensuring that the remuneration is moderate and based on market requirements.

In this regard, article 15 of the Regulations of the Board of Directors regulates how the Appointments and Remuneration Committee operates; this committee must meet at least once a year to prepare information on the remuneration of the board members, and the Board of Directors must approve it and include it in its annual public documentation.

The duties of the Appointments and Remuneration Committee include: (i) recommending, to the Board of Directors, the remuneration policy of the directors and general managers or anyone performing top-level management duties under the direct supervision of the Board, executive committees or Chief Executive Officers, as well as the individual remuneration and other contractual terms regarding the executive directors, ensuring its fulfilment and (ii) periodically reviewing the remuneration programmes for executive officers, taking into account their competence and performance.

Composition of the Appointments and Remuneration Committee: In accordance with the Spanish Companies' Act, the Appointments and Remuneration Committee is exclusively formed by non-executive directors, of which at least two are independent.

On the date this report is issued, the Appointments and Remuneration Committee is formed by:

- Marla E. Salmon – Chairman – Independent
- Luís Isasi Fernández de Bobadilla – Member – Independent
- Tomás Dagá Gelabert – Member – Other External
- Núria Martín Barnés – Secretary non-member

The Appointments and Remuneration Committee met on 10 December 2015 to review the Company's remuneration policy to be applied in 2016. Following the proposal of the Appointments and Remuneration

Committee, this policy had been previously reviewed by the Company's Human Resources Department, which compared the policy applied by the Company to that of similar companies, and the policy was later approved by the Board of Directors.

The analysis was based in the selection of a number of comparable companies listed in the main index of the Spanish stock market, named IBEX-35, and, hence, incorporated the principal Spanish companies taking into account their dimension, international implantation and main characteristics, as well as the companies related to the plasma industry. On the basis of this analysis, Grifols' remuneration appears to be moderated, especially when it is compared in terms of stock market capitalisation.

Moreover, according to the annual report on the remuneration of the board members of listed public limited companies of fiscal year 2014, last approved by the CNMV, the average remuneration of executive chairman from the IBEX is close to 3.3 million euros, and the average remuneration of executive directors (excluding chairman and Chief Executive Officers) is of 2.1 million euros. Therefore, the remuneration of the executive directors and executive chairman of the company are below these averages.

A.3 Indicate the value and the nature of the fixed components, with breakdowns, where appropriate, of the remuneration for the performance of top management functions of executive board members, of additional remuneration for being the chair or a member of any board committees, of allowances for participating on the board and its committees or other fixed remuneration for being board members, as well as an estimate of the fixed annual remuneration that these may cause. Identify other benefits not paid in cash and the fundamental parameters by which these are granted.

Explain the fixed components of the remuneration

No significant changes were made in the policy for fiscal year 2016 with respect to the policy approved in 2015.

A. Non-executive directors

As at the date of this report there are 9 non-executive directors, of which 7 receive an annual fixed remuneration as a result of their role as board members (7 of such board members are independent and two are other external).

Pursuant to the remuneration policy included in the Annual Remuneration Report corresponding to fiscal year 2014, approved, on consultative vote, by the Ordinary General Shareholders' Meeting of the Company held on 29 May 2015, and which is applicable during the three financial years following the year of its approval, the amount of the fixed annual remuneration is 100,000 euros for each member of the Board of Directors that are non-executive directors, with the exception of those non-executive directors that are rendering paid professional services to the Company or the Group.

Also, any director that is a member of one of the Board of Director's Committees (Audit Committee and Appointments and Remuneration Committee) shall receive an additional gross annual remuneration of 25,000 euros as a result of a heavier workload (thus, the total remuneration shall amount to 125,000 euros). Similarly, the chairpersons of each Committee shall receive an additional 25,000 euros for performing their duties (thus, the total remuneration shall amount to 150,000 euros). The coordinating director shall receive an additional remuneration amounting to 50,000 euros for performing its duties (thus, the total remuneration shall amount to 150,000 euros).

Under no circumstances shall the remuneration of a non-executive director exceed 150,000 euros.

B. Executive directors

As at the date of this Report, there are 3 executive directors that receive an annual fixed remuneration arising from the employment relationship (or, where applicable, commercial) that they have with the Company: (i) the 2 Chief Executive Officers, and (ii) the Deputy Chief of Operations Officer.

The remuneration of the two Chief Executive Officers has been determined taking into account the remuneration of similar positions in comparable companies, based on the analysis carried out by the

Company's Human Resources Department, as proposed by the Appointments and Remuneration Committee.

As regards the third executive director, his retribution has increased in 4% compared to last year.

C. Non-executive Chairman

As stated in section A1 above, as from 1 January 2017, and as result of carrying out the Succession Plan, the remuneration of the Chairman of the Board of Directors will be a fixed annual amount of 965 (in thousands of euros). The Chairman's remuneration has been decided taking into account his proven experience as director and Chairman of the Company, in addition to his knowledge in the sector where the Company operates. During fiscal year 2017, a proposal will be made to the General Shareholders' Meeting to renew Mr Grifols' position as director for an additional 4 years period.

When deciding the remuneration of Mr Grifols, which is the same fixed amount he had when he held an executive position, excluding any variable amount, the additional duties that he will carry out, as well as those set out in the Spanish Companies' Act for the position of Chairman of the Board of Directors, were taken into account. In particular, but not limited to, these duties are related to: (i) the internal procedures of the Board of Directors, (ii) the advising of the Chief Executive Officers, (iii) corporate governance, (iv) the composition and efficiency of the Board of Directors, (v) the external representation of the Company.

A.4 Explain the amount, nature and the main characteristics of the variable components of the compensation systems.

In particular:

- Identify each remuneration plans of which the board members are the beneficiaries, their scope, the date on which they were approved, the date of implementation, the period of validity and their main characteristics. For stock option plans and other financial instruments, the general characteristics of the plan must include information on the conditions for exercising said options or financial instruments for each plan.
- Indicate any remuneration by way of participation in profits or bonuses, and the reason for which they were granted.
- Explain the fundamental parameters and the basis for any annual bonus systems.
- The categories of board members (executive , external proprietary, independent external or other external board members) that are beneficiaries of remuneration systems or plans that incorporate variable remuneration.
- The basis of said variable remuneration systems or plans, the criteria for assessing the chosen performance/duties, as well as the components and methods of the assessment to determine whether or not said assessment criteria have been fulfilled, and an estimate of the absolute value of the variable remuneration to which the currently valid remuneration plan would cause, based on the degree of fulfilment of the hypotheses or objectives taken as a reference.
- Where appropriate, information is to be given on the periods of deferment or payment by instalments that may have been established and/or any periods of retention of shares or other financial instruments, should these exist.

Explain the variable components of the remuneration systems
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A. Variable remuneration derived from the position of board member.

The directors do not receive variable remuneration for being members of the board. In accordance with article 20 of the Company's Articles of Association "The remuneration of the board members shall be a fixed amount".

The non-executive Chairman does not receive a variable remuneration either.

B. Variable remuneration derived from exercising executive duties:

The variable component is paid to board members that have the category of executive directors and, as such, have an employment relationship (or, where appropriate, a commercial relationship) with the Company. As at the date of this report, there are 3 executive directors that receive an annual variable remuneration derived from their employment relationship (or, where appropriate, commercial relationship) with the Company: (i) the 2 Chief Executive Officers, and (ii) the Deputy Chief of Operations Officer.

The percentage of the variable remuneration is subject to achieving the Company's annual objectives, in accordance with the common practices of similar companies –as described in section A.2– for positions of similar responsibility. These objectives are determined annually and are approved by the Appointments and Remuneration Committee. Objectives are linked to the performance of the Group as a whole, taking as reference the consolidated EBIT Holding amount, as this is considered one of the main indicators of the Company's management.

The variable remuneration can range from 30% to 45% of the final annual remuneration. To determine the percentage to be applied, a series of ranges have been established based on the accomplishment of objectives related to achieving the EBIT Holding. Based on the foregoing, and conditional on the accomplishment of the objectives determined, the variable retribution may vary between 0% and a maximum amount that may range from 30% to 45% of the final annual remuneration.

During fiscal year 2016, and until 30 June, there were 2 executive directors, but from 1 July 2016 until 31 December 2016 there were 4 executive directors. As detailed in section A1 above, Victor Grifols Roura held his position as executive director until 31 December 2016, and from 1 July 2016, Raimon Grifols Roura and Victor Grifols Deu joined as executive directors; both being currently Chief Executive Officers of the Company.

The procedures and calendar of the variable remuneration plan for 2016 is as follows:

- At the end of February 2017, the Board of Directors approves the annual accounts for 2016 and the level of accomplishment of the objectives that will result in the payment of the variable remuneration (bonus).
- In March 2017, the executive directors shall decide how much of their bonus (limited to 50% in Class B shares) shall be assigned to the share plan; also in March, the rights corresponding to class B shares shall be assigned. The remainder of the bonus that has not been allocated to the plan shall be paid in March.
- Class B share rights have an execution period of 2 years + 1 day (March 2019), once this period has elapsed the Class B shares (with no voting rights) shall be delivered, and the Group shall make an additional contribution of 50% of the amount contributed by the director.

As to the assessment method that shall determine the accomplishment of the objectives, it should be pointed out that the variable remuneration of the executive directors is based on the degree of accomplishment of the objective related to the the annual Net Result of the Exploitation EBIT. If the degree of accomplishment does not reach 90%, the executive directors would lose the right to be paid. During fiscal year 2016, the Group accomplished 100% of the objective.

A.5 Explain the main features of the long-term saving systems, including retirement and any other compensations or allowances for survival, financed in part or in full by the company, whether these may have been endowed internally or externally, with an estimate of their value or equivalent annual cost, indicating the type of plan, whether it is a defined contribution or benefit, the conditions for consolidation of the economic rights in favour of the board members and their compatibility with any kind of indemnity as a result of early resolution or termination of the contractual relationship between the company and the board member.

Also indicate any contributions in favour of a board member to defined benefit pension plans; or the increase of a board member's consolidated rights, in the event of contributions to defined benefit plans.

Explain the long-term saving systems

Not applicable.

A.6 Indicate any indemnities agreed or paid in the event of termination of functions in their role as board members.

Explain the indemnities

Not applicable.

A.7 Indicate the conditions that the contracts of those who may exercise functions of top management as executive board members must respect. Among others, information is to be given on the period of validity, limits of the amounts of indemnity, permanence clauses, terms of prior notice, as well as payment in lieu of the mentioned term of prior notice, and any other clauses relating to signing-on bonuses, as well as indemnities or contractual protection for early resolution or termination of the contractual relationship between the company and the executive board member. Include, among others, non-competition agreements, exclusivity, permanency or loyalty and post-contractual non-competition.

Explain the conditions of the contracts of the executive board members

The contracts of the 4 executive directors (which, as specified in section A4 above are the directors the company had as at 31 December 2016) are standard contracts, as they do not include any particularities beyond those normal in this type of contracts. Without detriment to the foregoing, said contracts do include clauses of acquisition of control, pursuant to which, in the event that there was an acquisition of control, the executive directors may opt to stay in the Company or terminate their relationship with it. In the latter case, they are entitled to a severance payment equivalent to five years of salary. It has to be enlightened that the remuneration of executive directors is lower than the average of the companies of the IBEX, as set forth in section A2 of this Report.

Since the termination payments are calculated on the basis of 5 years, they are lower (in absolute terms) than the termination payments of many similar companies, which calculate such concept on the basis of 2 years but could lead to the payment of a higher amount. This circumstance is due to the fact that the remuneration of Grifols' top managers is moderate. Moreover, the amount is considered reasonable given that the contracts include non-compete clauses for a 3 years period. Additionally, the characteristics of the industry in which the company operates, with "only" 3 principal actors, has led to Grifols adopting a specific policy on termination payments.

On the other hand, the contracts signed by the executive directors set out a non-compete obligation. Such clause supposes that once the relevant contract is terminated and during a period of three years after termination, they may not render services in companies of similar nature to that of the Company.

A.8 Explain any additional remuneration accrued by board members as compensation for services rendered other than those inherent to their position.

Explain the additional remuneration

Not applicable.

- A.9 Indicate any compensation in the form of advanced payments, credits and guarantees granted, with indication of the interest rate, their essential characteristics and the amounts finally returned, as well as the obligations assumed under these by way of guarantees.

Explain the advanced payments, credits and guarantees granted

Not applicable.

- A.10 Explain the main characteristics of fringe benefits.

Explain the fringe benefits

Not applicable.

- A.11 Indicate the remuneration accrued by the board member by virtue of any payments that the listed company may make to any third-party companies in which the board member may render its services, whenever the purpose of said payments is to remunerate the services of the latter in the company.

Explain the remuneration accrued by the board member by virtue of payments made by the listed company to any third-party companies in which the board member renders services

Not applicable.

- A.12 Any other compensation concepts different from the foregoing, whatever their nature may be and whichever the company of the group paying these may be, especially whenever they may be considered as related-party transactions or their issuing may distort the faithful image of the total remuneration accrued by the board member.

Explain the other compensation concepts

Not applicable.

- A.13 Explain the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and align it with the long-term objectives, values and interests of the company. This is to include, where appropriate, a reference to the following: measures planned in order to guarantee that the long-term results of the company will be taken into account in the remuneration policy, measures to establish a suitable equilibrium between the fixed and variable components of the remuneration, measures adopted in relation to those categories of personnel whose professional activities have a material repercussion on the risk profile of the company, formulas or clauses for collection, to be able to claim the refunding of the variable components of the remuneration based on results whenever such components may have been paid taking into account details the inexact nature of which may have been demonstrated subsequently in a clear manner, and measures planned to prevent conflicts of interests, where appropriate.

Explain the actions taken to reduce risks

The remuneration policy of the Company takes into account the long-term objectives of the Company, among other things, to reduce exposure to excessive risks, granting its top executives and its executive board members the possibility of obtaining a variable amount in relation to their remuneration. In this manner, the remuneration consists of a fixed amount and a variable amount, being possible for the latter to be as much as 30% to 45% of the final remuneration. The variable annual remuneration of executive directors is determined based on the achievement of certain annual objectives. The objectives are linked to the Group's performance as a whole, taking into account the consolidated EBIT Holding. In case the degree of achievement of such objectives does not reach the 90%, the right to perceive this variable remuneration would not be accrued

The variable remuneration is an amount that may reach between 30% and 45% of the final annual remuneration. To determine the percentage to be applied to the variable remuneration, a series of ranges have been established based on the achievement of objectives related to the achievement of the EBIT Holding. Based on the foregoing, subject to the achievement of the objectives, the variable remuneration may vary between 0% and a maximum amount that may range from 30% to 45% of the final annual remuneration. Those annual contributions are not converted into shares until a 2 years and 1 day period has elapsed.

B REMUNERATION POLICY PLANNED FOR FUTURE FINANCIAL YEARS

Abrogated

C GLOBAL SUMMARY OF HOW THE COMPENSATION POLICY WAS APPLIED DURING THE FINANCIAL YEAR CLOSED

C.1 Briefly explain the main characteristics of the structure and concepts of the remuneration policy applied during the financial year closed, that give rise to the breakdown of the individual remuneration accrued by each board member, who are listed in section D of this report, as well as summarizing the decisions taken by the board in order to apply said concepts.

Explain the process and remuneration concepts of the remuneration's policy applied during this fiscal year

See sections A.1, A.2, A.3 and A.4 above, in which the remuneration policy of the Company is explained.

The remuneration policy of the Company is based on simplicity. In this regard, the remuneration of executive directors has exclusively consisted on a fix remuneration plus a variable that could reach between 30% and 45% of the final remuneration.

D BREAKDOWN OF THE INDIVIDUAL COMPENSATIONS ACCRUED BY EACH ONE OF THE BOARD MEMBERS

Name	Type	Accrued period during 2016 financial year
ANNA VEIGA LLUCH	Independent	From 01/01/2016 to 31/12/2016.
BELÉN VILLALONGA MORENÉS	Independent	From 01/01/2016 to 31/12/2016.
CARINA SZPILKA LÁZARO	Independent	From 01/01/2016 to 31/12/2016.
IÑIGO SÁNCHEZ-ASIAÍN MARDONES	Independent	From 01/01/2016 to 31/12/2016.
LUIS ISASI FERNÁNDEZ DE BOBADILLA	Independent	From 01/01/2016 to 31/12/2016.
MARLA ELIZABETH SALMON	Independent	From 01/01/2016 to 31/12/2016.
RAIMON GRIFOLS ROURA	Executive	From 01/07/2016 to 31/12/2016.
STEVEN MAYER	Independent	From 01/01/2016 to 31/12/2016.
THOMAS GLANZMANN	Other external	From 01/01/2016 to 31/12/2016.
VÍCTOR GRIFOLS ROURA	Executive	From 01/01/2016 to 31/12/2016.
RAMÓN RIERA ROCA	Executive	From 01/01/2016 to 31/12/2016.
TOMÁS DAGÁ GELABERT	Other external	From 01/01/2016 to 31/12/2016.
VICTOR GRIFOLS DEU	Executive	From 01/07/2016 to 31/12/2016.

D.1 Complete the following charts in relation to the individualized remuneration of each board member (including the remuneration for performing executive functions) accrued during the financial year.

a) Remuneration accrued by the company and covered in this report:

i) Compensation in cash (in thousands of €)

Name	Salary	Fixed remuneration	Expenses	Short-term variable remuneration	Long-term variable remuneration	Remuneration due to belonging to board committees	Severances	Other concepts	Total financial year 2016	Total financial year 2015
ANNA VEIGA LLUCH	0	100	0	0	0	0	0	0	100	100
TOMÁS DAGÁ GELABERT	0	0	0	0	0	0	0	0	0	0
THOMAS GLANZMANN	0	0	0	0	0	0	0	905	905	845
RAIMON GRIFOLS ROURA	0	340	0	0	0	0	0	0	340	0
RAMON RIERA ROCA	0	702	0	250	0	0	0	0	952	913
VICTOR GRIFOLS ROURA	0	934	0	340	0	0	0	0	1,274	1,237
BELÉN VILLALONGA MORENÉS	0	100	0	0	0	50	0	0	150	150
LUIS ISASI FERNÁNDEZ DE BOBADILLA	0	100	0	0	0	25	0	0	125	125
CARINA SZPILKA LÁZARO	0	100	0	0	0	25	0	0	125	63
MARLA ELIZABETH SALMON	0	100	0	0	0	50	0	0	150	125
STEVEN MAYER	0	100	0	0	0	25	0	0	125	125
IÑIGO SÁNCHEZ-ASIAÍN MARDONES	0	100	0	0	0	50	0	0	150	75
VICTOR GRIFOLS DEU	0	177	0	0	0	0	0	0	177	0

ii) Remuneration systems based on shares

VICTOR GRIFOLS DEU												
RSU												
Implementation date	Ownership of the option at the beginning of FY 2016						Options assigned during FY 2016					
	No. Options	Shares affected	Price exer. (€)	Exercise term			No. Options	Shares affected	Price exer. (€)	Exercise term		
10/03/2015	2,535	2,535	0.00	2 years and 1 day			10,257	10,257	0.00	2 years and 1 day		
Conditions: Not applicable												
Shares delivered during FY 2016			Options executed during FY 2016				Op. expired and not executed	Options at the end of 2016				
No of Shares	Price	Amount	Price exer. (€)	No. Options	Affected shares	Gross benefit (m€)	No. Options	No. Options	Affected shares	Price exer. (€)	Exercise term	
0	0.00	0	0.00	0	0	0	0	12,792	12,792	0.00	2 years and 1 day	
Other requirements for the financial year: Not applicable												

RAMON RIERA ROCA											
RSU											
Implementation date	Ownership of the option at the beginning of FY 2016						Options assigned during FY 2016				
	No. Options	Shares affected	Price exer. (€)	Exercise term			No. Options	Shares affected	Price exer. (€)	Exercise term	
10/03/2015	27,177	27,177	0.00	2 years and 1 day			23,752	23,752	0.00	2 years and 1 day	
Conditions: Not applicable											

Shares delivered during FY 2016			Options executed during FY 2016				Op. expired and not executed	Options at the end of 2016			
No of Shares	Price	Amount	Price exer. (€)	No. Options	Affected shares	Gross benefit (m€)	No. Options	No. Options	Affected shares	Price exer. (€)	Exercise term
0	0.00	0	0.00	0	0	0	0	50,929	50,929	0.00	2 years and 1 day
Other requirements for the financial year: Not applicable											

RAIMON GRIFOLS ROURA RSU												
Implementation date	Ownership of the option at the beginning of FY 2016						Options assigned during FY 2016					
	No. Options	Shares affected	Price exer. (€)	Exercise term			No. Options	Shares affected	Price exer. (€)	Exercise term		
01/07/2016	0	0	0.00	Not applicable			9,964	9,964	0,00	2 years and 1 day		
Conditions: Not applicable												
Shares delivered during FY 2016			Options executed during FY 2016				Op. expired and not executed	Options at the end of 2016				
No of Shares	Price	Amount	Price exer. (€)	No. Options	Affected shares	Gross benefit (m€)	No. Options	No. Options	Affected shares	Price exer. (€)	Exercise term	
0	0.00	0	0.00	0	0	0	0	9,964	9,964	0.00	2 years and 1 day	
Other requirements for the financial year: Not applicable.												

VICTOR GRIFOLS ROURA												
RSU												
Implementation date	Ownership of the option at the beginning of FY 2016					Options assigned during FY 2016						
	No. Options	Shares affected	Price exer. (€)	Exercise term		No. Options	Shares affected	Price exer. (€)	Exercise term			
10/03/2015	36,862	36,862	0.00	2 years and 1 day		31,609	31,609	0,00	2 years and 1 day			
Conditions: Not applicable												
Shares delivered during FY 2016			Options executed during FY 2016				Op. expired and not executed	Options at the end of 2016				
No of Shares	Price	Amount	Price exer. (€)	No. Options	Affected shares	Gross benefit (m€)	No. Options	No. Options	Affected shares	Price exer. (€)	Exercise term	
0	0.00	0	0.00	0	0	0	0	68,471	68,471	0.00	2 years and 1 day	
Other requirements for the financial year: Not applicable.												

iii) Long-term saving systems

b) Remuneration accrued by board members of the company due to them being on boards in other companies of the group:

i) Compensation in cash (in thousands of €)

Name	Salary	Fixed remuneration	Expenses	Short-term variable remuneration	Long-term variable remuneration	Remuneration due to belonging to board committees	Indemnity	Other concepts	Total financial year 2016	Total financial year 2015
ANNA VEIGA LLUCH	0	0	0	0	0	0	0	0	0	0
BELÉN VILLALONGA MORENÉS	0	0	0	0	0	0	0	0	0	0
CARINA SZPILKA LÁZARO	0	0	0	0	0	0	0	0	0	0
INIGO SANCHEZ-ASIAIN MARDONES	0	0	0	0	0	0	0	0	0	0
LUIS ISASI FERNÁNDEZ DE BOBADILLA	0	0	0	0	0	0	0	0	0	0
MARLA ELIZABETH SALMON	0	0	0	0	0	0	0	0	0	0
RAMON RIERA ROCA	0	0	0	0	0	0	0	0	0	0
STEVEN MAYER	0	0	0	0	0	0	0	0	0	0
THOMAS GLANZMANN	0	0	0	0	0	0	0	0	0	0
TOMÁS DAGÁ GELABERT	0	0	0	0	0	0	0	0	0	0
VICTOR GRIFOLS DEU	0	0	0	0	0	0	0	0	0	0
VICTOR GRIFOLS ROURA	0	0	0	0	0	0	0	0	0	0
RAIMON GRIFOL ROURA	0	0	0	0	0	0	0	0	0	0

ii) Remuneration systems based on shares

iii) Long-term saving systems

iv) Other benefits (in thousands of €)

ANNA VEIGA LLUCH			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

BELÉN VILLALONGA MORENÉS			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

CARINA SZPILKA LÁZARO			
Remuneration: down payments, loans granted			

Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

IÑIGO SANCHEZ-ASIAIN MARDONES			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

LUIS ISASI FERNÁNDE DE BOBADILLA			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015

0	0	Not applicable	Not applicable
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MARLA ELIZABETH SALMON			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

RAIMON GRIFOLS ROURA			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

RAMON RIERA ROCA			
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Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

STEVEN MAYER			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

THOMAS GLANZMANN			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	

FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

TOMÁS DAGÁ GELABERT			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

VICTOR GRIFOLS DEU			
Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

VICTOR GRIFOLS ROURA			
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Translation of a report originally issued in Spanish.
 In the event of a discrepancy, the Spanish-language version prevails.

Remuneration: down payments, loans granted			
Interest applied to transaction		Main features of the transaction	Amounts returned
0.00		Not applicable	Not applicable
Life insurance Premium		Collateral provided by the company in favour of the directors	
FY 2016	FY 2015	FY 2016	FY 2015
0	0	Not applicable	Not applicable

c) Summary of compensations (in thousands of €):

The amounts corresponding to all remuneration concepts included in this report that have been accrued by the board member must be included in the summary, in thousands of euro.

Any contributions or endowments made to long-term saving systems must be included:

Name	Compensation accrued in the Company				Compensation accrued in group's companies				Totals		
	Total remuneration in cash	Value of shares delivered	Gross profit of options exercised	Total financial year 2015 for company	Total remuneration in cash	Value of shares delivered	Gross profit of options exercised	Total financial year 2016	Total financial year 2016	Total financial year 2015	Contribution to saving systems during FY
ANNA VEIGA LLUCH	100	0	0	100	0	0	0	0	100	100	0
BELÉN VILLALONGA MORENÉS	150	0	0	150	0	0	0	0	150	150	0
LUIS ISASI FERNÁNDEZ DE BOBADILLA	125	0	0	125	0	0	0	0	125	125	0
MARLA ELIZABETH SALMON	150	0	0	150	0	0	0	0	150	125	0
CARINA SZPILKA LÁZARO	125	0	0	125	0	0	0	0	125	63	0
ÍÑIGO SÁNCHEZ-ASIAÍN MARDONES	150	0	0	150	0	0	0	0	150	75	0
STEVEN MAYER	125	0	0	125	0	0	0	0	125	125	0
THOMAS GLANZMANN	905	0	0	905	0	0	0	0	905	845	0
TOMÁS DAGÁ GELABERT	0	0	0	0	0	0	0	0	0	0	0
RAMÓN RIERA ROCA	952	0	0	952	0	0	0	0	952	913	0
RAIMON GRIFOLS ROURA	340	0	0	340	0	0	0	0	340	0	0
VICTOR GRIFOLS DEU	177	0	0	177	0	0	0	0	177	0	0

Translation of a report originally issued in Spanish.
In the event of a discrepancy, the Spanish-language version prevails.

Name	Compensation accrued in the Company				Compensation accrued in group's companies				Totals		
	Total remuneration in cash	Value of shares delivered	Gross profit of options exercised	Total financial year 2015 for company	Total remuneration in cash	Value of shares delivered	Gross profit of options exercised	Total financial year 2016	Total financial year 2016	Total financial year 2015	Contribution to saving systems during FY
VÍCTOR GRIFOLS ROURA	1,274	0	0	1,274	0	0	0	0	1,274	1,237	0
TOTAL	4,573	0	0	4,573	0	0	0	0	4,573	3,758	0

D.2 Report on the relationship between the compensation obtained by board members and the results or other measurements of performance of the company, explaining, where appropriate, how the variations in the performance of the company have influenced the variation in the remuneration of the board members.

Only executive board members receive part of their remuneration as variable remuneration, which may be between 30% and 45% of the final remuneration. The remaining independent board members, others external and proprietary that receive remuneration are not affected by results or other measurements of performance of the company, beyond the performance of their work as board members pursuant to the Articles of Association and the Regulations of the Board of Directors.

D.3 Report on the result of the consultative vote at the general shareholders' meeting on the annual report on remuneration in the previous financial year, with indication of the number of negative votes issued, where appropriate:

	Number	% of total
Issued votes	349,283,451	81.97%

	Number	% of total
Negative votes	101,146,651	28.96%
Votes in favour	235,258,912	67.35%
Abstentions	12,877,888	3.69%

E OTHER INFORMATION OF INTEREST

Should there be any relevant aspects in the area of board member remuneration that may have not been possible to include in the other sections of this report, but which may be necessary to include in order to be in possession of more complete and reasoned information on the remuneration structure and practices of the company in relation to its board members, detail these briefly.

In relation to section D.1.A, under section "Total financial year 2016" the total amount paid to the director as fixed remuneration and variable remuneration in cash has been included.

The remuneration perceived by the director Thomas Glanzmann corresponds to the provision of consulting services to the Company. Mr. Glanzmann is a person with broad experience and reputation in this sector, and that is the reason why the Company has positively considered to count with its services.

In connection with the table summarising the remunerations perceived by the board members of the Board of Directors during fiscal year 2016, compared to that of fiscal year 2015, it has to be stated that the difference between the total remunerations between one exercise and the other can be explained because in 2015 there were 4 board members that are no longer directors in 2016 (and, hence, do not appear in the table of this section), that is, Juan Ignacio Twose Roura, Thorthol Holdings BV, Edgar Dalzell Jannotta, and W. Brett Ingersoll. The amount of the total remunerations perceived by the board members in 2015 was of 4,288 (in thousands of euros).

In relation to the remuneration of the board member Victor Grifols Deu, it has to be stated that the remuneration which appears in sections D correspond to the remuneration perceived as of 1 July 2016, time when he was appointed as executive director of the Company. Before his appointment as director, he perceived a fixed remuneration of 67 (in thousands of euros), and a variable remuneration of 23 (in thousands of euros).

This annual corporate governance report has been approved by the Board of Directors of the company, in its session on the date

24/02/2017

Indicate whether any of the board members have voted against, or have abstained, in relation to the approval of this Report.

NO