

## **GRIFOLS, S.A.**

### **REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE**

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This report is prepared in connection with the respective proposals of re-election of Mr. Victor Grifols Deu and Mr. Thomas Glanzmann as members of the Board of Directors of Grifols, S.A. ("**Grifols**" or the "**Company**"), included on the agenda of the Ordinary General Shareholders' Meeting of the Company to be held exclusively by telematic means on first call at 12:00 a.m. CET on 8 October 2020 and, on second call, on 9 October 2020, at the same time (the "**Ordinary Meeting**").

This report is issued in accordance with article 529.*decies* of the Capital Companies Act (*Ley de Sociedades de Capital*) (the "**CA**"), as set forth in Law 31/2014, of 3 December, which modifies the CA in matters of corporate governance. In accordance with said article, the proposals of appointment and re-election of non-independent directors shall be preceded by the corresponding report of the Appointments and Remuneration Committee.

Additionally, the Committee, in accordance with recommendation 14 of the Good Governance Code of Listed Companies, has analysed the Board's required competences. The conclusions of said analysis are included in this report.

#### **I. Re-election of Mr. Victor Grifols Deu as a member of the Board of Directors.**

The Appointments and Remuneration Committee considers that Mr. Victor Grifols Deu has favourably contributed to the performance and development of the Company's Board of Directors since he was appointed director in 2016 and has a broad experience in the Company's business sector. Mr. Grifols Deu has a profound knowledge of the internal functioning of the Company and its group. He is Grifols' Co-Chief Executive Officer since January 2017, an executive position he has held while successfully leading the Company together with Mr. Raimon Grifols Roura and contributing to the Company's ongoing development and internationalization. Likewise, he currently holds various positions on the board of directors of companies within the group.

Mr. Victor Grifols Deu earned a degree in Business Administration and Management from the Ramon Llull University – Sarrià Chemical Institute (IQS) and a postgraduate degree in Business Administration and Management from the Michael Smurfit Business School in Dublin.

With respect to the evaluation of the performance and the effective dedication of the board member from his appointment until now, this Committee has verified that Mr. Grifols Deu has carried out his function as director with due care and diligence and has assisted and actively participated in the board meetings. Furthermore, it is worth noting that this Committee considers that he has diligently and effectively carried out his executive position in the best interest of the Company. Likewise, the Committee has analysed the requirements that board members must meet in accordance with the Company's Policy on Director Selection and Diversity, and concludes that Mr. Grifols Deu is not disqualified for any reason of incompatibility or legal prohibition established under the applicable law or corporate governance system.

Because Mr. Grifols Deu holds executive functions within the Company, it is expected that he shall be re-elected as an "executive" director.

Given the above, the Appointments and Remuneration Committee unanimously resolves to favourably inform the Board's proposal of re-election of Mr. Victor Grifols Deu as a member of the Board of Directors of the Company under the category of "executive" director, for a term of four (4) years.

## **II. Re-election of Mr. Thomas Glanzmann as a member of the Board of Directors.**

The Appointments and Remuneration Committee considers that Mr. Thomas Glanzmann has favourably contributed to the performance and development of the Company's Board of Directors since he was appointed director in 2006. He has been the non-executive vice-president of the Board since 1 January 2017. He is currently a member of the Board of Directors of Alcon, Inc. and a Healthcare Advisor at Madison Dearborn and Partners. He is the Founder and General Partner of Medical Technology Venture Partners in California, United States.

Mr. Thomas Glanzmann earned a degree in Political Science from Dartmouth College, United States, and an M.B.A. from IMD, Lausanne-Switzerland. He also holds a Board of Directors Certification from the UCLA Anderson School of Management, USA.

With respect to the evaluation of the performance and the effective dedication of the board member from his appointment until now, this Committee has verified that Mr. Glanzmann has carried out his function as director with due care and diligence, and has assisted and actively participated in the board meetings. Likewise, the Committee has analysed the requirements that board members must meet in accordance with the Company's Policy on Director Selection and Diversity, and concludes that Mr. Glanzmann is not disqualified for any reason of incompatibility or legal prohibition established under the applicable law or corporate governance system.

It is expected that he shall be re-elected as an "other external" director.

Given the above, the Appointments and Remuneration Committee unanimously resolves to favourably inform the Board's proposal of re-election of Mr. Thomas Glanzmann as a member of the Board of Directors of the Company under the category of "other external" director, for a term of four (4) years.

## **III. Analysis of the Company's Board of Directors' required competences.**

In accordance with recommendation 14 of the Good Governance Code of Listed Companies, this Committee has analysed and reviewed the required competences or skills of the Board of Directors when proposing or informing of the re-election or appointment of directors.

After such analysis, the Committee considers that the three directors to be re-elected at the Ordinary Meeting (Mr. Victor Grifols Deu, Mr. Thomas Glanzmann and Mr. Steven F. Mayer) have an extensive track record on the Company's Board of Directors, which

provides them with sufficient knowledge of the Company, the group and the activity sector in which the Company operates. Taking into account their diverse experience, knowledge and merits, this Committee recommends to maintain the three mentioned directors on the Board of Directors.

Also, regarding the appointment of Mr. James Costos as a new member of the Board of Directors, this Committee considers necessary and convenient to cover the position of Mr. Luis Isasi Fernández de Bobadilla as an independent board member, due to the end of his term as director and since his re-election is not proposed. With the aim of maintaining a diverse and balanced composition of the Board, the Committee has positively valued the extensive professional career and accredited experience of Mr. James Costos in various and diverse sectors, such as international relations, especially between Spain and the United States of America, or the digital and communications sectors. Currently, Mr. James Costos is the President of Grupo Secuoya Studios in Madrid, and holds different positions in the board of directors of various companies and entities, both American and Spanish.

The Appointments and Remuneration Committee of Grifols has evaluated the time and dedication needed for board members to effectively carry out their duties and has concluded that all the board members which are being proposed for re-election or appointment have the sufficient time to diligently hold the position of board members, for the case they are effectively re-elected or appointed by the Ordinary Meeting.

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Barcelona, 21 July 2020  
The Appointments and Remuneration Committee