

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

### **REPORT OF THE APPOINTMENTS AND REMUNERATIONS COMMITTEE REGARDING THE PROPOSAL OF RE-ELECTION OF NON-INDEPENDENT DIRECTORS**

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This report is prepared in connection with the proposal of re-election of the non-independent directors Mr. Víctor Grifols Roura and Mr. Ramón Riera Roca, respectively, included on the agenda of the Ordinary General Shareholders' Meeting of Grifols S.A. ("**Grifols**" or the "**Company**") to be held on first call at Avenida Generalitat 152-158, Polígono Can Sant Joan, Sant Cugat del Vallès (Barcelona), at 12:00 on 25 May 2017 and, on second call, on 26 May 2017, at the same time and place (the "**Ordinary Meeting**").

The report is issued in accordance with article 529.decies of the Companies' Act (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 re-election of non-independent directors shall be preceded by the corresponding report of the Appointments and Remunerations Committee.

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

The Appointments and Remunerations Committee considers that Mr. Víctor Grifols Roura has greatly contributed to the performance and development of the Board of Directors since he was appointed director in 1987. He has provided valuable knowledge and experience in the Company's business throughout his career.

Since 1987 and until 31 December 2016, he held the role of Chief Executive Officer and top executive of the Grifols Group, succeeding his father Mr. Víctor Grifols Lucas at the performance of said tasks, spearheading the 1987 reorganization that created Grifols as it is today. Mr. Víctor Grifols Roura originally joined the Group in 1973 as an Export Manager and later served as Sales Manager. Between 8 July 1991 and 30 May 2002, the position of director was held by Deria, S.A., which was physically represented by Víctor Grifols Roura. As of 1 January 2017, he is the non-executive Chairman of the Board of Directors.

The Appointments and Remuneration Committee has verified that Mr. Víctor Grifols Roura meets the requirements of respectability, capability, recognised expertise, competence and experience for the positions of both director and Chairman of the Board of Directors.

In light of his reputation, extensive experience in the governance of the company and his in-depth knowledge of the market in which the company operates, the Appointments and Remunerations Committee unanimously resolves to positively inform the Board's proposal of re-election of Mr. Víctor Grifols Roura as a member of the Board of Directors of the Company for a term of four (4) years.

It is expected that he shall be re-elected as a "proprietary" director.

#### **II. Re-election of Mr. Ramón Riera Roca as a member of the Board of Directors.**

The Appointments and Remunerations Committee considers that Mr. Ramón Riera Roca has favourably contributed to the performance and development of the Board of Directors since he was appointed director in 1977. He has provided relevant knowledge and experience in the Company's business and greatly contributed to the performance of the Board of Directors throughout the years he has been a director.

Mr. Ramón Riera Roca joined Grifols in 1977 and serves as Chief Operations Officer as well as being a member of the administration bodies of several companies of the Grifols Group.

The Appointments and Remuneration Committee has verified that Mr. Ramón Riera Roca meets the requirements of respectability, capability, recognised expertise, competence and experience for the position of director of the Board of Directors.

Given the above, the Appointments and Remunerations Committee unanimously resolves to positively inform the Board's proposal of re-election of Mr. Ramón Riera Roca as a member of the Board of Directors of the Company for a term of four (4) years.

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

### **III. Analysis of the Board of Directors' needs.**

In accordance with Recommendation 14 of the good governance code of listed companies, this Committee has analysed and reviewed the needs of the Board of Directors when proposing or informing of the re-election or appointment of directors.

After its analysis, the Committee considers that the two directors to be re-elected have an extensive career on the Company's Board of Directors, which provides them with sufficient knowledge of the Company, the group and the sector of activity in which the Company operates. Taking into account their experience, knowledge and merits, this Committee's advice is to retain the two directors in the Board of Directors.

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Barcelona, 31 March 2017  
The Appointments and Remunerations Committee

[THIS DOCUMENT CONSTITUTES A TRANSLATION INTO ENGLISH OF THE OFFICIAL SPANISH VERSION OF THE REPORT OF THE APPOINTMENTS AND REMUNERATIONS COMMITTEE REGARDING THE PROPOSAL OF RE-ELECTION OF NON-INDEPENDENT DIRECTORS. IN CASE OF DISCREPANCIES, THE OFFICIAL SPANISH VERSION SHALL PREVAIL]