

GRIFOLS, S.A.

REPORT ISSUED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE ON THE PROPOSAL OF THE REMUNERATION POLICY IN COMPLIANCE WITH ARTICLE 529 *NOVODECIAS* OF THE CAPITAL COMPANIES ACT

I. Introduction

In accordance with article 529 *novodecias* of the Capital Companies Act, listed companies, such as Grifols, S.A. ("**Grifols**" or the "**Company**"), must regulate in the directors' remuneration policy the remuneration for directors, in their capacity as such and for the executive duties they carry out. Said policy must comply with the applicable statutory system and must be approved by the General Shareholders' Meeting of the Company, with a validity for a maximum period of three fiscal years, and as a separate item on the agenda. Likewise, the preparation of the proposal of the remuneration policy must be justified.

This report (the "**Report**") includes the information, explanation and opinion of Grifols' Appointments and Remuneration Committee, in relation to the proposal of a new remuneration policy for the directors of Grifols, which will be valid for three fiscal years, that is, from 2023 until 2025, included (the "**Remuneration Policy**"). This Report is made available to the shareholders on the Company's webpage, together with the call of the next Ordinary General Shareholders' Meeting, in accordance with the Capital Companies Act.

II. Activity of the Appointments and Remuneration Committee

In accordance with article 15 of the Internal Regulations of the Board of Directors, and without prejudice to other duties assigned by the Board, the Appointments and Remuneration Committee must, as a core responsibility, propose 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 executive directors, as well as the individual remuneration and other terms regarding the executive directors, ensuring its fulfilment. When determining the remuneration policy, the Appointments and Remuneration Committee considers the comparative market data, carrying out, to this end, an external competitive analysis of the remuneration package of all the Company's employees, among them, the management team. This analysis is carried out to analyse the adequacy of the compensation levels, and ensure that these are in line with market standards of other companies in the sector for equivalent levels of responsibility. Salary surveys carried out by independent consultants are usually used as a source of information for this analysis.

In the performance of its functions, the Appointments and Remuneration Committee has analysed Grifols' remuneration policy applicable to date, based on modifications in the regulations, the development of the regulatory and supervisory system, and market practices. Besides, it has taken into account the comments received from the shareholders, investors and other stakeholders, as well as the results of the consultative vote on the annual remuneration report at the General Shareholders' Meeting. Following this review and analysis, the Committee, with the advice received from the external and independent

advisor Mercer LLC, concluded that it was necessary to make the following modifications to the current Company's remuneration policy, which was approved by the Company's Ordinary General Shareholders' Meeting on 10 June 2022, for application during fiscal years 2022, 2023 and 2024, inclusive.

The proposed amendments aim to ensure that the remuneration policy contributes to the general business strategy and the long-term interests and sustainability of the Company, and to strengthen the alignment between the remuneration systems with the Company's strategic plan, shareholders' interests and long-term sustainability of the Company as well as with Grifols' values, all with prudent risk management and avoiding the existence of conflicts of interest.

The main novelties proposed in respect of the current remuneration policy are as follows:

- Regarding the short-term variable remuneration to be paid to the Company's executive directors in cash, its metrics and their weight has changed to reinforce the objectives of the organization as a whole, directly linking such variable remuneration with the results of the Group, and with the adequate and prudent management of risks. Likewise, the short-term variable remuneration amount no longer includes partial payment in Company Class B shares (Restricted Stock Units) (up to now, the executive directors could decide receiving up to 50% of their variable remuneration in Class B shares). The payment of the short-term variable remuneration is now fully in cash.
- As a novelty, it also includes a long-term incentive plan for the Chief Operating Officer, executive director (the "COO") and the Chief Corporate Officer, executive director (the "CCO"), which consists in the award of stock options over the Company's Class A shares, and also, under separate terms and conditions, the award of Class A shares to the Executive Chairman and Chief Executive Officer, all of which to encourage compliance with the Group's long-term strategic priorities, the sustainability of the results over time and the creation of sustainable value for the shareholders.
- The main terms of the agreement entered into with the Company's Executive Chairman and Chief Executive Officer are set out.
- The remuneration of the Company's Honorary Chairman is set.

It is worth noting that no increase in the amounts perceived by the directors in their capacity as such by any concept is proposed.

To prepare the Remuneration Policy and this Report, the Appointments and Remuneration Committee:

- Has verified that the Remuneration Policy for the directors strictly complies with the provisions of the Capital Companies Act regarding the remuneration of directors, with Grifols' internal regulation on this matter, as well as with the principles and general guidelines by which this Remuneration Policy must be governed.

- Has verified that the Remuneration Policy contributes to the Company's long-term corporate strategy, interests and sustainability, in such way that the remuneration system is aligned with the Company's strategic plan, shareholders' interests and long-term sustainability of the Company.
- Has verified that the Remuneration Policy aims to remunerate the directors appropriately based on their dedication, qualifications and actual responsibility, ensuring it is not an obstacle to their independence.
- Has analysed market demands, as well as the practices and trends in matters related to the remuneration of directors in other similar listed companies.
- Has studied the amendments related to the applicable regulations on this issue.
- Has taken into account the comments received from the shareholders, investors and other stakeholders, as well as the results of the consultative vote on the annual remuneration report at the General Shareholders' Meeting.
- Has verified that the Remuneration Policy does not discriminate any director on the basis of gender, race or ideology, and that directors are equally remunerated for positions of equal value.

III. Term and Conclusions

In line with this Report, the Appointments and Remuneration Committee considers that the Remuneration Policy is in accordance with the provisions of the Capital Companies Act on matters relating to the remuneration of directors, and that the amendments proposed to the current remuneration policy are adequate considering the amendments reaffirm the alignment with the objectives and long-term objectives of the Company.

Likewise, the Remuneration Policy has the objective of generating value for Grifols and aims to find an appropriate and prudent management of the risk, as well to be in alignment with the interests of the shareholders.

Therefore, the Appointments and Remuneration Committee, in accordance with article 529 *novodecies* of the Capital Companies Act, proposes the Board of Directors to submit to the next Ordinary General Shareholders' Meeting the Remuneration Policy for its approval.

Once the General Shareholder' Meeting has approved the Remuneration Policy, it will be applied during the fiscal years 2023, 2024 and 2025, inclusive, unless the General Shareholder's Meetings expressly modifies it.

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Barcelona, 2 May 2023
The Appointments and Remuneration Committee