

REPORT AND PROPOSAL OF THE BOARD OF DIRECTORS OF FAES FARMA, S.A. IN RELATION TO THE RE-ELECTION OF MR IÑIGO ZAVALA ORTIZ DE LA TORRE

Introduction

In accordance with the provisions of article 529 decies of the Capital Companies Act, article 9 of the Regulations of the Board of Directors and the Director Selection Policy of Faes Farma, S.A., the proposal for re-election of the members of the Board of Directors who are not independent is the responsibility of the Board of Directors, following a report from the Nomination and Remuneration Committee.

It is also established that the proposal must in all cases be accompanied by a supporting report from the Board of Directors assessing the competence, experience and merits of the proposed candidate.

In compliance with the foregoing, the Board of Directors has prepared this report, which accompanies the proposal for the re-election of Mr Iñigo Zavala Ortiz de la Torre as director of Faes Farma, S.A. (the "**Company**"), with the status of proprietary director.

Nomination and Remuneration Committee Report

For the preparation of this report, the Board of Directors has assessed the Report prepared by the Nomination and Remuneration Committee, in accordance with the provisions of article 529 decies of the Capital Companies Act, in which the Committee has analysed the current composition of the Board, as well as the diversity of knowledge, competence, experience and suitability of its members. In particular, it has taken into account the Map of competencies approved by the Company, which includes the competencies, functions and experience of the current Directors.

Likewise, in accordance with the provisions of the Director Selection Policy, it has assessed the necessary conditions that Directors must meet, including the fact that they must be honourable, suitable persons of recognised solvency, competence, experience, qualifications and training, also assessing the availability of time necessary for adequate dedication and commitment to their duties.

In compliance with the above requirements and taking into consideration the detailed analysis carried out by the Committee on the structure, size and composition of the Board, as well as on the suitability of the candidate, the Nomination and Remuneration Committee has considered that Mr Iñigo Zavala Ortiz de la Torre has the appropriate knowledge, skills, experience and other requirements of suitability, including his character as representative of the founding families of the company, in the expression of the Annual Corporate Governance Report of the Company corresponding to the financial year 2022, , for the performance of the office of director of the Board of Directors of the Company, as stated in the report that the Committee has made available to the Board of Directors.

Candidate's professional profile

In order to issue this report, the Board of Directors has assessed the competence, experience and merits of the proposed candidate, summarised in the professional profile indicated below:

Education:

- PhD in Law from the University of Deusto, with Cum Laude mention for the doctoral thesis entitled "Corporate Governance of Listed Companies in the United States. Critical analysis and pending challenges" (1984-1989).
- Diploma in Community Law from the Institute of European Studies of the University of Deusto (1990-1991).
- Master's Degree in Legal Science Research from the Universities of Deusto, Pontificia de Comillas (ICADE) and Esade (Ramón Llull University of Barcelona) 2011 - 2012.

Academic activities:

- Professor of Company Law at the Faculty of Law of the University of Deusto from 1996 to 2000.
- Professor of Commercial Law at the Commercial University of Deusto (Degree in Business Administration) since 2007.
- Visiting Researcher at Fordham University (New York) in June - July 2012 and January - March 2013, as part of her doctoral thesis research.
- Co-author of several manuals on commercial law, as well as contributor to various legal journals.

Professional activities:

- Practising lawyer of the Bar Association of Bizkaia since 1990.
- Secretary of the Board of Directors of Bridgestone Firestone Hispania, S.A. from 1992 to 2004.
- Vice-Chairman of the Corporate Social Responsibility Committee of the CEOE since 2020 and member since 2019.

In Faes Farma Group:

- Director of Faes Farma, S.A. since June 1994.

Conclusion

As a result of the foregoing and taking into account the report prepared for this purpose by the Appointments and Remuneration Committee, the Board of Directors considers that Mr Iñigo Zavala Ortiz de la Torre has the appropriate knowledge, skills and experience to hold the position of director of the Board of Directors of the Company, and has therefore unanimously agreed to propose to the General Meeting of Shareholders to be held on 14 or 15 June 2023, at first or second call, his re-election or, as the case may be, appointment as director, for the statutory period of four years, with the status of proprietary director.

4 May 2023.