REMUNERATION POLICY OF THE MEMBERS OF THE BOARD OF DIRECTORS OF ALMIRALL, S.A.

May 2024

INDEX

1. SCOPE OF THE REMUNERATION POLICY

This document contains the remuneration policy applicable to the members of the Board of Directors of Almirall, S.A. ("**Almirall**" or the "**Company**"), in compliance with the legal requirements established by the restated text of the Spanish Companies Act approved by Royal Decree 1/2010, of July 2 (*Texto Refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio*), as amended (the "**Spanish Companies Act**") (hereinafter, the "**Remuneration Policy**").

The Remuneration Policy has been drafted considering the relevance of the Company, its financial situation, market standards in terms of compensation levels for comparable Spanish companies and the dedication of the directors to the Company. Furthermore, in the design and drafting process of the Remuneration Policy, Almirall has held several working sessions with a leading global provider of corporate governance and executive compensation advisory services focused on identifying the adjustments and improvements that should be implemented in the Remuneration Policy to bring its content in line with best market practice.

The remuneration set out below maintains an appropriate balance among its various components and promotes the long-term profitability and sustainability of the Company, while incorporating the necessary safeguards to avoid excessive risk-taking or rewarding unfavorable results and ensuring that the interests of the directors are aligned with those of the Company and its shareholders, without compromising the independence of the directors themselves.

2. VALIDITY OF THE REMUNERATION POLICY

In accordance with Article 529 *novodecies* of the Spanish Companies Act, the Remuneration Policy will be in force from its approval by the General Shareholders' Meeting, during 2024 and the following three fiscal years (i.e. 2025, 2026 and 2027).

Notwithstanding the foregoing, the General Shareholders' Meeting of Almirall may resolve to amend or replace this Remuneration Policy at any time during this period. In this regard, the Nominations and Remuneration Commission shall review the Remuneration Policy from time to time, and propose any amendments or updates thereto to the Board of Directors, issuing the corresponding specific explanatory report, for submission to the General Shareholders' Meeting.

3. PURPOSE OF THE REMUNERATION POLICY

The purpose of the Remuneration Policy is to define and govern the Company's remuneration practices in relation to its directors, contributing to the creation of value for its shareholders in a sustainable manner in the long term.

Taking into account the above, the Remuneration Policy establishes a remuneration scheme commensurate to the dedication devoted by the directors and the responsibilities undertaken by them, and which seeks to attract, retain and motivate the members of the Board of Directors of Almirall, thus contributing to the accomplishment of the strategic goals of the Company.

4. GUIDING PRINCIPLES AND CRITERIA

With the aim to a sound corporate governance structure, Almirall has deemed it appropriate to outline certain principles to ensure that the remuneration strategy approved by the Board of Directors is applied in accordance with the Company's own strategy. To that end, the Remuneration Policy is governed by the following principles:

4.1 GUARANTEEING AN INDEPENDENT JUDGMENT

Remuneration shall be structured in a manner that does not compromise the independent judgement of the Company's non-executive directors.

4.2 ENGAGING AND RETAINING THE BEST PROFESSIONALS

Remuneration shall be competitive enough to attract and retain the talent the Company requires to create value and deliver its strategic objectives.

4.3 BUSINESS STRATEGY AND LONG-TERM INTERESTS AND SUSTAINABILITY

Remuneration shall contribute to the business strategy and interests of the Company, promoting the profitability and sustainability of the Company as well as the achievement of its values and objectives, all in the long term. Likewise, the necessary precautions shall be taken to avoid an excessive risk assumption and unfavorable results. Specifically, the remuneration system shall establish the limits and the safeguards required to ensure that variable remuneration correlates with the professional performance of the beneficiaries and does not derive solely from the general evolution of the markets or the pharmaceutical sector.

4.4 TRANSPARENCY

The Remuneration Policy and the specific rules emanating from it must be clear and well communicated.

4.5 FAIR AND PROPORTIONATE COMPENSATION

Remuneration must be quantified in accordance with the dedication, skills, experience and responsibility brought to the position, as well as the specific duties and tasks performed by each director. The amount of remuneration must also achieve a balance between external competitiveness and internal equity.

4.6 INVOLVEMENT OF THE NOMINATIONS AND REMUNERATION COMMISSION

Pursuant to article 14 of the Regulations of the Board of Directors, the Nominations and Remuneration Commission proposes to the Board of Directors the policies on remuneration of the directors and regularly reviews them, proposing any amendment and update thereof to the Board of Directors.

The Nominations and Remuneration Commission submits the proposed director Remuneration Policy to the Board of Directors for approval and subsequent submission to the shareholders at the General Shareholders' Meeting, issuing the corresponding specific explanatory report required by Section 529 *novodecies* of the Spanish Companies Act.

5. REMUNERATIONS OF DIRECTORS IN THEIR CAPACITY AS SUCH

The Bylaws stipulate that the position of director of the Company shall be remunerated. The Remuneration Policy seeks to remunerate the members of the Board of Directors in their capacity as such, i.e. for the performance of oversight duties and collective decision-making within the Board of Directors and the commissions of which they are members. Their remuneration should be appropriate and sufficiently compensate them for their dedication, qualifications and responsibilities, but without compromising their independence of judgment.

In accordance with article 45 of the Bylaws, the compensation for the position of director in his capacity as such consists, as a general rule, of a fixed annual allowance payable on a quarterly basis. Likewise, it is envisaged that directors may also be remunerated through the delivery of shares, or through the delivery of stock options or through remuneration linked to the value of the shares, provided that the application of any of these remuneration systems is previously approved by the General Shareholders' Meeting. In this regard, the General Shareholders' Meeting held on 8 May 2019 approved that, should the Board of Directors deem it appropriate, directors could receive up to 50% of their fixed remuneration through the delivery of shares. This authorization was valid for a period of 5 years from its approval (i.e. until 2023). The proposal to renew this authorization was submitted to the General Shareholders' Meeting of 2024.

Likewise, also in accordance with the Company's bylaws, the total amount of compensation that may be paid by the Company to all of its directors in their capacity as such shall not exceed the amount determined for such purpose by the General Shareholders' Meeting. The amount thus fixed by the General Shareholders' Meeting shall be maintained until it is modified by a subsequent resolution of the General Shareholders' Meeting, in accordance with the provisions of the applicable legislation, without prejudice to its potential review or update in accordance with the terms of such resolution of the General Shareholders' Meeting. On the basis of the maximum annual amount established and approved by the General Shareholders' Meeting, the specific determination of the amount corresponding to each of the directors in their capacity as such, the frequency and form of payment, within the framework of the bylaws and the Remuneration Policy, shall be the responsibility of the Board, following a prior report from the Nominations and Remuneration Commission. The Remuneration Policy shall establish the criteria for their allocation, in accordance with the duties and responsibilities attributed to each director.

In addition, the Company shall pay the premium for the directors' civil liability insurance, according to the usual market conditions and in accordance with the Company's circumstances.

5.1 MAXIMUM ANNUAL AMOUNT OF THE DIRECTORS' REMUNERATION

The maximum amount to be paid by the company to the members of the board as a whole, in their capacity as such by way of annual remuneration was set by the General Shareholders' Meeting held on 5 May 2022 at EUR 2,500,000, and will remain at such amount until it is modified, if applicable, by the General Shareholders' Meeting.

This cap excludes: (i) any salary, payment or compensation of any kind related with the discharge of executive duties by chief executive officers and other directors to whom executive duties are vested by virtue of other positions, in accordance with the Bylaws and, in any event, the Remuneration Policy and any contracts entered into between director and the Company and approved by the Board of Directors in accordance with the Spanish Companies Act; (ii) payment of premiums for the director liability insurance policies taken out by the Company for its directors; and (iii) reimbursement of any expenses incurred by the directors to attend the meetings of the Board of Directors or any of the Board commissions.

5.2 FIXED ANNUAL REMUNERATION

Unless otherwise determined by the General Shareholders' Meeting, the Board of Directors shall determine the exact amount to be paid within the limit set by the General Shareholders' Meeting, as well as the specific remuneration of each director in his capacity as such (as a fixed allowance), taking into account the duties and responsibilities attributed to each director, the time commitment required and by reference to the relevant market conditions.

The Board has determined that the fixed annual remuneration of the directors for the year 2024 to be received in their capacity as members of the Board of Directors, is as follows:

• Executive Directors	EUR 45,000
• Proprietary Directors	EUR 60,000
• Additional remuneration of the Chairman of the Board of Directors	EUR 45,000
• Additional remuneration of the Vice-chairman of the Board of Directors	EUR 50,000
• Independent and External Directors	EUR 100,000
• Additional remuneration of the directors whenever they are members of the audit, nominations and remuneration, or dermatology commissions	EUR 40,000 per commission
• Additional remuneration of the directors whenever they chair the audit, nominations and remuneration or dermatology commissions	EUR 5,000 per commission (in addition to the remuneration as member of the relevant commission)

The Board of Directors may, within the maximum annual limit set for the entire Board of Directors, revise the fixed annual remuneration to be received by the directors in their capacity as such. Furthermore, the Board may award an additional fixed allowance to directors for the membership of other commissions or the discharge of other positions currently existing within the Board or that may exist in the future. In particular, the Board of Directors may resolve to remunerate directors for their roles as members of the governance commission, the chairmanship of the governance commission or the role of independent lead director.

6. REMUNERATION OF DIRECTORS FOR PERFORMING EXECUTIVE FUNCTIONS

Directors who perform executive functions are entitled to receive remuneration for performing these duties as provided for in the contracts entered into between each director and the Company.

The Board of Directors, following a report by the Nominations and Remuneration Commission, is tasked with determining the remuneration of directors for performing executive duties, within the framework of the Remuneration Policy and the director's contractual conditions. The Board of Directors is also in charge of approving, with the legally required majority, the contracts of the Company's executive directors, which must be in line with the Remuneration Policy approved by shareholders in General Meeting.

At the date of this Remuneration Policy, the only director with executive duties is the chief executive officer (the "**CEO**" or the "**Executive Director**").

6.1 ANNUAL FIXED REMUNERATION

Fixed remuneration is determined based on each executive director's responsibility, hierarchical level and experience considering the specific features of each function and the dedication required. The aim is to set a base salary that is competitive enough to attract and retain talent that contributes to the creation of value.

The CEO will receive annual fixed remuneration of EUR 775,000 (the "**Fixed Remuneration**"). The Fixed Remuneration may be increased by the Board of Directors during the term of the Remuneration Policy by up to 20% should prevailing circumstances so warrant. The Fixed Remuneration is on top of the fixed annual allowance of EUR 90,000 in consideration for the duties of the CEO as Chairman (EUR 45,000) and executive director (EUR 45,000) of the Board of Directors as per section 5.2. This amount will be paid quarterly.

6.2 VARIABLE REMUNERATION

Only executive directors are entitled to variable components in their remuneration.

The General Shareholders' Meeting may establish remuneration schemes that entail the delivery of shares of the Company, of options to purchase shares or other payments schemes linked to the value of the shares. The maximum number of shares that may be awarded each year for such remuneration scheme, the exercise price or the method for calculating the exercise price of share options, the value of the shares taken as a reference and the duration of the plan will be determined by the General Shareholders' Meeting.

The variable remuneration of the CEO is based on the principles of the Remuneration Policy outlined above and considers the components described below.

6.2.1 Annual variable remuneration

Executive directors' remuneration may be paid in cash or through the delivery of shares, if approved at the General Shareholders' Meeting, based on their professional performance and the achievement of certain previously defined targets that measure value creation for the Company.

In particular, the CEO may receive an annual variable remuneration to be paid in cash calculated as a percentage of his fixed remuneration, subject to the achievement of certain targets set by the Board of Directors (the "**Bonus**"). The target variable remuneration base for achievement of 100% of the targets set by the Board of Directors will be decided by the Board for each financial year during the first five months of the year, and amount to between 50% and 100% of the CEO's Fixed Remuneration. The target will be based on performance in relation to achieving between 0% and 150% of the certain targets determined by the Board of Directors in order to align Bonus accrual with Company performance.

The Company will communicate to the CEO the targets established for the accrual of the Bonus in March of each year. The targets will be linked to the evolution of EBITDA, new product launches, the Company's strategy, the increase in revenue and the achievement of strategic agreements, R&D processes, strengthening relations with investors and building a cohesive and motivated work team to achieve the common objectives. In particular, the Company's results will impact the yearly CEO's Bonus to align bonus accrual with Company performance through a multiplier linked to EBITDA. The Board of Directors and the Nominations and Remuneration Commission will evaluate the degree of achievement of the goals by the CEO, according to the Company's variable remuneration policies in force, and will pay the relevant Bonus amount in the month of March following the end of each financial year.

6.2.2 Multi-annual variable remuneration

(A) Performance Shares Plan

In order to incentivize the achievement of financial objectives and the alignment of long-term interests of the Executive Director, executives and key employees of the Company, the Executive Director will be eligible to participate as a beneficiary in the long-term incentive plans implemented by the Company. The multi-year variable remuneration is based on the principles of the Remuneration Policy described above.

In particular, in addition to the Fixed Remuneration and the Bonus, the Executive Director will be eligible to participate as beneficiary in the new long-term incentive compensation plan called "Performance Shares Plan" (the "**PS Plan**"). The PS Plan was approved on 16 February 2024 by the Board of Directors of the Company further to the proposal of the Nominations and Remuneration Commission.

Under the PS Plan, the CEO will be entitled to receive a variable compensation payable both in cash and through the delivery of Almirall's shares, after a certain measurement period has elapsed and based on the level of achievement of certain objectives.

The PS Plan runs in overlapping cycles with a duration of three (3) years each, starting on January 1st of the first year and ending on December 31st of the third year (the "**Vesting Period**"). Under the PS Plan, the Company will grant the CEO, at the beginning of each cycle, a specific number of performance shares, each of which will be equivalent to one Almirall's share or to its market values as of the date of settlement of the PS Plan (the "**Performance Shares**"). The Performance Shares do not attribute the status of shareholder of the Company nor any political or economic right inherent to this condition.

The initial number of Performance Shares will be determined on the basis of the annual target amount (the "**Target Amount**") allocated to the CEO each year on which a cycle of the PS Plan begins, divided by the average share price of the shares of the Company during the first 10 trading days of the relevant financial year (the "**Initial Performance Shares**"). The Target Amount will be EUR 775,000.

The number of Initial Performance Shares which will eventually vest at the end of the Vesting Period will range between 70% and 150% of the Initial Performance Shares based on the degree of achievement of certain objectives set by the Board of Directors following a proposal of the Nominations and Remuneration Commission (the "**Final Performance Shares**"). The setting of the Final Performance Shares between the lower band and the upper band of the range shall depend on the level of achievement of the objectives set for the PS Plan, requiring a minimum achievement degree of 70%. The maximum number of Performance Shares may be vested if the level of achievement of the targets equals 150%.

Vesting of the Final Performance Shares will take place at the end of the Vesting Period provided that (i) the CEO maintains his relationship with the Company, regardless of the nature of the relationship, commercial or labour and regardless of whether or not he holds executive functions, notwithstanding the suspension or termination exceptions referred to below; and (ii) the CEO has reached a minimum degree of achievement of 70% of the targets set.

The settlement of the PS Plan will take place by the end of March of the subsequent year of the finalisation of the Vesting Period (the "**Settlement Date**"). Forty per cent (40%) of the Final Performance Shares will be settled in cash in an amount per Performance Share equal to the average trading value of the Almirall share during the 10 trading days following the publication of the Company's annual financial results for the last year of the Vesting Period. The amount to be settled in cash may not exceed three times the market value on the Settlement Date of the Almirall shares corresponding to the number of Final Performance Shares. Sixty percent (60%) of the Final Performance Shares will be settled through the delivery of Almirall's shares at a ratio of one Almirall share for each Final Performance Share.

If due to operational, administrative or legal reasons, the Company is unable to settle part or all of the 60% of the Performance Shares through the delivery of shares, the Company will be entitled to settle such amount in cash.

The PS Plan provides for a (i) clawback clause pursuant to which the amounts received by the CEO under the PS Plan could be fully or partially claimed back by the Company in case of severe misconduct or where negative financial performance occurs within the next two (2) years from settlement; and (ii) a lock-up clause under which the CEO shall, for a period of three (3) years from its delivery, maintain the ownership over the shares of the Company received under the PS Plan, unless the market value of the shares at the time of the disposal is equal to two annuities of his Fixed Remuneration. Likewise, in the event of authorisation of a tender offer for Almirall shares whose acceptance period ends during the lock-up period, the CEO may accept such offer with all or part of the shares held by him/her.

The Final Performance Shares will be based on the degree to which the following targets have been achieved during the Vesting Period:

1. Relative Total Shareholder Return (“**RTSR**”): this indicator will have a weight of 35%. The RTSR indicator measures, over a three-year period, the total shareholder return of Almirall compared to the total shareholder return of a group of peer companies in the sector (i.e. Ipsen, UCB, Orion, Recordati, Lundbeck, Rovi and Grifols). Within the 35%, a level of achievement of 70% will be reached in this target if the RTSR of Almirall against the peers ranks 4th, 100% if Almirall’s RTSR ranks 3rd, 125% if Almirall’s RTSR ranks 2nd and 150% if Almirall’s RTSR ranks 1st. The RTSR indicator will be zero if RTSR ranks below 4th.
2. Accumulated EBITDA: this indicator will have a weight of 35%. Accumulated EBITDA Is defined as the cumulative value of earnings before interest, taxes, depreciation, and amortization from January 1st of the first year of the Vesting Period to December 31st of the last year of the Vesting Period, thus capturing the cumulative value for the whole cycle. Within the 35%, accumulated EBITDA will range between 70% and 150% based on the achievement of certain EBITDA thresholds over the Vesting Period. Intermediate achievement values will be weighted by interpolating the values established between the corresponding levels.
3. Almirall’s employee satisfaction (“**eSat**”): this indicator will have a weight of 7.5%. The eSat indicator takes into account Almirall’s social impact through an assessment of the employees level of satisfaction, which is measured through Company’s internal surveys. Within the 7.5%, eSat will range between 70% and 150% depending on the scores obtained in the eSat survey. A 70% level of achievement will be reached if eSat scores 74 points; 100% will be reached if eSat scores 79 points and 150% will be reached if eSat scores 81 points or above. The eSat indicator will be zero if the eSat scores below 74 points. Intermediate achievement values will be weighted by interpolating the values established between the corresponding levels.
4. Direct carbon footprint reduction: this indicator will have a weight of 7.5%. This indicator measures Almirall’s carbon footprint reduction level from own sources and purchased electricity. Reductions are measures against the 2019 baseline and are calculated according to the Greenhouse Gas Protocol standards. Within the 7.5%, the direct carbon footprint reduction will range between 70% and 150% depending on the level of reduction of the carbon footprint. A 70% level of achievement will be reached if the carbon footprint is reduced by 12%, 100% will be reached if the carbon footprint is reduced by 18% and 150% will be reached if the carbon footprint is reduced by 25%. The direct carbon footprint indicator will be zero if the carbon footprint reduction is less than 12%.
5. R&D Innovation Roadmap: this indicator will have a weight of 15%. This indicator measures the degree of progress in Almirall's research and development activities, which is based on the number of regulatory milestones achieved in each project carried out by the Company. This indicator will, in turn, be divided into sub-indicators that will reflect specific aspects of each project, with each indicator ranging from 70% to 150%. For each sub-indicator, a minimum number of milestones to be achieved will be established and, if this minimum is not reached, the value of the sub-indicator will be zero.

These objectives, its relative weigh and its assessment process may be revised by the Nominations and Remuneration Commission, and subsequently submitted to the Board of Directors for approval on a yearly basis.

The terms and conditions of the PS Plan set forth the following general provisions:

(i) Change of control: in the event of a change of control (defined as any event as a result of which any unrelated third party of the Company (i) holds at least 50% of the voting rights of the Company; (ii) has the power to appoint or dismiss a majority of the members of the board of directors; or (iii) might have, by virtue of any agreement entered into with third parties, a majority of the voting rights), all the Initial Performance Shares granted to the CEO will automatically vest into Final Performance Shares pro rata to the number of Vesting Period days elapsed. For this purpose, the level of achievement of the targets set for the applicable Vesting Period will be deemed to be 100%.

(ii) Adjustment clause: if, during the term of the PS Plan, a corporate event o transaction occurs that could significantly alter the determination of the financial metrics on which the calculation of the number of Performance Shares is based ("**Corporate Transaction**"), then the Board of Directors, following a proposal of the Nominations and Remuneration Commission, may adopt the necessary resolutions so that the return to be received by the CEO is equivalent to that which would have corresponded should the Corporate Transaction had not existed. The effects arising from share capital increases which are associated with prior correlative share capital reductions intended to restore the net worth balance due to losses and/or from share capital increases in the context of scrip dividends are excluded from this adjustment clause.

(iii) Termination: in any case of termination of the CEO relationship with the Company prior to the end of the applicable Vesting Period, except in the situations of retirement, death, total permanent incapacity or major disability, regardless of its cause and classification, the Executive Director shall not hold or acquire any right under the PS Plan, even if such termination is at the instance of the Company and, as a result of such termination, the Company must indemnify the Executive Officer.

(iv) Suspension: in case of suspension of the CEO relationship with the Company for a period exceeding three (3) months prior to the end of the applicable Vesting Period, except in situations such as maternity and paternity leave, risk during pregnancy, risk during breastfeeding, adoption and/or foster care prior to adoption or permanent foster care of children under six (6) years, in cases recognized by the competent health or administrative body and, gender-based violence, the Executive Director shall not hold or acquire any right under the PS Plan.

6.3 REMUNERATION IN KIND

The Executive Director may receive other remuneration items and certain remuneration in kind. In particular, in line with the general policy of the Company, the Executive Director will be the beneficiary of life insurance, civil liability insurance and health and medical assistance insurance. In addition, the Company will provide the CEO with a company car as per conditions established for managerial positions, with permitted use for non-professional purposes. The Company shall be responsible for insuring and maintaining the car and shall reimburse reasonable fuel expenses. The CEO may choose to receive an amount as part of his Fixed Remuneration instead of a company car allocation.

6.4 MAIN TERMS AND CONDITIONS OF THE EXECUTIVE DIRECTOR CONTRACT

- **Duration:** the contract will have a term of two (2) years which may be extended successively in annual periods unless either party terminates the agreement giving one (1) month's prior notice.
- **Multi-annual variable remuneration:** the CEO, as a beneficiary of the Stock Equivalent Units Plan, whose functioning, terms and conditions are described in the annual report on directors' remuneration for 2023, is entitled to the grant of Stock Equivalent Units from his appointment as such in February 2023 and until such plan is superseded by the PS Plan. Likewise, the CEO will be entitled to participate as beneficiary in the PS Plan as from its approval by the General Shareholders' Meeting.
- **Grounds for termination and termination benefits:** the following chart summarises the events under which the contract of the CEO can be terminated and the severance payment, if any, to which the CEO would be entitled.

Termination cause	Benefits
Expiration of the term of the contract.	In the event of termination of the contract due to the expiration of the initial term two (2) years, the CEO will not be entitled to any severance compensation. In the event of termination of the contract at the end of any of the successive annual extensions and only if the CEO ceases to maintain a commercial or labour relationship with the Company, the CEO will be entitled to receive a gross payment equal to 100% of his annual Fixed Remuneration (the "**Termination Severance**").
Mutual agreement between the parties.	In the event the contract is terminated by mutual agreement during the first two (2) years of its term, the CEO shall not be entitled to any severance payment. In the event of termination of the contract by mutual agreement as from the third year of the term of the contract, and only if the CEO ceases to maintain a commercial or labour relationship with the Company, the CEO will be entitled to receive the Termination Severance.

Termination cause	Benefits
Unilateral termination by the Company giving one (1) month's prior notice.	In the event the contract is unilaterally terminated by the Company during the first two (2) years of its term, the CEO shall not be entitled to any severance payment. In the event of unilateral termination by the Company as from the third year of the term of the contract, and only if the CEO ceases to maintain a commercial or labour relationship with the Company, the CEO will be entitled to receive the Termination Severance.
Voluntary unilateral termination by the Executive Director giving one (1) month's prior notice.	The CEO will not be entitled to any severance payment if he resigns unless its decision to terminate the contract is due to (i) a serious and wilful breach by the Company of the obligations included in the contract; or (ii) a change of control in the Company in the terms established under article 42 of the Commercial Code, or the assignment or transfer of all or a relevant part of its business or assets and liabilities to a third party, or entry into another business group, provided that the CEO notifies the Company in writing of his intention to terminate the contract within a period of three (3) months from such change of control occurring.
Death, legal incapacitation, official total or severe permanent incapacity or the temporary inability or impossibility to perform his duties for more than three (3) months	Neither the CEO nor his successors will be entitled to the Termination Severance or any other severance compensation without prejudice of any other severance or compensation of whatsoever nature that could correspond to them or to the benefits that the Company could have procured on behalf of the CEO through social welfare schemes.

7. REMUNERATION POLICY APPLICABLE TO NEW DIRECTORS

The remuneration system described above shall be applicable to any director who joins the Board of Directors of the Company during the term of this Remuneration Policy, including any new executive director, adapting such system to his or her responsibility, seniority and professional experience.

In this regard, the Board of Directors shall establish, following a resolution of the Nominations and Remuneration Commission, a fixed remuneration appropriate to such characteristics, considering the competitive environment and the level of remuneration he or she had prior to his or her incorporation, also applying the variable remuneration system set forth in this Remuneration Policy, as well as other applicable contractual conditions, without the overall limits set forth in this Policy being applied for these purposes.

In the case of executive directors, and in order to facilitate the hiring of an external candidate, the Nominations and Remuneration Commission may propose to the Board of Directors for its approval a special incentive to compensate for the loss of unvested incentives in the previous company due to the termination and subsequent acceptance of the Company's offer.

8. CONTRIBUTION TO THE COMPANY'S BUSINESS STRATEGY AND INTERESTS AND ITS LONG-TERM SUSTAINABILITY

The Remuneration Policy contributes to the Company's business strategy and interests and its long-term sustainability, as explained in section 4.3.

The components of the Executive Director's remuneration comprise the following components that contribute to the business strategy and to the long-term interests and sustainability of the Company, as follows:

- Fixed annual remuneration, the purpose of which is to reward the Executive Director in accordance with his level of responsibility, seniority and experience, setting a base salary that is competitive enough to attract and retain talent that contributes to the creation of value.
- Variable remuneration (annual and long-term), the purpose of which is to foster the Executive Director's commitment to the Company and retain him, encourage his professional performance and reward the achievement of certain previously defined targets that measure value creation for the Company, aligning the Executive Director's goals with those of the Company and its shareholders. The targets with which this variable remuneration is linked include financial and non-financial metrics, such as profitability, shareholder return and value creation. This contributes to the Company's business strategy and interests and its long-term sustainability. With this variable remuneration, the Executive Director may not receive any amount if he fails to achieve the minimum thresholds.
- The Nominations and Remuneration Commission is also involved in the determination and application of the Remuneration Policy as provided for in section 10.

9. HOW THE COMPANY'S EMPLOYEES' REMUNERATION AND CONDITIONS WERE TAKEN INTO CONSIDERATION WHEN FORMULATING THE REMUNERATION POLICY

The remuneration system applied to the Executive Director is aligned with that applicable to the staff, especially the Company's officers, with which it shares the following principles:

- The officers are beneficiaries of the annual variable remuneration system and the PS Plan under similar terms as the Executive Director, thus affording them the opportunity of sharing the value creation. Therefore, a significant portion of the management team's total remuneration is variable, with accrual linked to the achievement of targets that are consistent with the Company's strategy and values and its long-term interests.
- The remuneration package may comprise fixed and variable components, remuneration in kind and other Company benefits. In any event, fixed remuneration represents a large percentage and, in certain circumstances, variable remuneration may amount to zero.
- Safeguards are in place to avoid any discrimination in applying remuneration practices and policies. Employees are remunerated in accordance with the dedication, skills, experience

and responsibility brought to the position, as well as the specific duties and tasks performed, with levels of remuneration that are competitive enough to attract and retain talent.

- The levels of remuneration are appropriate for the Company's size and financial situation at any given time, and market standards for comparable Spanish companies. There are also provisions to avoid excessive risk-taking or rewarding poor performance. This also applies to the overall Remuneration Policy.

10. DECISION-MAKING PROCESS FOLLOWED TO DETERMINE, REVIEW AND APPLY THE REMUNERATION POLICY

Pursuant to the Board of Directors regulations, the Nominations and Remuneration Commission's duties include making proposals to the Board of Directors on the remuneration policy for directors, general managers or those who perform executive functions reporting directly to the Board, executive commissions or the CEO, and on the individual compensation of executive directors and other contractual conditions, looking after the observance and the transparency of the remuneration policy.

The General Meeting has the powers attributed to it by law with respect to determining the maximum amount of annual remuneration payable to all directors in their capacity as such, approving the Remuneration Policy and approving incentive plans involving the delivery of shares to directors. The Board has the powers attributed to it by law, as described in sections 5 and 0.

The Appointment and Remuneration Commission assesses the level of achievement of the objectives set for the Executive Director in relation to his/her Bonus and to the PS Plan and submits the corresponding proposal to the Board of Directors. The Nominations and Remuneration Commission proposes to the Board of Directors the Executive Director's individual remuneration and his/her other contractual terms and conditions, overseeing and ensuring compliance with the same.

The Nominations and Remuneration Commission also considered institutional investor and proxy advisor demands.

Regarding potential conflicts of interest, article 29 of the Board Regulations outlines situations of conflict of interest and the rules governing such situations. The Remuneration Policy was drawn up by the Nominations and Remuneration Commission, which is composed exclusively of non-executive directors, of which the majority are independent directors. The Remuneration Policy was ratified by the Board of Directors, with no conflict of interest on the part of the Executive Director. The fact that the Spanish Companies Act excludes proposing the Director Remuneration Policy from the Board's remit which, coupled with the decision-making powers attributed to the General Shareholders' Meeting with regard to the Remuneration Policy, avoid potential conflicts of interest by all directors during approval of the Policy.

11. EXPLANATION OF SIGNIFICANT CHANGES

The main changes implemented in the new Remuneration Policy are the following:

Firstly, the introduction of the PS Plan, a new multi-year variable remuneration system applicable to the Executive Director. This new plan responds to one of the concerns of the Company's shareholders and their proxy advisors, which was that the measurement period of the multi-annual variable remuneration system of the Company's Executive Director should be longer than one (1) year. Furthermore, the PS Plan is settled through a mix of cash and Almirall shares, is based on the achievement of objective and measurable targets and envisages clawback and lock-up clauses, all in line with the best market standards in remuneration.

Secondly, the provision of mechanisms that provide the Remuneration Policy with greater flexibility so that the contract with the Executive Director can be adjusted to the needs and circumstances of Almirall at any given time and that ensure that, in case it is necessary to hire a new executive director in the future, Almirall has sufficient leeway to offer competitive conditions that enable the best candidates to be recruited.

Thirdly, the explicit stipulation that the Board of Directors shall have the power to review the remuneration received by directors in their capacity as such, as well as the possibility of paying an additional fixed allowance to directors for their membership of committees or for holding existing or future positions within the Board of Directors.

Finally, the implementation of certain technical improvements to describe in greater detail, in line with best market practice, the various components of the remuneration package of the Executive Director, the components of the remuneration of the members of the Board of Directors in their capacity as such, the principles governing the Remuneration Policy and the processes carried out for its approval and application. Likewise, certain technical wording improvements and minor corrections were also made.