

ESTEVE announces changes to its corporate governing bodies

The company continues to make headway in the professionalization of their Board of Directors with the inclusion of three independent members for the first time

Barcelona, 31st March 2016: The chemical-pharmaceutical group ESTEVE has today announced changes to the composition of its Board of Directors and committees.

The main changes concern the inclusion for the first time of three independent members and the departure of some of its current members. Likewise, an agreement has been reached as to the inclusion of a fourth independent member over the coming months, meaning that this profile of board members will account for around 40% of the Board¹. With these changes, the Group is laying the foundations for continuing to evolve towards greater professionalization in its governing bodies, in so doing further encouraging good corporate governance practices, ensuring suitable renewal and fostering independent input.

The new make-up of the Board of Directors – the highest decision-making authority within the Group – comprises 7 proprietary directors and 3 independent members as follows: Joan Esteve (Chairman), Albert Esteve (Managing Director), Antoni Esteve, Sílvia Gil-Vernet, Jordi Esteve, Santiago Descarrega, Maria Pagès, Jesús Caínzos, Alessandro Banchi and Julio Rodríguez. The three last-mentioned members join as independent external members, while the duties of non-board member secretary and vice-secretary will be performed by Jordi Faus and Joaquin Monleón respectively.

Two proprietary directors are giving up their places on the Board as follows: Josep Esteve, who will remain as Chairman of the Dr. Antoni Esteve Foundation, and Joaquim Targa. The external advisor Rossend Tost and secretaries Josep Ma. Ràfols and Agustí Jausàs are also leaving the Board.

In the words of Joan Esteve: *“although we are not a listed company, we want our governance model to pursue the criteria of good corporate governance practices by combining the best of a family business with the principles attached to public enterprises”*.

The above changes, ratified at the General Meeting of Shareholders held yesterday 30th March, only affect the Board and its committees. The Group’s executive management structure remains under the leadership of the Managing Director, Albert Esteve.

2015 – confirmation of a change in trends

In 2015 the company consolidated the positive trend first embarked on in 2014. Joan Esteve points out that *“we have managed to leave difficult times behind us and regain a position of leadership, and the new Board structure will continue contributing towards stability so as to foster development of the excellent business platform we have at our disposal”*.

The Group, which is experiencing sustained growth in its three main activities – pharmaceuticals, fine chemicals and generics – ended the financial year with consolidated sales of 870 million Euros, of which 63% derives from the overseas market. The previous financial year also ended with two major operations: the signing of an alliance to develop several of its products in research and the sale of its veterinary division. The latter forms part of the process pursued by the Group that focuses on its three main spheres of activity: pharmaceuticals, fine chemicals and generics.

ESTEVE currently employs 2,279 people and maintains a presence in Europe, the USA, Mexico and China.

¹According to the [IESE-Russell Reynolds](#) survey, the average in Spain is 17%

Brief profile of the Chairman, Managing Director and independent board members

Joan Esteve (Chairman of the Board since 2012).



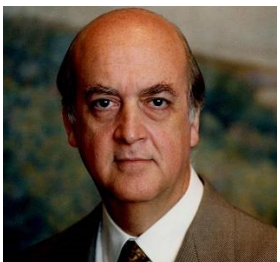
Joan Esteve's career as a trained economist and member of the second business generation dates back to 1971, and is closely linked to the company's success – initially assuming responsibility for the international outreach of ESTEVE and subsequently sharing executive management of the Group. In the year 2000 he was appointed as its Vice-Chairman, and from then on until 2011 presided over the Board's Management Committee. In 2011 he took over Chairmanship of the General Board of Shareholders and apart from his career linked to the company, has also been director of companies from a range of sectors.

Albert Esteve (Managing Director).



A graduate in Economic Science from the University of Barcelona, and holding a Diploma in Business Administration from the ESADE Business School and in Corporate Resource Management from the IMD (Lausanne, Switzerland), he joined an ESTEVE subsidiary as Assistant to General Management after gaining some years' experience in the fine chemical pharmaceutical sector in Spain and working for a multinational pharmaceutical company in the USA. He was subsequently appointed member of the Group's Executive Committee and has been Managing Director of ESTEVE since 2011.

Jesús Caínzos (independent board member)



A graduate in Economic Science from the Complutense University of Madrid, he went on to pursue postgraduate studies at several international universities and business schools. Founder of JM CAINZOS & ASOCIADOS, a strategic and financial consultancy firm with an interest in corporate governance and corporate transactions. He has also been Vice-Chairman of the BBVA bank and Chairman of several of its committees. In the business sphere of activity, he was International Vice-Chairman of Johnson & Johnson and Managing Director/General Manager of several companies including Lilly (Spain and Portugal) and Elizabeth Arden. In terms of corporate governance, special mention should be made of his Chairmanship of the Institute of Company Directors and membership of the group of experts trained by the

Government to set in motion the new Corporate Governance Code for listed companies.

Alessandro Banchi (independent board member)



A Doctor of Chemical Engineering from the University of Bologna, he pursued part of his career at Boehringer Ingelheim in Germany, holding posts on the Management Committee firstly as the person in charge of sales and marketing worldwide and subsequently, until 2008, as Chairman of the Management Committee and CEO. At that time, Boehringer Ingelheim attained a turnover of 11,595 million Euros and employed 41,000 people worldwide. Since 2009 he has been a board member and advisor of several international industrial firms including Enel, S.p.A. and Biotest AG, a public enterprise quoted on the Frankfurt stock exchange.

Julio Rodríguez (independent board member)



A trained engineer and holding a Diploma in Marketing and General Management from the IESE Business School, his career was linked to Schneider Electric from 1984 to 2015. During this long period at the company he held several positions of responsibility in top management, the most recent being that of Vice-Chairman of Company Transactions. He was a member of the Executive Committee at Schneider Electric worldwide for the past 13 years and remains a director of Schneider Electric Spain. Since July 2015 he has been Managing Director of the Cementos Molins Group, a company which has 10 production plants, 4,500 employees and maintains an industrial presence in 9 countries.

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