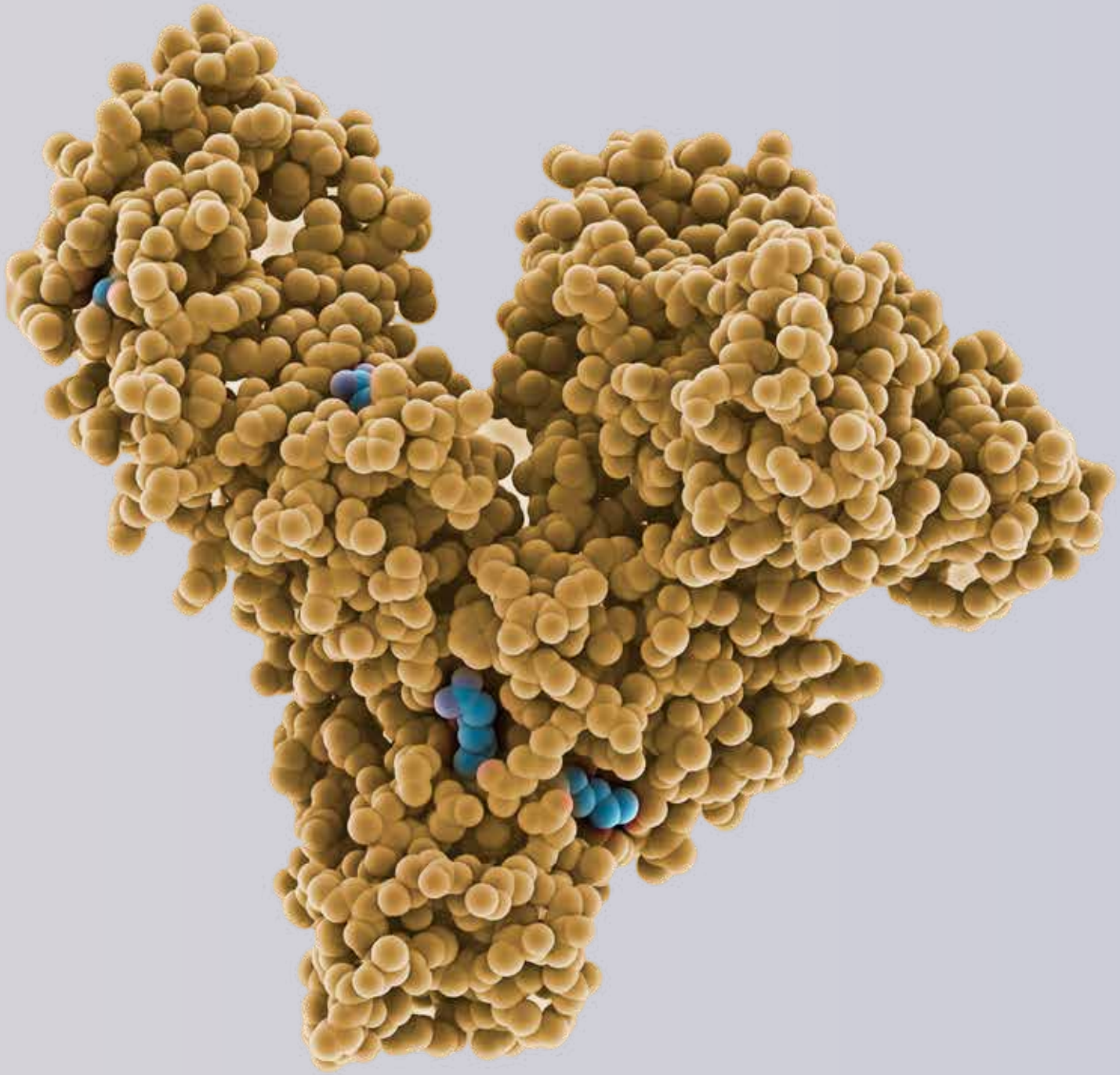
INTEGRATED ANNUAL REPORT 2019



GRIFOLS

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INTRODUCTION

MORE THAN 100 YEARS OF HISTORY

"The right to live in society entails the duty to work to improve it"

Josep Antoni Grífols i Roig, 1976

ETHICS, HEALTH AND ENVIRONMENT MUST GO HAND IN HAND

For more than 100 years Grifols has looked to the future, committed to continued, sustainable and ethical growth. We are convinced that only a job well-done, with integrity, rigor and honesty, will allow us to truly create value for patients and society beyond financial performance.

In 2019, based on our estimates, Grifols generated a socio-economic impact of EUR 8,500 million[1].

In 1909, when Grifols' founders laid the first bricks of what today is a global company, we didn't measure our contributions or speak of social responsibility. Nonetheless, we always pursued the common good by enhancing the quality and safety of blood transfusions in order to benefit thousands of people worldwide. Back then, innovation was synonymous with ingenuity and our forerunners did their utmost to cultivate it. While no one spoke of sustainability, every step was taken with a clear long-term vision while maintaining the health and welfare of patients, donors and employees as the top priority.

More than 100 years have passed and we continue to evolve. Our history as a company and the progresses achieved all these years are displayed at the Grifols Museum in Barcelona, which we have reopened in 2019.

Now, we face new challenges. In light of increased life expectancy and new age-related diseases, it is our obligation and commitment to help respond to these new needs.

Inspired by this conviction, in 2004 we began our first research on Alzheimer's disease. In 2019, we reached an important milestone with the unveiling of AMBAR (Alzheimer Management by Albumin Replacement) results, which confirmed the efficacy of plasma exchange with albumin and immunoglobulin to stabilize the progression of the disease in patients in the mild to moderate stages. It is a source of pride to know that AMBAR symbolizes one of the most important advances in recent years in the fight against Alzheimer's. Encouraged by these results, we will continue to explore the potential of plasma proteins and plasma exchange.

Our research also includes conditions, such as liver diseases, and other new research lines that will allow us to continue generating and sharing value in our area of expertise so that people worldwide can enjoy longer and healthier lives.

There are also broader challenges for the planet. Global warming and its effects on climate change and the environment have multiple consequences that impact us all in one way or another – companies included. For this reason, we will continue our efforts to reduce atmospheric emissions and use natural resources and energy more rationally and efficiently. Our production plants in the United States, Spain and Ireland were explicitly designed to mitigate environmental impacts, and as a global company, we have implemented a range of initiatives to promote eco-efficiency in our value chain.

OUR BUSINESS RESPONDS TO THE NEEDS OF SOCIETY AND EMBRACES A SUSTAINABLE APPROACH IN HOW IT MEETS THEM

Ethics, health and environment must go hand in hand. Our business responds to the needs of society and embraces a sustainable approach in how it meets them. There is no other option and numerous people are involved to ensure it. This approach forms part of our corporate culture and the values instilled by our founders and as Grifols' CEOs continue to uphold.

Thank you for your trust,

VÍCTOR GRÍFOLS ROURA
CHAIRMAN

1. Socio-economic impact estimated in accordance with the input-output analysis.

GRIFOLS IS A COMPANY WITH A LONG-TERM VISION

WE ARE PREPARED TO FACE NEW CHALLENGES WITH A RESPONSIBLE BUSINESS MODEL BASED ON "ONE GRIFOLS" AND ALIGNED WITH THE SUSTAINABLE DEVELOPMENT GOALS

As is the case every year, this report offers a frontline view of the details of our management with the objective of transparently showcasing the achievements made in 2019 in order to build on our commitment to sustainable growth and long-term vision.

Grifols has a unique business model that, inspired by a "One Grifols" spirit and guided by the Sustainable Development Goals (SGDs), combines an economic, social and environmental scope to create value and magnify the positive impact of our business.

For more than 100 years, we have pursued a business model based on solid corporate governance that interweaves integrity, ethics, safety, quality and innovations as key pillars to help people live longer and healthier lives.

In 2019, Grifols continued to promote job creation and economic progress. A robust strategy and effective implementation enabled us to generate an economic impact of EUR 8,500 million and 148,000 jobs – direct, indirect and induced – in our core countries of operation: the United States, Spain, Germany and Ireland.

Will extend our global reach with the expansion of Grifols in China through the strategic alliance with Shanghai RAAS. This agreement represents an important growth opportunity for our divisions, while allowing us to help improve China's healthcare system through stronger quality-control standards in the production of plasma-derived medicines, as well as diagnostic systems to enhance the safety of blood transfusions.

In regards to our commitment to patients and comprehensive R+D+i strategy, we launched several new products. These include Xembify®, our 20% subcutaneous immunoglobulin, which broadens our portfolio of products to treat primary immunodeficiencies; Vistaseal™, a new plasma-protein-based biosurgical solution developed through our collaboration with Ethicon; and a new presentation of HyperRAB®, our hyperimmune immunoglobulin for patients exposed to rabies, which is twice as strong as other treatments on the market. As part of our efforts to enhance cross-divisional collaborations, we also launched AlphaID™, a free bucal swab to detect alpha-1 antitrypsin deficiency.

In 2019, we made significant investments to bolster our organic growth, allocating more than EUR 660 million to production facilities and R+D+i. In recent years, this strategic effort has allowed us to expand and diversify our access to plasma and sustain our leadership position through a network of 295 plasma donation centers in the United States and Germany. We have also moved forward with capital investments. The plasma fractionation plant in Clayton, North Carolina (U.S.) – among the most advanced and innovative in

the world – will soon become a reality, as well as the new albumin purification, dosage and sterile filling plant in Dublin (Ireland).

In the area of R+D, we completed an important milestone with the publication of results from the AMBAR (Alzheimer Management by Albumin Replacement) clinical trial on against Alzheimer's. Additional AMBAR findings, presented at several international conferences throughout the year, confirmed the safety and efficacy of the treatment protocol in slowing down the progression of the disease in patients with mild to moderate Alzheimer's. As announced, we will continue our work in the fight against Alzheimer's with new studies and efforts to ensure that people can benefit from this treatment as soon as possible.

These milestones and other accomplishments highlighted in this report would not have been possible without the commitment and dedication of our talented Grifols staff. Our workforce of 24,000 employees – men and women who reflect more than 80 nationalities – are undoubtedly our greatest asset. In this regard, we are proud of our efforts to promote diversity, equal opportunities and talent development. As a result of the initiatives launched, we have created nearly 8,400 new direct jobs, 70% of which are occupied by women; important step forward to continue reducing the gender gap, which is 2.2% In the U.S. and 5.1% In Spain; and delivered 2 million training hours, 62% to women employees. We also remained steadfast in our commitment to creating stable employment. At Grifols, 98% of employees have permanent contracts and 93% work full-time.

In terms of our financial results, we generated record-high revenues of nearly EUR 5,100 million in 2019. All of our divisions and regions where we operate contributed positively to this growth, also reflected in our operational results, margins and profits. Our solid financial performance and long-term plans allowed us to quickly close and with strong acceptance our debt-refinancing process for EUR 5,800 million. This undoubtedly represents an important breakthrough since it optimizes our financial structure, while at the same time showcases the trust of our investors.

We have made significant strides in our manufacturing operations that are based on a sustainability model. Today, 75% of our production is carried out in plants with environmental management systems. Grifols also received the 2019 European Industrial Excellence Award, highlighting the company's operational excellence. In the fight against climate change, we undertook six important environmental commitments for 2030. These include reducing greenhouse gas emissions by 40%, obtaining 70% of electricity consumption through renewable energy sources, reducing waste and protecting biodiversity.

We continued to drive a range of programs aimed at promoting health, education and nutrition in less privileged areas of the world and in the local communities where we operate. In 2019, we allocated nearly EUR 40 million to these causes, which were carried out both directly and through our foundations.

All of the initiatives developed – all of the achievements enable us to continue contributing – allow us to continue contributing to the sustainable development goals by combining economic value with social and environmental benefits. Furthermore, they demonstrate our capacity to make a positive impact and encourage us to continue our management along the same path.

We can confirm that 2019 was an exceptionally positive year for Grifols, a year marked by courageous decisions that will allow us to advance on our commitments to donors, patients, healthcare professionals, our workforce, shareholders and investors.

Grifols is a company with a long-term vision. We have defined solid lines of action for the upcoming years and are more than ready to face new challenges.

We hope to keep your confidence,

RAIMON GRÍFOLS ROURA
Co-CEO

VÍCTOR GRÍFOLS DEU
Co-CEO

THIS REPORT HIGHLIGHTS THE WORK OF EVERYONE AT GRIFOLS AS THE COMPANY CONTINUES TO ENHANCE ITS ECONOMIC, SOCIAL AND ENVIRONMENTAL CONTRIBUTIONS TO SOCIETY

HIGHLIGHTS

GROWTH

Revenues M€

5,099
+13.6%

3,391
+14%
NORTH AMERICA

857
+7%
EUROPEAN UNION

851
+19.5%
ROW

Net Profit M€

625
+4.8%

EBITDA M€

1,434
+17.3%

INVESTMENT AND INNOVATION

Productive Investments M€

332
+31.7%

Net R+D+i investments M€

329
+12.9%

6.5% of revenues

Plasma centers

295

People dedicated to R+D+i

1,200

Patents

3,179

TALENT & DIVERSITY

Human resources

24,003

Workforce growth

+13%

73% NORTH AMERICA

25% EUROPEAN UNION

2% ROW

Direct jobs created

8,400

70% for women

EQUAL OPPORTUNITY

Permanent contracts

98%

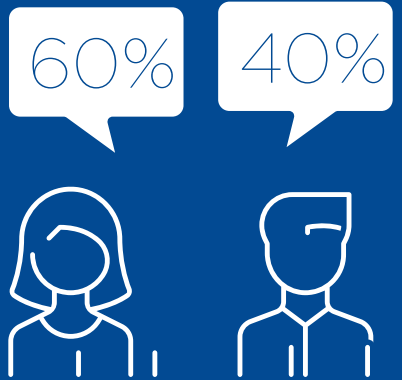
Full-Time contracts

93%

Cultural diversity

+80

NATIONALITIES



SUSTAINABILITY

Environmental costs and investments M€

21.8

Destination of resources (expenses and investments)

26% WATER CYCLE

66% WASTE MANAGEMENT

8% ATMOSPHERIC, ENERGY EMISSIONS AND OTHERS

RESPONSIBILITY

Total economic impact M€

8,500

Total job creation

148,000

Community investment M€

38.9

MILESTONES

JANUARY

- Agreement with Rigel Pharmaceuticals to market fostamatinib in Europe and Turkey
- FDA approval of pretransfusion compatibility analyzer Erytra® Eflexis
- 5th Edition of the Ethics and Science Awards of Víctor Grífols i Lucas Foundation

FEBRUARY

- FDA approval of Babesia detection assay in blood (Procleix® Babesia)
- PharmacyKeeper application receives KLAS Category Leader award for innovation
- 1st International Bioethics Congress under the auspices of Víctor Grífols i Lucas Foundation Chair

MARCH

- Announcement of strategic alliance with Shanghai RAAS to reinforce the growth of plasma-derived products and diagnostic solutions in China
- Presentation of additional results of the AMBAR clinical trial against on Alzheimer's at AD/PD.
- Expansion of blood-typing solutions in Latin America and installation of the first Erytra® Eflexis system in Mexico

APRIL

- Grifols' R+D+i efforts receive the top score of "Excellent" by Plan Profarma, an initiative of the Spanish Ministry of Industry, Commerce and Tourism
- New donation to the World Federation of Hemophilia Humanitarian Aid Program
- Grifols' U.S. plasma centers collect more than 113 tons of food to serve people in need in their communities

MAY

- Announcement of EUR 1,400 million capital investment plan between 2018-2022 in General Shareholders' Meeting
- The AMBAR project is included among the "Best 100 Ideas of the Year" by Actualidad Económica magazine
- Reopening of the Grifols Museum in Barcelona

JUNE

- Voluntary release of transfers of value made in 2018 to healthcare professionals and organizations in Europe
- Annual Investor and Analyst Meeting
- Relocation of subsidiary headquarters in France and Czech Republic to two new office buildings

JULY

- FDA approval of Xembify®, the new 20% subcutaneous immunoglobulin
- Presentation of additional results of the AMBAR clinical trial against on Alzheimer's at AAIC
- Grifols listed on the FTSE4Good Index for the second consecutive year
- First project in Africa: agreement to build a production line in Morocco for Soludia Maghreb

AUGUST

- Grifols Asia Pacific receives ISO 9001:2015 certification, an important milestone that recognizes the continuous efforts to improve quality management systems
- FDA approval for QNext® coagulometer and DG-PT reagent for hemostasis
- Agreement with diagnostic South Korean firm PCL for the supply of recombinant antigens

SEPTEMBER

- Healthcare-technology collaboration agreement signed with Mondragon
- Grifols Academy of Plasmapheresis Center Leadership Development Program (CLDP) accredited by the Institute for Credentialing Excellence (ICE) for its high standards of quality
- Production of blood bags begins in the new plant in Brazil

OCTOBER

- Procleix® Panther® System with Automated Ready Technology receives CE marking
- Two new Progenika Promonitor® kits receive the CE marking and approval in Canada and Australia
- Agreement with Sandoz to provide Promonitor® kits to Spanish physicians to monitor the pharmaceutical firm's biologic medicines

NOVEMBER

- U.S. launch of AlphaID™, a bucal swab used to detect alpha-1 antitrypsin deficiency
- U.S. and Chinese regulatory authorities approve the strategic alliance between Grifols and Shanghai RAAS
- Debt refinancing process closed in record time and with strong acceptance

DECEMBER

- U.S. launch of Vistaseal™, Grifols' first plasma-protein-based biosurgery solution.
- Presentation of additional results of the AMBAR clinical trial against on Alzheimer's at CTAD.
- U.S. launch of Xembify®, the first 20% subcutaneous immunoglobulin to treat primary immunodeficiencies

Xembify
Immune Globulin
Subcutaneous (Human), 20%

alzheimer management by albumin replacement
ambar

1

ABOUT GRIFOLS

FOR MORE THAN 100 YEARS GRIFOLS HAS INNOVATED SO THAT PEOPLE CAN LIVE BETTER

PUTTING DONORS AND PATIENTS AT THE CENTER OF ALL WE DO ENABLES US TO FOCUS AS “ONE GRIFOLS” ON LONG-TERM, SUSTAINABLE VALUE CREATION

Established

1909

Business area

4

divisions

Total economic impact M€

8,500

Total job creation

148,000

MORE THAN A CENTURY OF SUCCESS

1909

Dr. Josep Antoni Grífols i Roig sets up **Instituto Central de Análisis Clínicos, Bacteriológicos y Químicos** in Barcelona, prior to Laboratorios Grifols.

1940

Dr. Grífols i Roig, and his sons Josep Antoni and Víctor Grífols i Lucas, **establish Laboratorios Grifols in Barcelona**, a company specialized in clinical analyses and the preparation of lyophilized plasma.

1943

Production of the first single-donor **lyophilized plasma** in continental Europe. Grifols patents this process in Spain and develops a **lyophilizer and complementary devices** to later inject plasma as a therapy.

1945

Grifols opens the **first private blood bank in Spain.**

1951

Dr. Josep Antoni Grífols Lucas develops the **plasmapheresis technique.**

1958

First plasma fractionation plant in Spain begins operations.

1973

Grifols opens its **new production facility** in Barcelona.

1995

Dr. Víctor Grífols i Lucas lead Grifols to become the **first non-U.S. company to obtain a FDA establishment license** and a **FDA license for a biological product (albumin).**

SINCE 1909 WE HAVE STRENGTHENED OUR COMMITMENT TO IMPROVING THE HEALTH AND WE-LL-BEING OF PEOPLE. MORE THAN 100 YEARS PROMOTING A SUSTAINABLE BUSINESS MODEL BASED ON CONTINUOUS INNOVATION AND ETHICAL LEADERSHIP

2002

Grifols acquires the U.S.-based company SeraCare, currently **Biomat USA, along with its 43 donors centers.**

2003

Grifols acquires the assets of Alpha Therapeutic Corporation-Mitsubishi, including its plasma therapy manufacturing plant in Los Angeles, California.

2006

FDA grants approval for immunoglobulin Barcelona plant (IVIG).

Grifols is listed on the Spanish stock exchange.

2011

Grifols acquires **Talecris Biotherapeutics** to become the third-largest global manufacturer of plasma-derived protein therapies.

Grifols is listed on the **NASDAQ** stock exchange.

2014

Acquisition of the **transfusional diagnostic assets from Novartis.**

2016

Acquisition of **Hologic's share of NAT donor screening unit.**

2019

Latest findings released from the **AMBAR clinical** trial, which demonstrate the positive impact of the protocol in slowing down disease progression in patients with mild to moderate Alzheimer's.

Strategic alliance with Shanghai RAAS in China.

alzheimer management by albumin replacement ambar

SRAASH

OUR SUSTAINABLE BUSINESS MODEL

OUR VALUES DRIVE OUR BUSINESS AND GUIDE "ONE GRIFOLS"

"One Grifols" gathers the solid corporate values established by the founders of Grifols in 1909.

These values promote teamwork, responsibility, innovation, sustainability, long-term value creation and strategic vision.

Inspired by these principles, Grifols creates wealth for its stakeholders by generating stable employment, driving frontline research, promoting development, and building trust with shareholders and investors. To this end, the company follows a sustainable growth strategy aligned with its mission of enhancing the health and well-being of people worldwide.

Grifols is the embodiment of these fundamental values, its commitments and a pioneering spirit in pursuit of scientific progress.

INTERNATIONALLY RECOGNIZED

FTSE4Good

CDP ACCREDITED PROVIDER 2019

THE PRINCIPLES OF BIOETHICS GUIDE OUR OPERATIONS: THE VÍCTOR GRÍFOLS I LUCAS FOUNDATION

As part of Grifols' commitment to scientific and social progress, we believe that science must be firmly committed to life in all of its facets. At its essence, scientific progress aims to improve the quality of life of human beings, both as individuals and humanity as a whole.

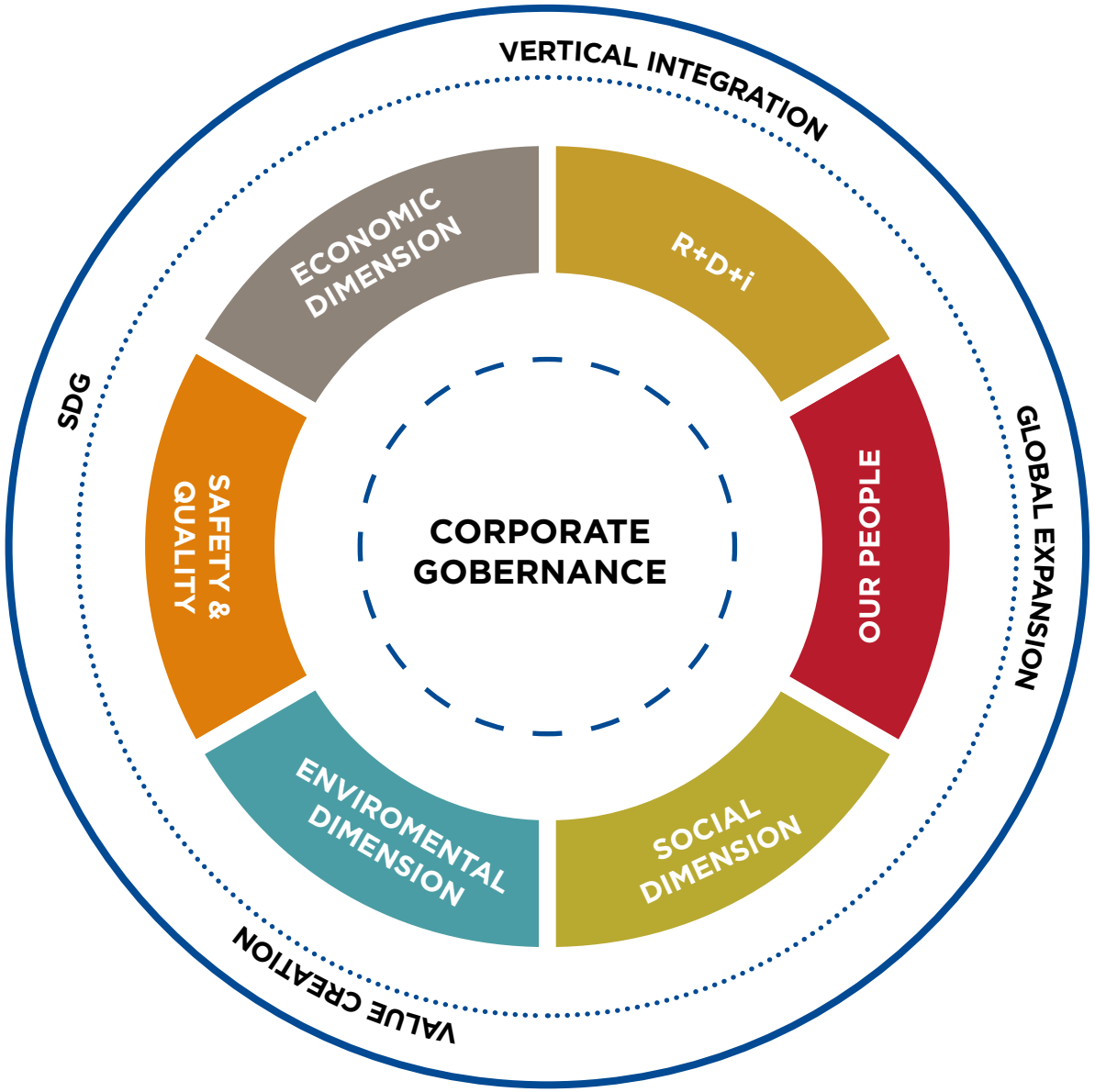
This principle has formed part of Grifols' DNA since its beginnings. The fundamental tenets of bioethics guide the development, production and marketing of Grifols products in order to ensure the safety and dignity of patients and donors and effectively address the ethical questions raised by scientific advancements.

VICTOR GRIFOLS I LUCAS FOUNDATION

Grifols founded The Victor Grifols i Lucas Foundation in 1988 to spark cross-disciplinary debate and dialogue on the subject of bioethics. The Foundation aims to foster ethical attitudes among healthcare organizations, companies and professionals and serve as the catalyst for new new ideas, insights and perspectives on the ethics of life. In support of its mission, the Foundation sponsors a Bioethics Chair that promotes research and educational initiatives, awards, scholarships and publications to stimulate and spread knowledge of specific bioethic areas.

FUNDACIÓ VÍCTOR GRÍFOLS i LUCAS

For more information: http://www.fundaciogrifols.org/es/web/fundacio/mission-objectives



BASED ON BIOETHICS PRINCIPLES AND THROUGH A SOLID CORPORATE GOVERNANCE, GRIFOLS EVALUATES AND MANAGES ITS ECONOMIC, SOCIAL AND ENVIRONMENTAL DIMENSION, PROMOTING TALENT, INNOVATION, QUALITY AND SAFETY AS STRATEGIC PRIORITIES

GRIFOLS' BUSINESS MODEL SUPPORTS SUSTAINABLE DEVELOPMENT GOALS (SDGs) PROMOTED BY THE UNITED NATIONS AND ORIENTED TOWARDS VALUE CREATION

IT IS A VERTICAL INTEGRATION MODEL THAT PROMOTES COMPLEMENTARY PRODUCTS AND SERVICES AND GLOBAL EXPANSION

GRIFOLS' BUSINESS MODEL SUPPORTS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

WE ACTIVELY SUPPORT EFFORTS TO ACHIEVE SDGs

Adopted by the United Nations in 2015, the 2030 Agenda for Sustainable Development offers a shared global vision to promote peace and prosperity for people and the planet. The Agenda is grounded in 17 Sustainable Development Goals, which collectively advocate a holistic approach to address and manage critical global challenges such as the eradication of hunger and poverty, access to high-quality education, gender equality, decent work opportunities and the fight against climate change. The SDGs have been broken down into 169 concrete and measurable targets to help translate these global commitments into action.

Grifols is highly aware of the critical role that companies can play toward achieving sustainable development. For this reason, it partners with and supports the actions of numerous agents engaged in this global pursuit, reflecting its commitment to making a positive impact on society.

In order to effectively measure and communicate its contributions, Grifols has pinpointed and prioritized the SDGs in which it could make the maximum impact. This analysis has enabled the company to determine how it could create the most value and provide solutions in relation to its sector, operations and geographical scope.

Grifols carried out a materiality analysis to prioritize these objectives, selecting a total of five core SDGs where it could wield the greatest impact and four additional SDGs in which it could make a significant contribution. Grifols also supports the SDG17 – Partnerships to the Goals – by collaborating with different interest groups (social and educational institutions, governments, organizations, entities and other companies) to jointly spearhead initiatives in the fields of education, innovation and healthcare, among others.

The numerous actions by which Grifols supports these concrete SDGs are highlighted throughout this report.

GRIFOLS' CONTRIBUTION: SDGs PRIORITIZATION

PRIORITY OBJECTIVES

Sustainable Development Goals	2019 Notable Contributions
	• Production of plasma-derived medicines to treat patients with communicable and non-communicable diseases such as primary immunodeficiencies (PID), coagulation disorders and alpha-1 antitrypsin deficiency, among others. • Progress on clinical trial for use of albumin to treat cirrhosis (phase III PRECIOSA) and acute-on-chronic liver failure (phase III APACHE). • Approvals and market launches of new product formulations and indications that address the needs of patients and healthcare professionals (Xembify® and HyperRAB®, among others). • Results confirming the efficacy of the AMBAR protocol in slowing down the progression of Alzheimer's disease using measures combining cognitive and functional status in patients with mild-to-moderate Alzheimer's Disease. • New diagnostic test to increase the safety of blood transfusions: detection of HIV virus, hepatitis B and C and other emerging viruses such as Zika, West Nile and babesiosis. • Development of new molecular diagnostic and prognosis tests for oncology, autoimmunity, cardiovascular medicine and the central nervous system. • Manufacture of genomic and protein tests for in vitro diagnosis, prognosis, response prediction and monitorization of biologic drugs.
	• Creation of EUR 8,500 million in socioeconomic value and 148,000 jobs (direct, indirect and induced). • Growth of global workforce to 24,003 employees: 98% with permanent contracts and 93% employed full-time. • Reinforcement of a diverse talent pool to drive value creation: more than 80 nationalities, 51% of staff are 30-50 years old, 558 employees have some type of disability. • Establishment of a new area within the HR Department – "People Experience Hub" – to boost employee commitment and motivation. • Commitment to the well-being of all employees with an increase in training hours on safety, health and environmental issues (more than 134,000 hours) and the launch of new health and wellness initiatives.
	• Total R+D+i investment of EUR 329 million (+12.9%). This figure represents 6.5% of revenues and denotes an innovation intensity 5 times greater than the European average. • Increase in R+D+i personnel to more than 1,100 people. • More than USD 10 million allocated over the last 5 years to pre-clinical and clinical research projects through the Investigator Sponsored Research (ISR) program. • More than EUR 12 million allocated over the last 5 years to drive research projects on liver disease under the umbrella of the Grifols Chair. • Promotion of scientific dissemination, allocating more than EUR 2,150 thousand in 2019 to scholarships and scientific awards. • Analysis of more than 60 digital-innovation projects and initiatives that will lead to greater manufacturing efficiencies and quality improvements. • More than EUR 332 million allocated to improve production facilities.
	• EUR 21.8 million allocated to environmental initiatives. • First pharmaceutical company in the U.S. to receive the Gold Certification in the "Zero Waste to Landfill" program. • 4% reduction in water consumption compared to 2018 and roll-out of savings measures in 75% of production centers. • Prioritization of waste revalorization, preventing 99% of waste generated in U.S. (Clayton, NC) facilities from reaching landfills (approximately 10,488 tons). • Waste recovery and recycling volumes reached 10,986 tons, with the goal of increasing recycling volumes by 500 tons more per year. • Objective to consume 70% of electricity from renewable energy sources by 2030. • 2030 commitment to enhance energy efficiency by 15% per production unit through the systematic application of eco-efficiency measures. • Efforts to utilize surplus plasma from blood donations. Estimated savings of EUR 65 million for the Spanish public healthcare system arising from industrial hospital-plasma fractionation agreement.
	• Measurement and disclosure of carbon footprint in scopes 1, 2 and 3 in accordance with the GHG Protocol. • Application of TCFD recommendations to identify and disclose risks and opportunities stemming from climate change. • 13.9% savings in primary energy and reduction of 3,363 tons of CO_2 emissions from the Bioscience Division's cogeneration plant. • Offsetting of 1,500 tons of CO_2 thanks to reforestation projects in areas of need in Panama, accredited by the Gold Standard Global Goals. • Goal to reduce CO_2 emissions by 23,400 tons per year through the use of 68 million kWh in renewable electricity. • Objective to reduce greenhouse gas emissions by 40% per production unit by 2030. • Distinction of Green Globe Certification in the new Clayton (U.S.) fractionation plant.

RELEVANT OBJECTIVES

Sustainable Development Goals	2019 Notable Contributions
	• 1.99 million training hours carried out in 2019: an average of 112 hours per employee. • More than 1.7 million training hours to employees with lower qualification, promoting equal opportunities among its workforce. • More than 7,900 collaborators and professionals received training and professional development through Grifols Academy programs and initiatives. • Reinforcement of strategic alliances to promote education, including the executive leadership program for senior managers in collaboration with ESADE Business School (Barcelona) and the University of Georgetown's McDonough School of Business (Washington, D.C.) • Since 2013, 77 Grifols employees have graduated and 68 are in the process of earning a degree thanks to the collaboration with Southern New Hampshire University's College for America program.
	• 31% of Board of Directors are women, exceeding CNMV recommendations. • 15% increase in female staff compared to previous year. • Increase in female representation in all professional categories, especially in the areas of top management (11.2%), senior management (11.3%) and professional staff (27.9%). • 98% of female employees have permanent contracts and 91% work full-time. • Launch in U.S. of the North America Bioscience Commercial Women's Leadership Initiative (WLI) to support women's career trajectories. WLI included 350 members in 2019. • Design of plans to increase employment of women and members of minority groups (+10.5%), with 106 concrete measures in place. • Gender pay gap is 2.2% in the U.S. and 5.1% in Spain. Significant strides made in identifying the root causes of the salary gap and creation of action plan.
	• Community investments of nearly EUR 40 million. • Donation of more than 31 million IU of clotting factors and a commitment to donate 200 million by 2021. • In 2019, an increase in social outreach programs in communities where Grifols plasma centers are located and implementation of more than 3,400 initiatives, an increase of 25%. • More than 2,400 employees in Grifols plasma donation centers took part in non-profit and fundraising activities. • Donation of EUR 5 million to the Probitas Foundation to promote the healthy development of children and young people at risk of social exclusion, emphasizing their physical, mental and emotional well-being and providing one meal per day.
	• No known cases of corruption. • Increase in communication and development activities related to anti-corruption, reaching 89% of at-risk employees. • Reinforcement of transparency: disclosure of transfer of value in Europe and the United States (in accordance with the EFPIA Disclosure Code and U.S. Open Payments Program) and contributions made in the U.S. according to LDA stipulations. • Member of the European Union's Lobby Transparency Register

The full report on Grifols' contributions to SDGs is available on www.grifols.com

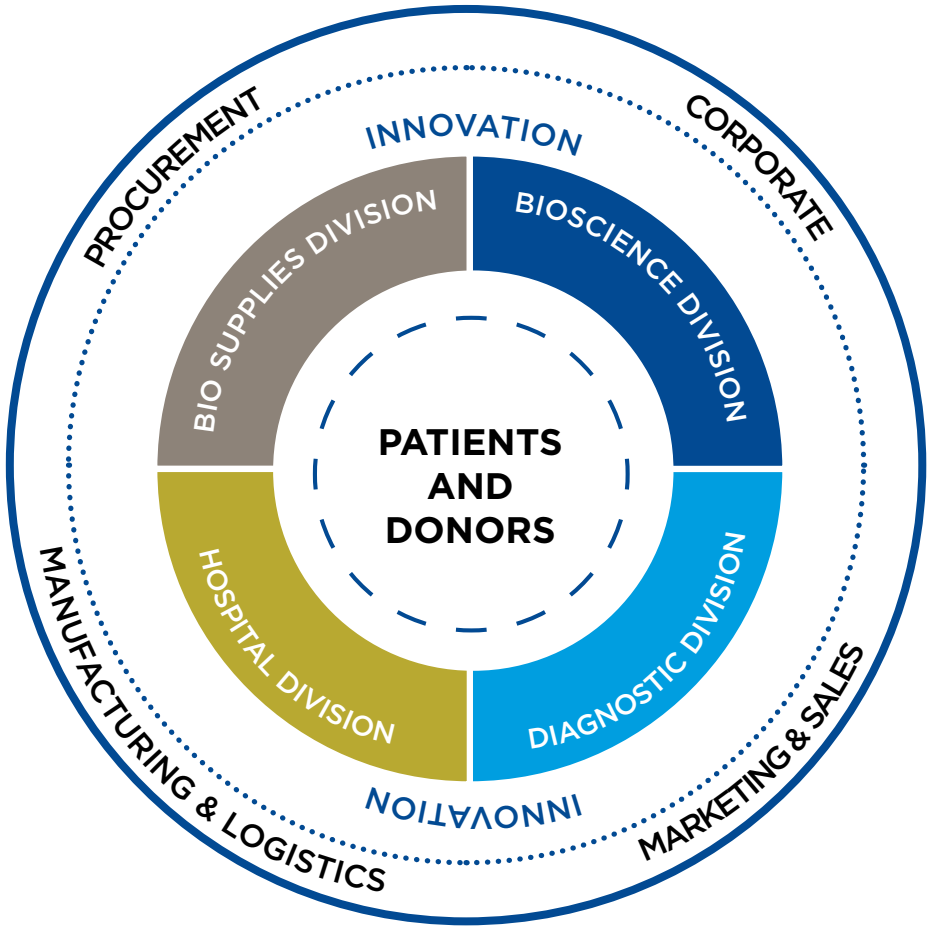
For more information about Grifols' contributions to each goal, see Annex III in chapter 9 "About this report"

A BUSINESS MODEL BASED ON VERTICAL INTEGRATION

GRIFOLS' VERTICALLY INTEGRATED BUSINESS MODEL GUARANTEES MAXIMUM QUALITY AND CONTROL AT EVERY STAGE OF THE VALUE CHAIN OF ITS FOUR DIVISIONS

WE PUT DONORS AND PATIENTS AT THE CENTER OF OUR VALUE CHAIN

WE TRANSFORM DONORS' GENEROSITY INTO LIFE-SAVING TREATMENTS FOR PATIENTS AROUND THE WORLD



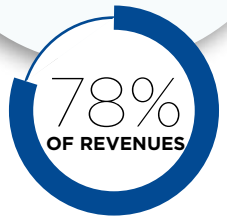
A BUSINESS MODEL FOCUSED ON SUSTAINABLE VALUE CREATION

GRIFOLS' VALUE CREATION IS REFLECTED IN ITS FOUR MAIN DIVISIONS AND ITS ONGOING PURSUIT TO OFFER CROSS-CUTTING SERVICES THAT BOLSTER THE ORGANIZATION AND GENERATE NEW OPPORTUNITIES.

FOUR DIVISIONS

BIOSCIENCE

Leaders in the production of plasma-derived medicines



DIAGNOSTIC

Leaders in cutting-edge diagnostic solutions to analyze blood and plasma, including the development and production of reagents and medical devices

HOSPITAL

Pharmaceutical specialty products for hospital use and innovative technology, software and service solutions to optimize hospital pharmacy operations.

BIO SUPPLIES

Biological products for non-therapeutic use

GRIFOLS ENGINEERING

Since its origins, Grifols has focused its efforts on in-house engineering as a lever to innovate and continuously improve its industrial productivity. Grifols Engineering is dedicated to designing and constructing specialty machinery, as well as providing specialized engineering solutions to optimize biotech processes and manufacturing systems.

GRIFOLS TRAVEL AGENCY

As an international company with a strong U.S. presence and subsidiaries in 30 countries, Grifols decided to establish its own travel agency – Grifols Viajes – in order to better manage the global mobility of its workforce. Grifols Viajes offers Grifols' employees the flexibility they need to plan their trips and optimize work-life balance. The agency also coordinates corporate events, conferences and other internal meetings.

2019 GRIFOLS' SOCIOECONOMIC IMPACT

GRIFOLS ESTIMATED THE SOCIO-ECONOMIC IMPACT OF ITS 2019 OPERATIONS IN TERMS OF WEALTH GENERATION AND JOB CREATION IN ITS CORE COUNTRIES OF OPERATION – UNITED STATES, SPAIN, GERMANY AND IRELAND.

MAIN SOCIO-ECONOMIC IMPACTS

Total economic impact M€

8,500

Impact of economic growth 2019 vs 2018

+15%

Total job creation

148,000

Job creation growth 2019 vs 2018

+15%

GRIFOLS' DIRECT ECONOMIC IMPACT AMOUNTS TO EUR 4.400 MILLION. ADDITIONALLY, GRIFOLS GENERATES AN INDIRECT AND INDUCED IMPACT OF EUR 4.100 MILLION

41% OF GRIFOLS' IMPACT STEMS FROM ITS PLASMA CENTER NETWORK

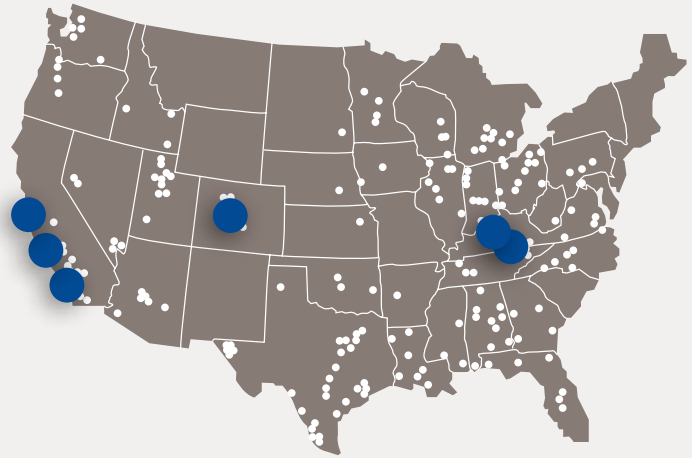
GRIFOLS GENERATES 148,000 JOBS IN TOTAL, INCLUDING 125,000 INDIRECT AND INDUCED JOBS

GRIFOLS GENERATES 5.4 JOBS FOR EVERY 1 JOB IT CREATES

60% OF JOBS ARE LINKED TO GRIFOLS PLASMA CENTERS

All results and methodology used are included in Chapter 9 "About this report"

SOCIO-ECONOMIC IMPACT IN THE UNITED STATES



Economic impact M$

7,000

+5% vs 2018

52% from plasma centers

Multiplier effect

x1.9

of Grifols' operations in the U.S economy

Job creation

130,000

+13% vs 2018

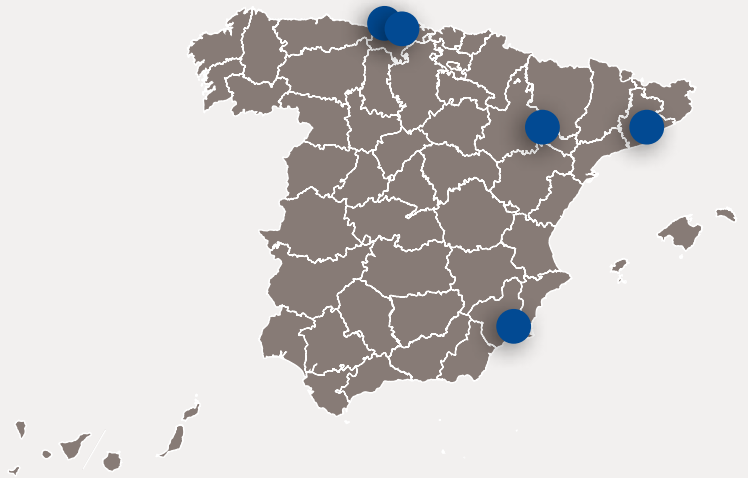
66% from plasma centers

Multiplier effect

x7.4

Grifols generates 6.4 jobs in the U.S. economy for every 1 job it creates

SOCIO-ECONOMIC IMPACT IN SPAIN



Economic impact M€

1,700

+17% vs 2018

Multiplier effect

x2.1

of Grifols' operations in the Spanish economy

Job creation

14,000

+10% vs 2018

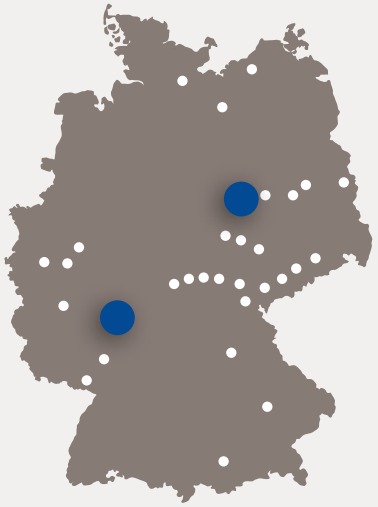
+8% vs 2018 in direct job creation

Multiplier effect

x3.3

Grifols generates 2.3 jobs in the Spanish economy for every 1 job it creates

SOCIO-ECONOMIC IMPACT IN GERMANY



Economic impact M€

365

63% from plasma centers

Multiplier effect

x2.1

of Grifols' operations in the German economy

Job creation

3,400

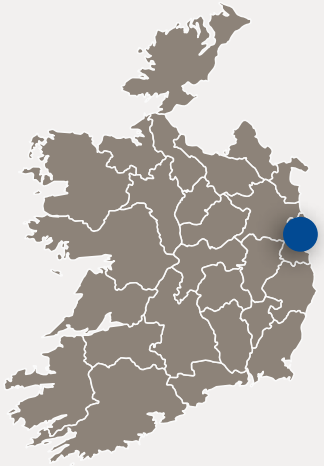
77% from plasma centers

Multiplier effect

x2.5

Grifols generates 1.5 jobs in the German economy for every 1 job it creates

SOCIO-ECONOMIC IMPACT IN IRELAND



Economic impact M€

185

Multiplier effect

x2.2

of Grifols' operations in the Irish economy

Job creation

850

+33% vs 2018 in direct jobs

Multiplier effect

x4.0

Grifols generates 3.0 jobs in the Irish economy for every 1 job it creates

OUR BUSINESS MODEL PROMOTES GLOBAL EXPANSION

AFTER CLOSING THE DEAL, GRIFOLS WILL BE THE SECOND-LARGEST SHAREHOLDER IN SHANGHAI RAAS

THE STRATEGIC ALLIANCE WITH SHANGHAI RAAS WILL BOOST THE PRODUCTION, SALE AND DEVELOPMENT OF PLASMA-DERIVED PRODUCTS AND TRANSFUSION DIAGNOSTIC SOLUTIONS IN CHINA IN COMPLIANCE WITH THE STRICTEST INTERNATIONAL QUALITY AND SAFETY STANDARDS

ENHANCED POSITION IN CHINA

In 2019, Grifols announced a strategic alliance with Shanghai RAAS, a leader in China's plasma derivatives sector, in alignment with its sustainable growth strategy and long-term vision. Through this agreement, Grifols will strengthen its international expansion and presence in the People's Republic of China, one of the markets with the greatest growth potential for plasma-derived products and transfusion diagnostic solutions.

China is currently Grifols' third-most important market in terms of sales. It is the company's largest market for albumin and the third most important market for the Diagnostic Division, with the highest sales volume of DG-Gel® cards and second-highest sales volume of Procleix® NAT Solutions.

Grifols will control a 26.2% stake in Shanghai RAAS's capital (economic and voting rights) after closing the deal. Grifols will be now the second-largest shareholder in Shanghai RAAS and will have three members on its Board of Directors, out of the nine members.

CHINA: A GROWTH MARKET FOR GRIFOLS

China represents 55% of the global albumin market[1], 10% of immunoglobulin[1] (IVIG) and 5% of plasma factor VIII[1].

China ranks 8th in the world in per capita consumption of albumin, with 325 grams per 1,000 population[1], significantly higher than the worldwide average of 173 grams per 1,000 population[1].The total volume of albumin in China expanded by 13.3% over 2012-2018[2].

Its per capita consumption of immunoglobulin is 20 grams per 1,000 population[1], lower than the worldwide average of 28.4 grams per 1,000 population[1]. This consumption has shown a cumulative growth of 10.4%[2] over 2013-2018.

China's plasma factor VIII market grew by 24.5% over 2013-2018[2],with per capita consumption of 0.2 IU per 1,000 population[1] lower than the global average of 1.9 IU per 1,000 population[1].

China currently has 249 operational plasma centers[3] that collected 8.41 million liters of plasma in 2018[4]. Shanghai RAAS owns 41 centers, which represent 16% of the total.

In 2018, China denoted a market of 14.9 million NAT blood-donor analyses[5] and EUR 200 million in in-vitro immunohematology tests[6].

1 Grifols Global Plasma Industry Database2017 (values).

2 Data sources: Institutes of Food and Drug Control.

3 Source: Report released by listed manufacturers. Updated on October 28, 2019.

4 Sources: Annual report released by listed manufacturers; PPTA; National Health Committee (NHC).

5 Source: National Health Committee (NHC).

6 Source: InterChina Survey 2017.

FOR 35 YEARS GRIFOLS HAS BEEN PROGRESSIVELY STRENGTHENING ITS PRESENCE IN CHINA, CURRENTLY THE COMPANY'S THIRD-LARGEST MARKET IN SALES

GRIFOLS IN CHINA

Registered products

28

5 **Bioscience**

23 **Diagnostic**

Workforce

53

SHANGHAI RAAS

Plasma-derived type of products

11

Provinces with plasma centers

11

Number of facilities

4

Plasma centers

41

GRIFOLS AROUND THE WORLD

Global headquarters

1

Manufacturing plants

15

R+D+i centers

9

Bioscience Division Centers

5

Diagnostic Division Centers

8

Hospital Division Centers

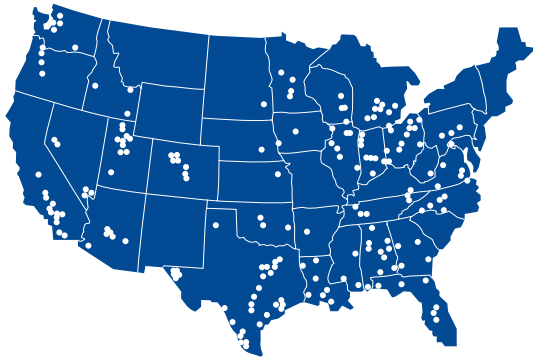
3

Bio Supplies Division Centers

2

Plasma center network in the U.S.

252

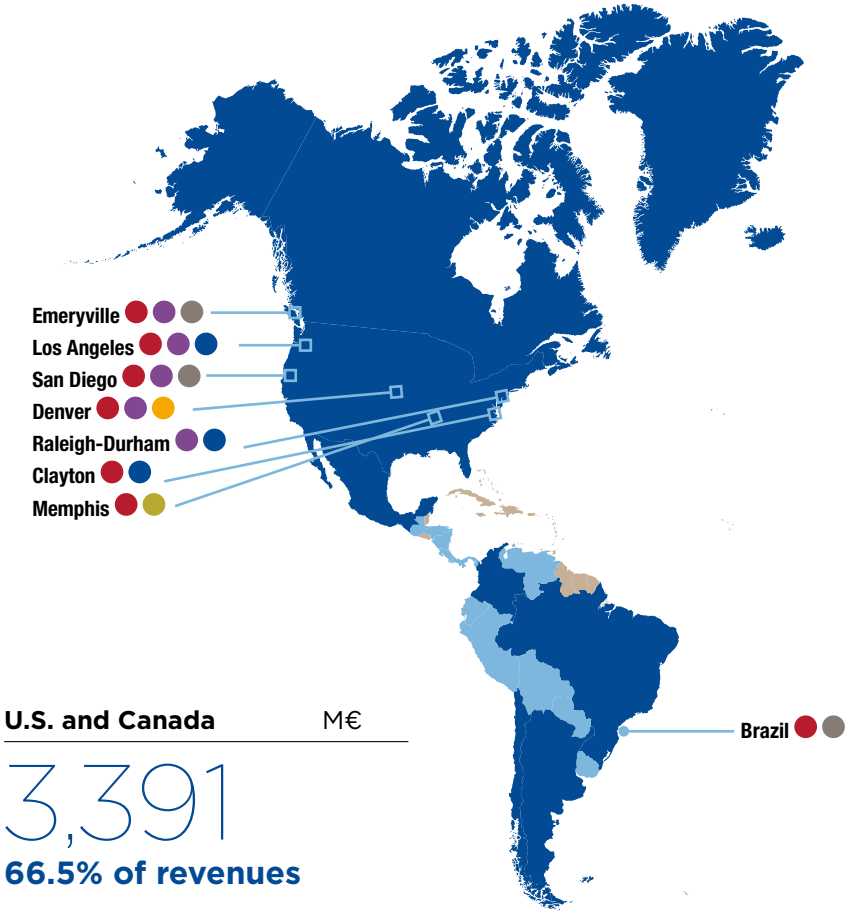


Plasma center network in Europe (Germany)

43

● GRIFOLS SUBSIDIARIES
● DISTRIBUTORS

GRIFOLS OPERATES THE LARGEST NETWORK OF PLASMA CENTERS IN THE WORLD, WITH 295 CENTERS

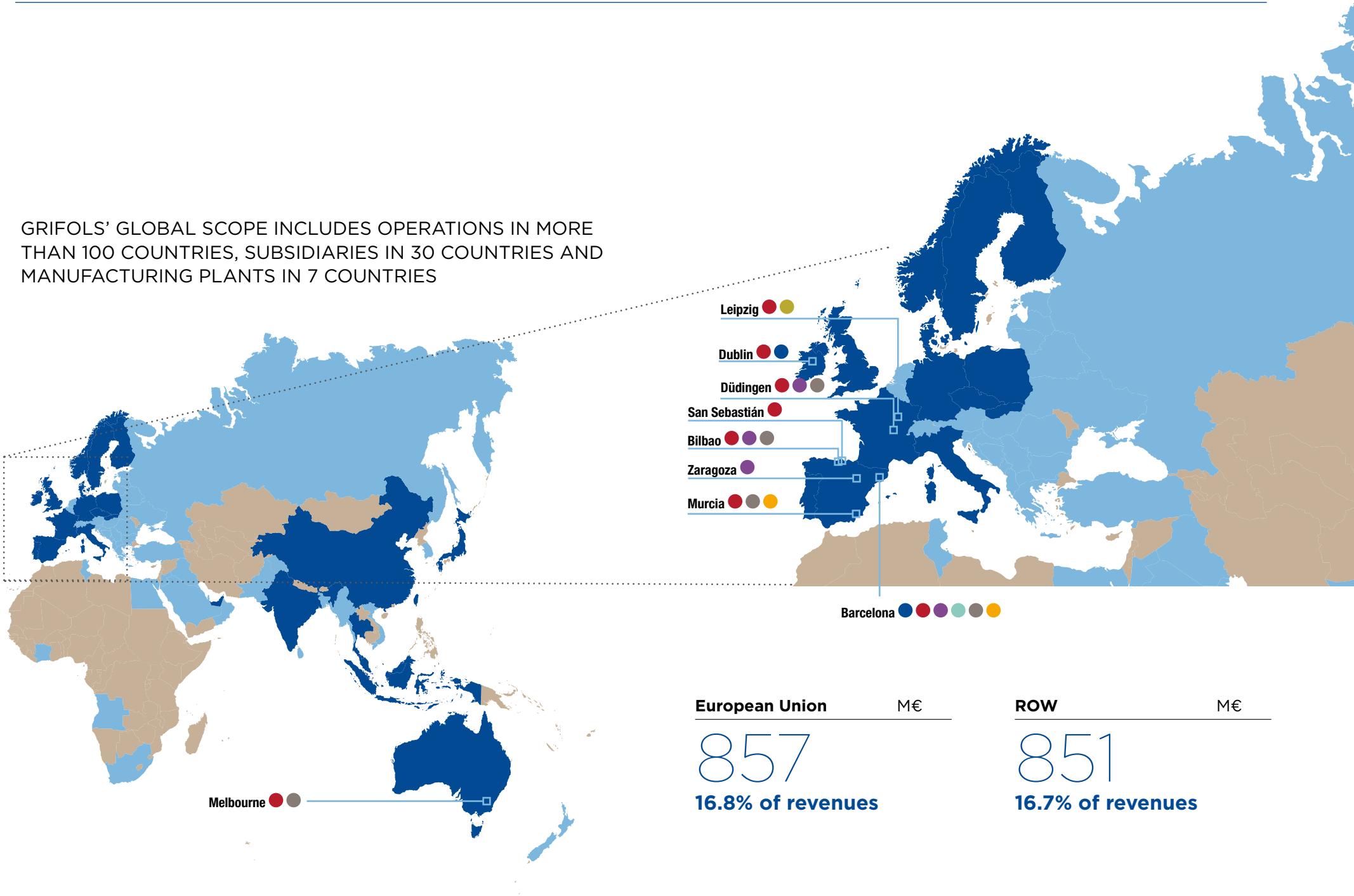


U.S. and Canada M€

3,391

66.5% of revenues

GRIFOLS' GLOBAL SCOPE INCLUDES OPERATIONS IN MORE THAN 100 COUNTRIES, SUBSIDIARIES IN 30 COUNTRIES AND MANUFACTURING PLANTS IN 7 COUNTRIES



European Union	M€
857	
16.8% of revenues	

ROW	M€
851	
16.7% of revenues	

FUTURE STRATEGY

Sustainable growth that ensures long-term corporate success is the cornerstone of Grifols' strategy for the future. Grounded in a solid corporate governance structure, the group aspires to turn risks into opportunities by effectively addressing core challenges – societal, environmental and climate change issues, among them – at all organizational levels.

Grifols has pursued a strategy of long-term sustainability since its establishment. For more than 100 years, the group has been at the forefront of innovation and initiatives to enhance the ethical, technical and safety standards of plasma-derived medicines, blood transfusions and healthcare solutions.

Given the multifaceted, transversal approach that these global challenges require, "One Grifols" highlights our core values and efforts to continue our long-term sustainable future.

SUSTAINABLE GROWTH

"ONE GRIFOLS"

CUSTOMER CENTRICITY

Enhance organization-wide focus on meeting and exceeding customer needs to build sustainable competitive advantage

BUSINESS OPTIMIZATION

Identify opportunities to improve productivity and optimize value

INNOVATION

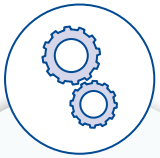
Enhance portfolio of differential products through in-house and investee projects

EXPANSION

Accelerate global expansion through a strategic focus on high-growth markets like China

TALENT PROMOTION

Strengthen HR policy focused on recruiting and retaining the best talent



TRANSFORMATION

Build digital capabilities to deliver better outcomes

CORPORATE GOVERNANCE, SOCIAL, ENVIRONMENTAL AND CLIMATE CHANGE

2

SUSTAINABLE GROWTH

SINCE 1909, GENERATING VALUE, EMPLOYMENT, INNOVATION AND PRODUCTIVE INVESTMENTS WITH A LONG-TERM VISION

THE EXECUTION OF OUR STRATEGIC PRIORITIES AND A RESPONSIBLE OPERATION FAVORS OUR ECONOMIC PERFORMANCE, GENERATING GROWTH AND PROFITABILITY

Record revenues M€

5,099

Investment efforts M€

661

R+D+i and CAPEX

Successful Refinancing M€

5,800

A COMPANY COMMITTED TO SUSTAINABLE GROWTH

RECORD REVENUE OF 5,099 MILLION EUROS (+13.6%) AS A RESULT OF THE SUSTAINABLE GROWTH STRATEGY

Grifols closed the 2019 financial year with record high revenues of EUR 5,099 million, a growth of 13.6% and 9.2% cc[1]. The company's long-term sustainable strategy led to growth in all of its divisions and geographic regions where it operates.

Over the last years, the company's strategic investments to increase its access to plasma, as well as efforts to boost its sales activities and operations, all contributed to the group's solid performance.

THE BIOSCIENCE DIVISION LEADS THE GROWTH WITH ABOUT 4,000 MILLION EUROS OF REVENUE

The Bioscience Division continued to serve as Grifols' main engine for growth. The division increased revenues by 13.6% (8.9% cc) to EUR 3,994 million. Sales of immunoglobulins (including specialty immunoglobulins), were especially strong, growing by double digits, particularly in the United States. Also noteworthy was the recovery of albumin sales in China following the renewal of certain licenses and the upward trend in alpha-1 antitrypsin sales.

Diagnostic Division sales grew by 4.5% (1.1% cc) to EUR 734 million. The transfusion medicine line recorded higher sales, with NAT donor-screening solutions and recombinant proteins leading growth. The Hospital Division expanded by 12.5% (12.1% cc) to EUR 134 million, with growth in all business lines. The Bio Supplies Division achieved EUR 267 million in revenues, growing by 59.6% (54.1% cc).

GROWTH IN ALL DIVISIONS AND GEOGRAPHICAL REGIONS

The company attained higher operating margins throughout the fiscal year. As of December 31, the gross margin was 45.9% (45.7% in 2018), driven by solid demand of the main plasma proteins, enhanced production efficiencies and a stable cost of plasma. The underlying gross margin[2] was 47.4% (46.4% in 2018). Meanwhile, the reported EBITDA increased by 17.3% to EUR 1,434 million, denoting a 28.1% margin (27.3% in 2018). The underlying EBITDA margin represents 28.6% of revenues (27.7% in 2018).

In 2019, Grifols continued to promote innovation and productive investments as key drivers of its long-term, sustainable growth. Net R+D+i investments increased by 12.1% to EUR 329 million, including internal, external and investee-led projects. Grifols also advanced in its capital investments plan, allocating a total of EUR 332 million to expedite the expansion of the Bioscience Division's production capacity and the growth of the other divisions.

The company grew by 4.8% in 2019, achieving EUR 625 million in net profits.

(1) Operative or constant currency (cc) excludes exchange rate variations over the year.
(2) Excludes the impact of third-party plasma sales by Haema and Biotest.

In millions of euros except % and EPS	2019	2018	% Var
NET REVENUES	5,098.7	4,486.7	13.6%
EBITDA UNDERLYING[1]	1,406.9	1,218.4	15.5%
% Net revenues	28.6%	27.7%	
EBITDA REPORTED	1,433.8	1,222.7	17.3%
% Net revenues	28.1%	27.3%	
GROUP PROFIT	625.1	596.6	4.8%
% Net revenues	12.3%	13.3%	
ADJUSTED[2] GROUP PROFIT	718.3	680.5	5.6%
% Net revenues	14.1%	15.2%	
CAPEX	332.2	252.2	31.7%
R+D NET INVESTMENT	329.0	291.4	12.9%
EARNINGS PER SHARE (EPS) REPORTED	0.91	0.87	4.8%

	December 2019	December 2018	% Var
TOTAL ASSETS	15,542.6	12,477.0	24.6%
TOTAL EQUITY	6,845.8	4,696.6	45.8%
CASH & CASH EQUIVALENTS	742.0	1,033.8	(28.2%)
LEVERAGE RATIO	4.17/(4.14cc)[3]	4.32/(4.19cc)[3]	

(1) Excludes the impact of plasma sold to third parties from Haema and Biotest.
(2) Excludes non-recurring items and associated with recent acquisitions, amortization of deferred expenses associated to the refinancing, amortization of intangible assets related to acquisitions, assets reassessment and IFRS 16.
(3) Constant currency (cc) excludes exchange rate fluctuations over the period.

INCREASED PROFITABILITY

Underlying EBITDA margin

28.6%

Underlying gross margin

47.4%

A SOLID MANAGEMENT

Net profit M€

625

+4.8%

EBITDA reported

1,434

+17.3%

ENHANCED INVESTMENT EFFORTS

R+D+I and capital investments M€

661

Net leverage ratio reduction

4.17x

REVENUE GROWTH IN ALL REGIONS

U.S.

14%

EU

7%

ROW

19.5%

REVENUE GROWTH IN ALL DIVISIONS

Bioscience

+13.6%

Diagnostic

+4.5%

Hospital

+12.5%

Bio Supplies

+59.6%

THE BIOSCIENCE DIVISION LEADS GROWTH

SOLID DEMAND OF MAIN PLASMA PROTEINS

Revenues M€

3,994

growth

+13.6% / +8.9% cc

The Bioscience Division achieved record sales of EUR 3,994 million in 2019. Revenue growth stemmed from strategic investments and efforts in recent years to increase the company's access to plasma and successfully meet the rising demand of the main plasma proteins.

Demand for immunoglobulin remains strong in all regions, especially in the U.S. and main European Union (EU) markets. These markets, in addition to using immunoglobulins to treat primary immunodeficiencies, also utilize them to treat secondary immunodeficiencies and neurological diseases like chronic inflammatory demyelinating polyneuropathy (CIPD). Sales of this plasma protein recorded double-digit growth in 2019.

Albumin sales recovered throughout the year, particularly in the second half. Double-digit growth was the result of strong demand in China, the U.S. and various EU countries. The Chinese market currently leads sales for the plasma protein and continues to hold great growth potential.

Alpha-1 antitrypsin revenues continue to grow. Market penetration of this plasma protein grew in the U.S. and main EU markets thanks to effective sales strategies and an upsurge in the number of diagnosed patients. Grifols continues its efforts to boost the rate of diagnosis of alpha-1 antitrypsin deficiency by developing innovative solutions like AlphaKit™ (blood test) and AlphaID™ (bucal swab).

The sales trend of factor VIII moderated its decline in the last quarter of 2019. In the new market scenario FVIII/VWF concentrates still play a key role to prevent and treat bleeds, and for the prevention and eradication of inhibitors.

The company's commitment to ensure product availability for all patients and the efforts to position factor VIII products in the new competitive landscape led to a stabilization in our sales volume

Grifols continues to promote its specialty proteins to enhance its differential product portfolio. Strong sales of specialty hyperimmunoglobulin, most notably the new formulation of its anti-rabies immunoglobulin (HyperRAB®), contributed to the division's revenue growth.

U.S. LAUNCH OF SUBCUTANEOUS IMMUNOGLOBULIN XEMBIFY®

The company remains committed to continuously developing new formulations and indications of its therapies to meet the growing needs of patients worldwide. In July 2019, Grifols received FDA approval for Xembify®, a 20% subcutaneous immunoglobulin that broadens its portfolio of products to treat primary immunodeficiencies. The company launched Xembify® in the U.S. in the last quarter of 2019 and is currently working with global health authorities to obtain approval in Canada, Europe and other global markets.

GRIFOLS' FIRST PLASMA-PROTEIN-BASED BIOSURGERY SOLUTION

Vistaseal™ is a fibrin sealant developed by Grifols to control surgical bleeding and distributed by Ethicon as part of a strategic global alliance. Vistaseal™ reflects Grifols' ongoing efforts to expand its product portfolio of plasma proteins. Vistaseal™ combines fibrinogen and thrombin and is administered with Ethicon's airless spray device technology. The biological components of Vistaseal™ are manufactured in Grifols' industrial complex in Barcelona (Spain) in a designated plant with a production capacity of 30,000 kits.

FDA APPROVES HyperRAB® 3ml IN THE U.S.

The new 3ml HyperRAB presentation was approved by the FDA in November 2019. HyperRAB® is a hyperimmune immunoglobulin twice as potent as the existing treatment alternatives in the market for patients affected by the rabies virus. It is currently used in 9 out of 10 U.S. hospitals. With the approval of this new presentation Grifols expands its HyperRAB® portfolio, which currently includes 1 ml and 5 ml options.

THE DIAGNOSTIC DIVISION CONTINUES TO GROW

TRANSFUSION MEDICINE DRIVES THE DIVISION'S GROWTH

Revenues M€

734

growth
+4.5% / +1.1% cc

Grifols is the worldwide leader in transfusion diagnostics, the division's main engine for growth in 2019. This business area includes NAT donor-screening diagnostics (Procleix® NAT Solutions), blood-typing solutions and the manufacture of recombinant antigens for immunoassays.

Sales of NAT donor-screening solutions remained stable due to an increase in plasma donations and greater market penetration in EMEA and Japan. Over the last 12 months, the division continued to consolidate its global-expansion strategy, opening up new markets for its NAT-technology solutions in Malta, Hungary, Slovakia, Bulgaria, Peru, Panama and Ecuador. The company also broadened its product portfolio by incorporating new FDA-approved reagents to detect babesiosis. After obtaining the CE mark, the division will launch its innovative Procleix® Panther® with ART (Automated Ready Technology), designed to improve workflow efficiencies in laboratories.

Sales of the blood-typing line grew by double digits. The product portfolio includes analyzers (Wadiana®, Erytra® and Erytra Eflexys®), gel cards (DG-Gel®) and reagents. Sales were especially strong in China, a market with significant growth potential; the U.S., the main market for this product line thanks to a solid sales strategy and successful strategic investments; Latin America, and specific markets in Asia and Europe. Grifols also reinforced its presence in Africa with the installation of the first Erytra Eflexis® in Tunisia.

Grifols continues its efforts to consolidate its line of recombinant proteins for immunoassays. The agreement with PCL will further consolidate this business line.

Sales of blood-extraction bags grew significantly, a segment that will expand following the start-up of operations in the new Brazil plant.

Revenues of specialty diagnostics remain stable, with sales expected to grow with the gradual expansion of the clinical diagnostics portfolio. As such, it is important to highlight the FDA approvals of QNext®, a coagulometer developed in-house (DG®-PT, thromboplastin), and one of the main reagents to promote hemostasis. With this latter approval, Grifols became the first company in more than 15 years to earn authorization in the U.S. market to sell instruments and reagents for routine hemostasis testing.

The company remains focused on developing new diagnostic tests for personalized medicine through Progenika Biopharma. In 2019, the company obtained the CE mark and marketing approval in Canada and Australia for new references in the Promonitor series: Promonitor® UTK and Promonitor® ANTI-UTK. These tests permit treatment monitoring using the biological drug ustekinumab by determining its levels in the blood (Promonitor® UTK) and anti-ustekinumab antibody levels (Promonitor® ANTI-UTK).

GRIFOLS CONTINUES TO PROMOTE THE SAFETY OF BLOOD SUPPLY: THE FDA APPROVES AN ASSAY TO DETECT THE BABESIA PARASITE

Grifols received FDA approval for a new NAT-technology test to detect babesiosis, one of the infectious diseases most commonly transmitted via blood transfusions in the United States. The continuous development of new tests highlights Grifols' commitment to the safety of blood supply.

GRIFOLS DEVELOPS A NEW TEST TO DETECT ALPHA-1 ANTITRYPSIN DEFICIENCY

The new free AlphaID™ buccal test makes it easier for doctors to diagnose alpha-1 antitrypsin deficiency (AADT), the most common genetic expression of chronic obstructive pulmonary disease (COPD). An estimated 90% of people with alpha-1 deficiency remain undiagnosed. AlphaID™ is an innovative and convenient solution that contributes to an early diagnosis of this treatable disease.

PRODUCTION OF BLOOD BAGS COMMENCES IN NEW BRAZIL PLANT

The new plant in Campo Largo (Brazil) dedicated to the manufacturing of blood-collection bags has a initial production capacity of 2 million units expandable to 4 million units.

The plant's production output will initially serve the Brazilian market, although Grifols plans on reinforcing its presence in other Latin American markets over the next two years as it obtains the necessary regulatory approvals.

THE HOSPITAL DIVISION REINFORCES ITS GLOBAL EXPANSION

HOSPITAL PHARMACY SOLUTIONS AND INTRAVENOUS SALINE DRIVE GROWTH

Revenues M€

134

growth

+12.5% / +12.1% cc

Sales increased in 2019 across all of the division's business lines, especially the Pharmatech line in the U.S. This business line offers comprehensive solutions for operational pharmacy, including the inclusiv® product portfolio, which includes equipment, software and services to improve safety and quality in compounded sterile preparations. . With a double-digit upturn in sales, this line represents an important growth lever for the division, fueled by the MedKeeper® and Kiro Grifols® technology solutions.

Grifols is a leading supplier of technology and services for hospitals, clinics and specialized centers for the manufacture of medicines. The launch of its leading-edge system for automated compounding of intravenous treatments (KIRO Fill®) and software enhancements to the workflow platform for intravenous preparations (PharmacyKeeper) optimize hospital-pharmacy operations by affording greater accruacy and safety in the prepraration of intravenous (IV) medications. This advancement improves patient safety and reduces reliance on manual processes.

Sales of IV solutions grew as a result of U.S. demand for Grifols' physiological saline solution (manufactured in the Murcia, Spain plant) and its use in the company's network of plasma centers. Sales of the Nutrition and Medical Devices lines also increased, accompanied by an upturn in third-party manufacturing services.

GRIFOLS IMPROVES HOSPITAL PHARMACY OPERATIONS WITH THE NEW KIRO FILL® TECHNOLOGY AND ENHANCEMENTS IN PHARMACYKEEPER

Grifols is a leading supplier of technology and services for hospitals, clinics and specialized centers for the manufacture of medicines.

The launch of its leading-edge system for automated compounding of intravenous treatments (KIRO Fill®) and software enhancements to the workflow platform for intravenous preparations (PharmacyKeeper) optimize hospital-pharmacy operations by affording greater autonomy in the syringe-filling process of non-hazardous intravenous (IV) medications. This advancement improves patient safety and reduces reliance on manual processes.

BIO SUPPLIES DIVISION

SIGNIFICANT SALES INCREASE OF BIOLOGICAL PRODUCTS FOR NON-THERAPEUTIC USE

This division primarily oversees the sale of biological products for non-therapeutic uses and third-party plasma sales channeled through Haema and Biotest, which represent EUR 180 million.

Revenues M€

267

growth

+59.6% / +54.1% cc

NET REVENUE BY DIVISION						
Thousands of euros	12M 2019	% of Net Revenues	12M 2018	% of Net Revenues	% Var	% Var cc*
Bioscience	3,993,462	78.3%	3,516,704	78.4%	13.6%	8.9%
Diagnostic	733,604	14.4%	702,265	15.6%	4.5%	1.1%
Hospital	134,441	2.6%	119,454	2.7%	12.5%	12.1%
Bio supplies	266,540	5.2%	167,004	3.7%	59.6%	54.1%
Others	22,820	0.5%	22,451	0.5%	1.6%	(2.8%)
Intersegments	(52,176)	(1.0%)	(41,154)	(0.9%)	26.8%	22.6%
TOTAL	**5,098,691**	**100.0%**	**4,486,724**	**100.0%**	**13.6%**	**9.2%**

NET REVENUE BY REGION						
Thousands of euros	12M 2019	% of Net Revenues	12M 2018	% of Net Revenues	% Var	% Var cc*
U.S. + CANADA	3,390,811	66.5%	2,974,429	66.3%	14.0%	8.0%
EU	856,662	16.8%	800,274	17.8%	7.0%	7.0%
ROW	851,218	16.7%	712,021	15.9%	19.5%	16.8%
TOTAL	**5,098,691**	**100.0%**	**4,486,724**	**100.0%**	**13.6%**	**9.2%**

PHARMATECH, WHICH BRINGS TOGETHER SOLUTIONS FOR HOSPITAL PHARMACY, STRENGTHENS ITS POSITION IN THE U.S.

SIGNIFICANT REVENUE GROWTH IN ALL REGIONS WHERE GRIFOLS OPERATES

IMMUNOGLOBULIN SALES GROW BY DOUBLE DIGITS, THANKS TO THE U.S. AND VARIOUS EUROPEAN COUNTRIES

NOTABLE ADVANCES OF THE BLOOD-TYPING LINE IN THE U.S., CHINA, LATIN AMERICA AND EUROPE

REINFORCED BALANCE SHEET

GRIFOLS MAINTAINS HIGH AND SUSTAINABLE LEVELS OF OPERATING ACTIVITY AND CASH GENERATION THROUGH GROWTH, CLOSING OF CORPORATE TRANSACTIONS AND INCREASING R+D+i AND CAPITAL INVESTMENTS

Grifols' solid performance and positive cash flow trend helped reinforce the balance sheet. Consolidated assets as of December 31, 2019 totaled EUR 15,542.6 million (EUR 12,477.0 million in 2018). This variation is due primarily to the growth of the Bioscience Division including the strategic build-up of inventories, which expanded both organically and via corporate transactions, as well as capital expenditures and R+D+i investments.

OPTIMIZED MANAGEMENT OF WORKING CAPITAL

The optimization of working capital remains a priority to strengthen the company's financial position.

Inventory levels increased to EUR 2,342.6 million, with a turnover of 310 days compared to 292 days in December 2018 following the implementation of several initiatives to better anticipate and meet the solid demand for plasma-derived products.

The average collection period remains stable to 26 days (22 days in 2018). The average payment period is 60 days, a decrease from the 65-day period in 2018.

With regard to the group's Spanish subsidiaries, the average payment period to suppliers was 72.9 days, similar to last year's 72.6 days.

STRONG CASH-FLOW POSITION

Grifols' cash position was EUR 742 million (EUR 1,033.8 million in 2018) on December 31, 2019. The company maintained a high and sustainable operational cash-flow generation in the current context of growth, the closings of corporate transactions and higher R+D+i investments. The EUR 568.9 million reported in 2019 (EUR 737.4 million in 2018) enabled the company to increase its CAPEX investments to EUR 332.2 million (EUR 252.2 million in 2018) and net R+D+i investments to EUR 329.0 million (EUR 291.4 million in 2018). The company remains firmly committed to future growth and its long-term strategic vision.

EQUITY

The company's equity was EUR 6,845,768 thousands as of December 31, 2019. The share capital includes 426,129,798 common shares (Class A), with a nominal value of EUR 0.25 per share, and 261,425,110 non-voting shares (Class B), with a nominal value of EUR 0.05 per share.

Grifols' ordinary shares (Class A) are listed on the Spanish Stock Market and form part of the Ibex-35, while its non-voting shares (Class B) are traded on both the Spanish Stock Exchange (GRF.P) and the U.S. NASDAQ exchange (GRFS) via ADRs (American Depositary Receipts).

In 2019, two dividend payments totaling EUR 238.7 million were distributed. In the second quarter of 2019, a second payment was made as a final dividend related to 2018 earnings. In December 2019, an interim dividend of EUR 136.8 million was paid based on 2019 earnings. Grifols remains committed to compensating its shareholders with dividend (pay-out of 40%).

LIQUIDITY AND CAPITAL RESOURCES

GRIFOLS PRIORITY STRATEGY IS FINANCIAL MANAGEMENT, INCLUDING DEBT OPTIMIZATION AND THE MAINTENANCE OF A ROBUST LIQUIDITY POSITION

Grifols meets its liquidity and capital requirements using resources generated from its operating activities and long-term external financing. As of December 31, 2019, Grifols' cash position was EUR 742 million and its liquidity position was EUR 1,274 million.

CASH FLOWS FROM OPERATING ACTIVITIES

The main impacts are as follow:

- In this regard, the increase in inventory levels had a EUR 323.7 million impact, the result of an uptick in the volume of plasma obtained to meet the growing demand of the main plasma proteins, especially immunoglobulin and albumin in countries such as the U.S. and China. Grifols manages its inventory levels to respond to patients' current needs and expected growth.

- The average collection period was 26 days, very similar to the previous year (22 days in 2018), while the average payment period to suppliers fell from 65 days in 2018 to 60 days in 2019.

CASH FLOWS FROM INVESTMENT ACTIVITIES

Cash flows from investment activities totaled EUR 548.8 million. The most important variations were due to the following operations:

- Exercise of the call option on the remaining 51% of the capital of IBBI and its subsidiaries for USD 100 million. In 2016, Grifols acquired a minority stake of 49% in IBBI, although the agreement included a call option for the remaining 51%. Through this transaction, Grifols incorporated 35 FDA-approved centers (26 plasma centers and 9 blood donation centers) as well as an analytical laboratory.

- Initial payment of USD 30 million under the collaboration and licensing agreement with the U.S. firm Rigel Pharmaceuticals for the exclusive marketing of its disodium phosphotaminib hexahydrate in Europe and Turkey, including all potential and future indications.

- Capital investments (CAPEX) totaling EUR 332.4 million, mainly focused on new production facilities in the Bioscience Division. These include a new fractionation plant in Clayton; a new immunoglobulin purification plant in Clayton; a new albumin purification plant in Dublin; openings of new plasma centers; the expansion, renovation and relocation of existing centers; IT investments; and digitization.

CASH FLOW FOR FINANCING ACTIVITIES

Cash flow for financing activities totaled EUR 332.3 million in 2019, primarily comprising dividend payouts of EUR 238.7 million.

SUCCESSFULLY CLOSE THE DEBT REFINANCING PROCESS AMOUNTING TO EUR 5,800 MILLION

CAPITAL RESOURCES AND CREDIT RATINGS

Excluding the impact of IFRS 16*, as of December 31, 2019, Grifols' net financial debt totaled EUR 5,725 million, including EUR 742 million in cash. The company has EUR 532 million in undrawn lines of credit, increasing its liquidity position to EUR 1,274 million.

The company progressively improved its debt-to-equity ratios in 2019, attaining a net debt leverage ratio of 4.17x in December 2019 compared to 4.78x at Q1 2019.

Effective financial management remains a key priority for Grifols in order to optimize and reduce its debt levels following its strategic investments in recent years. To this end, the company maintains sustainable operational levels and a solid operating cash generation. Cash generation reached EUR 568.9 million in 2019, allowing Grifols to carry out its planned investments and meet anticipated increases in demand.

Initiated on October 28, 2019, Grifols' debt-refinancing process was concluded in record time on November 15 for EUR 5,800 million. Well-accepted by markets, the new financing includes Term Loan B (TLB) for USD 2,500 million and EUR 1,360 million, both aimed at institutional investors; the issue of two bonds for EUR 1,675 million (Senior Secured Notes); and extension of a multi-currency revolving credit facility (RCF) of up to USD 500 million.

The debt-refinancing optimizes Grifols' financial structure and significantly improves all financing conditions. It also provides greater flexibility on the terms of the covenants (cov-lite).

*As of December 31, 2019, the impact from IFRS 16 on the amount of debt is EUR 741 million.

GRIFOLS SUCCESSFULLY COMPLETES A NEW DEBT REFINANCING PROCESS AND RECONFIRMS INVESTORS' TRUST IN THE SUSTAINABLE GROWTH OF ITS BUSINESS MODEL

CLOSE TO EUR 5,800 MILLION REFINANCED

OPTIMIZED FINANCIAL STRUCTURE

NOTABLE IMPROVEMENTS IN TERMS:

AVERAGE COST OF DEBT IS 2.8%. REDUCTION OF 80 BASIS POINTS

AVERAGE MATURITY INCREASES TO MORE THAN 7 YEARS

EXCELLENT MARKET ACCEPTANCE

STRUCTURE	AMOUNT (in millions)		NEW CONDITIONS
	USD	EUROS	
Tranche B (TLB) – USD	2,500	2,227	Interest rate: LIBOR + 200 bps Maturity: 2027 Quasi-bullet
Tranche B (TLB) – EUR		1,360	Interest rate: Euribor + 225 bps Maturity: 2027 Quasi-bullet
Senior Secured Bonds – EUR			
Due 2025 (February 15, 2025)		905	Interest rate: 1.625%
Due 2027 (November 15, 2027)		770	Interest rate: 2.250%
Revolving Credit Facility (RCF)	500	445	Interest rate: LIBOR + 150 bps Maturity: 2025

RATING AGENCIES MAINTAIN THEIR CREDIT RATINGS AND PERSPECTIVES FOLLOWING THIS REFINANCING

Current credit ratings are as follows

	Moody's	Standard & Poor's
Corporate rating	Ba3	BB
Senior secured debt	Ba2	BB+
Senior unsecured debt	B2	B+
Outlook	Stable	Stable

CAPEX AND INDUSTRIAL ACTIVITY

In 2019, Grifols intensified its capital expenditures to expand and enhance its divisions' production facilities. The company allocated EUR 332.2 million to CAPEX in 2019, a 31.7% increase over the EUR 252.2 million invested in 2018. Within the framework of its long-term sustainable growth strategy, the company announced plans to invest EUR 1,400 million over 2018-2022. Investments highlights in 2019 include the following:

BIOSCIENCE DIVISION

LARGER CAPACITY FOR PROTEIN FRACTIONATION AND PURIFICATION

Construction of a new plasma fractionation plant on the North Carolina (U.S.) complex continued as planned. With a fractionation capacity of 6 million liters per year, the plant will allow the complex to double its current capacity. Expected to be operational by 2021, it will include the installation of two parallel plasma fractionation and grouping lines to maximize flexibility and efficiency.

Construction also continues on the world's first purification, dosing and sterile filling plant of immunoglobulins in flexible bags. The plant will have an annual production capacity of 6 million equivalent liters of plasma and is expected to be operational in 2022.

The construction of a new albumin purification, dosing and sterile filling plant in Dublin (Ireland) continues according to plan. The plant will have an annual production capacity of 6 million equivalent liters of plasma and incorporate state-of-the-art filling technology. In 2019 the installation of the first filling line of albumin out of the two planned was completed.

Expansion of the fibrin and topical thrombin sealant production plant is underway at the Barcelona industrial complex. Upon completion of the new purification and dosing installations, this extension will increase production capacity to 3.3 million equivalent liters of plasma equivalent and also include a packaging and finishing plant.

INVESTMENT TO INCREASE ACCESS TO PLASMA

As of December 31, 2019, Grifols operated the largest plasma center network in the world, with 295 centers. Thanks to its capital investments, the company increased its capacity to 45,000 average daily donations and total volume of plasma obtained for fractionation to nearly 13,5 million liters. This volume represents a 12.5% increase compared to 2018.

DIAGNOSTIC DIVISION

The San Diego (California, U.S.) installations were renovated to boost production of the NAT product line.

The Brazil plant, dedicated to the collection, separation, storage and production of transfusion bags for blood components, has become operational. The installation has a production capacity of 2 million units per year, scalable to 4 million units.

HOSPITAL DIVISION

EXPANSION OF INTRAVENOUS SOLUTIONS PRODUCTION

This division's capital investments are focused on increasing capacity and productivity of its intravenous solutions, manufactured in its industrial complexes in Barcelona and Murcia. These improvements will enable the division to meet expected growth in this product segment, as outlined in its internationalization plan.

ACQUISITIONS AND CORPORATE TRANSACTIONS

STRATEGIC ALLIANCE AGREEMENT WITH SHANGHAI RAAS

In 2019, Grifols and Shanghai RAAS announced a strategic alliance agreement to manufacture, market and develop plasma products and transfusion diagnostic solutions in China in compliance with international quality and safety standards.

Grifols will be the second-largest shareholder in Shanghai RAAS, with a 26.2% stake (economic and voting rights) in exchange for the non-majority share (40% voting rights and 45% economic rights) in Grifols Diagnostics Solutions (GDS), a 100% Grifols subsidiary.

This transaction will represent the first share swap made in China with shares of a foreign company (GDS) and a non-state-controlled Chinese listed company.

Over the past 35 years, Grifols has progressively built its presence in China, which is currently its third-largest sales market. Grifols has operated in the Chinese market since the 1980s. In 2019, the company had 28 registered products: five (5) Bioscience Division products and 23 from the Diagnostic Division, eight (8) of which are NAT donor-screening solutions and 15 blood-typing products. Grifols plans on expanding its portfolio of registered products in the coming years.

At present, China leads sales of albumin and is third in sales for the Diagnostic Division, as it is the country with the highest sales for gel cards (DG-Gel®) and second in sales for NAT technology solutions (Procleix® NAT Solutions).

For Grifols, this transaction will represent a singular opportunity to continue its global expansion and bolster its position in China, one of the markets with the highest growth potential for plasma products and transfusion diagnostics.

COLLABORATION AND LICENSE AGREEMENT WITH RIGEL PHARMACEUTICALS

In January 2019, Grifols signed an exclusive license agreement with the U.S.-based biotechnology company Rigel Pharmaceuticals to commercialize fostamatinib in all potential future indications in Europe and Turkey. This drug is used as a second line of treatment for chronic immune thrombocytopenia (ITP).

In January 2020, Rigel Pharmaceuticals received market approval from the European Commission for TAVLESSE® (fostamatinib). The market launch of this product, expected in the second quarter of 2020, reinforces Grifols' sales strategy and reflects its commitment to enhance its product portfolio for patients and offer more therapeutic options for healthcare professionals.

INTERSTATE BLOOD BANK INC.

In the second quarter of 2019, Grifols exercised its call option on the remaining 51% capital of Interstate Blood Bank Inc (IBBI) and its subsidiaries for USD 100 million. Grifols had controlled a 49% stake since 2016.

This operation forms part of Grifols' strategic plan to expand and diversify its access to plasma. Through this transaction, Grifols incorporated 35 FDA-approved centers (26 plasma centers and 9 blood donation centers), as well as an analytical laboratory.

AGREEMENT WITH SOLUDIA MAGHREB

In the third quarter of the year, Grifols signed an agreement with Soludia Maghreb, a provider of hemodialysis solutions headquartered in Morocco, to build a new manufacturing plant in the country. The initiative represents Grifols' first industrial project on the African continent.

ADDITIONAL INFORMATION

TREASURY STOCK

The operations carried out with treasury stock during fiscal year 2019 are described in the consolidated annual accounts.

SUBSEQUENT EVENTS

No subsequent events relevant to 2019 end of the year.

FORESEEABLE DEVELOPMENTS OF THE GROUP

In 2019, Raimon Grífols Roura and Víctor Grífols Deu concluded their third year as co-CEOs, building on the track record of solid growth and consolidation as a diversified and profitable firm.

The management carried out during the year has been recognized by Forbes magazine. Víctor and Raimon Grífols have been included in position 22 of the raking of "50 Best CEOs" of 2019 that this publication released annually.

Grifols continues its roadmap to drive, explore and leverage its wealth of collective knowledge and innovative spirit to continue improving patient care and further support healthcare professionals. To reach this overriding objective, the company centers its efforts on business optimization, globalization, innovation, digitalization, talent development, and outstanding customer service.

The company is committed to a path of sustainable growth. The cornerstones of its five-year strategic plan are innovation, to continue developing a differential product portfolio; enhanced customer centricity, to successfully address the evolving needs of global healthcare professionals and patients; continued global expansion, especially in the U.S. as a key market and emerging markets like China; corporate growth, via organic growth and corporate transactions amid in an increasingly competitive market; a robust human resources strategy focused on talent development and on-going training; and promotion of the "One Grifols" philosophy to cultivate the continuous quest for knowledge and innovation through value-creating activities and transversal teams.

ANNUAL CORPORATE GOVERNANCE REPORT

The Grifols 2019 Annual Corporate Governance Report forms part of the Integrated Annual Report. It is available on Grifols' corporate website and the *Comisión Nacional del Mercado de Valores* (Spanish Stock Exchange Commission) website from the date of publication of Grifols' consolidated financial statements.

VICTOR AND RAIMON GRIFOLS INCLUDED IN THE RANKING OF FORBES "50 BEST CEOs" FOR THE MANAGEMENT CARRIED OUT IN 2019

TAXES: CONTRIBUTIONS, PRINCIPLES AND GOOD PRACTICES

TAX CONTRIBUTIONS

Grifols upholds its commitment to contributing toward economic, social and industrial development through rigorous compliance with the tax laws in force in each jurisdiction and in line with OECD Guidelines for Multinational Enterprises.

Its diverse operations generate direct and collected taxes, which are paid to tax authorities.

The group's tax strategy is guided by ethical principles which are reflected in its contributions.

Grifols is taxed on the profits generated in the territories where it operates. Spain and the United States generate approximately 70% of the group's global revenues and the main industrial and R+D+i complexes are mainly located in these countries.

CONTRIBUTION BY GEOGRAPHIC AREA

Thousands of euros	Profit *	Taxes paid **
Spain	29.7	3.1
United States	438.0	98.4
Ireland	74.3	10.0
Rest of the world	33.2	11.1

* After-tax profits in 2019 excluding dividends and impairments.
** Net tax payable related to fiscal year 2019.

In Spain, EUR 17.6 million was collected in the 2019 fiscal year as a result of anticipated tax payments above the net tax payable corresponding to previous years.

PUBLIC GRANTS

Grants received in Spain correspond mainly to employee-training initiatives.

Thousands of euros	Subsidies
Spain	377
United States	1,103
Rest of the world	379

GRIFOLS' FISCAL POLICY

GRIFOLS ADHERED TO THE GOOD TAX PRACTICES CODE

GRIFOLS HAS NO PRESENCE IN TERRITORIES CLASSIFIED AS TAX HAVENS. ALL ITS OPERATIONS ARE REPORTED IN ITS ORDINARY INDUSTRIAL AND COMMERCIAL ACTIVITY

- For Grifols, tax compliance is a core element of its Corporate Social Responsibility policy, as well as a pillar of its economic contribution and social commitment. The payment of required taxes fully aligns with the economic activities in all jurisdictions where the Group operates.
- Grifols has no operations in territories qualified as tax havens. Its commercial operations with third parties based in such territories, or any others, are carried out as part of its ordinary industrial or commercial activity.
- In line with international taxation principles and recommendations by the OECD Committee on Tax Matters, Grifols rejects artificially shifting results to such territories or taking advantage of the information opacity that these territories may offer. Transparency in tax-related matters is a cornerstone of Grifols' tax policy.
- Grifols' system of internal information and control procedures significantly mitigates fiscal risk which allows to manage tax matters in an orderly and expert manner.
- Grifols' tax policy is guided by a reasonable and prudent interpretation of the tax regulations in force in each jurisdiction.
- The company consults with reputable independent tax advisors before making business decisions that could have a tax impact.
- Grifols follows a transfer pricing policy for all operations with related parties that aligns with the principles of the main competent international organizations. This policy is reviewed on an annual basis.
- Grifols understands and supports tax contributions that adequately correlate with the structure and location of its activities, resources, human resources, and materials and business risks assumed.
- Grifols does not use artificial structures unrelated to its activity to reduce the tax burden or for profit-shifting.
- Grifols fosters a cooperative and fluid relationship with tax authorities based on respect for the law, trust, good faith, reciprocity and cooperation.
- Grifols collaborates with the competent tax authorities to seek solutions to achieve certainty and stability in the fiscal criteria to be applied by the administration and to give priority to non-litigious dispute resolution channels.
- In alignment with its commitment to transparency, Grifols does its utmost to provide complete information and documentation requested by tax administrations in the shortest timeframe possible.
- On October 26, 2018, the Board of Directors of Grifols adhered to the Code of Good Tax Practices.

OUR COMPETITIVE ADVANTAGES

1 LEVERAGE SYNERGIES ACROSS DIVISIONS

A LEADER IN PROMOTING COMPLEMENTARY PRODUCTS AND SERVICES

Over the years, Grifols has been an industry reference for its capacity to successfully leverage synergies among its divisions' products and services. Keenly aware of the potential of its global workforce, the company has progressively promoted cross-functional work teams that collaborate to identify needs and promote new initiatives. This forward-thinking strategy has paved the way for a number of high-impact projects.

DIAGNOSTIC SOLUTONS

Development of diagnostic solutions to better identify and treat conditions that benefit from plasma products

In 2019, Grifols launched AlphaID™, a free bucal swab to detect alpha-1 antitrypsin deficiency (AADT) developed jointly by the Bioscience and Diagnostic Divisions. AADT treatment includes infusion of alpha-1 antitrypsin, one of Grifols' main plasma proteins. Thousands of patients worldwide can benefit from early diagnosis and treatment, if required.

ENSURING SELF-SUFFICIENCY

Ensuring self-sufficiency of physiological saline and anticoagulant

The infusion of physiological saline post-donation is an additional preventative measure that Grifols has adopted to help replace fluids and restore circulatory volume in plasma donors. In the U.S., demand for this type of serum continues to rise. With the aim of achieving self-sufficiency, Grifols worked to obtain FDA approval for its physiological saline manufactured in its Murcia plant. At present, the company is able to serve its own network of U.S. plasma-donation centers without relying on market fluctuations.

2

FLEXIBILITY IN GRIFOLS' PLANTS GUARANTEES MANUFACTURING EFFICIENCY

GRIFOLS' PLASMA-DERIVED MEDICINES CAN BE PRODUCED INTERCHANGEABLY IN ITS PLANTS IN SPAIN AND THE U.S.

Most Grifols' protein fractionation, purification and dosing plants are licensed by diverse regulators, offering the company the flexibility to perform these processes interchangeably in any of one of them. The result is a leading-edge production system aimed at maximizing efficiency and optimizing profitability per liter of plasma, while guaranteeing the highest standards of quality and safety.

3

VERTICAL INTEGRATION

CONTROLLING THE VALUE CHAIN ENSURES QUALITY, SAFETY AND SUPPLY

Grifols' vertically integrated business model guarantees quality and control at every stage of its divisions' value chains. This model also adds value by ensuring continuity of supply and reducing transactional costs, among other benefits. Grifols is a leading global manufacturer of plasma-derived medicines, with a solid reputation built on its ability to compete in dynamic, fast-paced environments.

4

DEVELOPMENTS WITH IN-HOUSE ENGINEERING

GRIFOLS ENGINEERING, ON THE CUTTING EDGE OF INNOVATION

The production process to obtain plasma products requires advanced technology and ongoing innovation. The company relies on Grifols Engineering to spearhead its diverse manufacturing projects and installations. Specialized in engineering solutions for pharmaceutical and biotechnology processes, this company represents a differential value in terms of costs, project execution and the quality of integrated innovations, including trailblazing technologies to reduce environmental impacts.

5

EXPERIENCE IN INTEGRATING COMPANIES

ADDING TALENT TO MULTIPLY RESULTS

Inorganic growth has been a cornerstone of Grifols' success. Since its origins, the company has successfully integrated acquisitions as drivers of its corporate growth, providing access to new markets, expanding production and supply capabilities, promoting innovation and offering new technologies. The company also has proven experience in integrating people. By promoting teamwork, Grifols has been able to instill a robust corporate culture and capitalize on its global talent pool. The acquisitions of Talecris (2011), Novartis' transfusion diagnostic divisions (2014), Hologic's share of NAT donor screening unit (2017), Haema (2018), Biotest (2018) and IBBI (2019) are recent examples of this pioneering strategy.

6

INNOVATION

AN ESSENTIAL COMPONENT OF GRIFOLS' DNA SINCE 1909

Pioneers pave the way and actively create processes that drive change. This quest for ongoing innovation has formed part of Grifols' DNA since 1909. In alignment with its pioneering spirit, the company is committed to exploring the therapeutic properties of blood, plasma and proteins; serving as an industry leader; continued growth; and supporting science, scientific projects and those who make them possible. For this reason, Grifols' R+D+i strategy is far-reaching, encompassing both internal and external resources to contribute to the advance of science and social progress.

7

SCALABILITY

PREPARED FOR CONTINUED GROWTH

Grifols has the necessary infrastructure and experience in planning future needs to maintain a path of sustainable growth based on continuous improvement and the optimization of processes and costs. Its solid manufacturing presence in the United States, Spain, Ireland and Germany has enabled a scaled global expansion with a distinctly global dimension. Today, the company markets its products in more than 100 countries, with plans to bolster its presence in China through its strategic alliance with Shanghai RAAS.

3

CORPORATE GOVERNANCE

FROM THE BEGGINING, GRIFOLS IS CONVINCED THAT DOING THINGS CORRECTLY IS THE BASIS OF SOLID CORPORATE GOVERNANCE

HONESTY, ETHICS, TRANSPARENCY, INTEGRITY, INDEPENDENCE AND STANDARDS COMPLIANCE UNDERPIN OUR CORPORATE GOVERNANCE

Comprehensive risk management

ESG **Included**

Female board members

31%

Independent directors

54%

A ROBUST CORPORATE GOVERNANCE STRUCTURE

For global organizations, a solid corporate governance structure is critical to create long-term value for both shareholders and society. Integrity, honesty, transparency and compliance to the highest ethical standards are the cornerstones of Grifols' corporate culture, as well as the pillars of its corporate governance.

The General Shareholders Meeting serves as Grifols' governing body. It represents all shareholders and is the final decision-making authority in all matters that correspond to it. Grifols encourages shareholders to participate, with no minimum number of shareholdings required to attend.

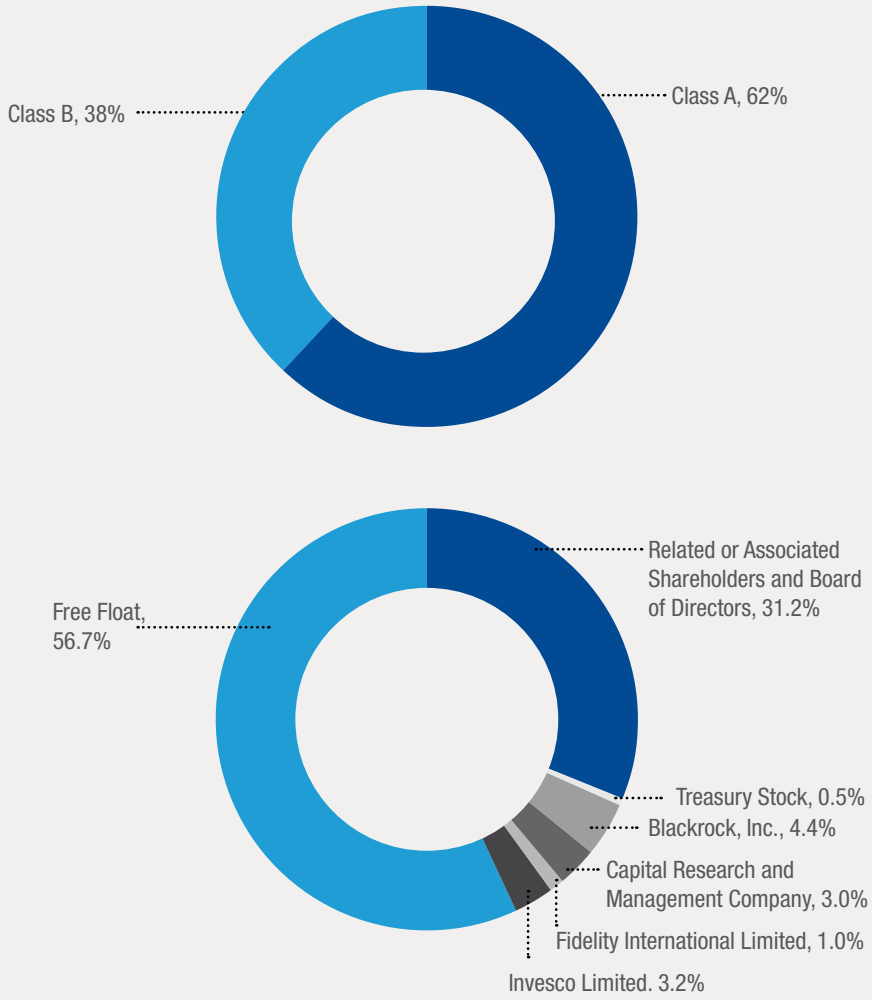
The Board of Directors is Grifols' highest decision-making body, with the exception of matters that belong to the exclusive domain of the General Shareholders' Meeting. Among its core responsibilities, the Board of Directors establishes general policies, corporate strategy and basic management guidelines, as well as supervises and monitors the actions of Grifols management to ensure the company reaches its objectives and meets stakeholder expectations.

The roles of President and CEO are separate at Grifols. Víctor Grifols Roura serves as the non-executive chairman, offering his strategic vision and vast experience to ensure the long-term interests of shareholders. As of January 1, 2017, co-CEOs Raimon Grifols Roura and Víctor Grifols Deu share the group's top executive and management responsibilities.

Once a year, Grifols publishes the Annual Corporate Governance Report, which is subject to approval by the Board of Directors. This report outlines Grifols' ownership structure, management configuration, related transactions, risk control systems, General Shareholders Meeting, and internal control and risk management systems with regard to the disclosure of financial information (SCIIF), degree of compliance with corporate governance recommendations and other relevant information.

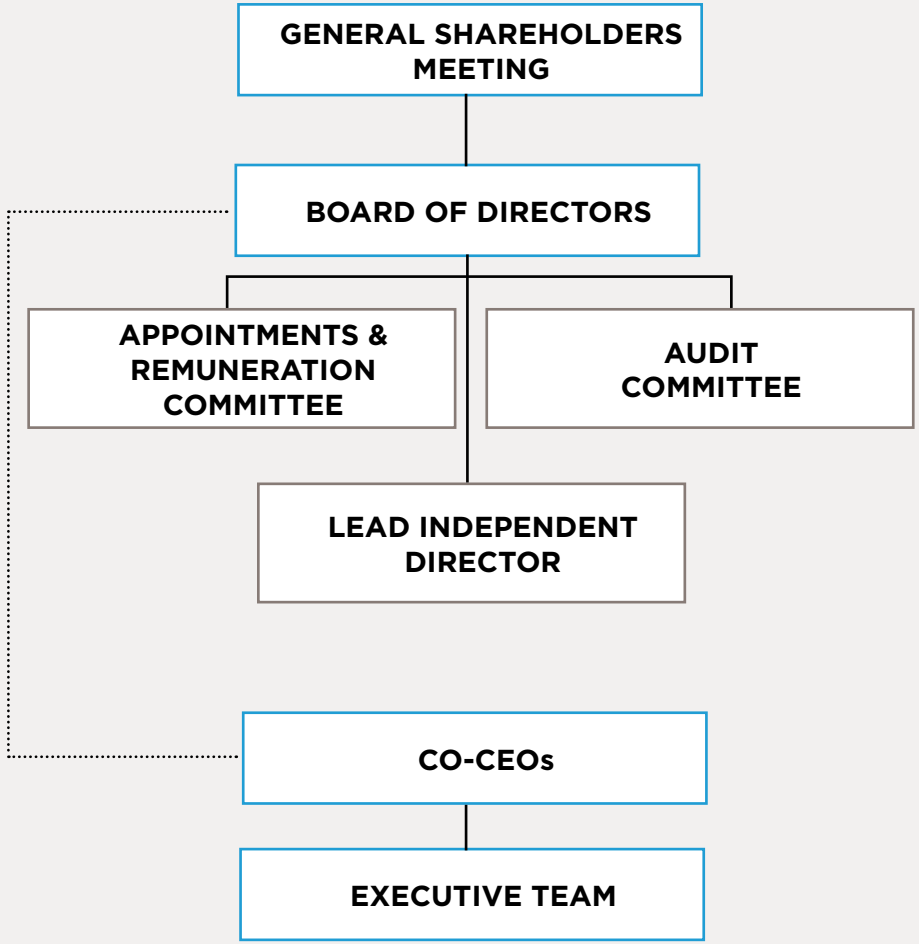
Visit the corporate website for more information: www.grifols.com

SHAREHOLDER STRUCTURE

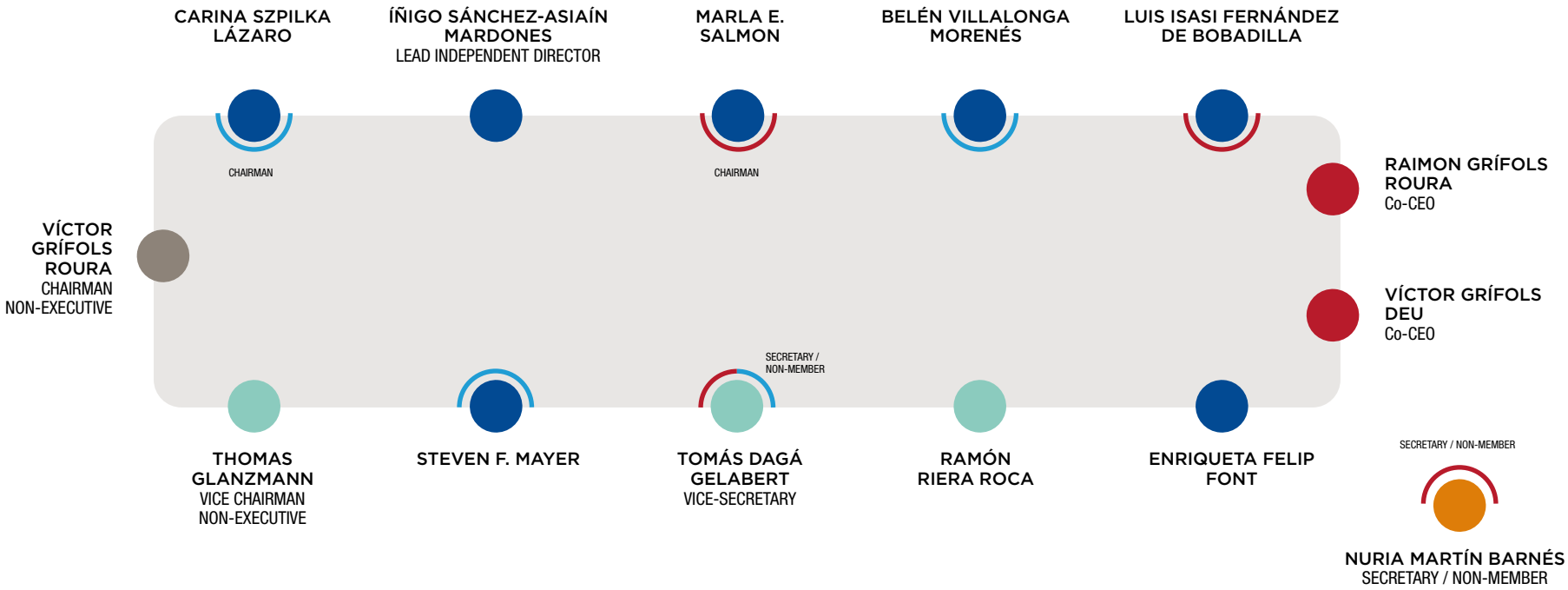


Source: 2019 Annual Corporate Governance Report

CORPORATE STRUCTURE



BOARD OF DIRECTORS LEADERSHIP



EXECUTIVE
INDEPENDENT
PROPIETARY
OTHER EXTERNAL
NON DIRECTOR

AUDIT COMMITTEE
APPOINTMENTS & REMUNERATION COMMITTEE

For more information on the Board of Directors and its functions, visit the corporate website

During the last General Shareholders Meeting, held on May 24, 2019, Dr. Enriqueta Felip Font was elected as an independent director in replacement of Anna Veiga Lluch. In addition, Raimon Grífols Roura, Tomás Dagá Gelabert, Carina Szpilka Lázaro and Íñigo Sánchez-Asiaín Mardones were re-elected as members of the Board of Directors.

INDEPENDENCE OF THE BOARD OF DIRECTORS

- Separation of Chairman and CEO roles since 2016.
- Appointment of Lead Independent Director.
- All board committees include non-executive directors, with at least two independent directors, including the chairman.

NON-EXECUTIVE MEMBERS

85%

INDEPENDENT DIRECTORS

54%

BOARD OF DIRECTORS PROFILE

- Diverse and balanced board in terms of gender, age, knowledge and experience.
- Members reflect diverse professional backgrounds, representing the financial, healthcare, scientific and legal sectors, among others.

FEMALE BOARD MEMBERS

31%

The Annual Report on Board Members' Remuneration, Report on the Internal Regulations of Grifols' Board of Directors and Annual Report on Directors' Remuneration are available on www.grifols.com.

BOARD REMUNERATION

Board members receive a fixed and determined remuneration. The compensation of each member depends on their specific roles and responsibilities, participation on board committees and other objective factors considered relevant by the board, without any gender biases.

Remunerations systems for non-executive directors is not based on Grifols' shares, unless they retain shares until they no longer serve as directors on the board. Board members who render remunerated professional services to the company or group will not receive additional compensation for their role as directors or executive directors.

In order to determine the remuneration for the current financial year the Company has hired Russell Reynolds to carry out a comparative study of the remuneration received by the directors in their capacity as such in similar companies in terms of market capitalisation and the sector to which they belong. In addition, Russell Reynolds has analysed the remuneration received by the chairperson of the Board committees and the one received by the lead independent director. The conclusions of this analysis have led the Appointments and Remuneration Committee to propose to the Board of Directors, which has approved them, certain modifications to the current remuneration policy, which are detailed in section A.2 of the Annual Report on Remuneration of the Board Members. This report is subject to a consultative vote in the General Shareholders Meeting every year.

ANNUAL ASSESSMENT OF THE BOARD OF DIRECTORS

During 2019, the Board of Directors in full evaluated the quality and effectiveness of its operations, the performance of the company's chairman and co-CEOs, and the performance of board committees.

The Board of Directors continuously assesses its performance to incorporate any necessary improvements as quickly as possible, in addition to carrying out an annual performance review. In 2019, this assessment was performed internally by Grifols' Board of Directors with the support of the Appointments and Remunerations Committee. In accordance with the Spanish Law on Corporations and Good Governance Code of Listed Companies, every three years Grifols is advised by an independent expert to conduct this performance assessment. In 2018, Grifols' Board of Directors collaborated with the firm Russell Reynolds to perform the annual evaluation.

RESPONSIBLE OVERSIGHT OF THE EXECUTIVE TEAM

THE GRIFOLS EXECUTIVE TEAM, CHAIRED BY THE CEOs, MEETS AT LEAST MONTHLY AND AT THE SAME TIME AS THE EXECUTIVE MANAGEMENT BOARD

The main responsibility of the executive team is to manage the company in accordance with the strategy approved by the Board of Directors. This includes a continuous quest for long-term growth, value creation for stakeholders, and maintaining effective risk management structures and robust internal controls.

Grifols' executive team boasts an extensive and proven experience in promoting organic growth, as well as a proven track record in identifying opportunities and integrating successful acquisitions, which have been key to transforming Grifols.

The team convenes mainly around the Executive Management Board, which holds at least one meeting per month led by Grifols' co-CEOs. Grifols' executive team met 43 times in 2019.

2019 GRIFOLS' EXECUTIVE TEAM

Name	Position
Joel Abelson	President, Bioscience Commercial Division
Alfredo Arroyo	Chief Financial Officer
David Bell	General Counsel & Chief Innovation Officer
Vicente Blanquer	VP Quality & Regulatory Affairs
Mateo Borrás	Chief Human Resources Officer
José Oriol Duñach	President, Diagnostic Industrial Group
Eduardo Herrero	President, Grifols Bioscience Industrial Group
Alberto Grifols	President, Bio Supplies Division
Robert Jagt	President, Hospital Commercial Division
Lafmin Morgan	Chief Commercial Officer
Matt Murawski	VP Innovation Operations & Analytics
Nuria Pascual	VP Corporate Treasury & Investor Relations
Miguel Pascual	President, Commercial Operations Support
Gregory Gene Rich	President & Chief Executive Officer Grifols Shared Services North America Inc.
Teresa Rioné	VP Corporate Communications
Daniel Fleta	Chief Industrial Officer
Carsten Schroeder	President, Diagnostic Commercial Division
Javier Sueiras	Chief IT Officer
Lluis Twose	Managing Director, Laboratorios Grifols
Albert Grifols Coma-Cros	President, Grifols Worldwide Operations

A SOLID CORPORATE GOVERNANCE

Grifols S.A., a company established in Spain and listed on the Spanish stock exchange, complies with the Spanish Law on Corporations and other applicable legislation. At the same time, as a foreign private issuer with securities listed in the United States, Grifols must also observe the relevant requirements of the U.S. Securities and Exchange Commission (SEC), the applicable NASDAQ Corporate Governance Standards and the U.S. Sarbanes-Oxley Act of 2002.

For Grifols, mere legal compliance is not enough. Therefore, it goes a step further by integrating the highest standards of honesty, integrity and transparency in its corporate governance, which manifest themselves in strict internal codes and regulations.

ETHICAL PRINCIPLES

Grifols' operations and stakeholder commitments are built on honesty, ethics, integrity and legal compliance, essential values that are deeply rooted in the company's history. The Board of Directors and members of the executive team, as an essential value of our culture, actively promote these principles leading by example.

INTERNAL CODES & REGULATIONS

Grifols' Code of Ethics for Executives and Board Directors, Code of Conduct, Crime Prevention Policy and Anti-Corruption Policy form the essential part of its compliance program, which is complimented by additional policies and procedures related to specific legal domains, compliance risks and country-specific requirements.

GRIFOLS CODE OF ETHICS FOR EXECUTIVES AND BOARD DIRECTORS
Managers must renew their commitment to them annually.

GRIFOLS CODE OF CONDUCT
All employees, including executive members and members of the administrative bodies, adhere to it writing. Those who join the Grifols workforce also receive specific training.

Grifols' internal codes and regulations are public and available on www.grifols.com

CORPORATE POLICIES

By establishing corporate policies, Grifols is able to share and disseminate its ethical principles to the entire organization.

- CORPORATE RESPONSIBILITY
- COMMUNICATION WITH FINANCIAL MARKET PARTICIPANTS
- INTERNAL CODE OF CONDUCT REGARDING SECURITIES MARKETS
- FISCAL COMPLIANCE AND GOOD PRACTICES
- CONTROL AND RISK MANAGEMENT POLICY
- BOARD OF DIRECTORS REMUNERATION POLICY
- CRIME PREVENTION POLICY
- ANTI-CORRUPTION POLICY
- SELECTION POLICY FOR DIRECTORS AND DIVERSITY ON THE BOARD OF DIRECTORS
- GLOBAL PRIVACY AND DATA PROTECTION POLICY
- HEALTH AND SAFETY POLICY
- ENVIRONMENTAL POLICY

Grifols' corporate policies are public and available on www.grifols.com

THE PILLARS OF GRIFOLS' CORPORATE GOVERNANCE

1 HUMAN RIGHTS

Grifols' operations are grounded in an intrinsic respect for human dignity and human rights. Additionally, the company follows the fundamental principles of bioethics to guide the research, development, production and marketing of its products. The company makes every effort to guarantee the safety and dignity of everyone involved in its value chain, while approaching scientific advances in the healthcare sector from an ethical perspective. A range of international regulations, declarations and codes govern these core principles, including the Universal Declaration of Human Rights (1948), the Helsinki Declaration (1964) and UNESCO's Universal Declaration on Bioethics and Human Rights (2005).

Furthermore, as part of Grifols' commitment, it supports and preserves the well-being of the diverse communities where it operates. Using international frameworks as reference points (United Nations Global Impact, OECD Guidelines for Multinational Enterprises, UN Human Rights, and ILO Tripartite Declaration of Principles Concerning Multinational Companies), the company promotes responsibility and commitment to human rights in all of its operations, including the refusal of any child or forced labor in the entire value chain.

In this regard, the Grifols Code of Conduct governs the activities of all employees and collaborators, upholding strict compliance with legislation applicable to its operations and activities. The company also offers a communication channel that enables employees and outside collaborators to report any concerns of potential ethical breach or cases of ethical misconduct (Grifols Ethics Helpline).

2 PROMOTING ETHICS AND INTEGRITY

Grifols' Ethics Helpline is established to enable employees and third parties to anonymously raise any concerns of non-compliance or misconduct.

All allegations follow a standard operating procedure to guarantee that claims are adequately channeled, investigated and resolved. To ensure the proper functioning of this process, Grifols appointed an Ombudsperson, who is responsible for reviewing all allegations and ensuring the proper implementation of this process.

The Grifols' Ethics Helpline received 226 allegations in 2019 (230 allegations in 2018). The company continues encouraging the use of the helpline in all of its countries of operation, although most of them (212) occurred in North America, 9 in Europe and 5 in other countries.

GRIFOLS' ETHICS HELPLINE

	2019	2018
General concerns	20%	31%
Workplace harassment	23%	22%
Misconduct or inappropriate behavior	11%	14%
Improper employment or disciplinary action	5%	3%
Discrimination	11%	5%
Conflict of interest	2%	2%
Health, safety and environment	5%	2%
Lack of compliance quality, legislation or quality standards	1%	1%
Sexual harassment	3%	4%
Others	19%	16%

For more information on Grifols Ethics Helpline, visit http://grifols.ethicspoint.com

3 AGAINST CORRUPTION AND BRIBERY

CRIME PREVENTION POLICY AND CRIMINAL MANAGEMENT SYSTEM

Grifols' crime prevention policy's objective is its unequivocal rejection of the commission of crimes, criminal acts or any other type of unethical behavior and its steadfast determination to prevent and combat these actions. The policy was developed through the Crime Risk Management System (CRMS) and is accessible on Grifols' corporate website for all employees and third parties.

The objective of the CRMS is to assure public administrations, judicial and administrative entities and third parties that Grifols effectively complies with the requisite supervision, monitoring and control of board members, executives, employees, subsidiaries and other individuals by establishing measures to prevent crime or reduce the risk that one is committed.

An independent expert reviews the CRMS every year to ensure the existence of a crime-prevention system that complies with current legislation and includes adequate and efficient measures to prevent and detect crime, both in terms of its design and operational effectiveness.

ANTI-CORRUPTION POLICY

Grifols enforces a "zero-tolerance" approach to acts of bribery and corruption. Grifols' Anti-Corruption Policy extends to all employees of Grifols S.A., its subsidiaries and investee companies, as well as third parties that collaborate with the company. Grifols seeks compliance with this policy through various review processes.

The anti-corruption policy establishes appropriate standards of conduct for interactions between public officials and individuals operating in the private sector and is accessible on the corporate website for all Grifols personnel and third parties.

The company organizes regular training sessions for both new and current employees to guarantee compliance with its anti-corruption policies and procedures. In addition, additional training is provided to employees who interact more frequently with public officials or who carry out functions related to the marketing of Grifols' products and services.

Compliance with the Anti-Corruption Policy is also reinforced through a series of review processes according to the type of interaction assumed from Global Compliance. In 2019, 4,600 interactions between employees and public officials or other professionals were subject to review. Particular attention was paid to transactions with higher risks.

In 2019, Grifols had no confirmed incidents of corruption in the markets where it operates.

GRIFOLS CORPORATE GOVERNANCE IS ALIGNED WITH ITS GROWTH STRATEGY, AND ITS PILLARS REFLECT CONSISTENT AND FORMAL COMMITMENTS

ANTI-CORRUPTION TRAINING IN 2019

As of December 31, 2019, close to 90% of employees whose roles and responsibilities place them at greater risk of witnessing acts of corruption had received special training on Grifols Anti-Corruption Policy and other internal controls that support it. More than 56% received this training in 2019. In addition to its continuous education efforts, Global Compliance is in permanent contact with Grifols employees to inform them of changes or novelties regarding policies and procedures, as well as relevant resolutions of public authorities such as the U.S. Department of Justice and the Spanish courts, among others. These initiatives contribute to continuously fostering ethical conduct within the organization.

ANTI-CORRUPTION MEASURES FOR MANAGING THIRD PARTIES

To ensure compliance with anti-corruption policies and procedures, Grifols business associates undergo a complete verification process before any transactions are authorized or released. The third-party management system forms part of the Anti-Corruption Compliance Program and includes various control mechanisms for potential Grifols business partners.

Before entering any commercial relationship with Grifols, third parties are subject to a thorough two-part verification process: a first phase, which establishes the legitimacy of the potential commercial relationship, and a second phase of due diligence, which includes an in-depth analysis of the third party including its internal organization, key employees, its business approach and corporate reputation, among other aspects.

Furthermore, subsequent third-party contracts include current anti-corruption obligations, as well as an annex with a summary of Grifols' Anti-Corruption Policy. They are also required to provide an annual certification of compliance with this policy.

In some cases, third parties such as international distributors are required to complete annual online training on anti-corruption regulations, such as the U.S. federal law with regard to the Foreign Corrupt Practices Act (FCPA).

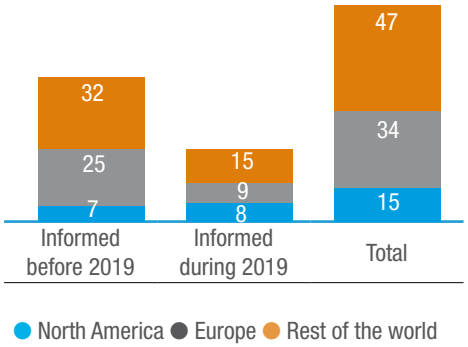
Additionally, Grifols requires its distributors to provide an annual certification of compliance with the applicable anti-corruption regulation. These contracts also include a clause granting Grifols the right to audit on an as-needed basis. These clauses stipulate the termination of business relationships in the case of any breach of anti-corruption norms.

MONEY LAUNDERING

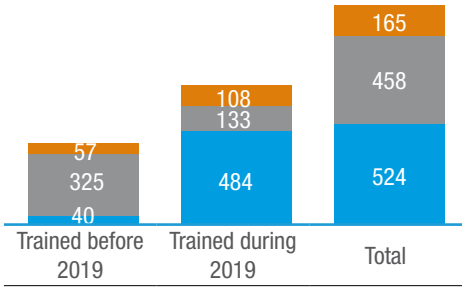
Grifols has mechanisms, procedures and policies in place to prevent money laundering and respond to any possible breaches detected in the course of the company's operations.

- **Prevention:** The Code of Ethics and the Code of Conduct establish measures to prevent money laundering, serving as a guiding principle for the entire organization and its employees. As part of the CMRS criminal risk analysis, Grifols has evaluated its exposure to the risks of money laundering and terrorist financing, identifying the activities with greater risk of exposure and the main existing mitigating control mechanisms.
- **Detection:** The regular reviews carried out by CRMS include concrete actions to detect the risk of money laundering. The company also has a channel of communication open to employees and third parties to anonymously report any concerns of possible ethical misconduct (Grifols Ethics Helpline).
- **Reaction and Response:** Grifols has a reaction and response protocol, as well as a sanctions system, to address any claims of unethical behavior or irregularities using all means possible, and if necessary, take corrective actions to prevent them from happening in the future. Grifols also collaborates with relevant authorities in each country to combat money laundering and the financing of terrorist activities, providing all information requested in accordance with current legislation and reporting any suspicious transactions.

Number of executive members informed about anti-corruption methods and procedures



Total number of employees with higher probability of exposure to corruption cases that have participated in specific anti-corruption training



4 PROMOTING TRANSPARENCY AS A VALUE, OBLIGATION AND COMMITMENT

REPORT ON INTERACTIONS WITH HEALTHCARE PROFESSIONALS AND ORGANIZATIONS

As a forerunner in the healthcare sector, Grifols has broad experience and expertise in the areas of patient behavior and disease management. Its ongoing interactions with healthcare organizations and health professionals undoubtedly enrich this knowledge base by serving as a continual source of new ideas and insights. Leveraging this expertise is crucial to guide the industry and enhance the quality of patient care and treatment options. These interactions should be grounded in integrity and transparency.

Grifols Global Compliance Program establishes internal processes and procedures related to transfers of value stemming from interactions with healthcare professionals and organizations, including their approval on behalf of the pertinent committees.

In the U.S., the Sunshine Act (PPS Act), also known as Open Payments or Transparency Reports and Reporting of Physician Ownership or Investment Interest, requires manufacturers and group purchasing organizations of pharmaceuticals, biologicals, medical supplies and medical devices to itemize all information regarding payments and transfers of value provided to covered healthcare organizations and healthcare professionals, such as physicians and teaching hospitals. Additionally, under the PPS Act, manufacturers and group purchasing organizations must disclose if a physician has ownership interests in said companies. The Centers for Medicare and Medicaid Services (CMS) releases spend information extracted from these reports every June.

Grifols has a policy and procedure in place that describes how it implements its transparency program in order to comply with the reporting obligations required by U.S. state and federal governments.

Grifols both complies with and is a signatory to the Pharmaceutical Research and Manufacturers of America Code[1] (PhRMA) on Interactions with Healthcare Professionals. Grifols may engage healthcare professionals as consultants or advisors to furnish important and needed information to Grifols, provided that it selects such consultants based on their relevant qualifications, experience, and expertise and compensates at fair market value for their legitimate services, pursuant to written contracts.

Grifols also complies with all legislation at the local level. Per requirements under California's Health and Safety Code, Sections 119400-119402, Grifols has established a USD 1,500 aggregate annual limit on promotional materials, gifts, and other items or activities that it may provide to an individual healthcare professional practicing in the state of California.

In 2019, Grifols rolled out a comprehensive transparency-training program in the U.S. for new and current employees whose roles require them to interact with healthcare institutions and professionals. In addition, the company established a quarterly sub-certification process in 2019 to promote data integrity, demonstrate commitment to accurate reporting and establish corporate accountability throughout the organization globally.

In Europe[2], Grifols voluntarily adopted the European Federation of Pharmaceutical Industries and Associations (EFPIA) Disclosure Code in 2015. In 2019, for the fourth consecutive year, the company disclosed all payments and other transfers of value made to healthcare professionals and organizations in diverse European countries that fall within EFPIA's scope.

In addition, as a member of MedTech Europe, Grifols applies the transparency guidelines stipulated by its Code of Ethical Business Practice, reporting its "Educational grants" initiatives in 2018.

The company also discloses all information regarding transfers of value by country, in accordance with local regulations.

1. All information about the Code is available at www.grifols.com
2. Europe as defined by the EFPIA Disclosure Code includes the following countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Malta, Norway, the Netherlands, Poland, Portugal, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine and United Kingdom.

Grifols' corporate website includes the publication of a methodological note and country-specific reports detailing transfers of value of healthcare organizations and professionals. This information is public and available on www.grifols.com

AGGREGATE SUM OF TRANSFERS OF VALUE

In 2018, Grifols distributed EUR 12.3 million in transfers of value in accordance with criteria outlined in the EFPIA Disclosure Code, including EUR 8.8 million related to R+D activities in Europe. Of these, 66% have been made in Spain.

In the U.S., the company transferred USD 9.3 million under the Open Payment Program, compared to USD 13.6 million reported in 2017, denoting a 32% reduction as a result of lower activity related to R+D and contracting of services, which represent 90% of the total reported.

Transfers of value made in 2019 will be publicly available on July 1, 2020 on www.grifols.com and www.cms.gov

Transfers of value by type in Europe[1]

	2018		2017	
	Euros	%	Euros	%
Services	1,082,272	9%	1,090,373	9%
Contribution toward cost of events HCP	311,021	2%	651,981	6%
Contribution toward cost of events HCO	1,737,080	14%	1,392,537	12%
Donations	363,957	3%	236,007	2%
R+D collaboration with third parties[2]	8,849,275	72%	8,344,765	71%
TOTAL	**12,343,606**	**100%**	**11,715,663**	**100%**

(1) Transfers of value in Europe in accordance with the definition of the EFPIA disclosure code.
(2) Includes research grants. Research data is included in accordance with the definition of the Disclosure Code of EFPIA, do not reflect the total amount invested by Grifols in R+D.

Transfers of value by type in U.S.

	2018		2017	
	USD	%	USD	%
Services	979,471	11%	1,378,315	10%
Contribution toward cost of events HCP	631,180	7%	754,160	6%
Scholarships	99,000	1%	63,500	0%
R+D collaboration with third parties	7,373,724	79%	10,844,688	80%
Investigator sponsored research	201,882	2%	545,497	4%
TOTAL	**9,285,257**	**100%**	**13,586,160**	**100%**

PUBLIC AFFAIRS MANAGEMENT

Advocacy is an important part of the democratic process that provides stakeholders an opportunity to share their perspectives and insights with policymakers. For Grifols, this means educating policymakers about the unique nature of plasma medicines and the importance of unrestricted access for patients to all products in all appropriate sites of service. The Grifols' code of conduct and anti-corruption policies define the proper guidelines and standards of conduct for interactions between Grifols and public officials.

In the U.S., the company fully complies with all federal and state lobbying regulations and regularly files publicly available activity reports with the U.S. Congress as required by the Lobbying Disclosure Act. Grifols also voluntarily participates in the European Union's Lobby Transparency Register and subscribes to the principles governing the rules of conduct for interactions with EU institutions articulated in its code of conduct.

Report of contributions made in the United States according to the LDA law

2019	2018
$550,000.00	$560,000.00

Public information available at https://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm

PRIVACY AND DATA PROTECTION

IN 2019 GRIFOLS APPROVED ITS GLOBAL PRIVACY AND DATA PROTECTION POLICY

While offering endless opportunities, technological advances pose a challenge for the privacy and protection of personal data. The company processes the personal data of numerous stakeholders as an essential part of its scientific research, talent management and interactions with donors and patients, among others. Transparency with regard to processing of personal data is fundamental to strengthen trusting relationships with all our stakeholders. For Grifols, guaranteeing the privacy and protection of our stakeholders' personal data, as well as preventing data breaches and IT system failures, are of utmost importance.

Grifols complies with applicable data protection laws and only works with suppliers that offer sufficient guarantees of data protection integrity. Personal data and medical information collected at plasma donation centers and during clinical trials are protected to maintain their confidentiality. The company has rigorous procedures, tools, the latest technology and insurance policies in place to protect the organization's assets and users in a cyber-environment.

Since 2019, Grifols has a global privacy and data protection policy, which is mandatory for all employees. This policy establishes a framework for processing of personal data in the diverse regions where Grifols operates and outlines the relevant principles and their implementation in regards to personal data protection and security.

RISK MANAGEMENT AND CONTROL

Grifols' risk management system extends to all of the companies in the group, including investee firms.

The company's risk control and management policy aims to provide greater security to patients, donors, employees, shareholders, clients, suppliers and other stakeholders by anticipating, controlling and managing risks to which Grifols is exposed. It comprises specific risk policies which are formulated within a risk control and management framework.

Grifols' Board of Directors is responsible for approving the company's risk control and management policy. The Audit Committee, in turn, supervises the effectiveness of the risk control and management system with the support of the Internal Audit Department. The senior management team oversees the risk management process, identifying and evaluating relevant risks and determining appropriate responses.

GRIFOLS' RISK CONTROL AND MANAGEMENT SYSTEM IS FOUNDED ON THE FOLLOWING PRINCIPLES

Establishment of a **risk tolerance framework,** which reflects the levels of risk that the company deems acceptable and consistent with its corporate objectives

Leadership of senior management to allocate the necessary resources

Integration in management processes, especially strategic and planning processes

Segregation of duties among business areas, especially the areas of supervision and quality assurance

-

Integrated approach and corporate alignment to ensure all risks adhere to the same identification, assessment and treatment process

Regular reviews of risk-related best practices, the system's strength and effectiveness and recommendations

GRIFOLS MANAGES THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) SUSTAINABILITY RISKS AND PAYS SPECIAL ATTENTION TO THOSE ASSOCIATED WITH CLIMATE CHANGE, HUMAN CAPITAL AND TALENT

The primary risk factors to which Grifols is exposed are outlined in its risk control and management policy. These include:

- **Regulatory risks:** Arising from regulatory changes or from changes in social, environmental or tax regulations.
- **Market risks:** Related to Grifols' financial results and assets to fluctuations in market prices and other variables, such as exchange rates, interest rates, prices of raw materials, prices of financial assets and others.
- **Credit risks:** Possibility of counterparties failing to perform their contractual obligations and generating an economic or financial loss for the company.
- **Business risks:** Uncertainty regarding the performance of key variables inherent in the Grifols business: demand, supply of raw materials and new competitive products.
- **Operational risks:** Resulting from inadequate internal procedures, technical failures, human error or due to certain external events. Operational risks also include legal risks and fraud, as well as those related to information technologies and cybersecurity.
- **Reputational risks:** Potential negative impact resulting from changes in the perception of Grifols among various stakeholders.

The company also takes into consideration sustainability risks, including environmental, social and governance (ESG) risks, with an emphasis on those related to climate change, human capital and talent acquisition.

- **Environmental risks:** Grifols' environmental policy aims to minimize the environmental impact of new products and developments, among other things; to ensure compliance with applicable legal requirements and other principles to which the organization subscribes; and to implement pollution-prevention techniques. Therefore, it relies on the Environmental Committees of the companies that form part of the group to assess their environmental management, evaluate and decide on priority actions; and assess possible environmental impacts when establishing work processes.
- **Social risks:** With regard to potential social risks, Grifols' quality system addresses the entire production process, from procurement of raw materials to distribution of the finished product, in order to mitigate the risk of releasing a product on the market that could compromise its quality, effectiveness or safety. The company has claims and pharmacovigilance control system to rapidly detect any possible problems related to a product's quality, efficacy or safety and promptly adopt corrective measures. In addition, a product's traceability control systems also allow for the rapid and effective withdrawal of any product batch from the market.

Our employees' safety standards are thoroughly documented and are more rigorous than those required by law. Product liability and potential incidents at Grifols' facilities are covered by comprehensive risk management policies and insurance programs.

- **Governance risk:** The company has policies established related to Corporate Social Responsibility, communication with financial markets and compliance with best practices regarding tax matters, among others, in order to minimize the potential of this risk.

At the date of preparing its consolidated annual accounts, Grifols has adopted the measures it considers necessary to mitigate any possible effects arising from the aforementioned events.

4. http://www.grifols.com/documents/10180/14422120/risk-control-and-management-policy-2017-es/362de5d6-8f36-4c3c-aedd-10811f8dd3ec

4

SAFETY AND QUALITY

THESE ARE GRIFOLS'
SIGNATURE TRAITS OF
IDENTITY SINCE ITS CONSTITUTION

OUR STANDARDS OF QUALITY AND SAFETY, ARTICULATED THROUGH POLICIES AND RIGOROUS PROCEDURES, GO BEYOND LEGAL REQUIREMENTS

Plasma center inspections

795 **days**

Supplier audits

504 **+94% favorable**

Official agency inspections

357

SAFETY, QUALITY AND TRUST

Patients and healthcare professionals are at the heart of Grifols' operations, which reflect the highest standards of quality and safety. Each division has specific policies and procedures to guarantee that quality, safety and efficiency are firmly embedded at every stage of the value chain. Grifols' vertically integrated business model further enhances its control over its production processes.

Grifols Commercial Division's global quality policy establishes guidelines to achieve the highest levels of quality, safety and efficiency in the sale and distribution of Grifols products worldwide. This policy ensures rigor in Grifols' commercial and distribution operations, applying the core tenets of Grifols' Code of Conduct, the anti-corruption policy and the established internal processes, ensuring at all times the fulfillment of Grifols' ethical commitment.

The favorable outcomes of audits and inspections from health authorities, international organisms and customers in 2019 highlight Grifols' staunch commitment to quality and safety. In 2019, the company didn't have any incidents related to regulatory breach, fines, warnings or non-compliance with voluntary codes.

In 2019, Grifols was honored with the Industrial Excellence Award in Spain in recognition of its solid business model and supply chain management. For nearly 25 years, this award has recognized outstanding examples of competitiveness in the service and manufacturing sectors in diverse EU countries.

For more information, visit: : https://www.grifols.com/documents/51507592/51526409/quality-policy-commercial-division-es.pdf/4047432b-db41-4898-9f15-10bbe46c3206

MANAGING FROM THE SOURCE: SUPPLIER RELATIONS

Each division has qualified suppliers whose technical, management and control capacity has been assessed and approved by Grifols quality assurance area. According to company policy, all suppliers that provide materials or services that could impact the quality of Grifols' products must be previously qualified. Qualifications are granted for a specific material or service.

In terms of the logistics and distributions of final products, Grifols' quality policy offers guidelines to effectively manage international suppliers and distributors, ensuring that solid measures are in place to guarantee they fulfill the established requirements.

In 2019, Grifols began developing a consolidated supplier-policy plan with global guidelines to assess their degree of risk and participation in the supply chain. In addition to ensuring their compliance with the strictest quality standards, the plan will integrate additional criteria relating to ethical, social, environmental and privacy issues.

The company is also working on a comprehensive procurement-management model, scheduled to launch in the short- to medium-term. The model will afford greater transparency and coordination in supplier relations and be global in scope, without overlooking the local needs of Grifols' distinct business lines.

EVOLUTION NUMBER OF AUDITS AND INSPECTIONS

INCIDENTS

0

OBLIGATORY RECALL OF PRODUCTS

0

*It includes the number of inspections by health authorities and accredited institutions, as well as the number of internal audits.

CONTINUOUS EVALUATION PROCEDURES

Grifols has numerous evaluation procedures in place to assess suppliers according to the level of risk of the material or service they provide and its impact on the value chain. New suppliers undergo regular audits as part of the evaluation and monitoring process. Audits of suppliers of raw materials and services focus on the quality and safety of the products and services provided. Grifols is working to add the verification of environmental certifications such as ISO 14001 (environmental management systems) and OSHA (Occupational Health and Safety Management) as part of its supplier selection and qualification process.

Summary of 2019 Audits

Division / Area	Type of supplier	No. of quality audits	Results		
			Favorable	Not favorable	Pending evaluation and final report
Bioscience Division	Raw material suppliers	123	118	0	5
	Service suppliers	65	63	0	2
Diagnostic Division	Raw material suppliers	33	33	0	0
	Service suppliers	4	4	0	0
Hospital Division	Raw material suppliers	20	20	0	0
	Service suppliers	0	0	0	0
Grifols global subsidiaries	Raw material suppliers	26	26	0	0
	Distributors	39	30	2	7
	Transport companies	21	21	0	0
	Service suppliers	36	36	0	0
Others (Grifols Engineering, GWWO, KIRO)	Raw material suppliers	4	4	0	0
	Service suppliers	133	123	10	0

PURCHASING MANAGEMENT PROCESS

CONSUMER RELATIONS: PATIENTS AND HEALTHCARE PROFESSIONALS

The manufacturing and distribution of medical and healthcare products are subject to a rigorous regulatory framework in order to promote and reinforce their quality, safety and availability. The company is committed to complying with all applicable laws and regulations and is especially transparent in its relations with healthcare professionals and organizations.

SAFETY AND SECURITY MEASURES

Grifols has a Pharmacovigilance System to monitor adverse reactions derived from the administration of its medicines, as well as a Surveillance System to monitor adverse reactions from the use of its medical devices.

All activities and requirements of the Pharmacovigilance System and Surveillance System for Medical Devices are outlined in Grifols' standard operating procedures and updated on a regular basis.

Also, in addition to outside inspections by relevant healthcare authorities, both systems are subject to regular in-house audits in compliance with Grifols' quality control systems.

PHARMACOVIGILANCE SYSTEM FOR MEDICINES

Pharmacovigilance includes all activities related to the detection, assessment, understanding and prevention of adverse effects or any other complications related to the use of medicines. Each division appoints a qualified person responsible for pharmacovigilance whose main role is to establish and maintain the system and be available for healthcare authorities 24 hours a day for inspections or consultations relating to the safety of medicines and pharmacovigilance.

SURVEILLANCE SYSTEM FOR MEDICAL DEVICES

Medical device manufacturers are required to establish and maintain procedures to identify and monitor any adverse effects related to the use of their products. Grifols appoints qualified personnel or technical managers to maintain this system in business divisions where it applies.

Grifols does not outsource the core activities of its pharmacovigilance or medical-device surveillance systems to third parties.

LABELLING AND PACKAGE INSERTS

The information contained in product leaflets and labels complies with the standards and regulations applicable in each country where Grifols products are distributed, including Directive 2001/83/EC for medicines marketed in Europe and Title 21 Code of Federal Regulations (CFR) in the United States, in addition to local regulations applicable in other markets.

In the case of medical devices, labels and product leaflets also include any mitigating measures identified through risk analysis activities, performed in accordance with the application of risk management to medical devices (EN ISO 14971:2012 Medical Devices) or other requirements communicated by health authorities following the review stage of the product-licensing process.

Measures applied by division

Division / area	Type of product	Pharmacovigilance system	Medical device surveillance system
Bioscience Division	Medicines	Applicable	Not applicable
Diagnostic Division	Medical devices	Not applicable	Applicable
Hospital Division	Medicines and medical devices	Applicable	Applicable

CLAIMS SYSTEMS

Grifols' three main divisions have a complaints system through which all notifications received by healthcare centers, patients or users related to consumer appraisals of possible defects in product quality are recorded and evaluated.

In each division, a trained professional or technical director is appointed to evaluate all claims received; carry out the appropriate inquiries; implement corrective and preventative measures; notify healthcare authorities if necessary; and respond to the client with the conclusions obtained in the investigation of the claim.

PRODUCT RECALL SYSTEM

Each division has a Product Recall System. The claims and product withdrawal systems are outlined in Grifols' standard operating procedures and internally audited to verify their effectiveness and compliance with current legislation. They are also subject to inspections by the competent health authorities.

Grifols had no mandatory product recalls in 2019. The company's product recall system goes beyond legal compliance and includes the voluntary withdrawal of products that fall short of its safety and quality standards. In 2019, Grifols' pharmacovigilance systems detected a slightly higher rate of hypersensitivity reactions caused by specific vials of immunoglobulins (Gamunex®). Hypersensitivity is a possible, well-known and common reaction to immunoglobulin.

TRUTHFULNESS AND RIGOR IN GRIFOLS SALES AND EDUCATIONAL MATERIALS: RESPONSIBLE MARKETING

The company is committed to responsible marketing and sales practices. Thus, it ensures that all of its promotional and educational material complies with applicable laws and regulations; aligns with the industry policies and codes voluntarily adopted by the company; adequately addresses the target audience and end users; and contains information that is truthful, accurate, comprehensive, clear and balanced.

Grifols has a standard operating procedure – the Grifols Review Process or GRP – that defines the activities and responsibilities related to the approval, review and control of promotional and educational materials used to communicate Grifols' products and services to external audiences.

The approval process for marketing materials includes several review stages and the participation of decision makers from diverse corporate areas, such as the legal, medical affairs, regulatory and communication departments. In 2019, a new improved tool for electronic review and approval of materials was implemented through the GRP system. In 2019, 4,247 materials were reviewed and 3,949 materials were approved.

The material and content are expressly approved for specific uses and countries, and can only be used without alterations. All promotional and educational materials are reviewed on a regular basis to ensure their content is valid and complies with current standards and adopted codes.

Complaints received

Division	Complaints received
Bioscience Division	1 for every 94,030 units distributed
Diagnostic Division	N/A*
Hospital Division (Medicines)	1 for every 1,888,014 units distributed
Hospital Division (Medical Devices)	1 for every 112,321 units distributed

* Ratio not applicable for the type of product manufactured by the Diagnostic Division

SAFETY & QUALITY IN THE BIOSCIENCE DIVISION

DONATION

DONOR SELECTION

Grifols only uses plasma from qualified donors (for more information, see the "Donor Profile" section) collected in centers approved by the relevant health authorities. Donors are subject to annual medical exams and routine health screenings before every donation. The company does not discriminate against potential donors on the basis of ethnicity, gender or socioeconomic status. It only accepts healthy donors who are committed to the donation process, have proof of a permanent local residence and meet rigorous health and safety criteria. Grifols plasma centers are also subject to regular inspections.

> > >

ANALYSIS OF DONATED PLASMA

All units of donated plasma are analyzed in FDA-licensed laboratories to guarantee the safety and quality of source plasma. More than 10 analyses are performed on each unit of plasma, including tests for hepatitis A, B or C, HIV and parvovirus B19, using highly sensitive techniques such as NAT (Nucleic Acid Testing) to detect pathogens and ELISA (Enzyme-Linked Immunosorbent Assay) to detect viral antigens or antibodies. Once the plasma units are in production, every batch is tested at various stages during the production process. In total, 18 different analyses are performed.

> > >

60-DAY INVENTORY HOLD

All plasma units that pass the initial viral testing are subject to a 60-day inventory hold before being released into production. The results of the hold sample are verified against the new donation to reconfirm the absence of viruses and pathogens.

MAIN RELEVANT REGULATIONS

- WHO: recommendations for the production, control and regulation of human plasma for fractionation (WHO Technical Report Series, No. 941)
- Directive 2002/98/CE that sets the standards for the quality and safety for the collection, testing, processing, storage and distribution of human blood and blood components
- EMA Guideline on plasma-derived Medicinal products
- 21CFR Part 640: additional standards for human blood and blood components
- Local regulations in countries where hemoderivatives are distributed
- PPTA standards adhered to voluntarily by Grifols
- European Pharmacopoeia

PRODUCTION

QUALITY MANAGEMENT SYSTEMS IN ALL PRODUCTION FACILITIES

After plasma has been approved for production, the manufacturing process begins. This process mainly entails the fractionation or protein separation process; purification; specific viral-inactivation processes; sterile filling; and secondary packaging. All operations are carried out in accordance with Global Manufacturing Practices (GMP).

All of Grifols' manufacturing plants have a Pharmaceutical Quality System and a strict quality assurance system.

Grifols' manufacturing processes are also subject to a rigorous internal quality-control program to guarantee the quality, safety and efficacy of every batch produced.

ELIMINATION OF VIRUSES AND OTHER PATHOGENS

During the production phase, approved plasma undergoes rigorous testing and purification processes, including several pathogen-elimination steps, viral inactivation and viral-removal techniques to guarantee the highest possible levels of safety. Depending on the product, the manufacturing process may include heat treatment, pasteurization, solvent/detergent treatment and/or nanofiltration.

After purification, the product is sterilized using a proprietary sterile-filling process process developed in-house by Grifols Engineering and considered an industry standard.

Grifols' manufacturing facilities are not only subject to inspections by the relevant authorities but also have never been closed due to regulatory incompliance.

MAIN RELEVANT REGULATIONS

- Good Manufacturing Practices, European Union
- Code of Federal Regulations (CFR): 21 CFR 11, 21 CFR 210, 21 CFR 211, 21 CFR 600, 601, 610, 630 and 640
- Good Manufacturing Practices, Pharmaceutical Inspection Co-operation Scheme (PIC/S)
- European Pharmacopoeia
- U.S. Pharmacopoeia
- Local regulations in countries where hemoderivatives are distributed

POST-SALES

PRODUCT TRACKING AND TRACEABILITY

Before releasing any plasma-derived medicine, Grifols identifies product vials with a unique code, which includes a laser etching of the lot number to ensure traceability. Moreover, all products include a holographic seal to verify their inviolability and authenticity.

Grifols also implemented a system to assign unique, traceable numbers to product units in accordance with the applicable rules and regulations of the global markets where it operates as part of its total commitment to regulatory authorities to prevent counterfeits. Its pledge to patient safety includes a robust pharmacovigilance system.

In addition, Grifols voluntarily rolled out the PEDIGRI® system, which provides healthcare professionals detailed information on the plasma used to manufacture a specific unit of product, as well as a certificate of the testing performed. For more than 20 years, Grifols has been the only company to offer information on the source and traceability of its plasma.

MAIN RELEVANT REGULATIONS

- Good Pharmacovigilance Practices, EMA
- 21 CFR 50
- Local regulations in countries where hemoderivatives are distributed

SAFETY & QUALITY MANAGEMENT

INTERNAL CONTROL FRAMEWORK

- Grifols' rigorous safety system for its plasma-derived products resides in the dedication of its highly trained staff; a robust process and product design; leading-edge technologies developed in-house by Grifols Engineering; and full traceability from plasma donation to the final product. Throughout the value chain, the different materials and processes that intervene in production are monitored by Grifols quality-assurance managers. This supervision includes controls in both manufacturing processes and final products to ensure the quality, safety and efficacy of each lot; the review and follow-up of production processes to ensure compliance with best manufacturing practices and promote ongoing improvements; and systems to scale relevant events and take appropriate actions through Grifols' Quality Committees, which evaluate key performance indicators (KPIs) and quality markers.
- Grifols also forms part of the National Donor Deferral Registry (NDDR), a voluntary self-regulating initiative to guarantee the quality and safety of plasma that applies to all U.S. donors. This database ensures that all donors who test positive for the viral agents for HIV, HBV, and HCV are permanently prohibited from donating source plasma at participating licensed and industry-certified centers in the U.S.

For more information, visit https://www.pptaglobal.org/safety-quality/national-donor-deferral-registry

EXTERNAL CERTIFICATIONS

- Certifications of Good Business Manufacturing Practices of the European Union, the United States and other countries where required.
- IQPP & QSEAL Certifications of the Plasma Protein Therapeutics Association (PPTA)
- International Quality Plasma Program (IQPP) Certification, a voluntary standards program that includes the management of donors and plasma centers.

For more information: visit: https://www.pptaglobal.org/safety-quality/standards/iqpp)

- Quality Standards of Excellence, Assurance and Leadership Certification (QSEAL) that apply to the manufacture of plasma-derived medicines, with voluntary certification and adhesion to the program

For more information, visit: https://www.pptaglobal.org/safety-quality/standards/qseal

SUPPLIER CONTROL SYSTEM

- Grifols' Supplier Qualification Management System ensures that all raw materials, including plasma from external providers as well as non-plasma critical suppliers, follow a strict qualification process. The company runs a robust program of routine supplier audits to guarantee compliance with GMP norms and quality standards. In 2019, 188 audits were carried out as part of the qualification and evaluation processes. Audits performed on suppliers of raw materials and services focus on the quality and safety of their products.

Breakdown available in "Managing from the source: supplier relations" section

IN-HOUSE AND EXTERNAL QUALITY AUDITS

- Grifols' senior management implements and maintains an effective organization-wide quality management system. Internal auditors regularly inspect plasma centers, laboratories, manufacturing and storage facilities to ensure compliance with GMP regulations and quality standards.
- The independent corporate auditing department conducts routine reviews of collected plasma, manufacturing records and other quality-related documentation, in addition to independently overseeing and verifying the company's operational processes.
- The U.S. (FDA) and European (EMA) health authorities, among others, periodically inspect all plasma donation centers, production plants, warehouses, laboratories and transport centers. The PPTA regularly inspects Grifols' collection centers and fractionation plants.

PLASMA DONATIONS

REASONS TO DONATE

PLASMA DONATIONS SAVE LIVES

Plasma-derived medicines are used to treat or prevent severe conditions and diseases in various therapeutic areas including pneumology, hematology, neurology, infectious diseases and traumatology.

Plasma donors help save lives and enhance the quality of life of thousands of patients. As many as 1,300 plasma donations are required to treat just a single patient for one year.

PLASMA CANNOT BE MANUFACTURED IN A LAB

Plasma is an essential raw material used in a myriad of hemoderivatives developed to treat and prevent potentially life-threatening diseases and conditions. Due to its complexity, it is impossible to manufacture plasma in a lab and plasma-derived medicines are only possible thanks to the generosity of volunteer donors.

REGULATIONS FOR PLASMA DONATIONS

There are two basic ways to obtain plasma: recovered plasma, derived from a sub-product of collected whole blood; and source plasma procured from a specific plasmapheresis procedure.

The procurement of source plasma used exclusively for the subsequent manufacture of plasma-derived medicines is strictly regulated by the U.S. Food and Drug Administration (FDA) and other official regulatory authorities. In conjunction with the rigorous legislation and procedures on good manufacturing practices imposed by healthcare entities, the Plasma Protein Therapeutics Association (PPTA) voluntarily establishes and supervises additional norms. In Europe, the European Medicines Agency (EMA) oversees this domain.

During plasmapheresis, plasma is extracted and blood cells, platelets and other blood components are returned to the donor. In contrast to what happens with blood cells in whole-blood donations, in plasma donations the body can regenerate lost proteins in less than 24 hours.

QUALITY CONTROL IN PLASMA CENTERS

Plasma donation centers are subject to regular quality control and safety standards to guarantee the safety of donors and quality of collected plasma.

Regulatory inspections in Grifols plasma centers in 2019

Regulatory Body	Inspection Days	Administrative Actions**
FDA*	243	0
EMEA	300	0
CLIA-COLA	135	0
PPTA	81	0
TOTAL	**759**	**0**

(*) More than 95% of FDA inspections resulted in 0 observations
(**) Suspension, revocation or loss of any license or certification; warning letter, imposed suspension of any regulated activity, etc…

Grifols' requirements for safe donations and detailed information on the plasma donation process are available on www.grifolsplasma.com

GRIFOLS' COMMITMENT TO DONORS

BASED ON THE UNIVERSAL DECLARATION OF HUMAN RIGHTS

- Respect for the dignity and inherent rights of donors is an indispensable obligation for Grifols, which endorses, upholds and supports the Universal Declaration of Human Rights (1948), the Helsinki Declaration (1964) and UNESCO's Universal Declaration on Bioethics and Human Rights (2005).
- All donors are treated equally, regardless of race, religion, work status and socioeconomic profile.
- Grifols' first and foremost priority is the health, safety, well-being and dignity of our donors.

EQUAL TREATMENT

Grifols applies the same quality and safety criteria in all of its plasma centers and to all donors

- All donors are subject to the same strict quality and safety standards throughout Grifols' global network of plasma donation centers without any exceptions.

REQUIREMENTS FOR PLASMA DONORS

NOT EVERYONE CAN BECOME A PLASMA DONOR

>18 <69 YEARS
U.S.

>18 <65 YEARS
EUROPE

>50 KG

PASS A medical EXAM

WHO ARE QUALIFIED DONORS

A QUALIFIED DONOR MUST DONATE AT LEAST TWICE OVER A SIX-MONTH PERIOD

A QUALIFIED DONOR CAN DONATE AS OFTEN AS TWICE IN A SEVEN-DAY PERIOD, WITH A FULL REST DAY IN BETWEEN IN U.S. AND TWO DAYS IN EUROPE

PLASMA FROM FIRST-TIME DONORS WHO DON'T RETURN FOR A SECOND DONATION IS NEVER USED TO MANUFACTURE PLASMA-DERIVED MEDICINES. THESE UNITS ARE DESTROYED OR USED FOR DIAGNOSTIC PURPOSES AS A REAGENT

MANDATORY MEDICAL EXAMS

VERIFICATION OF WEIGHT, BLOOD PRESSURE, PULSE AND TEMPERATURE, AND ANEMIA AND PROTEIN LEVELS CONTROL

DONORS UNDERGO BLOOD TESTS BEFORE EVERY DONATION:

- SCREENING FOR HAV, HBV, HCV, HIV AND B19 VIRUS USING GENOMIC AMPLIFICATION TESTS (NUCLEIC AMPLIFIED TESTING; NAT)
- SEROLOGIC TESTS FOR HBSAG (HEPATITIS B SURFACE ANTIGEN), HEPATITIS C ANTIBODIES (ANTI-HCV) AND HIV ANTIBODIES

GRIFOLS' DONOR PROFILE

SAFETY & QUALITY IN THE DIAGNOSTIC DIVISION

SUPPLIER CONTROLS

The Diagnostic Division defines requirements to assess, approve and monitor suppliers, and classifies them according to their importance in the production process. Results are documented in a supplier evaluation registry, and potential new suppliers are accepted or rejected depending on the results of this analysis.

To ensure quality compliance at all times, Grifols re-evaluates its quality system and standards for key suppliers every three years, and every five years in the case of important suppliers. The division also regularly evaluates its quality markers.

MAIN RELEVANT REGULATIONS

- Code of Federal Regulations (CFR): 21CFR sec 820.50 "Purchasing controls"
- ISO 13485:2016 Sc. 7.4.1 "Purchasing process"

SAFETY AND CONTROL STANDARDS IN PRODUCTION

The Diagnostic Division ensures the safety, efficacy and quality of its products through a range of production, quality and R+D+i management processes.

The division also implements project-management techniques, agile software development, GMP, automation, continuous improvements and ongoing validation of its integrated IT systems. Moreover, the division's employees take part in continuous training initiatives to reinforce their technical skills.

MAIN RELEVANT REGULATIONS

- EN ISO 14971:2012
- Code of Federal Regulations (CFR): 21CFR820 "Quality System Regulation"
- Code of Federal Regulations (CFR): 21CFR600 "Biological Products: General"
- ISO 13485:2016 "Medical devices – Quality management systems – Requirements for regulatory purposes"
- Regulations under the Medical Device Single Audit Program (MDSAP)
- ISO 14971 "Medical devices – Application of risk management to medical devices"
- IEC 62304:2006 "Medical devices software – Software life cycle processes"

PRODUCT LICENSES

The production, marketing and sale of Diagnostic Division products are registered with relevant authorities in applicable countries.

MAIN RELEVANT REGULATIONS

- Local country-specific regulations

SAFETY & QUALITY IN THE HOSPITAL DIVISION

SUPPLIER AUDITS

Grifols has developed a quality system to approve, track and evaluate service providers and manufacturers of materials used during the production process. The Hospital Division's quality system includes two main components:

Quality Assurance (QA)
This department registers relevant quality documentation for internal information systems, including GMP and ISO certifications, among others that are always kept updated.

Supplier Quality Committee
The committee holds at least one meeting every six months to verify the quality of suppliers and manufacturers.

The committee includes QA leaders, technical directors from the Barcelona and Murcia plants and senior managers from R+D+i, purchasing, production and quality assurance.

MAIN RELEVANT REGULATIONS

- Applicable regulations GMP environment for medicines and 13485 certification for medical devices

SAFETY AND MANUFACTURING CONTROLS

Grifols adheres to the highest standards of quality and safety in its manufacturing facilities to guarantee that its product and services comply with all applicable guidelines. This continuous quest for improvement allows the company to boost the quality and efficacy of its production processes and anticipate the safety needs of patients and healthcare professionals. Several committees – quality standards, suppliers, production quality, change control and R+D+i – oversee the evaluation system, placing particular emphasis on quality, KPIs and quality objectives planning.

Grifols uses a change management system to ensure the traceability and safety of any modifications in the product, process or facilities. The impact of every change is analyzed and assessed from regulatory, quality, validations, documentary, normative, occupational health and safety perspectives. A risk assessment is carried out to evaluate the impact of this change on these areas. Next, the Change Control Committee analyzes and assesses the information and when appropriate, authorizes the change and its implementation.

MAIN RELEVANT REGULATIONS

- Quality Management System Control: GMP, ISO Certifications 1348, MDSAP, FDA 21CFR820 and CFR 210, ANVISA, SOR 98-282, among others.

PRODUCT LICENSES

The production, marketing and sale of a range of products are subject to registration with the competent authorities in the countries where they are sold.

MAIN RELEVANT REGULATIONS

- Applicable regulations according to local jurisprudence for obtaining the product license.

2019 SUMMARY OF INDICATORS

BIOSCIENCIE DIVISION

All facilities are inspected regularly, including plasma centers. No Grifols center has had any incident related to regulatory breach, fines, notifications or voluntary codes to which the company adheres.

Internal Compliance Inspections

282

Total inspection days in plasma centers

759

Inspections by health authorities and accredited institutions

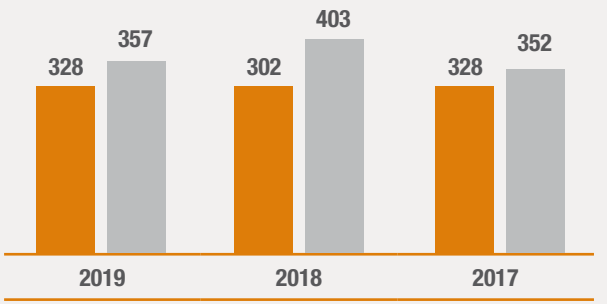
340

Supplier quality audits conducted

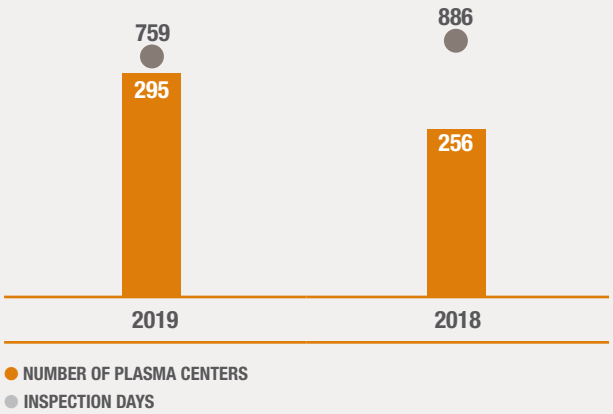
188

100% FAVORABLE

EVOLUTION OF CONFORMITY AUDITS AND CONTROLS



PLASMA CENTERS AND INSPECTION DAYS



GRIFOLS MAINTAINS ITS COMMITMENT TO SAFETY AND QUALITY WITH OVER 300 INTERNAL CONTROLS AND AUDITS ANNUALLY

THE HIGH NUMBER OF INSPECTIONS CARRIED OUT BY HEALTH AUTHORITIES AND ACCREDITED INSTITUTIONS PER YEAR REFLECTS THE SECTOR'S STRICT SAFETY FRAMEWORK

DIAGNOSTIC DIVISION

The controls carried out reaffirm security as an unalterable commitment. Achieving the highest quality standards provides a reliable diagnosis that guarantees the proper treatment of patients.

Internal inspections performed at facilities

35

Routine inspections by official institutions

10

Supplier quality audits conducted

37

100% FAVORABLE

HOSPITAL DIVISION

Quality and safety are unalterable commitments. The inspections and audits carried out guarantee top quality products to facilitate the work of health professionals and contribute to improving hospital efficiency.

Internal inspections performed at facilities

11

Routine inspections by official institutions

7

Supplier quality audits conducted

20

100% FAVORABLE

5

INNOVATION

INNOVATION IS IN GRIFOLS' DNA. THE COMPANY, A PIONEER IN TRANSFUSION MEDICINE, IS WIDELY RECOGNIZED TODAY AS THE GOLD STANDARD IN HEMOTHERAPY

LEADERS IN CREATIVITY AND INNOVATION, THE INTEGRAL GRIFOLS' STRATEGY STRIVES TO ENHANCE THERAPEUTIC AND DIAGNOSTIC SOLUTIONS THROUGH COLLABORATIVE NETWORKS BETWEEN PEOPLE

Productive Investments M€

332

+31.7%

Net R+D+i Investments M€

329

+12.9%

People dedicated to R+D+i

1,200

Patents

3,179

INNOVATION IN GRIFOLS

GRIFOLS PROMOTES A LONG-TERM INTEGRATED STRATEGY THROUGH ITS OWN PROJECTS AND BY PARTICIPATING IN RESEARCH COMPANIES AND THIRD-PARTY INITIATIVES

Grifols' R+D+i strategy promotes a holistic approach that encompasses both in-house projects and investee-led initiatives that complement the company's operations. Grifols considers investments and collaborations with third parties as an extension of its R+D+i efforts.

Grifols Innovation Office is responsible for spearheading the company's R+D+i strategy. It evaluates and expedites research projects, oversees the development of innovative treatments, products and services, and promotes continuous improvement of existing products and operations. It also nurtures ties with key agents in the innovation ecosystem, including academic and research institutions.

Grifols Innovation Office encompasses three main domains: Grifols Innovation and New Technology (GIANT), which manages the group's investments in R+D+i firms and research-related initiatives; the Scientific and Medical Affairs area; and the Patents and Trademarks Department.

Grifols Innovation Office liaises with the different functional areas of the group and presents projects to the interdisciplinary committees for review, guaranteeing a complete analysis. Defined by therapeutic areas, these in-house committees convene regularly to assess the projects and identify, evaluate and prioritize new opportunities.

Grifols also has a Scientific Review Board, which monitors and reviews the progress of in-house research initiatives from a technical standpoint and assesses the potential value of research opportunities in Grifols' investees. This cross-functional committee is composed of members of Grifols Innovation Office, clinical R+D+i areas and corporate divisions.

CORE OBJECTIVES OF GRIFOLS INNOVATION OFFICE

RESPOND

Meet market needs and promote competitiveness

ADVANCE

Deliver new therapies, products or services and improve on existing ones

IMPROVE

Improve production processes

GROW

Drive long-term growth & profitability while expanding the product portfolio

ALLOCATION OF R+D+i RESOURCES

GRIFOLS BOOSTED ITS NET R+D+i INVESTMENTS IN 2019

GRIFOLS' ALLOCATIONS TO R+D+i INCREASED BY 12.9% TO EUR 329 MILLION, WHICH EQUAL TO 6.5% OF REVENUES

TOTAL INVESTMENT IN R+D+i

329
EUR million

6.5%
OF REVENUES

+12.9%
increase

HUMAN RESOURCES

1,029
people dedicated to R+D+i

+100
external researchers complement Grifols' R+D+i efforts

RESEARCH CENTERS

U.S.
- Emeryville, Los Angeles and San Diego: Bioscience and Diagnostic
- Research Triangle Park: Bioscience
- Denver: Hospital

Spain
- Barcelona: Bioscience and Diagnostic
- Bilbao and Zaragoza: Bioscience and Diagnostic

Switzerland
- Düdingen: Diagnostic

GRIFOLS' INNOVATION ECOSYSTEM GENERATES OPPORTUNITIES AND COLLABORATIONS

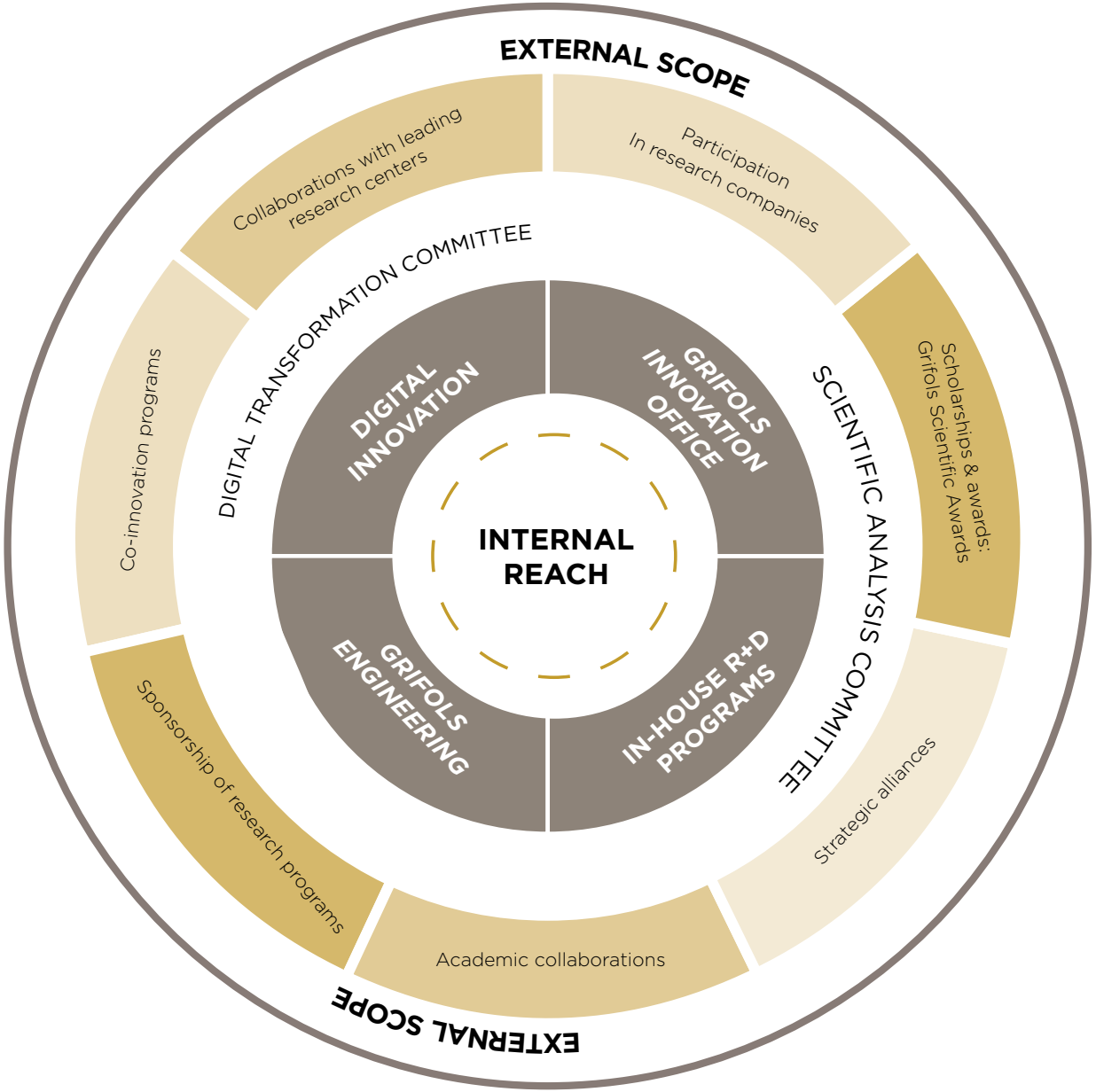
GRIFOLS' INNOVATION ECOSYSTEM GENERATES OPPORTUNITIES THAT PROMOTE THE ONGOING EXPLORATION OF AREAS OF MEDICINE, COMPLEMENTARY TREATMENTS FOR SPECIFIC DISEASES AND PROMOTE RESEARCH TO TREAT MORE COMMON DISEASES

Collaborations

Collaboration type	Company and objective
Strategic alliance for product development	ETHICON **Development of plasma-based biological sealant to control bleeding during surgery**
License agreement	RIGEL PHARMACEUTICALS **Provide an alternative treatment for adult patients with immune thrombocytopenic purpura (ITP) who haven't responded to previous treatments**
In-house research	IN-HOUSE R+D **New 20% subcutaneous immunoglobulin to treat patients with primary immunodeficiencies**
Participation in research companies	GIGAGEN **Research on the world's first polyclonal recombinant immunoglobulin to treat communicable diseases**
Collaborations with outstanding research centers	EUROPEAN FOUNDATION FOR THE STUDY OF CHRONIC LIVER FAILURE (EF-CLIF) **Promote research and raise awareness of chronic liver diseases**

GRIFOLS' INNOVATION ECOSYSTEM

AN OPEN INNOVATION ECOSYSTEM THAT PROMOTES KNOWLEDGE AND TALENT BEYOND THE LIMITS OF THE COMPANY



INVESTEES

AlbaJuna Therapeutics – Spain: Development of a new treatment strategy based on antibodies with a high potential to neutralize HIV and viral reservoirs at the cellular level

Alkahest – United States: Research on the benefits of plasma proteins to treat age-related cognitive impairment

Araclon – Spain: Specialized in diagnostic tests and the development and research of new treatments for Alzheimer's

GigaGen – United States: Research and development of new recombinant immunoglobulins using immune-system cells from donors

VCN Biosciences – Spain: Research and development of oncolytic viruses to treat solid tumors

ETHICS, SCIENCE AND INNOVATION

GRIFOLS' COMMITMENT TO CLINICAL TRIALS

GRIFOLS GUARANTEES THE PROTECTION OF THE RIGHTS, SECURITY AND WELL-BEING OF THOSE WHO PARTICIPATE IN ITS TRIALS

Grifols is firmly committed to the safety of patients who participate in the clinical trials that it oversees and sponsors. All clinical research led by Grifols or on its behalf adheres to the standards established by the International Conference on Harmonisation Good Clinical Practice (ICH GCP); the protection of human beings under the Helsinki Declaration (1964); and applicable local laws and regulations. The company does everything within its means to protect the rights, safety and well-being of participants in its clinical trials. For Grifols, these principles are most important and should prevail over corporate, scientific or social interests.

All clinical trials follow a detailed protocol to guarantee the safety of participants and the integrity of the collected data. Before the start of any clinical trial, Grifols sends the protocol to regulatory authorities and external ethics committees made up of healthcare professionals and specialists from other sectors to ensure it respects the dignity, rights, safety and well-being of trial participants. Clinical trials do not launch until a favorable decision has been handed down. Once approved, they strictly adhere to the guidelines established by the Ethics Committee, the institution, ICH GCP and applicable regulatory requirements, including approval by the corresponding health authorities.

Each participant must submit a written informed consent form that is personally signed and dated. The Principal Investigator (or assigned healthcare professional) provides appropriate information, resolves any doubts and gives potential clinical-trial subjects sufficient time to make an informed decision on their participation. The participation agreement is strictly voluntary and subjects can freely withdraw their consent at any time during the clinical trial.

In order to assure quality control, Grifols ensures that its standard operating procedures in the conduct of clinical trials and collection comply with protocols, ICH GCP and applicaple regulatory requirements. Moreover, an additional procedure allows clinical personnel to detect and document any potential fraud or misconduct during clinical trials.

Grifols has several measures to promote the transparency of its clinical trial data, which always maintains the anonymity of its subjects. More information on the protocol, status of clinical trials and related results are published on publicly accessible registries such as www.clinicaltrials.gov. Moreover, the results of clinical trials carried out within the framework of the European Medicines Agency (EMA) are published on the EudraCT website.

Grifols discloses the results of many of its clinical trials in international conferences and scientific journals.

For more information visit: ClinicalTrials.gov
EudraCT

COMMITTED TO RESPONSIBLE TESTING IN THE DEVELOPMENT OF NEW TREATMENTS

For decades, the use of animals in biomedical research has led to significant medical advances for both human and animal health as a means to test the effectiveness and safety of medications. Grifols is committed to the responsible use of laboratory animals in cases in which animal testing is indispensable to develop new life-saving therapies.

Grifols scientists work closely with regulatory agencies and the Institutional Animal Care and Use Committee (IACUC) to guarantee the safe and human treatment of research animals regardless of whether its studies are carried out in university settings or in contracted external laboratories.

All of the Grifols' facilities are approved by the pertinent authorities in regions where research is conducted. In the United States, facilities are certified by the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) or an equivalent organization and possess the highest accreditation possible for laboratories that perform animal testing. In Europe, all laboratories comply with the Directive EU 2010/63 on the protection of animals used for scientific purposes and undergo inspections by the relevant authorities in each country.

The company also adheres to the "Alternatives and the 3Rs" protocol as guidelines in the treatment of animal testing: Replace the use of animals whenever possible or avoid their use altogether; Reduce the number of animals used to a minimum; and Refine the way research is carried out to ensure animals suffer as little as possible.

MAIN RESEARCH PROJECTS

THE AMBAR PROJECT

AMBAR FINDINGS DEMONSTRATE EFFICACY TO STABILIZE ALZHEIMER'S IN TREATED PATIENTS

alzheimer management by albumin replacement

ambar

AMBAR is an international and multicenter clinical trial designed by Grifols in collaboration with Fundació ACE in Barcelona (Spain) and the Alzheimer's Disease Research Center in Pittsburgh (U.S.). Following a successful pilot study and completion of phases I and II, phase IIb/III aimed to evaluate the efficacy and safety of plasma exchange to stabilize the disease progression of Alzheimer's (AD).

The clinical trial lasted for 14 months and was split into two phases: an initial phase common to all patients, followed by a second phase in which different volumes and concentrations of albumin were administered to different groups. In some cases, the albumin was alternated with intravenous immunoglobulin to correct a possible endogenous immunoglobulin decrease. The plasma exchange in the placebo-controlled group was simulated in both phases.

Data analysis was performed on the total study population compared to the placebo group and included the following study arms: a) comparison of each of the three treatment groups. All three groups received plasma exchange with different doses of albumin and immunoglobulin; b) an arm that included all patients treated with plasma exchange; and c) an arm that included all patients treated with plasma exchange analyzed by disease severity: mild AD and moderate AD.

Throughout 2019, Grifols presented the findings of its AMBAR clinical trial at several international congresses. All results point to the positive effects of the treatment to slow down the progression of the disease in patients in the mild to moderate stages. Grifols concluded its AMBAR clinical trial after unveiling the latest findings at the 2019 Clinical Trials on Alzheimer's Disease Congress (CTAD), held in December 2019 in San Diego (U.S.). The company plans on launching an AMBAR II study.

The result of 15 years of rigorous scientific research, these promising findings reinforce Grifols' research on plasma protein replacement therapies.

OBJECTIVES AND METHODS

Primary objective

To evaluate the efficacy of the treatment by measuring variations in:

- Patients' cognitive function
- The ability to carry out daily activities

Evaluation method

- Psychometric scales
- Neuroimaging
- Neuropsychological Test
- Mini-Mental State Examination (MMSE)

CONGRESSES AND FINDINGS PRESENTED

11TH CLINICAL TRIALS ON ALZHEIMER'S DISEASE (CTAD) CONGRESS

Barcelona (Spain)
December 2018

Primary efficacy endpoints – the ADAS – Cog1 and ADCS-ADL2 scales

14TH INTERNATIONAL CONFERENCE ON ALZHEIMER'S AND PARKINSON'S DISEASES

Lisbon (Portugal)
March 2019

Secondary endpoints such as memory, language and processing speed

ALZHEIMER'S ASSOCIATION INTERNATIONAL CONFERENCE (AAIC) 2019

Los Angeles (U.S.)
July 2019

Other relevant secondary endpoints to evaluate functional and cognitive capacity (CDR-Sb and ADCS-CGIC),

12TH CLINICAL TRIALS ON ALZHEIMER'S DISEASE (CTAD) CONGRESS 2019

San Diego (U.S.)
December 2019

Neuroimaging and biomarkers

PRIMARY ENDPOINTS

Evaluate treatment efficacy with different scales measuring changes in cognitive function and the ability to carry out daily activities

61%

REDUCTION IN DISEASE PROGRESSION IN PATIENTS WITH MODERATE ALZHEIMER'S.

Measured by ADS-Cog + ADS-ADL scales

SECONDARY ENDPOINTS

Neuropsychological Test

71%

REDUCTION IN CLINICAL DECLINE WITH RESPECT TO PLACEBO IN ALL TREATED PATIENTS

Measured by CDR-Sb scale

POSITIVE IMPACT in **memory and quality of life in patients** with **moderate** Alzheimer's
POSITIVE IMPACT in language **and processing speed in patients** with **mild** Alzheimer's
(Measured by RAVLT, SDMT, PVF, QoL-AD scales)

Neuroimaging and biomarkers

PATIENTS TREATED WITH BOTH ALBUMIN AND IMMUNOGLOBULIN (IG) had less **REDUCTION OF BRAIN GLUCOSE METABOLISM, SUGGESTING LESS PROGRESSION IN NEURONAL DAMAGE**
(Measured by FDG-PET technique)

LEVELS OF ABETA 42 AND P-TAU PROTEINS REMAINED STABLE
in cerebrospinal fluid in all treated patients

AMBAR PROJECT

RESEARCH DESIGN

INTERNATIONAL
International, multicenter and double-blind

41 HOSPITALS
19 in Spain, 22 in the U.S.

496 PATIENTS
55-85 years old, with mild-to-moderate Alzheimer's

ASSESSMENT
Assessment of plasma exchange with different volumes and concentrations of albumin

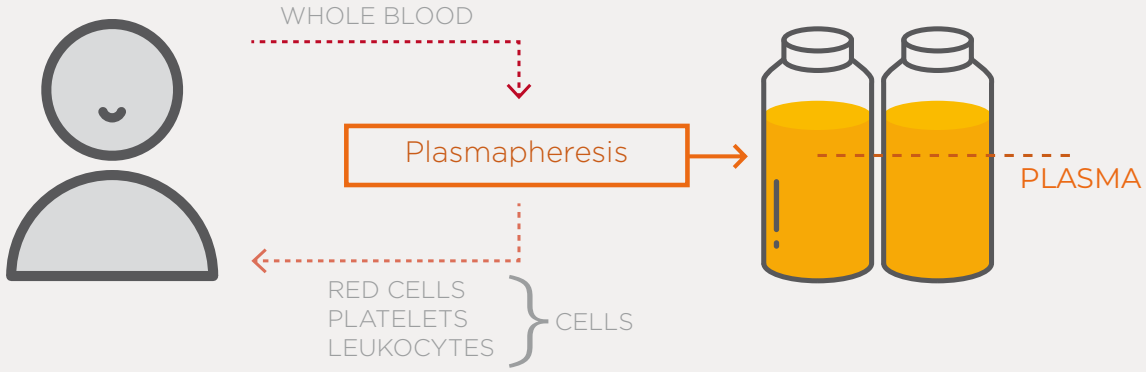
DISTRIBUTION
Patients randomized in three treatment groups and one control group

PLASMA EXCHANGE WITH ALBUMIN AS A TREATMENT

Patients participating in the AMBAR clinical trial were treated with regular plasma exchanges: a safe, well-known therapy based on the plasmapheresis technique.

Plasma exchanges entail extracting blood from the patient and separating its cellular components, including plasma. The plasma is replaced with albumin (in most cases), added to the remaining blood cells and injected back into the patient.

The therapy, which doesn't require anesthesia, is usually administered in hospitals or outpatient centers and used to treat a range of blood, neurological and autoimmune diseases.



15 YEARS OF ALZHEIMER'S RESEARCH

2004

Grifols starts its first lines of research in Alzheimer's in collaboration with Fundació ACE in Barcelona (Spain) and the University of Pittsburgh's Alzheimer's Disease Research Center (U.S.)

2012

AMBAR clinical trial commences based on the combination of plasma exchange with albumin and IVIG as a possible treatment for Alzheimer's disease.

2015

The intermediate results demonstrate the tolerability and safety of the treatment, establishing the requisite conditions for the trial to continue.

03/2018

The experimental phase of AMBAR concludes.

10/2018

AMBAR phase IIb/III results demonstrate a significant stabilization in disease progression in patients with moderate AD.

2019

Ongoing analysis of AMBAR variables and conclusion of the clinical trial. New finding confirms its efficacy to treat patients with mild and moderate AD. Grifols announces the launch of AMBAR II.

SINCE 2004 GRIFOLS' SCIENTIFIC RESEARCH HAS BEEN FOCUSED ON FINDING A TREATMENT TO DELAY THE PROGRESSION OF ALZHEIMER'S, THAT AFFECTS MORE THAN 35 MILLION PEOPLE THROUGHOUT THE WORLD AND COULD REACH 82 MILLION IN 2030

R+D+i BY DIVISIONS

BIOSCIENCE DIVISION

Grifols' leadership in the plasma-proteins sector is based on new therapeutic indications for plasma-derived products, the discovery of new proteins and continuous manufacturing innovations that enhance the efficiency and safety of Grifols products.

Research Pipeline

Protein	Brief project description
Albumin	• Development of new formulations in pre-clinical phase • Albumin for Alzheimer's (AMBAR study) • Albumin for liver cirrhosis (PRECIOSA). New indication in clinical trial phase • Albumin for liver insufficiency (APACHE study). New indication in clinical trial phase.
Immunoglobulin	• New manufacturing process of Gamunex® in pre-clinical phase • Development of immunoglobulins with specific anti-infectious properties for new antigens, in pre-clinical phase • Immunoglobulins to treat myasthenia gravis (MG). Indication in clinical trial phase • New administration format of immunoglobulin in flexible packaging • Development of immune globulins intra muscular (IGIM) at increased concentrations for rabies and tetanus, hepatitis B and diphtheria
Alpha-1	• Development of sub-cutaneous alpha-1 in pre-clinical phase • New vials format of liquid formulation of alpha-1 (Prolastin®-C Liquid) • Alpha-1 in patients with pulmonary emphysema caused by AATD. New indication in clinical trial phase
Clotting factors	• Factor VIII as an induction therapy for immunitolerance induction (ITI). New indication in clinical trial phase • Development of lower-volume distribution plasma Factor VIII
PPF (Plasma Protein Fraction)	• PPF offered in new flexible packaging
Fibrinogen	• Fibrin sealant for pediatric use in clinical trial phase • Development of intravenous fibrinogen in clinical trial phase

MAIN MILESTONES AND BREAKTHROUGHS IN 2019

- Completion of the clinical research phase of 20% subcutaneous immunoglobulin to treat patients with primary immunodeficiencies in Europe to obtain EMA authorization.
- Development of Gamunex® as maintenance therapy for myasthenia gravis (MG). The company submitted EMA marketing authorization in 2019.
- Development of the phase III PRECIOSA trial on the potential benefits of albumin to treat liver cirrhosis and phase III APACHE trial to treat acute chronic liver failure (ACLF) with albumin.
- New Albumin format in flexible packaging for different concentrations. Registration of 25% albumin obtained in May 2019.
- FDA submission of Gamunex® New process as an Investigational New Drug (IND).
- Patients admitted in clinical trials to evaluate the efficacy and safety of Grifols' fibrin sealant to promote hemostasis during liver surgery and soft-tissue surgery.
- Launch of research phase on intravenous fibrinogen for pediatric use.
- Establishment of Plasma Protein Replacement Therapies group for the research and development of projects related to plasma-protein replacement applied to different pathologies and modalities, including low-volume plasma exchange.
- Approvals and launch of new formulations and indications that expands Grifols' product portfolio and adapt to the needs of patients and healthcare professionals:

– **FDA approval and U.S. market launch of 20% subcutaneous immunoglobulin (Xembify®)** to treat primary immunodeficiencies.

– **FDA approval of a new laparoscopic device and applicator tip for Grifols' fibrin sealant (Vistaseal™)** and market launch in the U.S.

– **FDA approval of a new high-concentration anti-rabies immunoglobulin (HyperRAB® 900IU)** to treat patients exposed to the rabies virus.

– **EMA approval for new indications of the Flebogamma® DIF immunoglobulin**, including chronic inflammatory demyelinating polyneuropathy (CIDP) and multifocal motor neuropathy (MMN).

The following table summarizes the Bioscience Division's R+D projects over the last three years based on their phase of development

Number of R+D projects according to their development phase

	2019	2018	2017
Discovery	15	12	14
Pre-clinical	19	12	12
Clinical	21	28	26
Post-marketing studies	10	9	10
Other projects	19	16	18
Total Bioscience R+D projects	**84**	**77**	**80**

DIAGNOSTIC DIVISION

Grifols strives to deliver diagnostic solutions that enhance the safety of blood and plasma donations in alignment with its corporate mission and the World Health Organization's integrated strategy. The Diagnostic Division's R+D+i initiatives focus on developing comprehensive solutions that add value and increase safety throughout the value chain, from donations to transfusion. The development of new systems and technologies, including new reagents and analyzers, are the main focus of their efforts.

In the field of specialty diagnostics – one of the areas with the highest potential for growth – Grifols produces genomic and proteomic tests for in-vitro diagnostics, prognosis assessment, response prediction and biologic drug monitoring. It also develops molecular diagnostic tests and prognosis in oncology, autoimmunity, cardiovascular medicine and the central nervous system.

For further information, visit: https://www.who.int/es/news-room/fact-sheets/detail/blood-safety-and-availability

Pipeline of Research Projects

Line of action	Brief project description
Projection of Diagnostic solutions using NAT (Nucleic Acid Test) technology	• Multi-target (multiplexed) diagnostic tests that allow various virus/pathogens to be tested in a single sample • New reagents for emerging pathogens • Pathogen detection through new-generation sequencing
Serology	Improve blood-antibody detection thresholds in terms of both sensitivity and specificity to speed up obtention of results
Expansion of recombinant proteins	Work with new and diverse proteins to preserve safety in the transfusion chain

MAIN MILESTONES AND BREAKTHROUGHS IN 2019

- FDA approval of the blood test to detect the babesiosis parasite, one of the infectious diseases most frequently transmitted via blood transfusions in the U.S. The ongoing development of new trials highlights Grifols' commitment to safety of the blood supply.
- Clinical trials on the Procleix® Ultrio Elite line continue in China.
- Grifols continues to innovate in the area of immunohematology, one of the division's core diagnostic lines. Noteworthy is the in-house development of a new CD38 recombinant protein that facilitates the identification of suitable blood donors for myeloma and lymphoma patients undergoing monoclonal anti-body immunotherapy (Daratumumab), one of the newest therapies on the market.
- Launch of new card reader (DG® Reader Net) that mitigates risks of errors in laboratories that use the reader as an auxiliary system and in those whose work volume doesn't allow for automated transfusion techniques.
- In-house development of innovative solutions such as the AlphaKit™ (blood test) and AlphaID™ (bucal swab) to improve the diagnosis rate of alpha-1 antitrypsin deficiency

HOSPITAL DIVISION

The Hospital Division's research and development efforts focus on expanding the range of hospital logistics systems and compounding processes for hospital pharmacies, as well as providing hospitals with intravenous solutions.

At present, 10% of hospital prescriptions require IV compounding, a process that entails preparing a unique intravenous therapy by modifying the medication's formulation. Most personalized compounds are prepared manually, a costly process that requires specific cleanroom facilities, equipment and maintenance in a sterile environment. A higher degree of automation in these processes enhances patient safety and reduces hospital costs.

MAIN MILESTONES AND BREAKTHROUGHS IN 2019

- In the Pharmatech line, the bidirectional integration of PharmacyKeeper, a verification intravenous workflow management system, with the healthcare information system Epic® stands out. The interoperability between the workflow management platform and Epic's health information system increases patient safety and optimizes hospital-pharmacy systems. As an example, this exchange of information facilitates the process of preparing patient-specific doses and batch orders following safe procedures. For its part, PharmacyKeeper's automatic data exchange functionality enables more accurate financial and inventory management in Epic®.
- Launch of new PharmacyKeeper software, which improves workflows and safety in all areas, including a better overview of critical pharmacy operations and the capacity to serialize medication batches and identify alternatives by patient and batch. The new software also expands the bidirectional integration with Epic® by admitting rare or unique medications and personalized individual doses.
- Launch of KIRO Fill®, a next-generation system for automated compounding of sterile preparations that offers greater flexibility in the syringe filling of non-hazardous IV medications. The solution is designed to boost patient safety, optimize operational efficiency and facilitate regulatory compliance.

DIGITAL INNOVATION

Digital innovation is not a new concept for Grifols, serving as a strategic axis that enables the company to excel in a new organizational ecosystem and capitalize on growth opportunities. The Digital Committee leads the company's digital transformation by exploring, evaluating and implementing digital tools that add value to the business model. Therefore, it defines priorities and objectives, prioritizes digital initiatives and fosters a digital culture based on cross-disciplinary collaboration and shared experiences.

The Digitalization Committee includes different groups or Digital Transformation Teams (DTTs) that analyze and recommend digital proposals or initiatives that have the greatest potential for transformation in each of the areas.

In 2019, Grifols analyzed more than 60 digital-innovation projects and initiatives. Among other benefits, the projects launched will interconnect devices and bolster analyses of available data as a means to identify industrial efficiencies and quality improvements. It will also promote the most appropriate treatments for patients by obtaining analytical models of clinical data, as well as internally or externally collected information. During the year, Grifols reinforced its external collaborations in order to improve and build upon its in-house efforts.

DIGITAL COMMITTEE

COMMERCIAL

Focus on Customer Centricity and Value Expansion

INDUSTRIAL

Focus on Supply Chain Optimization and Operations Excellence

PLASMA

Focus on Donor Experience and Efficiencies

R+D+i

Focus on New Value Sources

QUALITY

Focus on Safety

CORPORATE

Focus on Process Optimization and Employee Experience

SUPPORTING GLOBAL RESEARCH

GRIFOLS SCIENTIFIC AWARDS

The Grifols Scientific Awards highlights the company's longstanding commitment to the global research community. These recognitions promote and distinguish research in areas related to Grifols' core business.

Grifols Scientific Awards

Award	Objectives	Funding
Martin Villar Haemostasis Awards	Awards for young investigators whose clinical or basic research focuses on hemostasis, hemophilia and von Willebrand disease	Two separate EUR 50,000 awards to finance up to 12 months of research. One is for clinical projects and the other is for basic research
SPIN, Scientific Progress Immunoglobulins In Neurology Award	Awarded to research projects that develop new immunoglobin applications for neurological conditions	EUR 50,000 awards for the proposal that best reflects the program's objectives, as assessed by an independent review committee. Funding is intended to support a 12-month project
ALTA, Alpha-1 Antitrypsin Laurell's Training Award	Identify and support innovative clinical and basic research focused on expanding knowledge about the biological functions of alpha-1 antitrypsin	Two EUR 50,000 each scholarships. Funding is intended to support a 12-month project
Albus, Albumin Awards Program	Recognize research that broadens knowledge of the therapeutic applications of albumin	Two annual EUR 50,000 each awards. Funding is intended to support a 12-month project
GATRA*, Grifols AntiThrombin Research Awards	Identify and support research projects on new and existing uses of antithrombin	Two annual EUR 50,000 each awards. Funding is intended to support a 12-month project
GHAGA. Grifols Hemophilia Awareness Global Awards	Encourage healthcare professionals, treatment centers and hemophilia associations to contributing centers and hemophilia associations that contribute to enhance the care and quality of life of hemophilia patients	Four EUR 50,000 each awards

For more information on award criteria, candidates, application process and past winners, visit http://www.grifolsscientificawards.com

SPONSORING RESEARCH INITIATIVES: THE ISR PROGRAM

Grifols' Investor-Sponsored Research Program (ISR) supports and promotes pre-clinical and clinical research that broadens the body of scientific knowledge on plasma proteins. The sponsorship of these research programs is coordinated by the Grifols Scientific & Medical Affairs area, which grants funding based on an established operating procedure. The proposals with the greatest likelihood of receiving Grifols' sponsorship are evaluated by a cross-functional committee comprised of members from clinical and pre-clinical research, the Bioscience Division (is it necessary to say marketing?), and Medical Affairs. These areas include the core competencies relating to basic and pre-clinical research.

The final decisions for project funding are primarily based on the scores obtained across five core areas: 1) strategic alignment with corporate objectives; 2) scientific merit; 3) research design; 4) budget requested; and 5) the researcher's experience.

Over the last five years, Grifols has allocated more than USD 10 million to sponsoring basic research projects that allow for additional financing from public-sector funds.

GRIFOLS CHAIR OF RESEARCH IN CIRRHOSIS

In 2015, Grifols established The Grifols Chair for the Study of Cirrhosis, a private chair with a global reach aimed at generating research and education on liver diseases. The Grifols Chair and the European Consortium for the Study of Chronic Liver Failure are led and coordinated by Prof. Vicente Arroyo through the European Foundation for the Study of Chronic Liver Failure (EF-CLIF). Grifols has a representative on the Executive Board of the EF-CLIF.

Over the last five years, the company has allocated nearly EUR 12 million to promote research projects aimed at raising awareness of liver diseases and the use of plasma proteins as a treatment, within the framework of the Grifols Chair. Between 2014 and 2019, Grifols contributed to funding a range of research projects, including INFECIR 2, which tests the effects of albumin in patients with advanced cirrhosis, and PREDICT, which includes 1,200 patients hospitalized with acute decompensation of liver cirrhosis.

RESEARCH PUBLICATIONS

The company also promotes the generation of knowledge internally. The work of Grifols' scientists and researchers have featured prominently in a number of publications, including:

Research publications

	Product	Title	Author(s)	Publication
Neurology/Immunology	immunoglobulins	A phase 3 multicenter, prospective, open-label efficacy and safety study of Immune Globulin (Human) 10% Caprylate/Chromatography Purified (IVIG-C) in patients with myasthenia gravis exacerbations	Guntis Karelis, Rodica Balasa, Jan L. De Bleecker, Tima Stuchevskaya, Andres Villa, Philip Van Damme, Emmeline Lagrange, Jeannine M Heckmann, Michael Nicolle, Crisandra Vilciu, Vera Bril, Elsa Mondou, Rhonda Griffin, Junliang Chen, Waleska Henriquez, Bea	Eur Neurol 2019;81:223–230
	immunoglobulins	Immune Globulin Subcutaneous, Human – klhw 20% for Primary Humoral Immunodeficiency: an Open-label, Phase 3 Study	John W. Sleasman, William R. Lumry, Iftikhar Hussain, H. James Wedner, James B. Harris, Kecia L. Courtney, Elsa Mondou, Jiang Lin, Mark R. Stein	Immunotherapy. 2019 Nov;11(16):1371-1386. doi: 10.2217/imt-2019-0159. Epub 2019 Oct 17.
	immunoglobulins	Immunoglobulin G from single plasma donor in immune globulin intravenous causes false positive pyrogen test	Zervos C, Zimmerman TP, Willis T, Flexman G, Srivastava J, Silverstein R, Williams M, Vandeberg P, Culp JL, Burns D, Barham V, Durham A, Malinzak DA	Biologicals 59 (2019) 12–19
	immunoglobulins	Myasthenia gravis: historical achievements and the "golden age" of clinical trials	Tam Nguyen-Cao, PhD, Deborah Gelinas, MD, Rhonda Griffin, Elsa Mondou, MD	J Neurol Sci. 2019. https://doi.org/10.1016/j.jns.2019.116428.
Neumology	Alpa-1 antitrypsin	Comparison of the Liquid and Lyophilized Formulations of Prolastin®-C for Alpha1-Antitrypsin Deficiency: Biochemical Characteristics and Pharmacokinetics, Safety, and Neoantigenicity in Rabbits	Vikram Arora, Maria Cruz, John Lang, Anthony M. Klos, W. Keither Merritt, Jeffrey Price, George Taylor, Pete Vandeberg, Kevin Wee, Todd Willis	Biologicals 2019 62: 77-84
	Thrombin	A Prospective, Randomized, Phase II, non-Inferiority Study to Evaluate the Safety and Efficacy of Topical Thrombin (Human) Grifols as an Adjunct to Hemostasis during Vascular, Hepatic, Soft Tissue, and Spinal Open Surgeries	Minkowitz H, Navarro-Puerto J, Lakshman s, Singla S, Cousar c, Kim R, Villavicencio A, Kirskey, Anderson CD, Labow D, Fishbein T, Sheiner P, Lockstadt H, Courtney K, Cheng J, Barrera G, Henriquez WT, Ayguasanosa J	J Am Coll Surg. 2019;229(5):497–507.e1. doi:10.1016/j.jamcollsurg.2019.07.008
	Albumin	Effects of Albumin Treatment on Systemic and Portal Hemodynamics and Systemic Inflammation in Patients With Decompensated Cirrhosis	Fernández J, Clària J, Amorós A, Aguilar F, Castro M, Casulleras M, Acevedo J, Duran-Güell M, Nuñez L, Costa M, Torres M, Horrillo R, Ruiz-del-Árbol L, Villanueva C, Prado V, Arteaga M, Trebicka J, Angeli P, Merli M, Alessandria C, Aagaard NK, Soriano G, Durand F, Gerbes A, Gustot T, Welzel TM, Salerno F, Bañares R, Vargas V, Albillos A, Silva A, Morales-Ruiz M, García-Pagan JC, Pavesi M, Jalan R, Bernardi M, Moreau R, Páez A, Arroyo V	Gastroenterology. 2019;157(1):149–162. doi:10.1053/j.gastro.2019.03.021
	Fibrin Sealant Grifols	A prospective, single-blind, randomized, phase III study to evaluate the safety and efficacy of Fibrin Sealant Grifols as an adjunct to hemostasis compared to manual compression in vascular surgery	Nenezić D, Ayguasanosa J, Menyhei G, Holjencsik T, Vo D, Mátyás L, Muluk S, Courtney K, Ibáñez J, Chen J, and the Investigators of the Fibrin Sealant Grifols Study Group	J Vasc Surg. 2019;70(5):1642–1651. doi:10.1016/j.jvs.2018.12.051
	Niuliva	Efficacy and Safety of Niuliva for the prevention of Hepatitis B virus recurrence in newly orthotopic liver transplant recipients	De Simone P, Salizzoni M, Cillo U, Di Benedetto F, Barceló M, Woodward M, Paez A	Future Virol. 2019;14(2): 85–94. doi.org/10.2217/fvl-2018-0139
	Albutein	Plasma exchange for Alzheimer's disease Management by Albumin Replacement (AMBAR) trial: Study design and progress	Boada M, López O, Núñez L, Szczepiorkowski ZM, Torres M, Grifols C, Páez A	Alzheimers Dement (N Y). 2019;5:61–69. Published 2019 Feb 26. doi:10.1016/j.trci.2019.01.001

PATENTS AND TRADEMARKS

GRIFOLS PROTECTS THE INTELLECTUAL PROPERTY OF ITS MAIN PRODUCTS THROUGH PATENT OWNERSHIP, CO-OWNERSHIP AND LICENSING. A GLOBAL TEAM OF PERSONNEL BASED IN SPAIN, IRELAND AND NORTH AMERICA MANAGES PATENT APPROVALS AND TRADEMARKS, OVERSEES THEIR IMPLEMENTATION AND MONITORS ANY POSSIBLE VIOLATIONS

NORTH AMERICA	EUROPE	REST OF THE WORLD
257 patents	1,735 patents	1,187 patents
174 trademarks	1,053 trademarks	2,154 trademarks

PATENTS AND PATENT APPLICATIONS

3,179 Total number of patents	631 Patents applications	1,210 Patents that will expire over the next 10 years

MORE THAN 100 YEARS OF CREATIVITY AND BUSINESS INNOVATION

The creativity to think of new ideas and the resulting innovation is part of the Grifols DNA. Applying its ingenuity for the betterment of society has been characteristic of the company since the beginning.

In 1936, Dr. Grífols i Roig produced an artificial vaccine from the Vi antigen in collaboration with the General Society of Pharmacy, which represented a bold step forward in the fight against typhoid. Shortly thereafter, against the backdrop of post-war Spain, he registered the first penicillin-based preparation in Spain.

In 1948, Dr. Víctor Grífols i Lucas spearheaded a medical breakthrough that amplified the power of penicillin by 50-60% by combining it with sulfonamides, leading to the creation of a new pharmaceutical specialty called Pentalcillin.

In the early 1950s, Dr. Josep Antoni Grífols i Lucas perfected and systematized the plasmapheresis technique, a revolutionary breakthrough for Grifols that paved the way for an entire plasma-derived medicine industry.

In 1989, Víctor Grífols i Lucas led the development of a path-breaking procedure that enhanced the safety of plasma-derived medicines by making it easier to fill bottles with a sterile product: the Grifols Filling System (GSF).

Showcased in its new museum in Barcelona, the company's history is one of an open-minded approach, a pioneering spirit of constant improvement that, more than a century later, continues to drive the company's long-term growth.

6

OUR PEOPLE

A GREAT FAMILY WHOSE DAILY WORK AND COMMITMENT CONTRIBUTE TO THE COMPANY'S SUCCESS AND PROGRESS

WE BELIEVE IN EQUALITY BETWEEN WOMEN AND MEN AND THE PROTECTION OF LABOR RIGHTS. WE ALSO PROMOTE SAFE WORK ENVIRONMENTS WHERE WE OPERATE AND ACCOMPANY OUR PEOPLE WITH TRAINING PROGRAMS THAT CONTRIBUTE TO THEIR PERSONAL AND PROFESSIONAL GROWTH

Talent pool

24,000

Equal opportunities

60%

women

Diversity

+80

Nationalities

Quality in employment

98%

permanent contracts

PEOPLE MANAGEMENT

Grifols' workforce is the driving force behind its innovation and growth, as well as its most valuable asset as a family business. The company aspires to foster a work environment that ensures equal opportunities in all areas, particularly gender diversity and professional development to reinforce the talents of each and every Grifols employee.

POLICIES, GUIDELINES AND MANAGEMENT TOOLS

- Selection processes follow **Grifols Recruiting Policy** to ensure systematic hiring procedures that comply with current legal frameworks and support corporate values.
- Grifols makes no distinction between men and women in its hiring practices, compensation or benefits packages. In accordance with the **Grifols Equal Opportunities Philosophy**, salaries for new hires are the same regardless of gender.
- The **Grifols Performance System** (GPS) is used every year to evaluate employees' professional performance.
- **Grifols' Health and Safety Policy** sets out a rigorous system for occupational health, safety and risk-prevention in the workplace.

GRIFOLS' COMMITMENT TO ITS EMPLOYEES

- Serve as a **responsible and sustainable company** that contributes to generating economic, social and environmental value by fostering the engagement of its teams and a corporate culture built on solid values.
- Maintain an **open dialogue based on trust and respect** with employee representatives.
- **Guarantee equal** opportunities.
- **Encourage teamwork** to promote cross-functional knowledge flows that contribute to innovation.
- **Ensure the ongoing improvement of the health,** well-being and safety of all employees.
- **Foster the acquisition of new knowledge and continuous training** adapted to the needs of each employee, combining specialized and comprehensive skills.
- **Offer a professional development model** based on systematic processes for assessing attitudes, performance and behavior to identify employees' strengths and areas for growth.
- **Offer competitive compensation packages** and compensate employees who contribute to the company's continuous development and demonstrate significant individual and professional performance.

PEOPLE AS A PRIORITY

NEW AREA: HR PEOPLE EXPERIENCE HUB

Created in 2019 to reinforce team commitment and motivation and integrated in the HR department.

Its mission is to support the company's growth, financial success and long-term sustainability, intensifying and strengthening the value of people as the driving force for the present and future of Grifols.

Focus areas:

- Employee safety
- 360-degree well-being of employees
- Diversity and inclusion
- Work-life balance
- Corporate volunteering
- Social events that bolster ties among employees and/or with stakeholders

THE OPINIONS OF OUR TEAM: DRIVERS FOR IMPROVEMENT

In November 2017, the company launched the Grifols Values Survey, "Your Opinion Counts!" to better understand how employees experienced Grifols' values. The Survey was aimed at all Grifols' employees, except for Grifols Plasma Operations (GPO) employees. The participation rate was 50.6% and action plans were implemented both at the area and corporate levels based on its findings.

In October 2019, the Grifols 2019-2020 Employee Survey was announced as a follow-up to the 2017 survey. The Global Sales area participated in the pilot project, which reached 2,000 employees. The survey will be rolled out globally in 2020.

RECOGNITION PROGRAMS: ONE GRIFOLS AWARDS

In 2019, the company celebrated the first edition of the One Grifols Awards to recognize employees and teams that have contributed to boosting the company's growth and future success. Awards are given in four categories:

- **Enhancing existing business:** teamwork between business areas or functions to improve existing opportunities
- **Unlocking new opportunities:** new initiatives that have a strong entrepreneurial element
- **Optimizing processes:** solutions that optimize ways of working
- **We are Grifols Special Recognition:** reward employees or teams that have gone above and beyond to drive the company's values.

In 2019, the award distinguished various initiatives, including the team responsible for developing platforms to improve the early detection of alpha 1-antitrypsin (DAAT) deficit and the 40-plus volunteers who worked on the Ebola Project in Liberia, aimed at finding a potential vaccine against this disease.

DEVELOPMENT OF THE TALENT POOL

In 2019, Grifols' workforce was made up of 24,003 employees, growing more than 13% over the previous year (21,230 employees in 2018). Notably, the number of women in the category of top management increased to 193 (+12.2%); senior management to 226 (+10.2%); and professional to 1,773 (+28.6%).

The workforce also grew across all geographic areas where the company operates. There was significant growth in U.S. personnel, which increased 14% to 17,450 following the expansion in the number of U.S. plasma centers. In 2019, Grifols once again confirmed its commitment to job creation.

TOTAL STAFF

24,003
+13%

60%
WOMEN

40%
MEN

98%
PERMANENT CONTRACTS

51%
BETWEEN 30-50 YEARS OF AGE

+80
NATIONALITIES

93%
EMPLOYED FULL-TIME

WE CONTINUE TO WORK TO PROMOTE EQUALITY BETWEEN MEN AND WOMEN

+15%
Increase in women in the employee base

98%
of women with permanent contracts

91%
of women employed full-time

32%
of the top management are women
193

41%
of senior management are women
226

58%
of professionals are women
1,773

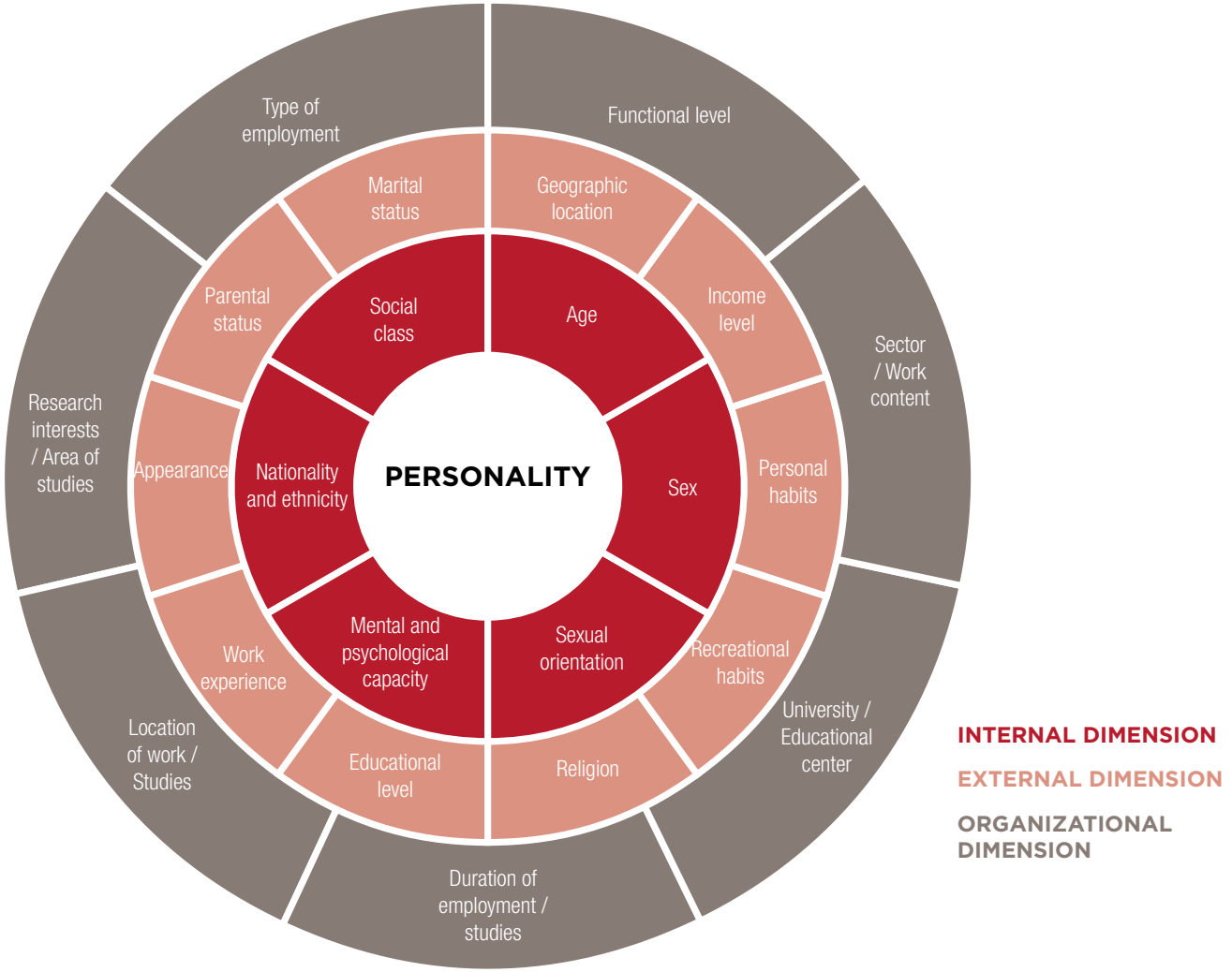
DIVERSITY AND INCLUSION AS DRIVERS OF INNOVATION

Grifols views diversity as a key driver of innovation. A talent pool comprised of employees with different thought processes, backgrounds, cultures and beliefs is vital for developing innovative ideas.

Diversity has many facets – among them, race, ethnicity, gender, gender identity, age, religious affiliation and sexual orientation – but it also includes varying educational backgrounds, personality types, cultural references, experiences and physical abilities.

At Grifols, we understand that an inclusive culture allows people to express their differences, while feeling respected and valued. This leads to innovative and highly committed teams.

The Grifols North America Bioscience Commercial Women's Leadership Initiative (WLI) was created in the U.S. to enhance the professional trajectories of women in the organization. In 2019, this initiative welcomed 350 members and included development sessions titled "Unconscious Prejudices Related to Stereotypes", "Leadership Sessions in VUCA Environments", and "Personal Branding." For the first time, members of WLI attended the 2019 National Healthcare Business Women's Association Annual Conference, which was attended by more than 1,000 women in the medical sector, as members of the executive committee.



DIVERSITY AT A GLANCE IN 2019

RACIAL DIVERSITY IN THE U.S.

	2019
Caucasian	43.1%
Hispanic	22.2%
Afro-American	22.3%
Asian	5.7%
Hawaiian / Other Pacific Islands	0.4%
American Indian /Alaska	0.6%
Two or more races	4.4%
Unspecified	1.3%

DIVERSITY OF NATIONALITIES

+80

different nationalities comprised Grifols' workforce

GENDER DIVERSITY

60%
Women

32%
Top management who are women

31%
Board members who are women

CREATION OF "GRIFOLS NORTH AMERICA BIOSCIENCE COMMERCIAL WOMEN'S LEADERSHIP INITIATIVE" TO PROMOTE WOMEN'S PROFESSIONAL CAREERS IN GRIFOLS

AGE DIVERSITY IN THE WORKFORCE

31%
Younger than 30

51%
Between 30-50 years

18%
Over 50 years

YOUNG TALENT AND EXPERIENCED PROFILES TO COMPLEMENT A VERY AGE-BALANCED STAFF

EQUAL OPPORTUNITIES

Grifols makes no distinction between men and women in its hiring practices, compensation or benefits packages. In accordance with its philosophy of equality, salaries for new hires are the same regardless of gender.

The company has equal-opportunity guidelines in place as part of its commitment to the right of equality and non-discrimination in accordance with the March 22, 2007 Law of Equality. Currently, equality negotiating committees have been established in the group's companies and new equality plans are being discussed, which will include measures such as:

- Dissemination of the Equal Treatment and Opportunities Plan
- Incorporation of specific training actions regarding equality in the Grifols Training Plans
- Consolidation of the positive action stipulated in Articles 11 and 18 of the 17th General Agreement of the Chemical Industry regarding selection and hiring processes. This ensures that individuals with equal competencies, skills and suitability as other candidates, but who are of a less-represented sex in the corresponding professional areas and groups, are favored during the hiring process.
- Dissemination of awareness-raising actions for the prevention of gender-based and sexual harassment and implementation of a protocol of prevention.
- Flexibility and work-family balance measures
- Trainings to raise awareness and encourage the use of inclusive language

These actions are aligned with the basic principles established by the Grifols' Code of Conduct and Code of Ethics for senior management.

INTEGRATION OF NEW TEAMS

Grifols' growth is due in part to corporate acquisitions and operations that have allowed it to continue expanding and strengthening key areas of its business model. Corporate transactions such as Talecris (2011), acquisitions of the transfusion diagnosis divisions of Novartis (2014) and Hologic's share of NAT donor screening unit (2016), and the recent purchases of Haema (2018), Biotest (2018) and IBBI (2019) plasma centers reflect the group's solid experience. Effectively integrating teams and talent is key to ensure the success of these operations, since an estimated 70%-90% of corporate acquisitions fail as a result of human-resource issues and cultural differences.

* According to the Harvard Business Review.

At the early stages of acquisition operations, Grifols creates integration committees to prioritize the merging of teams and corporate cultures. They execute a unique internal communication strategy that –taking into account the needs of each organization– contributes before, during and after the transaction to mitigate uncertainties and consolidate the strengths of the combined team. To ensure success, leadership training and ongoing fluid, open and direct communication channels with staff recieves top priority.

IN 2019, GRIFOLS CREATED A MULTIDISCIPLINARY TEAM TO IMPROVE THE SELECTION, INCORPORATION AND ACCOMPANYING OF EMPLOYEES WITH DISABILITIES

INTEGRATION OF PEOPLE WITH DISABILITIES

The company is committed to hiring individuals with disabilities and adopts alternative measures only in cases where it is not technically or organizationally possible, in accordance with the General Law on Persons with Disabilities, applicable to private- and public-sector firms in Spain. In 2019, 558 people with some type of disability formed part of the Grifols team. This represents an increase of 21%, up from 461 people in 2018.

Grifols promotes universal access for individuals with disabilities. Its accessibility principles include the removal of architectural barriers and a pledge to offer equal opportunities to individuals with disabilities. The company's new buildings and facilities comply with current legislation and necessary structural reforms are carried out when necessary.

As part of this commitment, an interdisciplinary team was formed in December 2019 to improve the processes for recruitment, hiring and support for employees with disabilities, as well as their teams.

ANTI-DISCRIMINATION PRINCIPLES AND ACTIONS

Grifols subscribes to the principles of the International Labor Organization (ILO), which are aimed at promoting social justice, human rights and the recognition of fundamental labor standards. As such, Grifols adheres to the principles of equal opportunity and non-discrimination in the recruitment and hiring of new employees.

In the U.S., it complies with regulations issued by the Office of Federal Contract Compliance Programs (OFCCP) of the U.S. Department of Labor. These require that employers such as Grifols take active measures to ensure equal employment opportunities and avoid discrimination based on race, sex and disability, among other characteristics. Affirmative action plans (AAPs), aimed at increasing the employment of women and persons belonging to minority groups protected by law, apply to all companies with more than 50 people.

In 2019, Grifols' AAPs resulted in 106 concrete action measures, an increase of 10.5% from 2018, when 96 measures were included.

The company's efforts to maintain a discrimination-free workplace resulted in only 55 reports of discrimination in 2019 from a pool of 24,003 employees. In 2018, 33 incidents were reported from a pool of 21,230 employees, while 48 were reported from a pool of 18,297 in 2017. These claims were thoroughly reviewed and evaluated. Although none was deemed discriminatory in legal terms, further measures were taken to ensure a discrimination-free environment.

TALENT MANAGEMENT

ATTRACTING, INCORPORATING AND RETAINING THE BEST TALENT ARE KEYS TO GRIFOLS' SUCCESS

Amid an increasingly competitive global labor marketplace, Grifols' Employer Branding project has become one of the company's top priorities. In 2019, this project – which is focused on attracting and retaining talent, improving the recognition of our brand, increasing commitment and differentiating ourselves from our competitors – identified two lines of action:

1. Defining our Employee Value Proposition (EVP): "Our people change lives and help shape the future of healthcare, while growing and developing in a leading-edge thinking global business."

Grifols seeks to express to both current and potential employees that passion, purpose, empowerment and teamwork are the keys to the company's success.

2. Launch of the internal communication campaign "What You Do Matters", which included more than 60 employees from around the world who shared how their work helps address the company's challenges.

In 2020, the next step of the Employer Branding Project will be the launch of the external communication campaign to fortify Grifols' ability to attract the best professionals who support its corporate values and objectives and can contribute to its future success and growth.

TRAINING AS A KEY TO THE COMPANY'S SUSTAINABLE GROWTH

Professional development is key to compete in fast-paced globalized markets, which is why Grifols places emphasis on continuously enhancing the capabilities of its talent pool.

In 2019, the company focused its efforts on developing leadership competencies, promoting Grifols' corporate culture, and maintaining its high standards trademark of quality, safety and technical excellence.

As a whole, Grifols' workforce completed 1.99 million training hours* in 2019, reflecting more than 112 hours of training per employee. Women received 63% of the training hours provided and men received 37%.

* Reported data related to 84.4% of employees.

PROFESSIONAL DEVELOPMENT AT A GLANCE AT GRIFOLS

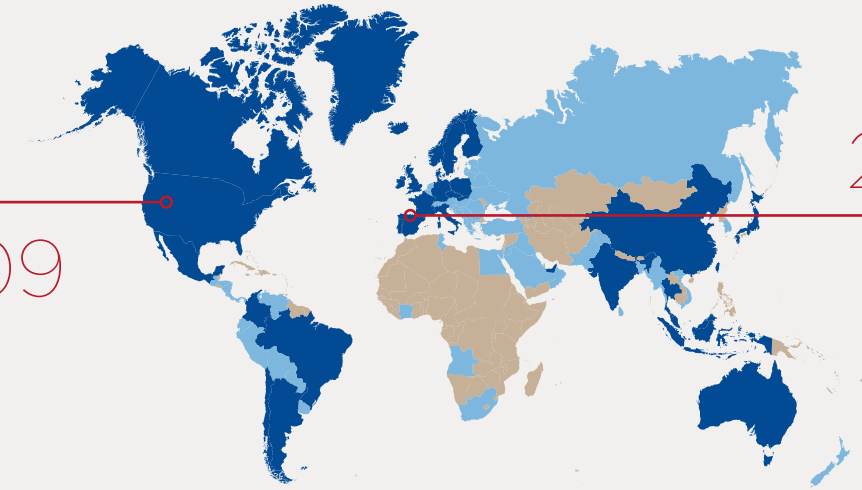
1,993,380
total training hours

63%
WOMEN

112
average hours of training per person

37%
MEN

GEOGRAPHY



U.S.
1,712,109
hours

SPAIN
234,106
hours

ROW
47,165
hours

BY PROFESSIONAL CATEGORY

+17,000
Top management

+21,000
Senior management

+40,000
Management

+83,000
Senior professional

+100,000
Professional

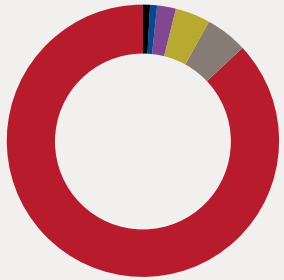
+1,700,000
Administrative staff/ manufacturing operators

TRAINING IN SAFETY, OCCUPATIONAL HEALTH AND THE ENVIRONMENT

+134,000
hours in 2019
+34% vs 2018

GRIFOLS PROVIDES THE GREATEST NUMBER OF ITS HOURS TRAINING TO EMPLOYEES WITH LOWER QUALIFICATION, PROMOTING EQUAL OPPORTUNITIES AMONG ITS WORKFORCE

BREAKDOWN OF TRAINING HOURS BY CATEGORY IN 2019



- Administrative staff/manufacturing operators, 87%
- Professional, 5%
- Senior Professional, 4%
- Management, 2%
- Senior management, 1%
- Top management, 1%

TRAINING PROGRAMS

Grifols has experienced significant growth in recent years. The company's policy of promoting talent internally plays – and will continue to play – a pivotal role in its sustainable growth. For this reason, it is firmly committed to investing in its talent pool.

GRIFOLS PROVIDES PROGRAMS TO SUPPORT INTERNAL TALENT IN TERMS OF GROWTH AND DEVELOPMENT. ALL THESE PROGRAMS REINFORCE THE CORPORATE COMPETENCY MODEL: GRIFOLSMAP

GRIFOLS ACADEMY

Grifols established The Grifols Academy in 2009 as part of its longstanding dedication to employees and other stakeholders. It encompasses the Professional Development Academy, the Academy of Plasmapheresis and the Academy of Transfusion Medicine. Through the Academies, Grifols ensures opportunities for educational and professional development for its staff on a global level; reinforces its corporate philosophy and values; and provides resources and services to medical professionals who contribute to improving client care. In addition to educating, Grifols' Academy training programs and initiatives, have the common objective of actively driving the exchange of knowledge and experiences specific to the plasma industry, differentiating it from other conventional centers programs.

The Grifols Academy Professional Development

This seeks to strengthen corporate competencies and values by offering employees professional training and opportunities. It is focused on three main areas: corporate competency development, leadership development and onboarding initiatives.

- 3,916 employees trained in 2019
- 220 training sessions
- Numerous customized programs and initiatives

The Grifols Academy Plasmapheresis

This offers general and specialized training in the field of plasma science, key leadership disciplines, quality, operations and medication, with the aim of strengthening Grifols' employees opportunities for professional and educational development.

- 1,741 collaborators trained in 2019
- 1,401 participants on campus
- 340 distance participants
- 31,827 hours of online training
- 4,547 hours of distance training

The Accrediting Commission of the Accrediting Council for Continued Education & Training (ACCET) re-accredited The Grifols Academy of Plasmapheresis for another five years until December 30, 2024.

The Academy received its first accreditation in 2015 for its standardized educational programs and its commitment to employee development. This accreditation provides impartial validation from a third party that the Academy of Plasmapheresis meets U.S. educational standards.

The Grifols Academy Immunohematology

This offers educational programs on transfusion medicine to professionals globally. Its goal is to contribute to advancement of knowledge in this field in order to provide better patient care.

- 2,251 transfusion medicine professionals trained in 2019

- 16 educational programs: 8 web seminars, 5 Transfusion Science Educational Course (TSEC) courses and 3 practical laboratory workshops.

EXECUTIVE DEVELOPMENT

The Professional Development Academy offers a broad portfolio of learning opportunities to drive business growth through strong leadership development.

Leadership initiatives are offered at all management levels to support the professional development of Grifols' executives. The Professional Development Academy is continuously offering, expanding and improving its Leadership Development Program (LDP), which consists of several modules and is available to all Grifols managers worldwide. It also offers an executive development program to the organization's top executives in association with ESADE Business School in Barcelona and the McDonough School of Business at Georgetown University in Washington, D.C.

In addition, The Plasmapheresis Academy includes the Center Leadership Development Program (CLDP), aimed at developing a new generation of leaders at the company's plasma donation centers. In 2019, the CLDP obtained the ICE 1100 accreditation from the Institute for Credential Excellence (ICE), which recognizes its unique training approach. This accreditation reflects Grifols' commitment to enhancing the professional and ethical development of its top-tier managers.

Since its inception, the Grifols Academy has trained thousands of managers around the world on a continuous basis.

Executives trained in 2019

1,206

ASSOCIATION WITH COLLEGE FOR AMERICA

In 2013, The Grifols Academy joined the College for America program, led by Southern New Hampshire University, to offer its team the opportunity to obtain university degrees through scholarship funding. Through this collaboration, 77 Grifols employees have graduated, while 68 continue to pursue their bachelor's degrees.

Graduates in 2019

12

Scholarships granted

40

COLLEGE *for* AMERICA
AT SOUTHERN NEW HAMPSHIRE UNIVERSITY

TUITION PROGRAMS – EDUCATIONAL EXPENSES REIMBURSEMENT PROGRAM

In addition to corporate programs, Grifols offers its employees training opportunities outside the company. Thanks to this flexibility, Grifols employees have been able to earn undergraduate and postgraduate degrees, as well as certifications (in some cases of an advanced level) to strengthen their professional development.

Professionals benefiting in 2019

690

QUALITY OF EMPLOYMENT

EVALUATING THE GENDER PAY GAP TO IMPLEMENT SOLUTIONS GRIFOLS' PROGRESSES TOWARDS GENDER EQUALITY

GRIFOLS' ADJUSTED GENDER PAY GAP IN SPAIN STANDS AT 5.1% AND 2.2% IN THE US.

Grifols reaffirms its commitment to effective equality, which regardless of gender provides the same opportunities and the same pay for work of equal value. As part of Grifols' continued efforts to promote equal pay, the company, advised by PwC as an external consultant, carried out an adjusted and unadjusted gender wage gap calculation project in 2019 giving continuity to the project initiated in 2018. In addition, this analysis also allows Grifols to identify the underlying factors in order to implement actions for improvement.

The unadjusted gender pay gap is calculated as the percentage difference between the total gross salary received for each hour worked by men and women. On the other hand, the adjusted gender pay gaps are calculated using econometric models which allow isolate the effect on wages of the differences between men and women, both in their socio-economic characteristics (age, seniority, educational level or academic or professional attainment), and in their job post (working hours, sectors in which they work or type of occupation, among others). In this way, the adjusted gender pay gaps represent a more reliable indicator to measure whether men and women receive the "same pay for the same job".

Grifols provides gender pay gap information corresponding to its team in Spain and in the U.S., the two most relevant countries for the company that together represent more than 90% of the group's workforce. Grifols is committed to effective equality, which includes equal opportunities and equal pay for work of equal value. The results of Spain and the U.S. are shown separately, in order to avoid applying a currency exchange rate that could distort the results. Furthermore, U.S. results are shown separated by plasma centers and other activity (non-plasma), since they are two very different operations.

The 2019 study concludes that there is no problem with equal remuneration, although the differences observed from the study indicate that additional measures are needed to boost the number of women in leadership roles. Grifols is committed to gradually improving these figures and plans to deepen its understanding of the root causes of these differences. Based on this analysis, the action plan will be updated to implement solutions that are practical and beneficial for Grifols' talented staff.

SPAIN	Adjusted Gender Pay Gap 2019	Gender Pay Gap 2019
Top management	30.7%	29.4%
Senior management	0.0%	1.5%
Management	8.9%	8.9%
Senior Professional	5.0%	7.2%
Professional	5.2%	6.2%
Administrators/ Production Operators	2.7%	2.5%

US Plasma centers	Adjusted Gender Pay Gap 2019	Gender Pay Gap 2019
Top management	18.9%	3.4%
Senior management	-22.0%	-11.5%
Management	4.8%	8.6%
Senior Professional	1.9%	6.5%
Professional	5.2%	5.2%
Administrators/ Production Operators	-0.4%	-1.3%

US Rest of Activities	Adjusted Gender Pay Gap 2019	Gender Pay Gap 2019
Top management	15.0%	16.0%
Senior management	-1.3%	1.7%
Management	4.8%	5.5%
Senior Professional	3.7%	2.0%
Professional	9.1%	7.8%
Administrators/ Production Operators	6.0%	5.0%

GRIFOLS' PROGRESSES TOWARDS GENDER EQUALITY

According to the latest report published by the World Economic Forum, the gender equality wage gap improved globally last year, although, on average (population-weighted) an estimated 31.4% gap remains.

Grifols' commitment to diversity and equal opportunities encompasses various initiatives aimed at improving equality, including efforts to promote women and address the wage gap. Additionally, the company takes other measures to prevent discrimination based on race, religion, sexual orientation, disabilities and other personal characteristics.

GRIFOLS IN SPAIN: EQUALITY AND WAGE GAP

The adjusted pay gap of Grifols in Spain stands at 5.1% (17.5 unadjusted) and when compared to the wage gap at the country level, shows that the remuneration policies in Grifols are designed to ensure that men and women receive the same treatment for the same role.

In this context, Grifols' commitment to equal-opportunity employment is reflected by an upturn in several equality indicators compared to national averages.

Gender equality in the workplace has improved in Spain. Nonetheless, despite improvements in all aspects of economic participation, the country still has a 44.2% wage gap and a 52.7% gap related to women in managerial positions. Only 22% of board members in Spanish firms are women and female labor participation lags far behind that of men, an indication of strong cultural and business barriers that prevent women from accessing the same opportunities as men. The portion of women in Grifols' board of directors amounts to 31%.

GRIFOLS IN THE U.S.: EQUALITY AND WAGE GAP

In the U.S. Compensation policies and plans are designed according to the job position and the best market practices, without gender influences or other socio-economic factors.

The adjusted wage gap of Grifols in the U.S. stands at 2.2% (28.9% unadjusted) and when compared to the overall U.S. wage gap, puts Grifols' compensation policy at a higher value. Salary differences between men and women reflect the organizational structure as it proportionally employs more women than men in its plasma collection centers and, proportionally, more men in its senior leadership team.

According to the World Economic Forum, the United States in its progression towards gender equality has stagnated, maintaining a 27.6% closing gap. Progress towards wage equality has not advanced and the U.S. has only closed 69.9% of its wage gap. Although economic disparities are the main source of gender inequality in the workplace, participation in the workforce improved to 47%. However, further efforts are still required to bolster the presence of women in senior management positions.

	SPAIN*	GRIFOLS IN SPAIN	U.S.*	GRIFOLS IN THE U.S.
Pay equality for similar jobs / % closing gap	44.2%	5.1% (adjusted)** 17.5% (unadjusted)***	30.1%	2.2% (adjusted)** 28.9% (unadjusted)***
Workforce - % women	45%	45%	47%	64%
% of women on the Board of Directors in listed companies	22%	31%	21.7%	31%

*Source: Global Gender Gap Report 2020 - http://www3.weforum.org/docs/WEF_GGGR_2020.pdf

** Methodological note and comments on its calculation are available in Chapter 9 "About This Report."

*** Difference between men's and women's salaries, calculated as the percentage differential between the average gross salary per hour worked by men and women.

REMUNERATIONS

Grifols' remuneration philosophy is to offer competitive compensation packages and compensate employees who contribute to the company's continued development and demonstrate significant individual and professional performance. In line with Grifols corporate policies, each country offers remuneration and benefits packages adapted to its region.

In accordance with Grifols' remuneration policy, in financial year 2019 an analysis was carried out on the external competitiveness of the remuneration package of all the Company's employees. This analysis was carried out with the aim of reviewing the adequacy of the remuneration levels and to ensure that these are in line with the market practices of other companies operating in the same sector and for similar levels of responsibility. The sources of information used for this analysis were different salary surveys carried out by an independent consultancy firm, Mercer LCC ("2019 Mercer Life Sciences Survey" and "2019 Mercer Total Remuneration Survey"). In Spain, the salary surveys used have been the ones carried out by the consultancy firm Willis Towers Watson ("2019 Pharmaceutical and Health Sciences Compensation Survey"). In North America the salary surveys used have been the ones carried out by the consultancy firm Randford ("Global Life Sciences" and "Global Sales Survey").

The detail of remuneration by professional category and gender is broken down into the tables included at the end of this chapter.

CONTRIBUTIONS TO LONG-TERM SAVINGS PLANS

In Spain, retirement savings are part of a public protection system. The U.S. model offers a very limited range of basic services and transfers the coverage of pensions to either the private sector and/or individuals.

A summary of Grifols' contributions toward pension plans in 2018 and 2019 are included at the end of the chapter, taking into account the characteristics of each country's model and current legislation.

COLLECTIVE AGREEMENTS

Grifols employees who work at subsidiaries in Spain, Germany, Italy, France, Argentina and Brazil are covered by collective agreements. In 2019, 4,539 people were covered by these agreements, representing 19% of the group's total workforce.

SOCIAL DIALOGUE BETWEEN WORKERS AND COMPANY

Grifols subscribes to the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights of Work and its framework for action, based on eight fundamental rights. Among these is respect on the part of the organization for the right of employees and employers to create their own organizations and to join them as an integral part of a free and open society, as reflected in the "Freedom of Association and Protection of the Right to Organize Convention" (1948, No. 87) and the "Right to Organize and Collective Bargaining Convention", (1949, No. 98), even though not all member states have ratified both agreements.

In Spain, the labor relations system establishes two types of labor representation in companies – union representation and unitary or elective representation – which includes members of the trade union, company committees and personnel delegates.

In Grifols, there are company committees and union delegates in different areas of the group who carry out the functions recognized by current legislation. Grifols is committed to a fluid and transparent communication with labor representatives. For Grifols, collective bargaining is essential to address issues common across its various work centers.

REPRESENTATION OF GRIFOLS EMPLOYEES IN FORMAL WORKER HEALTH AND SAFETY COMMITTEES

In Spain, Chile and Germany, where labor committees are established by law, Grifols employees are tasked with the prevention of health and safety risks. In these countries, there is ongoing communication through OHS meetings.

In 2019, 72% of employees in Spain were represented by a joint committee of employees and managers in occupational health and safety. In Chile and Germany, 100% of the workers were represented on these committees.

In remaining subsidiaries, there is no formal representation, but Grifols carries out communication and consultations with employees on an ongoing basis. These workers establish committees in which all employees can participate or submit proposals. Each subsidiary defines the frequency of these meetings and monitors the specific plans, actions or measures determined by these committees.

HEALTH AND WELL-BEING AT WORK

In 2019, Grifols published its new Health and Safety Policy that centers on people and integrates all preventive activities at every level of the organization. It ensures that all Grifols companies, as well as collaborating companies, carry out activities to promote occupational health and safety, while complying with the regulations, standards and provisions applicable in each country, as well as with Grifols' health anf safety standards.

The Health and Safety area provides objectives at the corporate level and each company then determines its annual goals. Grifols also supervises Health and Safety Management Systems of the subsidiaries through an audit program. Each company administers and implements the occupational health and safety management system.

The active participation of Grifols' employees in occupational health and safety teams and committees not only helps identify and control the risk of hazards but also encourages and promotes the importance of occupational health and safety within the company.

Grifols' centers in Spain have OHSAS 18.001:2007 certification. International subsidiaries have their own individual systems aligned with corporate policies and adapted to each country.

Grifols has an Occupational Health and Safety Department that provides services to the entire group. Control of the corporate health and safety program is carried out at three levels:

- Monthly monitoring of key performance indicators
- Assessment visits to all companies and monitoring of preventive plans
- Corporate audits

COMPREHENSIVE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

Identification of hazards and risk minimization	Integrated into the design phase of facilities, process changes and the acquisition of new equipment
Training and health and safety awareness programs	This is aimed at ensuring all employees receive information and training on health anf safety. Participation begins when the employee joins the group, when there are job placement changes and throughout the employees' working life, in accordance with the job carried out. Training is a key management tool and during 2019 investments to make it more agile and appropriate to the workplace were made.
Strengthening employee well-being and health	Grifols has several programs to promote the well-being of its employees in the main countries in which it operates. In the U.S., the program includes a personal health advisor and wellness markers. In Spain, a physiotherapist forms part of the ergo-rondas program. In addition, two new courses - Energy and Well-being and Mindfulness - that complement the existing ones for stress management and emotional intelligence have been added to the Academy's portfolio. Shift workers have also been assigned a specific nutrition course that takes their schedules into account. Also, all the subsidiaries celebrated a day/week dedicated to safety and health. Both in Spain and in the U.S., activities were carried out to promote sports activities. Furthermore, in Spain, specialized doctors delivered talks as part of a cardiovascular-risk campaign.

OCCUPATIONAL HEALTH AND SAFETY METRICS

U.S. and Spanish employees represent about 90% of Grifols' total workforce. Various indicators are tracked in all subsidiaries, including accident rates. Results for 2019:

	U.S. 2018		U.S. 2019		Spain 2018		Spain 2019		ROW 2019		
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	
Total number of work accidents with leave * (LTI), without leave (NLTI) and first aid (FA)	532	232	619	245	96	143	118	138	71	6	Sum of total number of accidents with leave (not in itinere), without leave and first aid
Total number of work accidents with leave* (LTI)	39	27	49	17	28	51	41	58	35	9	Total number of accidents with leave (not in itinere). * Within accidents, 1 occupational disease was recorded of a woman in 2019 in Spain.
Accident Frequency Index	2.75	2.5	3.0	1.7	10.7	15.1	15.1	16.5	10.4	5.7	No. of work accidents with leave (not in itinere) / Total no. of real hours worked *10^6
Severity Index	0.08		0.15	0.03	0.36	0.40	0.39	0.34	0.16	0.13	No. of days not worked due to work accidents with leave (not in itinere)/no. of real hours worked *10^3). Days missed are counted as the number of natural days (without discounting holidays or vacations) between the date of return to work and that of leave.

Grifols investigates all accidents, including those with leave, minor incidents and accidents in itinere in countries where these are regulated. The company works continuously to improve its prevention systems.

At Grifols production centers, workers report a low rate of work-related illnesses, since all processes associated with plasma follow a rigorous protocol and technical, organizational and personal preventative measures are taken at all times. The plasma donation centers present a risk of possible infection due to contact with blood at the time of extraction. Thus, Grifols has implemented an exposure control program to anticipate accidents and, when appropriate, take action.

In 2019, data from Progenika, Araclon and Kiro Grifols in Spain, as well as from countries other than U.S. and the Spain, are reflected in the Rest of the World (ROW). Taking into account the expanded scope of this report, the global number of accidents increased in the U.S., although the number of accidents with leave has remained the same.

The number of accidents in Spain also increased, including those with leave. Specific actions taken did not deliver the expected results. As a result, in 2019 the company designed a new 3-year plan for each company in Spain, which has been approved by management.

ABSENTEEISM

The occupational health, safety and well-being of Grifols' employees have a direct impact on absentee rates. The company works with an absenteeism management model with established benchmarks to quantify its cost impact.

Grifols implemented several measures to foster the integrated health management of its workforce in order to address the root causes of absenteeism. These include complementary accident insurance and corporate medical services with physiotherapy sessions based on task-observation protocol to prevent musculoskeletal injuries. The company also carries out awareness sessions, return-to-work interviews after extended sick leaves, and communication protocols for employee absences.

In Spain, absenteeism hours totaled 424,902 hours, compared to 387,318 hours in 2018, reflecting an increase of 9.7%. During the same period, the workforce grew by 7.2%. In 2019, it is worth noting the increase of hours with illness.

Since April 2019, paternity leave in Spain was extended from five to eight weeks. As of January 1, 2020, a parent other than the birth mother will have 12 weeks of leave for the birth of a child, following Spanish legislation implemented to guarantee equal treatment and opportunities in employment and occupation.

In the U.S., absenteeism hours amounts to 419,807 hours in 2019. Although maternity and paternity leave hours in the U.S. are not paid for by the government, Grifols is subject to the Family and Medical Leave Act, which stipulates the right to 12 weeks of leave.

WORK-LIFE BALANCE MEASURES

Grifols works to promote a corporate culture that ensures an optimal work-life balance, allowing employees to combine their professional and personal responsibilities.

In December 2019 in Spain, Grifols launched a series of work-life balance measures (*), which will later be rolled out in other countries. These build upon those already in place and apply to:

- Flexible entry and exit schedule
- Guidelines for digital disconnection
- Option of dividing a vacation day into hours
- Teleworking promotion
- Shorter workdays on Fridays

(*) applicable according to profile

GRIFOLS PROMOTES THE HEALTH AND WELL-BEING OF ITS WORKERS THOUGH PROGRAMS INCLUDING STRESS MANAGEMENT, SPORTS AND HEALTHY-EATING

TABLES

WORKFORCE DISTRIBUTION BY REGION AND TYPE OF CONTRACT

	2019			2018			2017		
	Permanent	Temporary	Total	Permanent	Temporary	Total	Permanent	Temporary	Total
U.S	17,442	8	17,450	15,330	-	15,330	13,670	1	13,671
Europe	5,589	467	6,056	5,119	348	5,467	3,829	386	4,215
ROW	480	17	497	417	16	433	378	32	410
Total	**23,511**	**492**	**24,003**	**20,866**	**364**	**21,230**	**17,877**	**419**	**18,296**

WORKFORCE DISTRIBUTION BY COUNTRY

	2019	2018
Spain	4,134	3,858
U.S	17,450	15,299
ROW	2,419	2,073
Total	**24,003**	**21,230**

WORKFORCE DISTRIBUTION BY GENDER AND TYPE OF CONTRACT

	2019			2018			2017		
	Permanent	Temporary	Total	Permanent	Temporary	Total	Permanent	Temporary	Total
Women	14,243	250	14,493	12,402	164	12,566	10,329	186	10,515
Men	9,268	242	9,510	8,464	200	8,664	7,548	233	7,781
Total	**23,511**	**492**	**24,003**	**20,866**	**364**	**21,230**	**17,877**	**419**	**18,296**
%	98.0%	2.0%	100.0%	98.3%	1.7%	100.0%	97.7	2.3	100.0

WORKFORCE DISTRIBUTION BY AGE

	2019	2018
<30	7,562	6,528
30-50	12,147	10,988
>50	4,294	3,714
Total	**24,003**	**21,230**

WORKFORCE DISTRIBUTION BY GENDER AND WORKING HOUR

	2019			2018			2017		
	Full time	Part time	Total	Full time	Part time	Total	Full time	Part time	Total
Women	13,221	1,272	14,493	11,610	956	12,566	9,861	654	10,515
Men	9,023	487	9,510	8,306	358	8,664	7,571	210	7,781
Total	**22,244**	**1,759**	**24,003**	**19,916**	**1,314**	**21,230**	**17,432**	**864**	**18,296**
%	92.7%	7.3%	100.0%	93.8%	6.2%	100.0%	95.3	4.7	100

WORKFORCE DISTRIBUTION BY AGE AND WORKING HOUR

	2019			
	<30	30-50	>50	Total
Full time	6,710	11,515	4,019	22,244
Part time	852	632	275	1,759
Total	**7,562**	**12,147**	**4,294**	**24,003**

WORKFORCE DISTRIBUTION BY AGE AND TYPE OF CONTRACT

	2019			
	<30	30-50	>50	Total
Permanent	7,368	11,938	4,205	23,511
Temporary	194	209	89	492
Total	**7,562**	**12,147**	**4,294**	**24,003**

WORKFORCE DISTRIBUTION BY GENDER AND PROFESSIONAL CATEGORY

	2019			2018			2017		
	W %	M %	Total	W %	M %	Total	W %	M %	Total
Top management	32	68	599	32	68	542	29	71	472
Senior management	41	59	548	41	59	495	40	60	490
Management	46	54	1,246	48	52	1,224	44	56	1,074
Senior professionals	47	53	2,059	47	53	1,816	45	55	1,631
Professionals	58	42	3,072	56	44	2,474	51	49	1,978
Administrative staff/ Manufacturing operators	65	35	16,479	64	36	14,679	63	37	12,651
Total	**60**	**40**	**24,003**	**59**	**41**	**21,230**	**57**	**43**	**18,296**

WORKFORCE DISTRIBUTION BY PROFESSIONAL CATEGORY AND TYPE OF CONTRACT

	2019		
	Permanent	Temporary	Total
Top management	589	10	599
Senior management	544	4	548
Management	1,236	10	1,246
Senior professionals	2,040	19	2,059
Professionals	2,964	108	3,072
Administrative staff/Manufacturing operators	16,138	341	16,479
Total	**23,511**	**492**	**24,003**

WORKFORCE DISTRIBUTION BY PROFESSIONAL CATEGORY AND AGE

	2019				2018			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Top management	0%	41%	59%	599	1%	40%	59%	542
Senior management	1%	55%	44%	548	0%	59%	41%	495
Management	2%	65%	33%	1,246	2%	63%	35%	1,224
Senior professionals	9%	65%	26%	2,059	6%	69%	25%	1,816
Professionals	18%	63%	19%	3,072	15%	67%	18%	2,474
Administrative staff/ Manufacturing operators	41%	46%	13%	16,479	41%	46%	13%	14,679
Total	**31%**	**51%**	**18%**	**24,003**	**31%**	**52%**	**17%**	**21,230**

WORKFORCE DISTRIBUTION BY PROFESSIONAL CATEGORY AND WORKING HOUR

	2019		
	Full time	Part time	Total
Top management	541	58	599
Senior management	543	5	548
Management	1,202	44	1,246
Senior professionals	1,980	79	2,059
Professionals	2,848	224	3,072
Administrative staff/Manufacturing operators	15,130	1,349	16,479
Total	**22,244**	**1,759**	**24,003**

RATIO OF NEW JOINERS

	2019			2018			2017		
	W	M	Total	W	M	Total	W	M	Total
Total number of employees	14,493	9,510	24,003	12,566	8,664	21,230	10,515	7,781	18,296
Joiners*	5,854	2,525	8,379	5,036	2,199	7,235	5,510	2,419	7,929
Ratio (Joiners/total number of employees)	40.4%	26.6%	34.9%	40.1%	25.4%	34.1%	52%	31%	43%

* Employees from acquisitions on the acquisition date are not included as joiners

PERSONNEL TURNOVER

	2019			2018			2017		
	W	M	Total	W	M	Total	W	M	Total
Total number of employees	14,493	9,510	24,003	12,566	8,664	21,230	10,515	7,781	18,296
Leavers	5,557	2,211	7,768	4,205	1,843	6,048	3,212	1,482	4,694
Ratio (Leavers/ total number of employees)	38.3%	23.2%	32.4%	33.5%	21.3%	28.5%	31%	19%	26%

DISMISSAL BY GENDER AND REGION

	2019			2018		
	Women	Men	Total	Women	Men	Total
Spain	17	26	43	13	12	25
U.S	825	345	1,170	840	390	1,230
ROW*	70	32	102			
Total	**912**	**403**	**1,315**	**853**	**402**	**1,255**
%	69.4%	30.6%	100.0%	68.0%	32.0%	100.0%

*In 2018, number of dismissals in ROW was not disclosed.

DISMISSAL BY PROFESSIONAL CATEGORY AND REGION

	2019			2018	
	Spain	U.S	ROW	Spain	U.S
Top management	1	5	1	1	8
Senior management	1	4	0	4	4
Management	6	9	9	3	10
Senior professionals	5	12	0	5	16
Professionals	6	47	46	4	31
Administrative staff/ Manufacturing operators	24	1,093	46	8	1,161
Total	**43**	**1,170**	**102**	**25**	**1,230**

BREAKDOWN OF ABSENTEEISM BY TYPE AND COUNTRY

	2019			
	Spain	U.S	ROW	Total general
Illness	291,076	247,674	185,929	724,680
Work accident	20,360	21,044	3,198	44,602
Maternity/paternity	49,024	63,047	174,554	286,626
Paid leave	61,167	36,750	4,729	102,646
Unpaid leave	3,275	51,291	13,840	68,406
Total	**424,902**	**419,807**	**382,250**	**1,226,959**

BREAKDOWN IN TRAINING HOURS BY PROFESSIONAL CATEGORY AND GENDER

	2019			2018		
	Women	Men	Total	Women	Men	Total
Top management	6,686	12,330	19,016	5,574	11,901	17,475
Senior management	10,520	15,598	26,118	7,853	12,157	20,010
Management	21,828	24,390	46,218	17,151	24,455	41,606
Senior professionals	44,395	50,949	95,344	41,691	60,673	102,364
Professionals	46,808	58,960	105,768	46,262	53,488	99,750
Administrative staff/ Manufacturing operators	1,125,631	575,284	1,700,915	1,556,125	705,134	2,261,259
Total	**1,255,868**	**737,511**	**1,993,379**	**1,674,656**	**867,808**	**2,542,464**

DISMISSAL BY AGE AND REGION

	2019				2018			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Spain	15	24	4	43	3	16	6	25
U.S	597	484	89	1,170	590	515	125	1,230
ROW	31	54	17	102				
Total	**643**	**562**	**110**	**1,315**	**593**	**531**	**131**	**1,255**
%	48.9%	42.7%	8.4%	100.0%	47.3%	42.3%	10.4%	100.0%

BREAKDOWN OF ABSENTEEISM BY TYPE AND GENDER

	2019					2018				
	W	M	Total	W	M	W	M	Total	W	M
Illness	491,965	232,714	724,680	68%	32%	126,785	111,478	238,263	53%	47%
Work accident	27,637	16,965	44,602	62%	38%	11,041	9,764	20,805	53%	47%
Maternity/paternity	258,683	27,943	286,626	90%	10%	54,978	14,719	69,697	79%	21%
Paid leave	60,131	42,516	102,646	59%	41%	27,582	26,001	53,583	51%	49%
Unpaid leave	39,378	29,028	68,406	58%	42%	1,334	3,636	4,970	27%	73%
Total	**877,793**	**349,166**	**1,226,959**	**72%**	**28%**	**221,720**	**165,598**	**387,318**	**57%**	**43%**

AVERAGE WAGE* BY PROFESSIONAL CATEGORY AND GENDER - SPAIN. IN EUROS

		Fixed wage-average 2019	Fixed wage-average 2018	Fixed wage-average 2017
Top management	Women	136,106.7	134,008.0	107,557.8
	Men	192,914.0	155,492.2	150,585.0
Senior management	Women	77,288.9	76,002.9	72,133.4
	Men	78,465.1	80,315.1	77,055.0
Management	Women	52,634.3	51,989.7	49,121.8
	Men	57,781.7	57,588.3	55,165.6
Senior professional	Women	40,595.9	39,644.6	37,733.9
	Men	43,729.1	43,565.1	41,302.0
Professional	Women	35,035.3	34,304.5	32,889.7
	Men	37,331.8	36,628.8	35,895.2
Admin./Manuf. Operators	Women	26,209.3	25,558.4	24,834.2
	Men	26,875.4	26,290.0	25,621.2

AVERAGE WAGE* BY PROFESSIONAL CATEGORY AND GENDER -U.S. IN USD

PLASMA CENTERS		Fixed wage-average 2019	Fixed wage-average 2018	Fixed wage-average 2017
Top management	Women	226,077.4	221,983.7	200,139.7
	Men	234,085.3	228,951.5	226,335.0
Senior management	Women	137,173.1	122,292.4	165,157.7
	Men	123,074.4	123,810.3	171,934.4
Management	Women	97,825.7	97,009.0	102,137.6
	Men	107,015.0	107,175.5	103,319.9
Senior professional	Women	83,818.7	85,205.8	88,640.2
	Men	89,639.0	88,145.0	90,029.1
Professional	Women	62,370.8	63,334.0	62,199.8
	Men	65,799.0	67,937.4	66,202.0
Admin./Manuf. Operators	Women	34,686.3	34,075.4	33,722.4
	Men	34,236.9	34,060.5	33,228.4

AVERAGE RETRIBUTION OF BOARD MEMBERS AND EXECUTIVES BY GENDER

	2019			2018		
In euros	Women	Men	Total	Women	Men	Total
Average total wage	216,693.9	270,392.2	253,009.4	222,289.4	279,777.4	261,371.2
Directive employees and BoD members	157	328	485	146	310	456
Gender Gap			19.9%			20.5%

(*) To avoid distorting the results, the average fixed salary excludes salaries based on seniority or individual/personal events

AVERAGE WAGE* BY PROFESSIONAL CATEGORY AND GENDER -U.S. IN USD

REST OF ACTIVITIES		Fixed wage-average 2019	Fixed wage-average 2018	Fixed wage-average 2017
Top management	Women	214,618.1	208,103.9	208,363.0
	Men	255,610.5	234,554.7	247,426.3
Senior management	Women	162,482.7	159,042.8	155,342.7
	Men	165,214.0	161,570.1	159,904.8
Management	Women	122,128.2	121,734.5	118,288.1
	Men	129,211.7	127,429.6	124,162.7
Senior professional	Women	101,501.2	100,294.3	97,407.7
	Men	103,591.0	102,983.8	99,616.8
Professional	Women	70,450.9	71,395.5	70,395.3
	Men	76,375.1	75,281.2	72,612.4
Admin,/Manuf, Operators	Women	54,985.7	53,490.9	53,461.9
	Men	57,871.6	56,142.5	55,777.4

AVERAGE WAGE* BY AGE - SPAIN IN EUROS

Age	Fixed wage-average 2019	Fixed wage-average 2018	Fixed wage-average 2017
<30	29,347.3	28,310.4	27,513.1
30-50	38,706.4	37,174.0	36,491.9
>50	57,642.2	53,587.2	53,363.3

AVERAGE WAGE* BY AGE -U.S. IN USD

Age	Fixed wage-average 2019	Fixed wage-average 2018	Fixed wage-average 2017
<30	33,508.4	31,022.7	32,877.5
30-50	56,716.7	56,864.3	57,849.5
>50	89,417.7	86,057.3	84,747.4

CONTRIBUTIONS TO LONG-TERM SAVINGS SYSTEMS

	2019			2018		
In thousand of euros	Women	Men	Total	Women	Men	Total
Spain	365.7	467.7	833.3	339.9	437.2	777.1
U.S.	12,352.0	13,787.8	26,139.7	8,135.4	9,301.2	17,436.6
Total	**12,717.6**	**14,255.4**	**26,973.1**	**8,475.3**	**9,738.4**	**18,213.7**
%	47.1%	52.9%	100.0%	46.5%	53.5%	100.0%

7

COMMITTED TO SOCIETY

WE CONTRIBUTE TO THE DEVELOPMENT OF SOCIETY BY PROMOTING AND PARTICIPATING IN SOCIAL INITIATIVES

GRIFOLS' SOCIAL OUTREACH MODEL PROMOTES PROGRAMS FOR ACCESS TO TREATMENTS, EDUCATION, SOCIAL WELFARE AND SUPPORT FOR COMMUNITIES AND PATIENT ASSOCIATIONS

Social outreach initiatives M€

39

Donations for people with hemophilia

+100

Million international units

Saving healthcare system in Spain M€

65

GRIFOLS' SOCIAL COMMITMENT

WE CONTRIBUTE TO THE DEVELOPMENT OF SOCIETY BY PROMOTING AND PARTICIPATING IN SOCIAL INITIATIVES

Grifols has been dedicated to improving the health and well-being of people around the world for more than a century. As part of its longstanding commitment to social progress, the company promotes and participates in a range of social outreach initiatives.

Grifols' dedication to society is guided by four core principles whose scope extends to its diverse stakeholder groups.

Beyond the economic impact of its business activity, Grifols advocates a social-investment framework modeled on the following lines of action: access-to-treatment programs; educational and social welfare initiatives; support for local communities and patient associations; initiatives and awards to advance scientific, research and educational projects; special initiatives and projects to enhance healthcare and humanitarian aid; and collaborations with non-profit entities to stimulate social progress.

INITIATIVES IN 2019

38.9 M€

ALLOCATED TO SOCIAL OUTREACH INITIATIVES

Patient organizations M€	Foundations, NGOs and local communities M€	Research awards and education M€	Special projects and others M€
15.4	17.2	3.4	2.9

INCLUDES DONATIONS OF MORE THAN 31 MILLION INTERNATIONAL UNITS OF CLOTTING FACTOR THE WORLD FEDERATION OF HEMOPHILIA AND EUR 5 MILLION TO PROBITAS FOUNDATION

PRINCIPLES

EDUCATE

ADVOCATE

ENGAGE

SUPPORT

SUPPORTING PATIENTS AND PATIENT ORGANIZATIONS

Grifols' continuous research, development and production of life-saving plasma-derived medicines, together with its diagnostic systems and hospital-pharmacy solutions, all reflect its overriding mission of enhancing the health and well-being of patients.

The company works closely with patients and patient associations as part of this commitment. In 2019, Grifols channeled more than EUR 15 million in resources (a 22% increase over the previous year), earmarking most funds for product donations to facilitate access to treatment.

Grifols complements these efforts with numerous educational, awareness and patient advocacy initiatives.

GRIFOLS IS FULLY TRANSPARENT IN ITS INTERACTIONS WITH THE PHARMACEUTICAL INDUSTRY AND PATIENT ORGANIZATIONS

COLLABORATION CORNERSTONES

:

Grifols supports patient advocacy groups (PAGs) by collaborating with their product-donation programs and other initiatives focused on promoting access to treatment. Its PAG collaborations always respect applicable transparency principles and country-specific regulations, which stipulate public disclosures of information. Grifols follows standard operating procedures (SOPs) to serve as a framework for the eligibility, compliance, ethics and transparency of diverse collaboration agreements, contributions and donations to patient organizations.

Grifols observes and complies with all relevant legislation and regulations that govern interactions between the pharmaceutical industry and patient organizations. These provisions include the Open Payment Program or Transparency Reports and Reporting of Physician Ownership or Investment Interest (Sunshine Act), the EFPIA Code of best practices, and various legal transparency obligations that regulate these relationships at the national level. Grifols strongly upholds and voluntarily complies with the most stringent industry's transparency requirements in all regions where it operates.

COMMITMENTS

- Serve as a reliable source of knowledge for patients.
- Promote and provide access to Grifols treatments.
- Maintain and provide the history, passion and pioneering spirit that sets Grifols apart.
- Engage and support patient-focused educational programs and activities.

ACTIVITIES AND PROGRAMS

AWARENESS AND EDUCATIONAL INITIATIVES

The Patient Community Open Houses in the U.S. are days that provide patients the opportunity to expand knowledge and deepen their understanding related to safety procedures in the plasma-collection process and plasma-derived medicines manufacturing. Grifols hosts two open houses per year at one at its facilities in Los Angeles, California, and in Clayton, North Carolina, which educate patients on these issues, while serving as a platform to bring plasma donors, employees and patients together. Additionally, Grifols hosts patient visits throughtout the year at its plasma donor centers, manufacturing facilities and corporate offices. Highlights from 2019 include:

- Events welcomed a total of 230 patients in 42 plasma donation centers in the U.S.
- Tours in six U.S. facilities in San Marcos, Austin, Emeryville, Clayton, Los Angeles and San Diego, with a total of 45 patients.
- Internal meetings and events featuring 13 patient speakers who enlightened employees through their firsthand experiences. Patients were from all therapeutic areas in which Grifols operates.

These initiatives aspire to raise awareness among Grifols' workforce and plasma donors on their critical role in the production of life-saving plasma medicines. At the same time, they highlight the strict regulatory framework in place to ensure the highest standards of quality and safety of plasma-derived medicines.

In 2019, Grifols also sponsored the second edition of the "Alfas en Camino" (Alphas on the Way) program in Spain, which this year coincided with the anniversary of "Alfa 1 Spain". More than 100 patients took part in the week-long event, which included daily treks from Burgos to Santiago de Compostela, along with workshops about the disease. The company also participated in International Plasma Awareness Week (IPAW) to promote the Plasma Protein Therapeutic Association (PPTA), dedicated to educating the public on the importance of plasma proteins, the critical role plasma donors play in the production of plasma-derived medicines and raise awareness about the need to donate plasma.

SUPPORTING PATIENTS WITH ALPHA-1 ANTITRYPSIN DEFICIENCY

Launched in Spain in 2018, AlfaCare is the first support program for patients with alpha-1 antitrypsin deficiency. The initiative was developed in collaboration with the Alfa-1 Spain patient association and backed by an interdisciplinary team of professionals, including psychologists and patient mentors. AlfaCare complements the standard healthcare services by providing personalized emotional and psychological support, easy-to-understand information about AADT and motivational activities to help patients better cope with the disease. Grifols has rolled out similar programs in other countries including the U.S., Germany and Canada.

AlfaCare has proven very beneficial for AADT patients. As of December 2019, roughly 180 patients had taken part in the program's 25 workshops held throughout Spain. Feedback thus far has been extremely positive, with patients rating this initiative a 9.1 out of 10. In 2020, the program will expand its offerings to include physiotherapy and other services.

ACCESS TO TREATMENT

The company actively works to increase access to treatment. Grifols has supported the PatientCare program since 2006 to facilitate treatment for U.S. patients with hemophilia or primary immunodeficiency. The program addresses concrete needs through an three initiatives:

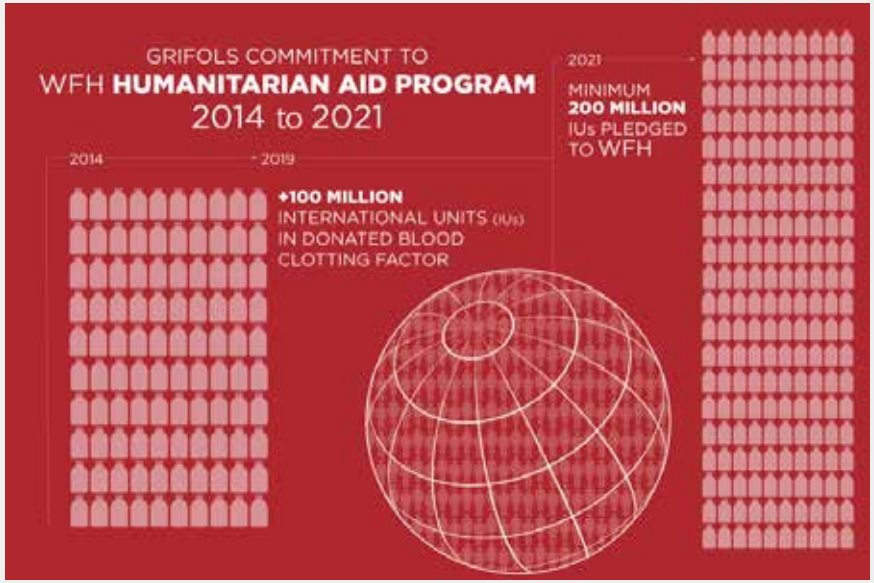
- Grifols Assurance for Patients (GAP), which covers the cost of Grifols products during lapses in medical insurance coverage.
- Grifols Patient Assistance (GPA), which offers treatment to patients who need help temporarily.
- Emergency Supply System, which provides immunoglobulin to physicians to treat patients in emergency situations.

Grifols also collaborates with the World Hemophilia Federation's Humanitarian Aid Program as part of its commitment to patient communities around the world. From 2014 to 2021, the company has pledged to donate 200 million international units (IUs) of clotting factor for patients in developing countries to ensure they receive adequate treatment. Based on WFH estimates, these donations will provide approximately 10,300 doses to treat 6,000 patients a year until 2021.

For more than a decade, Grifols is a proud supporter of the WFH's efforts to improve access to hemophilia treatments. To date, Grifols has donated more than 100 million IUs since 2014, including 31 million in 2019.

GRIFOLS HAS SUPPORTED THE PATIENTCARE PROGRAM SINCE 2006 TO FACILITATE TREATMENT FOR U.S. PATIENTS

OVER THE PERIOD OF 2014-2021, THE COMPANY HAS PLEDGED TO DONATE 200 MILLION INTERNATIONAL UNITS (IU) OF CLOTTING FACTORS FOR PATIENTS WITH HEMOPHILIA

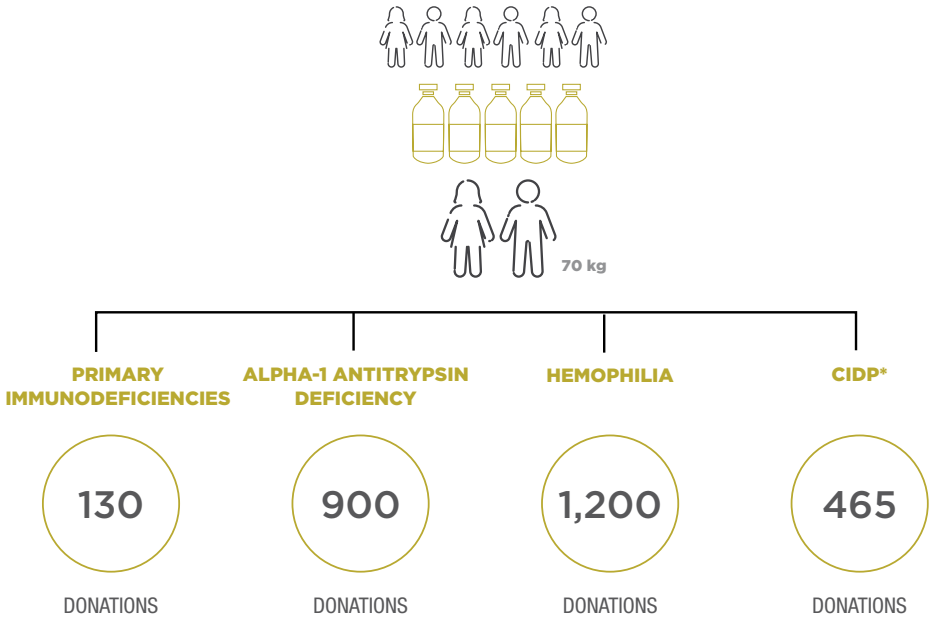


SUPPORTING DONORS

COLLABORATION CORNERSTONES

Plasma donors play a pivotal role in the plasma industry. There is no such thing as synthetic or lab-created plasma, which is why donors are so critical in the production of life-saving plasma-derived medicines. Grifols recognizes the generosity of plasma donors and compensates those based in the U.S. and Germany for their time and commitment to making regular plasma donations.

Hundreds of donations are needed to produce enough plasma-derived medicine to treat one patient for one year.



*Chronic inflammatory demyelinating polyneuropathy

COMMITMENTS

- Respect for the dignity and inherent rights of donors is an indispensable obligation for Grifols, which endorses, upholds and supports the Universal Declaration of Human Rights (1948), the Helsinki Declaration (1964) and UNESCO's Universal Declaration on Bioethics and Human Rights (2005).
- Grifols does not discriminate donors based on their gender, race, ethnicity or socioeconomic status, although it only uses plasma from qualified donors to produce its plasma-derived medicines.
- Grifols compensates donors for their time and commitment to the donation process, which includes undergoing a complete health screening at each donation. Compensation serves as an incentive and fosters altruism. Thanks to its donor compensation policy, Grifols is able to sustainably collect enough plasma to meet the growing demand for these essential life-saving medicines.
- Grifols' compensation policy applies equally to all donors. No distinction is made in terms of the volume of plasma collected or donors' weight, although they must weigh at least 50 kg.
- Plasma donors in the U.S. also have the option of contributing all or part of their compensation to support a variety of charitable organizations through the Grifols Plasma Possibilities program. Initiated in 2017, this program offers donors the chance to "give back twice" if they so desire. Since its launch, Plasma Possibilities has helped raise over USD 45,000 for more than 30 U.S. non-profit charity organizations. Additionally, in 2019, the most successful Plasma Possibilities campaign attracted over 7,000 plasma donors, who contributed part of their compensation to raise over USD 18,000 - out of the total USD 33,000 for the year - for the United Services Organization (USO), an initiative that helps keep deployed U.S. military personnel connected to home during their service.
- Grifols plasma donor centers create value for the community by generating employment and boosting the local economy including tax contributions, employee payroll and donor compensation. For more information on the socioeconomic impact of Grifols' plasma centers, see the chapter titled "About Grifols."

ACTIVITIES AND PROGRAMS

SOCIAL OUTREACH PROGRAMS IN COMMUNITIES WHERE GRIFOLS PLASMA CENTERS ARE LOCATED

Grifols' staunch commitment to donors extends to the communities where its plasma centers are located. The company organizes and supports, through donations and volunteer activities, a number on events and projects that nurture its ties with local community. In 2019, the number of projects increased by 25% and more than 3,400 were implemented, with a tangible impact on the areas where Grifols operates. Additionally, more than 2,400 employees from Grifols' centers volunteered their time to take part in food drives, awareness initiatives, school-support programs and fundraising campaigns for non-profit organizations. Some of the highlights of 2019 were:

- Collection of more than 125 tons of food through Grifols' plasma donation centers in collaboration with local food banks to address food scarcity in donor communities. According to Feeding America, these donations provided 211,000 meals for 50,000 families.
- Donation of more than USD 44,000 in school supplies for 150 students, which almost triples the rates of 2018.
- Participation in over 470 awareness campaigns on the critical importance of plasma and plasma donations, including several open house days throughout the U.S.
- Donation of more than USD 330,000 to 700 U.S. non-profit organizations.

SOCIAL OUTREACH THROUGH THE JOSÉ ANTONIO GRÍFOLS LUCAS FOUNDATION

The José Antonio Grífols Lucas Foundation was established in honor of Dr. Josep Antoni Grífols i Lucas, a global forerunner in the plasmapheresis technique. Created in 2008, the Foundation supports educational and health programs to improve the welfare of the communities and social environments where Grifols' U.S. plasma centers are based. In addition, the objectives of the foundation support the research of the plasmapheresis technique and the identification of new potential applications.

SUPPORTING THE SUSTAINABILITY OF PUBLIC HEALTHCARE SYSTEMS

ACCESS TO TREATMENT: COMMITMENT

Grifols is committed to providing patients with the plasma therapies they need today and in the future. In order to fulfill this pledge, the company leads infrastructure investments with a dual objective: first, to increase its access to plasma and second, to enhance its production facilities, including fractionation and purification plants.

Today, more patients than ever are being treated with immunoglobulin. In 2018, the global immunoglobulin market grew by approximately 10%, compared to the historical trend of 6-8%. To cope with this greater demand, Grifols has provided more immunoglobulin to patients than at any other time in its history.

This trend has been maintained since 2018, when Grifols supplied more immunoglobulin in the U.S. than any other manufacturer and represented approximately 66% of the country's immunoglobulin growth. Moving forward, the company will continue delivering on its long-term plan to help patients receive the care they need.

PRICE-SETTING POLICY

The manufacturing of plasma-derived medicines is a long, complex and highly regulated process that lasts between 7 and 9 months. Increasing product availability is a gradual process that involves the increase in plasma and the expansion of both testing infrastructure and production capacities.

Grifols has made industry-leading investments in both its plasma-collection and manufacturing infrastructure as part of its unwavering commitment to patients, physicians, hospitals and other stakeholders.

The company's price-setting policy is grounded in two core principles: first, cost should never be an obstacle to receiving optimal patient care and treatment, and second, pricing should guarantee the firm's long-term sustainability and reinforce its commitment to researching and developing new therapies.

CONTRIBUTING TO REDUCING HEALTHCARE COSTS: INDUSTRIAL FRACTIONATION PROGRAMS

Plasma contains proteins of great therapeutic value that, once separated and purified, can be used to produce plasma-derived medicines. The United States is the only country that collects sufficient plasma to produce the plasma-derived medicines its population requires.

The World Health Organization (WHO), the Council of Europe and other institutions spearhead measures to help European countries achieve self-sufficiency, including strategies to encourage blood and plasma donations. For this reason, donation centers freeze surplus plasma from donations to industrially process it and produce plasma-derived medicines.

Grifols offers its facilities, technology expertise and technical team to public donation centers and health public health organizations to process its plasma, purify the proteins and return them in their entirety as plasma-derived medicines. Regulated by fractionation service agreements, these collaborations lead to considerable cost savings for public healthcare systems. In the case of Spain, the public healthcare system saved an estimated EUR 65 million thanks to this collaboration. The company also offers this service in the Czech Republic, Slovakia and Canada.

THE WORLD HEALTH ORGANIZATION AND THE COUNCIL OF EUROPE ALERT ALL COUNTRIES TO ADVANCE THEIR SELF-SUPPLY OF PLASMA-DERIVED MEDICINES

GRIFOLS' INDUSTRIAL FRACTIONATION PROGRAMS

EXPERIENCE, KNOWLEDGE AND EXPERTISE AT THE SERVICE OF BLOOD-BANK AND TRANSFUSION-CENTER PROFESSIONALS

Grifols' industrial fractionation service for hospital plasma is a comprehensive solution that encompasses the logistics of plasma (collection, transport, control and analysis) and its fractionation, purification, dosage and delivery as a finished product.

Collaborative solution

Safety in the plasma supply chain

Integrated control of the production process. Complete confidence in Grifols' manufacturing systems

A RANGE OF PROGRAMS DESIGNED TO MEET THE NEEDS OF BLOOD BANKS

- **Transport and plasma storage services** to guarantee the quality of transfusion plasma, including the Contingency Program to address issues with refrigeration equipment; the IPTH Program, which offers additional viral safety measures; and the Secure Program, which includes the collection, storage and recovery of frozen plasma.
- **Plasma for hemoderivatives**, including The Apheresis Program, a collaborative effort with blood banks and transfusion centers to encourage plasma donation with plasmapheresis.
- **Laboratory services** as the Biolab Program, which offers various services including analyses of samples, immunohematology tests and quality control of plasma for laboratories, among others.
- **Quality services** including The Quality Program, an initiative that provides expert advice on management and quality control systems, as well as plasma-related training initiatives, workshops and educational programs delivered through the Grifols Academy of Plasmapheresis.
- **Grifols Plasma Management Service,** a tool developed to improve and facilitate communication among the various parties that intervene in the follow-up of industrial fractionation contracts.

ESTIMATED SAVINGS OF EUR 65 MILLION FOR SPAIN'S PUBLIC HEALTH SYSTEM THANKS TO THE IMPLEMENTATION OF THIS SERVICE ACROSS SPAIN

SUPPORTING LOCAL COMMUNITIES

Grifols strives to reinforce its ties in the communities where it operates through both company-led activities and donations, with particular attention to the educational sector. The company also shares its expertise and reinforces community relations through its collaboration with Probitas Foundation and Aigües de Vilajuïga.

NEW MOMENTUM FOR EDUCATION

Grifols strives to ensure access to education and equal opportunities for young people by generating shared value and bringing students closer to the scientific world to spur interest in STEM fields (Science, Technology, Engineering and Mathematics).

ACTIVITIES AND PROGRAMS

TRAINING PROGRAM IN LOCAL COMMUNITIES

Grifols collaborates with Los Angeles-area universities to boost the education and development of its talent pool, while creating employment opportunities for local residents. More than 100 people have earned degrees or are working towards one at California State University (Los Angeles), and more than 150 have been hired through this collaboration agreement.

In North Carolina, Grifols actively participates in the Biomanufacturing Training and Education Center and the Johnston County Workforce Development Center. The company works closely with Johnston Community College to help students interested in pursuing careers in the biopharmaceutical field.

COLLABORATIONS WITH EDUCATIONAL PROGRAMS

These collaborations include donations for activities designed to elevate the access and quality of education, including alliances with local schools and organizations with a science-oriented mission where Grifols can contribute its knowledge and expertise. The following table highlights these partnerships:

UNITED STATES

Discover the Plasma, a collaboration among Grifols, Johnston Community College and Johnston County (North Carolina) public schools to develop a module for middle-school students that forms part of the science curriculum.

Summer internships: Grifols' personnel collaborate with California State University in Los Angeles to organize summer internships for high-school students in Grifols' laboratories.

Internships in Grifols' facilities: a joint collaboration with Woodrow Wilson High School in the El Sereno neighborhood of Los Angeles.

Factory tours and employee meetings in Los Angeles with medical or healthcare students.

SPAIN

In 2019, entry as a member of the advisory board of the **Employment and Training Council of the Professional Association of Industrial Engineers of Catalonia** to promote talent in the industrial sector.

Factory tours: In 2019, a total of 832 students from 40 educational centers visited Grifols' facilities in Barcelona (Parets del Vallès and Sant Cugat del Vallès) and Murcia.

GERMANY

Employment orientation sessions for students.

Collaboration with the Deutschlandstipendium program, with three scholarships for outstanding students.

DONATIONS TO SOCIAL OUTREACH PROGRAMS IN THE U.S.

Grifols' Community Relations Grant Committees in Los Angeles, Emeryville and Clayton ensure that all of the company's non-healthcare-related donations and in-kind services are coordinated and aligned with our corporate mission and social responsibility framework. This support is generally for civic, social and educational programs that strengthen Grifols' bond with the local communities and address their concrete needs. Grifols considers the following criteria to determine eligibility for its charitable donations:

- The recipient must be considered a charitable organization. In the U.S., entities must be tax-exempt under section 501(c)(3) of the Internal Revenue Service Tax code for schools and academic institutions.
- Their primary mission includes efforts to encourage education and STEAM vocations, alleviate homelessness and hunger and improve the natural environment.
- They positively impact communities where Grifols has a permanent office or project site.

In 2019, Grifols examined opportunities in which the company could make the greatest impact. Based on this analysis, the Grifols Community Relations Grant Committees dispersed over USD 200,000 to our local communities. Some of these initiatives include:

ACTIVITIES AND PROGRAMS

INITIATIVES TO IMPROVE ACCESS AND QUALITY OF EDUCATION

- Donation to City Year's After-School Extended Learning Time Program to offer after-school support, care and tutoring services to more than 3,000 students.
- Collaboration with LA's BEST Afterschool Enrichment Program, aimed at providing resources for talented students from underprivileged areas of Los Angeles.
- Scholarships for Johnston Community College students.
- Activities to promote educational and wellness programs for teachers and students from kindergarten to 12th grade (K-12) in several primary and secondary schools.
- Donations to Scientific Adventures for Girls to encourage girls to consider scientific vocations.
- Collaboration with math and biology departments of Clayton High School.

OTHER INITIATIVES

- 40th anniversary celebration of "Para Los Ninos", an organization that responds to the needs of more than 6,000 underserved children and families in Los Angeles.
- "Season for Giving" event for the Los Angeles Regional Food Bank.
- Collaboration with East Los Angeles Community Youth Center.
- Collaboration with the Friends of Emeryville Child Development Center.
- Community Action Agency of Butte County, CA.
- Construction and maintenance of the El Sereno Arroyo Playground in Los Angeles.
- Clayton Area Food Bank.
- World Clean-up day, Emeryville, CA.

SOCIAL INITIATIVES THROUGH FOUNDATIONS AND NGOs

PROBITAS FOUNDATION : IMPROVE HEATLH OF MOST VULNERABLE POPULATION WORLDWIDE

Created in 2008, the Probitas Foundation leverages Grifols' vast expertise in the global healthcare sector to improve medical care in areas with limited resources. Grifols shareholders approved an annual allocation of 0.7% of corporate profits before taxes to support this private foundation.

The foundation combines in-house programs – such as the Global Laboratory Initiative and the Child Nutrition Support Programme – with external collaborations, including entities with experience in the social and healthcare sectors, international NGOs (Red Cross, Save the Children, AMREF Health Africa, etc.) and United Nations agencies such as UNICEF, ACNUR, UNRWA (United Nations Relief and Works Agency for Palestine Refugees in the Near East) and the World Food Programme, among others.

To learn more about Probitas and its core programs, please visit http://www.fundacionprobitas.org
For information on Grifols' foundations, see Chapter 5: Innovation.
"European Foundation for the Study of Chronic Liver Failure"

SUPPORT FOR THE BASIC PRINCIPLES OF WORLD HEALTH ORGANIZATION

Through its local programs, during 2019 the Foundation has promoted the healthy development of the most vulnerable children and youth in their physical, psychical and emotional well-being, offering comprehensive support with nutritional, socio-educational, psychosocial and health resources for those children at social risk. It has been working with schools, local authorities and social organizations to offer children and youth the option of having a healthy meal a day together with socio-educational activities and free time in a safe space. The healthy habits, nutrition, physical activity, hygiene, rest and emotional well-being, have been implemented in all programs.

The Foundation has also collaborated with research centers, hospitals, foundations and other partners in the mental health field, supporting services not included in the public health system, to reinforce awareness about the reality of kids affected by mental disorders and to encourage good practices to reduce stigma, improve early detection and social inclusion.

Probitas international health programs aim to improve access to health for the most vulnerable populations living in remote regions of the globe with scarce resources. In 2019, the the Foundation endorsed sustainable health projects and it did not limit itself to the role of a funding entity, but coordinated, guided, and trained the local partners so that they could become self-sufficient in the near future.

Probitas Foundation has once again reiterated its support for the WHO's core principles of primary healthcare: universal access to care and coverage on the basis of need; commitment to health equity as part of development oriented to social justice and community participation in defining and implementing health agendas and intersectoral approaches to health.

MAIN PROGRAMS

CHILD NUTRITION SUPPORT
Aim: to improve the health & nutrition of children at risk
Since 2012
195 schools
80,000 beneficiaries
3.8 million meals

SIT, HEALTH, INNOVATION & THERAPIES
Aim: improving the health of children and their families who are not covered by their national health system
Since 2018
7 organizations
2,000 beneficiaries

ICP, INTERNATIONAL COOPERATION PROGRAM
Aim: to support projects developed by international aid organizations working in the health sector
Since 2010
41 countries
100 organizations
2.9 million people

GLI, GLOBAL LABORATORY INITIATIVE
Aim: strenghthening the capacities of clinical diagnostic laboratories in different regions of the world
Since 2010
10 countries
28 laboratories
1.7 million people

INITIATIVES ALIGNED WITH THE SUSTAINABLE DEVELOPMENT GOALS

1. **Strengthening the capacities of clinical diagnostic laboratories in the most vulnerable regions of the world by democratizing the techniques applied in developed countries:** the Probitas Foundation, through its own Global Laboratory Initiative (GLI) program, promotes disease diagnoses for illnesses that represent a global public health problem such as tuberculosis, HIV and malaria, as well as other communicable and chronic diseases.

2. **International cooperation actions to combat Neglected Tropical Diseases (NTDs), HIV / AIDS, malaria and tuberculosis among others through its International Cooperation Program**. Its areas of work include strengthening local health structures; providing water, sanitation and hygiene for the prevention of these diseases; and awareness campaigns, among others.

IN 2019, GRIFOLS ALLOCATED EUR 17 MILLION TO VARIOUS FOUNDATIONS AND NON-GOVERNMENTAL ORGANIZATIONS (NGOs), INCLUDING EUR 5 MILLION* TO THE PROBITAS FOUNDATION (+36% COMPARED TO 2018)

(*) This amount is related to allocation of 0.7% of Grifols' corporate profits before taxes

THE EBOLA PROJECT

In 2014, Liberia was among the West African countries most affected by the Ebola outbreak. That same year, Grifols launched its Ebola Project, a non-profit initiative to produce anti-Ebola immunoglobulin to treat affected populations. To reach this objective, the company worked jointly with the Probitas Foundation on two main fronts. First, it designed and installed a first-of-its-kind modular plasma donation cente r in Monrovia to collect plasma from Ebola survivors. At the same time, it constructed a dedicated processing facility at its Clayton manufacturing complex to purify the collected plasma and produce anti-Ebola immunoglobulin.

More than 40 Grifols employees and Probitas Foundation (Grifols' philanthropic organization) professionals traveled to Liberia to volunteer in the plasma-collection process. In August of 2016, the first units of plasma from Ebola survivors were collected in Monrovia, and at the end of 2018, Grifols began processing the first batch of plasma with antibodies. At present, the first anti-Ebola immunoglobulins are ready for transfer to the Liberian government. In 2019, Grifols also continued its efforts to consolidate the project and built and installed two additional modules in Monrovia, one as a climate-controlled storage unit for raw materials and another unit to freeze the collected plasma.

Grifols fully financed the project, with the collaboration of Probitas Foundation during the project-launch stage and with the ongoing support of the Liberian government, the U.S. Food and Drug Administration, the World Health Organization and several NGOs, both local (Afromedical) and international (Save the Children).

As part of this philanthropic initiative, Grifols will finance clinical research and, by mutual agreement with the government of Liberia, will deploy the anti-Ebola immunoglobulin to other Ebola outbreak areas. In addition to promoting scientific research, the project also addresses the social aspect of Ebola through an innovative Probitas program in Liberia to help the communities most affected by the epidemic and combat the stigma surrounding the disease.

Since 2014, the company has donated more than USD 10 million to address the threat posed by Ebola to global health.

SUPPORTING LOCAL BUSINESSES

AIGÜES DE VILAJUÏGA

Aigües de Vilajuïga is a century-old firm with one of Spain's two natural water springs. Grifols ensured the continuity of the business, which was on the verge of closing its doors. In 2019, the company celebrated the inauguration of new manufacturing facilities as well as its market launch. Grifols' commitment has brought new momentum to the project, which has a significant impact on the region's social fabric.

The company traces its roots to the small village of Vilajuïga, where a modest well was said to supply water with exceptional properties. On July 15, 1904, Aigües de Vilajuïga was declared a mineral water fit for medicinal purposes. Its popularity soon grew and it became a reference for renowned personalities such as author Josep Pla, artist Salvador Dalí and celebrity chef Ferran Adrià.

When Víctor Grífols Deu heard that Aigües de Vilajuïga was going to cease operations after 114 years of history, his family ties and emotional connection to the region compelled him to do everything possible to make sure the people of Vilajuïga and enthusiasts of this unique carbonated water could continue to enjoy it.

ASSOCIATIONS

GRIFOLS IS A MEMBER IN THE FOLLOWING INDUSTRY AND EMPLOYER ASSOCIATIONS

- FENIN: Federación Española de Empresas de Tecnología Sanitaria
- MedTech Europe: European Trade Association representing the medical technology industries and diagnosis and medical-device manufacturers
- EURORDIS: Non-profit alliance of 851 rare disease patient organizations from 70 countries that work together to improve the lives of the 30 million people living with a rare disease in Europe
- The United States-Spain Council: An organization of U.S. and Spanish leaders who work to cultivate stronger ties between the two countries
- EUCOPE: Trade association representing small- to medium-sized pharmaceutical and med-tech firms in Europe
- PPTA: Plasma Protein Therapeutics Association
- ASEBIO: Asociación Española de Bioempresas
- American Chamber of Commerce in Spain
- AEF: Asociación Española de Farmacología
- AES: Asociación de la Economía de la Salud
- SESPAS: Sociedad Española de Salud Pública y Administración Sanitaria
- SEFH: Sociedad Española de Farmacia Hospitalaria
- SIGRE: Sistema Integrado de Gestión de Residuos de la Industria Farmacéutica
- ISPE: International Society for Pharmaceutical Engineering
- WHC: Wildlife Habitat Council
- ESI: Environmental Stewardship Initiative of the North Carolina Department of Environmental and Natural Resources
- ACS: American Chemical Society
- Farmafluid: Asociación Española de Laboratorios Farmacéuticos de Fluidoterapia y Nutrición Parenteral
- National Health Council (U.S.)
- Biotechnology Innovation Organization (BIO)
- AENE: Asociación Española de Fabricantes y Distribuidores de Productos de Nutrición Enteral
- SENPE: Sociedad Española de Nutrición Parenteral y Enteral

OTHER COLLABORATIONS AND VOLUNTEER ACTIONS

Grifols' commitment to local communities in which it operates extends to its workforce. Hundreds of Grifols employees around the world volunteer their time on a range of projects and collaborations that help meet the real needs of their communities.

VOLUNTEER INITIATIVES IN THE U.S.

HABITAT FOR HUMANITY

Grifols has collaborated with Habitat for Humanity in the U.S. since 2014. This NGO organizes efforts to build simple yet dignified homes to improve the living conditions of those most in need and strengthen the fabric of local communities. In 2019, the company donated USD 235,000 toward new homes and materials in California, Wake County, North Carolina, and Austin, Texas. Approximately 180 of Grifols' U.S.-based employees volunteered 1,596 hours of their time to help build new homes.

DRESS FOR SUCCESS

Grifols collaborated with Dress for Success for the first time in 2019. Founded in 1997, this global non-profit organization helps low-income women achieve economic independence by helping them in their job-search and interview process. Beneficiaries are offered professional attire, a support network, and personal and professional development tools to help them thrive at work and in life. Last year, 45 employees at Grifols Triangle Park (North Carolina) volunteering 90 hours of their time for a clothing sale. In addition, USD 2,500 were donated by the company for this cause.

DIRECT RELIEF

In 2019, Grifols' U.S.-based employees collaborated with Direct Relief to manage corporate donations for tetanus and diphtheria vaccinations for people impacted by Hurricane Dorian in the Bahamas. For more than three years, Grifols has collaborated with this global charity dedicated to providing medical supplies in areas of natural disasters.

ADDITIONAL VOLUNTEER ACTIVITIES

- Collaborations and volunteer activities to raise funds for several food banks. Noteworthy, were the fundraising efforts and donations of USD 25,000 for the Los Angeles Food Bank and USD 5,000 for the Alameda Community Food Bank.
- Supported the Cypress Assistance Ministries Food Pantry with a USD 2,500 donation and an additional in-kind donation of furniture for people at risk of social exclusion.
- Donation of instrumentation material to University of Southern California, valued at EUR 9,000.
- Participation to provide support and USD 5,000 donation to the Paralympic Games in Clayton.
- Participation in clean-up activities in communities throughout the U.S. In 2019, 30 volunteers collectively dedicated 124 hours of their time.
- Collaboration with Read Across America Week and USD 2,000 donation. Eighteen volunteers invested 36 hours of their time to foster reading among students at several California schools (Farmdale, Cesar Chávez, Multnomah and Sierra Vista).
- Collaboration with Girls in STEM Day in Cleveland, Ohio, to inspire girls to become interested in the science, technology, engineering, and mathematics fields.

CORPORATE VOLUNTEER ACTIVITIES IN SPAIN

BARCELONA MAGIC LINE

A team of 176 Grifols employees took part in the 6th Magic Line Solidarity Walk, organized by the Obra Social of the Sant Joan de Deu Hospital in Barcelona. Volunteers organized several initiatives that raised EUR 11,546, which were matched by the company. These funds will be allocated to a number of projects, including laboratory materials for research on childhood diseases, home visits for people at risk of social exclusion, and therapies for people with mental-health conditions or dependency issues.

SANTANDER CORPORATE RUN

A team of 56 Grifols employees participated in the "Santander Cursa de les Empreses," held in December 2019 in Barcelona. The initiative was part of the CORREAMBMI Project, an organization that fosters sports, integration and solidarity.

SPONSORSHIPS AND PATRONAGE

Grifols has collaborated with the prestigious Fullbright Scholarship Program since 2013. Thanks to Grifols' contributions, Spanish scholarship recipients were able to pursue and finalize master's degrees in molecular medicine at the University of Maryland-Baltimore (U.S.) and in pharmaceutical sciences (Translational Medicine and Drug Discovery) at Northeastern University in Boston (U.S.). Fulbright scholarships form part of an academic aid program sponsored by the U.S. State Department's Bureau of Educational and Cultural Affairs, governments of other countries and the private sector.

As a member of the IQS Corporate Foundation, Grifols sponsors the Barcelona-based Process and Integrative Technology Transfer Center (Centro de Transferencia en Procesos y Tecnologías Integrativas), which seeks to become a state-of-the-art research and technology transfer platform for laboratories and companies. At the same time, the company sponsors Grifols Scholarships at the Institut Químic de Sarrià (IQS) in Barcelona (Spain) for students with outstanding academic credentials, exemplary attitudes and limited economic resources.

With Grifols' sponsorship, the Spanish Foundation of Hospital Pharmacies established a prize in 2019 to recognize the best work featured in the Spanish Society of Hospital Pharmacies magazine or those of Latin American hospital-pharmacy guilds. These professional associations aim to recognize innovations in the hospital pharmacy field.

SPONSORSHIP AND PATRONAGE PROGRAM IN SPAIN

Grifols approved its sponsorship policy in 2019. This policy regulates the company's collaborations with diverse organizations dedicated to promoting sports, social (including healthcare), cultural and education initiatives. For 2020, it is endowed with EUR 600,000.

Grifols established the following criteria as a framework to determine the eligibility of these organizations, projects and initiatives:

- All collaborations must support, complement or expand Grifols' mission and values.
- Comply with all corporate policies on ethics, transparency, conflict of interest, data protection and code of conduct.
- A maximum 3 year-duration, expandable to 5 in exceptional cases.

Admission and evaluation criteria for applicants include:

- Initiatives should be integrated into one of the categories established by Grifols: sport, social actions, culture and education.
- Proof of good repute, good reputation and good practices in their field of action.
- Be aware of all payments and obligations with government authorities.

Grifols does not accept requests from entities managed by a relative of any Grifols employee.

THE GRIFOLS MUSEUM REOPENS IN BARCELONA

The company established the Grifols Museum over 20 years ago to showcase its rich intellectual, scientific and industrial heritage, as well as advances in the fields of hematology throughout the 20th century. The museum honors previous generations while reaffirming the company's origins. Driven by its spirit of innovation, Grifols has become a forerunner in global healthcare and a trailblazer in new industry standards that today guide the production of plasma medications worldwide.

Preserving and spreading knowledge on the historical evolution of blood-related diseases and their treatment is the primary objective of this singular museum, which features engaging audiovisual displays to appeal to visitors of all ages.

In this way, the new Grifols Museum provides insights into the company's history while highlighting the important collective progress made over the years, which today allow us to receive safe blood transfusions, discover our blood type, access plasma-derived medicines, understand the critical role of donors who make them possible and further explore the benefits of the plasmapheresis technique.

Viewed from this perspective, the social dimension of the Grifols Museum spotlights the company's role as a wellspring of knowledge and a key driver of scientific and social progress.

8

ENVIRONMENT AND CLIMATE CHANGE

WE ARE COMMITTED TO THE PLANET. NO LONG-TERM ACTIVITY IS POSSIBLE WITHOUT ITS SUSTAINABILITY

GRIFOLS IS COMMITTED TO RESPONSIBLE ENVIRONMENTAL MANAGEMENT, WORKING TO PROMOTE ENERGY EFFICIENCY, RESOURCE CONSERVATION AND SUSTAINABLE PRACTICES

Resources for environmental actions M€

21.8

Water consumption decrease

4%

Greenhouse gas reduction

40%

2030 Commitment

Renewable energy consumption

70% **of total electricity**

2030 Commitment

GRIFOLS' ENVIRONMENTAL MANAGEMENT

Grifols does its utmost to minimize the potential impact of its operations on the environment, striving to efficiently manage resources as part of its commitment to sustainable development. In this regard, it has various policies and guidelines that define its environmental management, which are approved by senior management and shared throughout the organization:

ENVIRONMENTAL POLICY

Defines company-wide principles and commitments aimed at monitoring and improving Grifols' environmental impact

ENERGY POLICY

Defines company-wide principles and commitments to optimize energy resources and promote the use of renewable resources

ENVIRONMENTAL PROGRAMS

Defines specific action lines for each business area.
The 2017-2019 Environmental Plan is finalized and the 2020-2022 Environmental Plan is in development

CORPORATE ENVIRONMENTAL MANUAL

Reference manual applicable to most manufacturing facilities and other ISO-14001-certified centers on Grifols' environmental performance. It is the framework for the environmental performance of the entire organization.

ENVIRONMENTAL COMMITTEES

- Involvement of senior management from each ISO-14001-certified company (or in the process of obtaining certification)
- Control and follow-up of environmental system
- Proposal, follow-up and supervision of environmental goals
- Review of follow-up indicators, application of corrective measures and compliance with current legislation
- Identification of opportunities for improvement

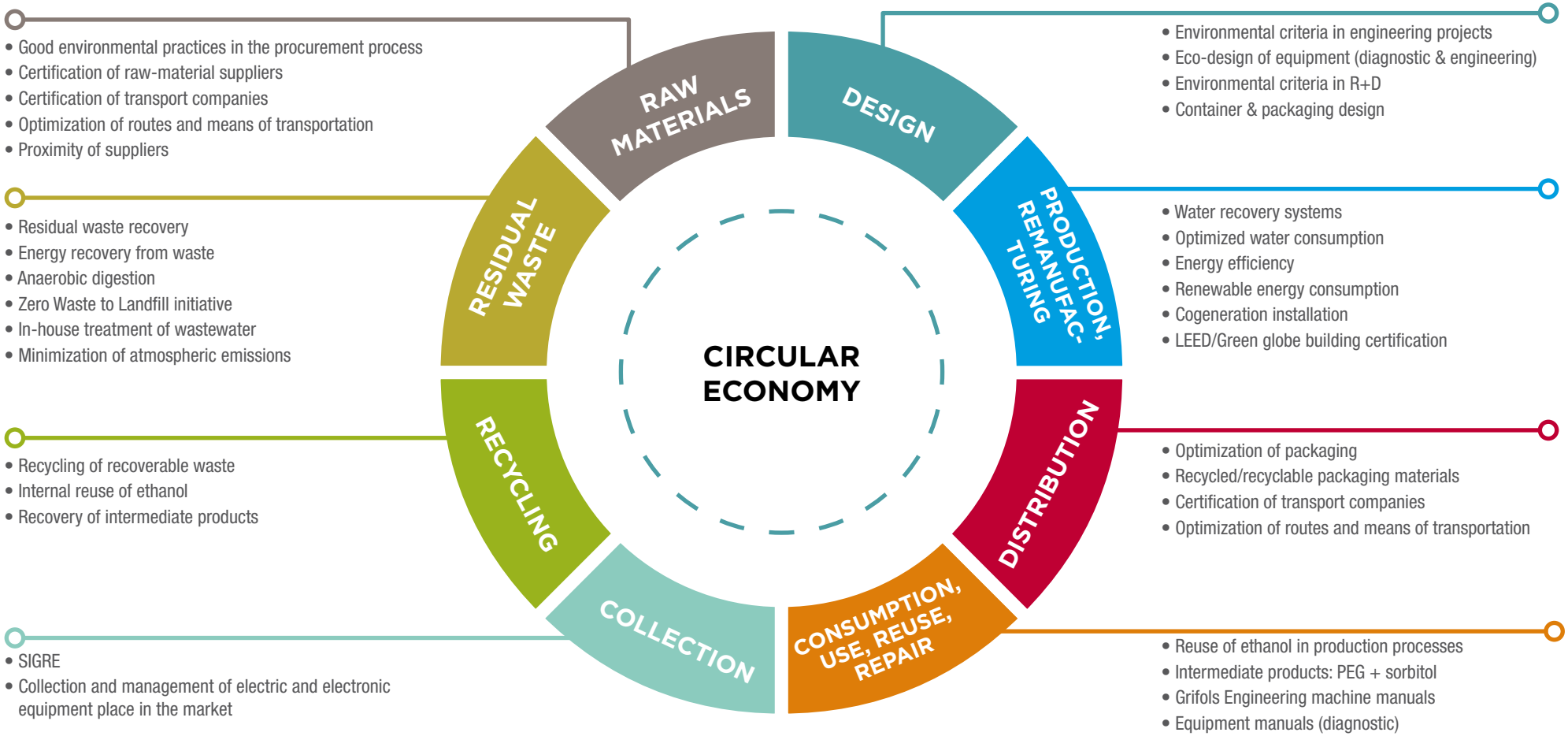
ENVIRONMENTAL POLICY

Grifols' environmental policy contains the following commitments:

- Promote awareness and train employees to adopt good environmental practices in the work place.
- Minimize the environmental impact of new products and processes during stages of design, manufacturing, transportation, usage and disposal.
- Identify and comply with applicable legal requirements and other principles to which the organization adheres.
- Establish environmental objectives and targets according to company activities, in order to continuously improve performance.
- Implement pollution prevention techniques in order to minimize the environmental risks involved in company activities, taking into account the effects of climate change.
- Organize a system to engage stakeholders in communication and dialogue on company environmental issues.
- Set up programs for the protection and conservation of nature areas that belong to the company and to protect those areas over which it has a direct influence.

GRIFOLS' CIRCULAR ECONOMY

Grifols' environmental management is based on the concept of a circular economy, highlighting an efficient use of material resources, water and energy and waste reduction in consideration of the life cycles of the company's various products and services. This strategy incorporates the transition toward a low-carbon economy aimed at minimizing the impact of climate change.



MANAGEMENT THAT OPTIMIZES RESOURCES AND MINIMIZES POSSIBLE ENVIRONMENTAL RISKS

Grifols' environmental management includes key aspects aimed at optimizing the efficiency in the use of resources and minimizing environmental risks arising from its activities, including:

Eco-efficiency	• Systematic integration of environmental criteria in the design of projects, products and services to incorporate preventative and eco-efficiency measures that minimize the company's environmental impact. • The R+D+i, Engineering and Grifols Engineering Departments analyze and apply the most eco-efficient alternatives from a life-cycle perspective. • Update of Grifols' "Guide for Design of Containers and Packaging with Environmental Criteria".
Prevention	• Regular review of preventative measures aimed at mitigating the possible impact of environmental risks identified by the company. • Regular drills in production plants to evaluate response capabilities in case of environmental emergencies or incidents. • Specific employee training.
Specific self-protection plans for each production facility	• Define action plans to respond to emergencies with environmental implications and appoint teams to execute them.
Legal compliance	• Legislative monitoring systems to identify the requirements for each production facility and allow for regular review of their compliance.
Environmental objectives	• 2017-2019 Environmental Plan outlines the concrete objectives for this period. Each includes specific targets to be carried out in Grifols' installations. • Development of new 2020-2022 Environmental Plan. • Establishment of 6 environmental mid-term commitments as focal points of core lines of action.
Environmental awareness and communication	• Promotion of communication channels to enhance engagement between the company and its main interest groups regarding environmental issues. • Internal and external communication procedures to guarantee appropriate response for each type of communication received. • Activities to raise awareness of environmental preservation and the importance of protecting natural resources and ecosystems, developed within the framework of World Environment Day (Barcelona installations) and Earth Day (industrial complexes in Clayton, North Carolina, and Emeryville and Los Angeles, California). • Implementation of training and educational activities to inform Grifols employees on environmental management issues.
Commitment to environmentally responsible suppliers	• The company advocates collaborations with environmentally responsible suppliers and partners that multiply the beneficial effects of its sustainable approach and indirectly fosters practices that reduce environmental impacts. Among other initiatives, Grifols signed a pathbreaking agreement with an airline group and car rental agency to offset the environmental footprint of its business travel.

75% OF EMPLOYEES DEDICATED TO PRODUCTION WORK IN ISO 14001-CERTIFIED FACILITIES

MORE THAN 75% OF GRIFOLS' TOTAL PRODUCTION IS MANUFACTURED IN FACILITIES WITH ENVIRONMENTAL MANAGEMENT SYSTEMS AND ISO 14001 CERTIFICATION

ENVIRONMENTAL CERTIFICATIONS

Grifols' environmental management system is certified by the ISO 14001 standard, which ensures identification and compliance with applicable environmental legislation, knowledge of the environmental impact of its products and processes, the implementation of necessary preventative and corrective measures, and the establishment of objectives to improve its environmental performance.

The company continues its efforts to obtain ISO 14001 certification in all of its manufacturing facilities. Grifols' plants in Spain have been ISO-14001-certified since 2004 and 2005. In the U.S., the North Carolina installations are also ISO-14001-certified: the Clayton Bioscience Division plant was certified in 2016 and the Raleigh offices in 2019. Furthermore, the Emeryville (California) Diagnostic Division's complex has been ISO-certified since 2018 and the company is working to certify the Los Angeles Bioscience Division plant. The company has prioritized the certification of the largest manufacturing facilities and progressively those of smaller size and less environmental impact.

At the close of 2019, 75% of Grifols' total production was manufactured in ISO-14001-certified facilities, with about 74.7% of production employees working in these facilities.

The company continues to advance in its integration of the highest standards of sustainability. In 2018, the Clayton plant received the Leadership in Energy and Environmental Award (LEED) for its sustainable design. In 2019, the new Clayton fractionation plant obtained the Green Globe Certification on behalf of the Green Building Initiative® (GBI), an entity that assesses and certifies the design and operations of sustainable buildings.

PROVISIONS AND SAFEGUARDS FOR ENVIRONMENTAL RISKS

Grifols has civil responsibility insurance to cover accidental contamination of the environment, understood as the disturbance of the natural state of air, groundwater, flora or fauna (or any other situation legally deemed as environmentally harmful), caused by emissions from Grifols installations due to accidental, sudden and unforeseen consequences. Grifols' responsibility extends to all of its companies, manufacturing facilities and sales offices in all of the countries where it operates.

In 2019, Grifols was fined EUR 2,250 for exceptionally exceeding one of the parameters related to the organic load of wastewater as a result of an isolated incident. The company applied the necessary corrective measures and launched an improvement project to prevent similar situations in the future.

AWARDS AND RECOGNITIONS

- 2019 Prize for Industrial Excellence in Europe, granted by IESE Business School's CELSA Chair of Competitiveness in Manufacturing based on input from Europe's most prestigious business schools. This award highlights environmental and sustainability criteria as a fundamental and intrinsic element of industrial development and corporate competitiveness.
- In 2019, Grifols' North Carolina installations received the "Gold Certification" of the "Zero Waste to Landfill" program granted by Underwriters Laboratories (UL). This award recognizes companies that divert 95-99% of waste from landfills and report less than 5% incineration with energy recovery. Grifols is the first pharmaceutical company in the U.S. to receive this award.

RESOURCE ALLOCATION TO MITIGATE ENVIRONMENTAL IMPACTS

Grifols allocated significant resources to environmental activities as part of its ongoing efforts to enhance its environmental performance and move forward on its 2017-2019 Environmental Program Policy objectives.

In 2019, 61% of investments were allocated to reduce water, energy and electrical consumption, contributing to a decrease in atmospheric emissions. Total investment in environmental assets reached EUR 1.9 million (EUR 2.8 million in 2018) while costs rose to EUR 19.9 million, increasing from EUR 15.5 million in 2018.

Seventy-one percent (71%) of environmental costs focused on waste management in Grifols' various facilities.

RESOURCE ALLOCATION (COST & INVESTMENTS)

TOTAL RESOURCES (M€)

21.8

66%

allocated toward waste management

26%

related to managing the water cycle

8%

remainder intended for reducing atmospheric emissions, energy and others

HUMAN CAPITAL INTENDED TO PREVENT ENVIRONMENTAL IMPACTS

Grifols' work centers have a system that prioritizes the minimization of environmental risk by reducing occupational risk.

All employees involved in the management of environmental risks receive specific training as part of the company's continuous development plan.

Grifols manages the prevention of environmental risks through an organizational system with a broad global reach:

Corporate environmental department

1

Environmental teams

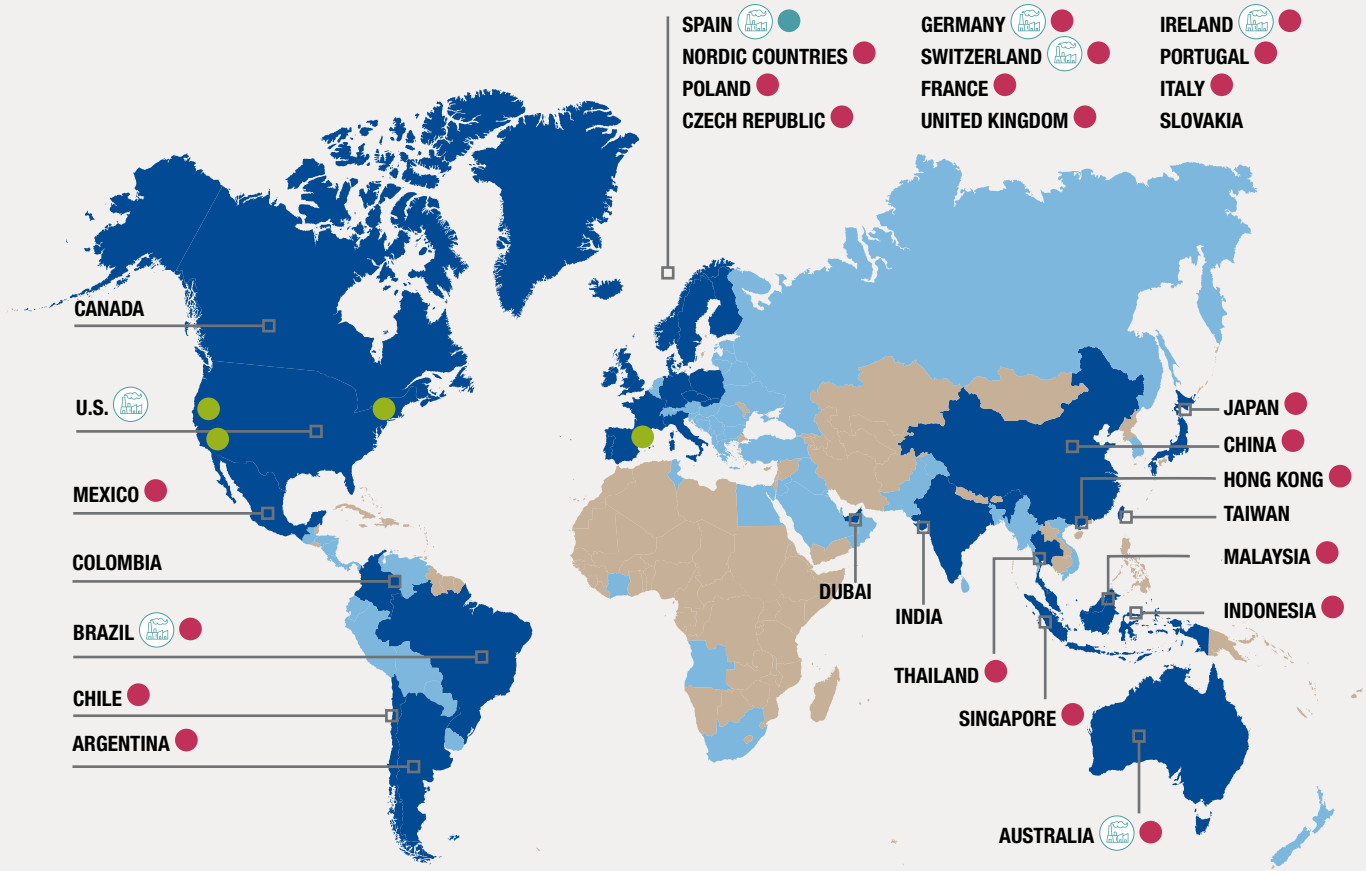
4

Subsidiary Coordinators

22

Environmental committees

11



MANUFACTURING FACILITIES

GRIFOLS' SUBSIDIARIES
PRESENCE THROUGH DISTRIBUTORS

SIX COMMITMENTS FOR 2030

IN ADDITION TO ITS TRIENNIAL ENVIRONMENTAL PLANS, GRIFOLS HAS ESTABLISHED SIX CORE ENVIRONMENTAL COMMITMENTS FOR 2030 COMPARED 2018 LEVELS

EMISSIONS REDUCTION

Reduce greenhouse gas emissions per unit of production by 40%.

-40%

ENERGY EFFICIENCY

Increase energy efficiency per unit of production by 15% by systematically integrating eco-efficiency measures in new projects and existing installations.

+15%

RENEWABLE ENERGIES

Consume 70% of electricity from renewable sources.

70%

DECARBONIZATION

Facilitate the decarbonization of transport in business trips and employee commutes by reducing air travel, carbon offsetting, encouraging teleworking, among others.

CIRCULAR-ECONOMY

Continue to implement circular-economy measures in every stage of the operational life cycle as part of Grifols' environmental efforts to minimize and reuse waste and optimize the consumption of water, raw materials and intermediate products.

PROTECT BIODIVERSITY

Protect biodiversity on Grifols properties through the Grifols Wildlife Program, promoting CO_2 capture

BIODIVERSITY

GRIFOLS CLAYTON WILDLIFE HABITAT AREA

Grifols has 121 hectares of diverse wildlife habitat, adjacent to the production facilities and available for Grifols employees and their families. This protected space provides adequate habitat for many aquatic and terrestrial species.

The conservation activities include the removal of invasive species, the cleaning, the maintenance of trails and favoring in some areas the implantation of native species, both animal and vegetal. Grifols participates in the Wildlife at Work and Corporate Lands for Learning programs that are certified by the Wildlife Habitat Council.

The North Carolina State University (NCSU) annually visits the property with students who conduct inventories of flora and fauna and advising to improve wildlife protection.

BESÒS RIVER BASIN IN BARCELONA

Grifols signed a collaboration agreement in 2014 with the Consortium for the Defense of the Besòs River to carry out rehabilitation actions of the Tenes river paths and a study of the biodiversity improvement in the river environments by monitoring the return of the otter.

Thanks to this collaboration agreement, several roads have been rehabilitated that allow walking, cycling or riding through the surroundings of the Tenes River, from its birth to the mouth.

Other activities carried out are informative sessions to the local communities of the area about these advances and the importance of preserving this environment. Grifols plans to renew this collaboration for the next 3 years by focusing on the study of mammals and fish in the area.

COMPLIANCE WITH 2017-2019 ENVIRONMENTAL PLAN

Grifols' 2017-2019 Environmental Program outlines its environmental goals and targets for this period. Specific action items are attached to all objectives, which are carried out in Grifols' various manufacturing facilities. The following table details the overall objectives of the 2017-2019 Environmental Program. The degree of fulfillment refers to the extent to which the objectives have been implemented.

2017 - 2019 OBJECTIVES	DEGREE OF FULFILLMENT OF OBJECTIVES (2018 OVERVIEW)	DEGREE OF FULFILLMENT OF OBJECTIVES (2019 OVERVIEW)
ENERGY		
Reduction of electrical consumption by 2.06 million kWh per year in the selected facilities	15.1%	39.0%
Reduction in electrical demand in new facilities by 6.2 million kWh per year	44.9%	65.6%
Decrease in the consumption of heat energy by 19.7 million kWh per year in specific buildings	99.4%	99.4%
Reduction in natural gas consumption in the construction of new facilities by 0.92 million kWh per year	25.3%	100% - COMPLETED
WATER		
Reduction in water consumption by 265,000 m^3 per year in specific facilities	36.0%	47.0%
WASTE		
Reduction in the volume of waste by 450 T per year in specific facilities	79.5%	100% - COMPLETED
Increase in waste recycling by 270 T per year in specific facilities	100% - COMPLETED	100% - COMPLETED
CONSUMPTION		
Reduction in the consumption of raw materials in specific facilities	16.7%	100% - COMPLETED
OTHERS		
Standardization of the environmental management system in specific facilities	78.0%	90.0%
Reduction of atmospheric gas emissions in specific facilities	38.0%	40.0%
Environmental awareness in specific facilities	100% - COMPLETED	100% - COMPLETED

NEW OBJECTIVES AND TARGETS FOR 2018

As with all of Grifols' environmental program objectives, these targets are supported by concrete metrics, human and financial resources, and deadlines.

Unfulfilled objectives were due to a variety of reasons, such as changes in the scope of certain objectives, budget reallocations, postponement of concrete actions, and transfer of others to the 2020-2022 Environmental Plan or in the framework of Grifols' commitments for 2030.

New Objectives and Targets identified in 2018		DEGREE OF FULFILLMENT OF OBJECTIVES (2019 OVERVIEW)
ENERGY		
Continuity on projects aimed to decrease electrical consumption by more than 800,000 kWh in current facilities	Increase the number of energy audits in manufacturing centers (Ireland) and subsidiaries (Germany and Italy)	100% - COMPLETED
	Decrease electrical consumption in cooling capacity systems in Bioscience Division installations (Barcelona)	
	Modeling energy consumption in air conditioning in headquarters (Barcelona)	
Projects to decrease natural gas consumption by 4.1 million kWh per year in existing facilities	Enhance efficiency of heaters and condensation recovery systems in the Bioscience Division facilities (Barcelona and Clayton)	70%
Optimization of natural gas consumption	Installation of a high-efficiency heater in the Bioscience Division's facilities in Ireland. Estimated savings of 1.12 million kWh per year compared to a conventional heater	100% - COMPLETED
WATER		
Reduce annual water consumption by 6,500 m^3	Installation of water and condensation recovery systems in Bioscience Division facilities (Clayton)	100% - COMPLETED
ATMOSPHERIC EMISSIONS		
Incorporation of new cold gas refrigerant installations with lower GWP or GWP=0 (Global Warming Potential)		100% - COMPLETED
Study on installation of solar-energy plants in Hospital Division (Murcia) and Bioscience Division (Clayton) in facilities		100% - COMPLETED

2020-2022 ENVIRONMENTAL PLAN

As a novelty in the 2020-2022 Environmental Plan, the objectives associated with the reduction of energy consumption will include a new section on atmospheric emissions, with the aim of reaching the global objective for CO_2 emissions. The following table outlines the objectives for the 2020-2022 Environmental Plan:

ATMOSPHERIC EMISSIONS	
Reduction of CO_2e emissions by approx. 23,400 tons per year by using 68 million kWh of renewable electric energy	Construction of two 100 kW and 150 kW photovoltaic plants in the facilities of the Hospital Division in Murcia (Spain)
	Purchase of 18 million kWh of renewable electrical energy per year through a PPA (Power Purchasing Agreement) for the Bioscience Division's facilities in Barcelona
	Purchase of 50 million kWh of renewable electricity per year among Grifols' different plants. Savings of 17,000 tons of CO_2
Reduction of CO_2e emissions by 6,700 tons per year by implementing eco-efficiency measures in existing facilities	Study improvements in the cooling capacity system in the Bioscience plant in Barcelona
	Increase in the electrical energy generated and useful heat produced by the cogeneration plant in the Bioscience Division facility in Barcelona (Spain)
	Installation of a new variable speed compressor in the Bioscience facility in Clayton (U.S.)
	Improvements in the compressed-air network in the Hospital Division plan in Murcia (Spain)
	Implementation of a building management system (BMS) in the Madrid (Spain) work center
	Replace refrigerant gases in refrigeration installations by others with a lower Global Warming Potential (GWP) at the Haema (Germany) and Biomat (Barcelona) facilities
	Apply eco-efficiency measures in lighting and air conditioning systems in Grifols Italy offices and warehouse
	Replace current lighting with LED in Bioscience Division's quality control building in the Los Angeles (U.S.) facility
Reduction of CO_2e emissions by 1,860 tons per year by implementing eco-efficiency measures in new plants	Reach the LEED Certification (silver/gold) measures in the new building in Sant Cugat del Vallès. Savings of 188,000 kWh per year compared to a standard building
	Reach the Green Globe certification for the new manufacturing buildings of the Bioscience Division in Clayton (U.S.). Savings of 1,800 tons of CO_2e.
	Installation of a new refrigeration plant with ammonia as a natural refrigerant gas in the Grifols international warehouse, Barcelona (Spain). Zero Global Warming Potential (GWP)
ENERGY	
Implement eco-efficiency measures in Haema (Germany) and Biomat (Spain) facilities	Perform energy audits in the Haema facilities in Germany and an energy study in the Biomat chambers in Barcelona
Apply good practices in energy efficiency in Raleigh (U.S.)	Adapt work instructions to include good practices in energy efficiency in the R+D+i building in Raleigh (RTP)

WATER	
Reduction of water consumption of 87,700 m^3 per year in existing facilities	Replace a reverse osmosis unit to treat process water with a high-efficiency unit in the Bioscience Division, Clayton (U.S.)
	Implement more efficient automated cleaning processes in specific manufacturing areas of the Bioscience and Hospital Divisions in Spain
	Implement projects to recover water from water albumin pasteurization machines in Bioscience Division facilities in the United States and Ireland
	Target to reduce water consumption at the specific site impacts by water stress, California
400 m^3 water savings by year in the new facilities	Implement measures to reduce and reuse water consumption in the new building in Sant Cugat del Vallès as part of the LEED Certification project
Explore systems for water saving in the manufacturing process and other uses	Explore saving water options for irrigation in the facilities of the Bioscience division in Los Angeles (US) and the implementation of good practices for saving water in the manufacturing facilities of Clayton (U.S.) Target to reduce water consumption at the specific site impacts by water stress, California
Reduce parameters of wastewater discharges	Expand Bioscience Division's wastewater treatment plants in Barcelona (Spain) and Clayton (U.S.) to reduce organic matter discharged
	Reduce suspended solids and nitrogen discharged into wastewater in the Clayton facility (U.S.)
WASTE	
Maintain "Zero Waste to Landfill" certification	Maintain certification in Bioscience plant in Clayton (U.S.)
Reduce quantity of generated waste to 4,700 tons per year	Expand capacity for storage and treatment of polyethylene glycol in Bioscience facilities in Barcelona (Spain)
Increase waste recycling by 500 tons per year	Install a new plastic bottle shredder and cleaning system in the Bioscience Division's Clayton (U.S.) facilities to recycle all emptied plasma bottles
Study more sustainable management solutions for 628 tons of waste in Bioscience and Diagnostic Divisions	Carry out a study to reduce 618 tons of hazardous waste in the Bioscience Division's plant in Barcelona (Spain)
	Reduce the quantity of landfilled or incinerated waste by 9.5 tons per year in the Los Angeles and Emeryville (California) plants
New hazardous waste storage in Clayton (U.S.)	Build a new hazardous waste storage for 70 capacity drums in the Bioscience Division facilities in Clayton (U.S.)
RAW MATERIAL CONSUMPTION	
Increase alcohol recycling by 76 tons per year	Increase ethanol recycling by 8% in the ethanol distillation tower of the Los Angeles manufacturing plant (U.S.)
Decrease caustic soda consumption by 28 tons per year	Implement more efficient automated for cleaning reactors and production lines in the Bioscience and Hospital Division facilities in Barcelona (Spain)
Reduce consumption of cardboard and plastic by 1.1 tons per year	Modify packaging of diagnostic products manufactured in the Diagnostic Division's facilities in Barcelona (Spain) for reducing packaging materials
OTHER	
Develop biodiversity protection programs in natural areas on Grifols' property and other areas of influence	Maintain protection, inventory and training programs and Wildlife Habitat Area certification in the natural areas of Clayton (U.S.)
	Establish collaboration agreements to protect the biodiversity of zones of influences of Grifols' plants in Barcelona
Promote the use of clean energy and good practices commuting	Install new charger for electric vehicles in the Hospital Division facilities in Murcia (Spain)
Promote sustainable construction of new buildings. LEED or Green Globe certifications	Earn Silver or Gold LEED for the new office building in Sant Cugat (Spain)
	Earn Green Globe certification in new Bioscience Division manufacturing buildings in Clayton (U.S.)

CLIMATE CHANGE: MITIGATION AND ADAPTATION

CLIMATE MANAGEMENT: RISKS AND OPPORTUNITIES

Grifols recognizes the importance of informing its interest groups on the company's climate-change impact and the measures in place to manage associated risks and opportunities. In 2019, Grifols analyzed its management of climate-related risks and opportunities following the guidelines established by the Task Force on Climate-Related Financial Disclosures (TCFD), which focus on four main areas: governance, risk management, strategy and establishment of metrics and objectives.

1 GOVERNANCE

THE SUPERVISION OF CLIMATE-RELATED RISKS AND OPPORTUNITIES IS INTEGRATED INTO GRIFOLS' CORPORATE GOVERNANCE STRUCTURE, WITH THE BOARD OF DIRECTORS ASSUMING THE GREATEST RESPONSIBILITY

The Board of Directors is responsible for approving the corporate risk policy, corporate responsibility policy and environmental policy. These integrate the management of environmental risks associated with regulatory changes and the establishment of commitments to mitigate climate risks. The Board of Directors approved this report, which includes climate-change objectives and performance markers.

The Executive Committee regularly supervises Grifols' performance with regard to the Environmental Plan, including indicators and lines of action linked to climate change. It also supervises this report, which includes information on Grifols' performance in regards to climate issues.

The Chief Industrial Officer (CIO), in addition to serving on the Executive Committee, is a member of the Environmental Committee. The CIO is responsible for regularly updating the CEOs on the company's environmental performance, including climate-change issues. The CIO also approves the Environmental Plan and the economic and human resources required to meet the objectives. In addition to approving the Grifols Energy Policy, the CIO oversees the Global Facilities Department, which is responsible for the approval of investments related to energy efficiency projects and control of energy expenditures and atmospheric emissions.

Finally, the Risk Committee, which reports to the Board of Directors, is responsible for developing the risk management model and supervising the most relevant risks, including those related to climate.

2 RISK MANAGEMENT

In 2019, Grifols adapted its system for identifying climate risks and opportunities to reflect the TCFD framework. Based on its internal risk management procedure and Task Force recommendations, the company prioritized its risks and opportunities (both physical and transitory), taking into account their probability of occurrence and financial impact on previously defined time horizons. To this end, the following physical risks and their financial impact were determined as relevant:

Relevant climate risk	Associated financial impact
Severe physical risk: Increase in frequency and severity of extreme weather events	Increase in costs due to unexpected losses due to damage to facilities Decrease in revenues due to lower production capacity (transportation difficulties or supply chain interruptions)
Chronic physical risk: Changes in weather patterns	Increase in operational costs due to variability in available resources, e.g. water scarcity

In line with its internal risk management procedure, Grifols decided to diversify its production, establish contingency and emergency plans, design facilities to withstand extreme weather events and reduce water consumption in its manufacturing processes to effectively manage these risks.

Using the same aforementioned method, Grifols defined the following opportunities as relevant and estimated their associated financial impacts:

Relevant climate opportunity	Associated financial impact
More efficient production and distribution processes	Reduction in operational costs due to lower energy and water expenditures
Circular economy	Reduction in operational costs by taking the complete life cycle into consideration
Access to new markets	Increase in revenues due to access to new and/or emerging markets
Resilience	Increase in market value through resilience and/or adaptive capacity

In order to manage these relevant opportunities, Grifols integrated eco-efficiency and circular economy objectives into its Environmental Plan 2020-2022. It also predicts access to new markets through new diagnostic solutions to address the possible emergence of new needs arising from climate change. Lastly, the company manages its resilience or adaptive capacity by continuously promoting innovation and development, including the design of high-efficiency technologies.

GRIFOLS ANALYZES AND MANAGES CLIMATE RISKS AND OPPORTUNITIES FOLLOWING THE TCFD RECOMMENDATIONS

EVALUATION BY THE CARBON DISCLOSURE PROJECT (CDP), GRIFOLS TAKES MEASURES TO REDUCE ITS ATMOSPHERIC EMISSIONS AND THEIR NEGATIVE IMPACT ON CLIMATE CHANGE

3 STRATEGY

As mentioned in the "About Grifols" section, the company's corporate strategy includes business excellence and innovation as two of its fundamental pillars. Both rely directly on climate-change objectives that are outlined in the Environmental Plan and are driven by the risk and energy policy. In this way, climate-related risks and opportunities are interweaved into Grifols' strategy and decision-making framework.

Climate risks and opportunities affect Grifols' business and financial strategy and planning, particularly in the areas of operations, products and services. For this reason, climate change is used as an input in operational cost planning and capital allocations, especially when implementing eco-efficiency measures and strategies to reduce atmospheric emissions. Grifols' Environmental Committee also considers existing and future regulatory requirements.

Since the risks determined as relevant are physical, Grifols' climate strategy also includes a qualitative analysis of future physical scenarios in Spain and the United States.

Taking into account the worst-case physical scenario provided by Spain's State Meteorology Agency (RCP 8.5 2046-2065), Grifols has a robust strategy with respect to its current management model. Nonetheless, this scenario could increase the relevance of risks in the Murcia plant, where the associated financial impact of water scarcity could rise. Grifols currently manages these risks and specifically designed the plant to enhance its water consumption efficiency. That said, the company is aware that it must pay particular attention to this region to increase its strategic resilience.

Using the World Resources Institute's risk mapping tool, WRI Aqueduct Water Risk Atlas, Grifols also considers future physical scenarios in the United States. These scenarios indicate that the variables in 2040 would not be substantially affected in North Carolina or California. As mentioned in previous yearly reports, Grifols is aware that its California plants are located in regions with high levels of water stress. As a result, it makes concerted efforts to reduce water consumption as part of a robust and resilient long-term strategy.

4 METRICS AND OBJECTIVES

Grifols continuously measures and monitors the degree of fulfillment of its environmental programs, allowing the company to mitigate its relevant physical risks and leverage transitional opportunities. These programs include both qualitative and quantitative objectives aimed at reducing atmospheric emissions (currently measured in reduction of tons of CO_2e) and decreasing water consumption to manage risks associated with water shortages. Within the framework of the European Union objective, Grifols also commits to using 70% of renewable electric energy by 2030.

In regards to the link between the remuneration policy and performance indicators, it should be noted that the Energy Manager has incentives tied to energy-efficiency improvements in Grifols' production processes. Finally, it is worth noting that the company is not subject to an emission trading scheme, nor does it have an internal carbon price.

Grifols is analyzing its areas of improvement with respect to the TCFD recommendations in its four main areas: governance, risk management strategy, metrics and objectives. That is why it plans on designing an action plan to continue improving its performance and communication initiatives on climate-related issues.

Every year, Grifols participates in the Carbon Disclosure Project (CDP), which assesses the firm's corporate strategy and performance related to climate change. The questionnaire for CDP2019 was submitted in June. In 2019, Grifols earned a "B" management rating. These results underline Grifols' efforts to effectively reduce atmospheric emissions; measure and manage their impact, risk and opportunities; and develop a solid policy and strategy to carry out steps to minimize the negative impacts of climate change.

GRIFOLS HAS REDUCED THE INTENSITY OF ITS CO_2 EMISSIONS BY 10.5% SINCE 2016

EMISSIONS

Grifols calculated its carbon footprint to identify the greenhouse gas emissions generated by its operations and their impact on climate change. Calculations follow the Greenhouse Gas Protocol (GHG Protocol) methodology, the international standard to measure and report greenhouse gas emissions.

IN ACCORDANCE WITH THIS METHODOLOGY, EMISSIONS ARE CATEGORIZED INTO THREE DISTINCT SCOPES

Globally, Grifols' efforts have allowed to reduce the intensity of its CO_2 emissions by 10.6% since 2016. Within the framework of its current environmental program, the company works to achieve its goal of reducing CO_2 emissions in 32,360 metric tons by 2022.

Total emission in 2019 was 330,521 tons of CO_2 equivalent, an 11.7% increase from the previous year. This increase stems mainly from higher electricity consumption associated with the integration of nearly 40 plasma donation centers (Bioscience Division) in the U.S. and Germany, which caused an rise in all consumption indicators associated with this division and these countries. The expansion in the plasma-donation network had similar repercussions in other aspects such as daily commutes or waste generation.

On the other hand, despite the reduction in electricity consumption in the Bioscience Division's facilities in Spain, the emission factor associated with the distribution company's electricity mix led to higher levels of carbon dioxide emissions with respect to the previous year.

A table is included at the end of this chapter which summarizes the scopes based on the GHG methodology.

Refrigerant gas leaks rose by 11% compared to 2018 as a result of a greater number of plasma centers in the U.S. and Germany, whose freezers for collected plasma require refrigerant gases. For this reason, the 2020-2022 Environmental Plan includes specific objectives to replace the Bioscience Division's current refrigerant installations in Spain and Germany with systems whose refrigerant gas has a lower or zero Global Warning Potential (GWP), depending on the equipment.

Additional energy-related objectives in the upcoming plan include the implementation of a photovoltaic plant in the Hospital Division's facilities in Murcia (Spain) and the purchase of 18 million kWh in 2021 through Power Purchase Agreements.

Atmospheric emissions of other pollutants such as NOx, CO and SO_2 are generated by the combustion of natural gas in Grifols' production facilities, as well as by the fuel used in the generators. The emissions of these compounds in its production plants are below the limits established by the corresponding environmental authorities.

INITIATIVES THAT REDUCE EMISSIONS

LIMITING AIR TRAVEL

Grifols is cutting back on air travel to reduce the environmental footprint caused by aircraft emissions. Despite its growing employee base, the company's air travel only increased by 5.5% compared to 2018. The company is committed to using video conferencing, which increased by 115% during 2015-2018, and other online collaborations to decrease its frequency of air travel.

GRIFOLS OFFSETS THE ENVIRONMENTAL FOOTPRINT OF ITS BUSINESS TRAVEL

Grifols signed an agreement with Air France, KLM and Delta Airlines to offset its travel-related carbon footprint. This accord – a groundbreaking initiative for a company in the healthcare sector – is important given the global reach of Grifols' production, industrial and commercial operations. As part of this commitment, CO_2 emissions generated by employee travel via these airlines are calculated and offset by projects aimed at mitigating CO_2 emissions, such as reforestation efforts and the generation of renewable energy.

As a result of this agreement, accredited by the Gold Standard Global Goals, in 2019 1,500 tons of CO_2 were offset in a reforestation project in Panama. The company plans on rolling out similar agreements with other airlines in the coming years.

Grifols also launched an initiative to offset CO_2 emissions generated by corporate car rentals. Grifols Viajes joined several sustainability programs in collaboration with Enterprise Rent-a-Car. In 2019, 369 tons of CO_2 emissions were offset in projects to reduce greenhouse gas emissions, including the capture of gases generated by landfills, agricultural energy, clean energy and forest-management projects.

DRIVING BIODIVERSITY THROUGH GRIFOLS WILDLIFE

The Grifols Wildlife program has continued its efforts to promote biodiversity to help mitigate the effects of global warming and encourage absorption of CO_2. Highlights in 2019 included the installation of bat houses, the extension of a network of trails and the construction of four bridges made out of recycled plastic from Grifols' empty plasma bottles. The setting for these projects was the natural area in Clayton, where the company owns more than 121 hectares of forest certified by Wildlife at Work and Corporate Lands for Learning, an initiative of the Wildlife Habitat Council.

SUSTAINABLE RESOURCE MANAGEMENT

WATER CYCLE

GRIFOLS' WATER CONSUMPTION DECREASED 4% IN AN ENVIRONMENT OF INDUSTRIAL ACTIVITY GROWTH

WATER SAVINGS MEASURES IMPLEMENTED IN 75% OF MANUFACTURING FACILITIES REPRESENTED MORE THAN 95% OF THEIR PRODUCTION

WATER CONSUMPTION

Grifols operates in geographic areas prone to water shortages. As a result, the company applies water-saving measures when designing new facilities and modifies existing facilities to reduce water consumption. These measures include recovering water used in production processes for auxiliary purposes and reducing the amount of water used to clean reactors through automated CIP cleaning systems.

As a result, the company is able to rationalize its water consumption while expanding its industrial activity. Grifols established water-saving measures at 75% of its manufacturing facilities, representing more than 95% of their production.

Grifols reported 3,185,460 m^3 in total water consumption in 2019, 4% less than in 2018. The Bioscience Division, which represents close to 80% of Grifols' total revenues, decreased its water consumption by 6.4% despite a 9.8% increase in production output. This significant downturn stems from the roll-out of several water-saving initiatives, such as the replacement of several reverse osmosis units. On the other hand, the Hospital Division increased its consumption due mainly to an increase in production shifts in its Murcia plant compared to 2018.

In 2019, more than 80% of water consumption occurred in non-water-stressed regions, thus 18.2% of water consumption occurred in water-stressed regions. The Bioscience Division maintained similar levels compared to the previous year. The Diagnostic Division reduced its levels as a result of consolidating the production of the Emeryville plant to a single, more energy-efficient building.

In terms of water sources, 89% of the water consumed came from water mains and 11% from wells located in the Barcelona production facilities.

WASTEWATER / DISCHARGES

Grifols complies with all applicable legislation and authorizations regarding the elimination of wastewater in all of its installations. Wastewater is purified in proprietary or municipal treatment systems and discharged into the public sewage system. In 2019, 2.18 million of m^3 of wastewater was discharged into the public sewage system, which represents a decrease of 17.4% in relation to 2.64 million of m^3 of the previous year. Of the water consumed, 68.4% (79.7% in 2018) became wastewater and the remaining 31.6% (20.3% in 2018) was used in auxiliary processes that do not generate industrial discharge, such as the cooling towers or incorporated into the product during the manufacturing process. The Bioscience Division's facilities in Barcelona and Clayton treat wastewater in-house with biological systems prior to discharge.

With regard to the distribution of discharges in water-stressed regions, there were no significant variations in the Bioscience Division compared to 2018. This level improved in the Diagnostic Division as a result of consolidating its manufacturing operations into a single, more energy-efficient facility.

ENERGY CONSUMPTION

70% OF THE ELECTRICITY CONSUMED BY GRIFOLS WILL COME FROM RENEWABLE SOURCES IN 2030

COGENERATION TIME INCREASES 22%, CONTRIBUTING TO MORE ELECTRICAL ENERGY GENERATION AND USEFUL HEAT RECOVERY

ELECTRICITY

In 2019, electricity consumption compared to sales represented an energy intensity of 166,219 kWh kWh / €M. This means a 5.6% of reduction compared to 2018 (175,995 kWh / €M). Grifols includes in its current environmental program the use of 68 million kWh of renewable electricity to support the company's objective of reducing CO_2 emissions by 23,400 tons per year.

In 2019, Grifols consumed a total of 409.3 million kWh, compared to 384.0 million kWh in 2018. The Bioscience Division represented 86% of Grifols' total electricity consumption. This increase in absolute values stems from the expansion of Grifols' plasma donation network in the U.S. and Germany as part of its acquisition strategy to increase its access to plasma. Similarly, production output increased in the division's three plants (Barcelona, Los Angeles and Clayton), while electrical consumption grew at lower rates. Moreover, the Ireland plant expanded its number of manufacturing lines and also increased its production output in existing lines.

The Diagnostic Division's electricity usage was 32.7 million kWh, 5% less than in 2018. The Hospital Division accounts for the remaining 3.8% of the total electricity consumed. Its energy consumption in absolute values was 15.7 million kWh, a 4% decrease compared to the previous year as a result of the decision to relocate most of the division's production to a more energy-efficient facility in Murcia.

In terms of electricity consumption by region, the U.S. has the highest levels since this is where several production facilities and 95% of Grifols' plasma centers are located.

Spain, Ireland and the U.S. collectively consumed 8,283,035 kWh in renewable energy.

In the Bioscience Division's production facilities, the increase in production output exceeded the increase in electrical consumption.

NATURAL GAS

Natural gas consumption in 2019 was 438.2 million kWh, 8% higher than that consumed in 2018. The Bioscience Division accounts for 88.6% (86.5% in 2018) of this total. Of this, 29.5% comes from its cogeneration plant in Spain, whose production increased by 22% in 2019.

The Diagnostic Division decreased its consumption of natural gas by 4.8%, while consumption in the Hospital Division increased by 15% over 2018 due to an increase in production shifts in the Murcia plant.

By region, Spain and the United States – where most of the Bioscience Division's manufacturing activities are located – accounted for the majority of Grifols' electricity and natural gas consumption.

OTHER FUELS

Although to a lesser extent than natural gas, the Bioscience Division also consumes other fuels such as diesel, gasoline and propane for its power generators, equipment and its vehicles. The division consumed 4,951 MWh in 2019, a 35.8% decline compared to 2018 due to efforts made in the U.S. plant to reduce diesel consumption in favor of natural gas.

COGENERATION

The Bioscience Division's installations in Barcelona are equipped with a 6.1 MW cogeneration plant. This plant generates electricity which is sold back to the grid, as well as useful heat utilized in Grifols' own facilities. In 2019, the electricity sold to the grid amounted to 40,567 MW and the cogeneration plant led to a primary energy saving (PES) of 13.9% and a reduction in CO_2 emissions of 3,363 tons compared to emissions generated by conventional plants.

In 2019, cogeneration time increased by more than 23%, significantly boosting the production of electrical energy and recovery of useful heat.

CONSUMPTION OF RAW MATERIALS

PLASMA IS THE MAIN RAW MATERIAL USED IN GRIFOLS' MANUFACTURING FACILITIES

Sustainable consumption and production require promoting the efficient use of energy and resources.

Plasma is the main raw material consumed by the Bioscience Division whereas ethanol, polyethylene glycol and sorbitol, among other materials, are used during the fractionation and purification processes of different plasma proteins.

In 2019, Grifols fractionated more than 11 million liters of plasma, a process that entails extracting proteins that have therapeutic properties for use in Grifols' products. During fractionation, plasma is subjected to different variations of temperature, pH and alcohol concentration (ethanol) levels. Each adjustment facilitates the precipitation of one of these proteins. Once all of the therapeutic proteins have been extracted from the plasma, the remaining solids are discarded. Although waste-management practices vary depending on the product and region in question, these solids may be discharged to controlled landfills for non-hazardous waste, facilities dedicated to the manufacture of substitute solid fuel (for cases when the pulp has a certain calorific value), anaerobic digestion or autoclave management.

On the other hand, plasma not suitable for fractionation is managed through authorized incineration plants. In relation to other raw materials, 72.5% (70.8% in 2018) of ethanol consumed was recovered in distillation towers and reutilized in Grifols' installations.

Plastic is the main raw material used by the Diagnostic Division to manufacture DG Gel® diagnostic cards. In addition, it is used for base panels in machines (39,144 units in 2019) and red-blood-cell reagents in diagnostic kits (234,382 liters en 2019). PVC is also used to manufacture storage and collection bags for blood components.

In 2019, polypropylene used to manufacture bags for intravenous solutions was the primary raw material consumed by the Hospital Division. Its other raw materials are used to produce saline solutions, glucose solutions and packaging.

WASTE

Whenever possible, Grifols' waste management strategy prioritizes preventing and reducing waste and encourages recovery as alternatives to landfills or incineration. IIn 2019, the volume of waste intended for reuse and recycling treatments amounted to 10,986 metric tons, which represents 24% of the total generated waste. Grifols continues to strengthen its commitment to waste management treatments by recycling initiatives, anaerobic digestion and energy recovery. The company aims to increase its waste recycling by 500 tons more per year.

In 2019, Grifols generated a total of 45,834 metric tons of waste, an 11% increase over 2018. The most significant change was in the Bioscience Division due to the expansion of the plasma-donation network, which, above all, contributes to generating general trash and biohazardous waste. The volume of waste recovered reached 17,939 metric tons, which represents 39% of the total waste generated.

The most significant increase took place in the United States, where most of Grifols' plasma-donation centers are located. Levels also increased in the rest of the world (RoW) upon incorporating new centers in Germany.

Grifols participates in various waste management programs. These include ECOASIMELEC in Spain, which oversees the handling and recycling of electric and electronic equipment; Recycla in Chile, which supervises the collection and recycling of electric and electronic equipment; and several collaborations with Bioscience Division suppliers in North Carolina to recycle the products they provide.

Grifols diverts 99% of the waste generated at its Clayton facilities – a total of 10,488 tons per year – from landfills. In 2019, Grifols hosted the first recycling summit in North Carolina to gather representatives from both the private and public sectors to jointly find solutions for the environment.

MEDICATION WASTE MANAGEMENT

Most of Grifols' products are utilized in hospital environments, which apply recycling and waste-management criteria specific to each center. Grifols products intended for home use are dispensed in pharmacies by home care companies or hospital suppliers. Each of these entities has its own procedures regarding the safe collection and disposal of self-injectable devices.

Grifols also takes part in various drug waste-management programs. In Spain, it participates in SIGRE, an integrated system for the management and recycling of medicines and packaging. In the U.S., Grifols is a member of the Pharmaceutical Product Stewardship Work Group (PPSWG), an association of major manufacturers of prescription and over-the-counter medicines formed to address household disposal regulations. PPSWG offers members a platform to organize and present science-based data on safe pharmaceutical disposal practices. It also leads industry efforts to raise awareness on proper disposal methods and incorporate new waste-disposal legislation.

For cases in which Grifols medications are not marketable, the company employs waste handlers who separate the packaging from the medicines and classify them by material (paper, cardboard, glass, plastics, etc.) for subsequent recycling by companies specialized in each material. The medicine is disposed of through an authorized waste handlers. Other methods used by contracted waste handlers are incineration and incineration with energy recovery.

GRIFOLS PRIORITIZES THE REVALUATION OF WASTE, AND DIVERTS 99% OF THE WASTE GENERATED IN ITS CLAYTON FACILITIES FROM LANDFILLS

TABLES

ENVIRONMENTAL COSTS

EXPENSES			
Thousands of euros	2019	2018	2017
Waste management	14,191.0	11,419.2	9,621.9
Water cycle	5,099.5	3,718.2	3,636.6
Reducing atmospheric emissions, energy	94.1	74.2	54.7
Others	489.9	290.3	241.1
TOTAL	**19,874.5**	**15,501.9**	**13,554.3**

ENVIRONMENTAL INVESTMENTS

INVESTMENTS			
Thousands of euros	2019	2018	2017*
Waste management	130.1	52.6	420.8
Water cycle	630.2	2,084.6	4,002.2
Reducing atmospheric emissions, energy	515.0	121.5	3,723.6
Others	601.0	474.0	347.9
TOTAL	**1,876.3**	**2,732.7**	**8,494.5**

* The difference compared to previous years derives from a change in accounting criteria for this type of investment. Previously, only the portion of the project carried out during the year was listed for accounting purposes; starting in 2018, the entire investment is recorded in the year the project is finalized.

EMISSIONS

TOTAL EMISSIONS BY ORIGIN			
T CO_2e	2019	2018	2017
Scope 1	**112,564**	**98,043**	**103,045**
Natural Gas	79,833	75,556	71,344
Fugitive Emissions	31,057	19,975	29,513
Other fuel (Gasoline, diesesl and propane)	1,674	2,512	2,188
Scope 2	**131,442**	**120,493**	**112,481**
Electricity	131,442	120,493	112,481
Scope 3	**86,515**	**77,388**	**79,155**
Employee Commuting	50,211	40,076	40,070
Business Travel	11,343	12,535	16,788
Waste Management	17,056	16,112	15,338
Container Transportation	7,905	8,665	6,959
TOTAL	**330,521**	**295,924**	**294,681**

TOTAL EMISSIONS				
%	2019	Spain	U.S.	Rest of the world
Scope 1	112,564.3	31.5%	63.4%	5.1%
Scope 2	131,441.7	12.1%	84.0%	3.8%
Scope 3	86,515.4	16.1%	77.1%	6.8%

REFRIGERANT GAS LEAKS			
Absolute value, T	2019	2018	2017
HCFC (T)	1.19	0.34	0.28
HFC (T)	5.60	5.75	7.93
Others (T)	0.00	0.01	0.01

EMISSIONS			
Absolute value, T	2019	2018	2017
NOx (T)	59.07	66.51	68.30
CO_2 (T)	59.53	58.47	58.50
SO_2 (T)	0.44	1.44	1.20

NOx EMISSIONS INTENSITY			
T/NOx/million of euros	2019	2018	2017
Total Grifols	0.01	0.01	0.02

CO EMISSIONS INTENSITY			
T/CO/million of euros	2019	2018	2017
Total Grifols	0.01	0.01	0.01

SO_2 EMISSIONS INTENSITY			
T/SO_2/million of euros	2019	2018	2017
Total Grifols	0.00	0.00	0.00

CO_2e EMISSIONS INTENSITY			
T/CO_2e/million of euros	2019	2018	2017
Total Grifols	64.8	66.6	69.3

SUSTAINABLE RESOURCE MANAGEMENT

WATER CYCLE

BY DIVISION			
m^3	2019	2018	2017
Bioscience	2,784,960	2,974,699	2,893,576
Diagnostic	167,039	177,106	202,039
Hospital	209,420	168,578	167,401
Bio Supplies	20,819	-	-
TOTAL	**3,182,238**	**3,320,383**	**3,263,016**
Other	3,222	1,186	-
TOTAL	**3,185,460**	**3,321,569**	**3,263,016**

VALUE RELATIVE TO PRODUCTION			
m^3/Production index	2019	2018	2017
Bioscience*	0.058	0.068	0.068
Diagnostic**	227.7	252.2	275.8
Hospital***	0.009	0.007	0.008
Bio Supplies **	78.108	-	-

Production index: * liters of plasma: fractionated+ equivalent ** sales *** liters dosed and filed

VALUE RELATIVE TO SALES			
m^3/million of euros	2019	2018	2017
Bioscience	697	846	844
Diagnostic	228	252	276
Hospital	1,558	1,411	1,585
Bio Supplies	78	-	-
Other	141	-	-
TOTAL	**624.8**	**770.3**	**755.7**

BY COUNTRY

m^3	2019	2018	2017
Spain	916,778	861,075	814,584
U.S.	2,215,723	2,434,000	2,411,806
Rest of the world	52,959	26,494	36,626
TOTAL	**3,185,460**	**3,321,569**	**3,263,016**

BY SOURCE AND WATER-STRESSED REGIONS

	2019	Total	By source		% of consumption in water-stressed regions*
			Groundwater	Third-party water	
Water consumption (m^3)	Bioscience	2,784,960	235,534	2.549.426	16.6%
	Diagnostic	167,039		167.039	68.8%
	Hospital	209,420	111,125	98.295	0.0%
	Bio Supplies	20,819		20.819	0.1%
	Other	3,222		3.222	0.0%
TOTAL		**3,185,460**	**346,659**	**2,838,801**	**18.2%**

*Areas with high and extremely high risk according to World Resources Institute

WASTEWATER

WASTEWATER DISCHARGED BY SOURCE AND STRESS AREAS

	2019	By destination	By treatment		By region
		Total (Public sewer system)	No internal treatment*	Biological systems prior to discharge**	% of discharged on water-stressed regions***
Water discharged (m^3)	Bioscience	1,910,350	900,128	1,010,222	13.5%
	Diagnostic	109,413	109,413		67.6%
	Hospital	138,174	138,174		0.0%
	Bio Supplies	20,779	20,779		0.1%
	Other	1,623	1,623		0.0%
TOTAL		**2,180,339**	**1,170,117**	**1,010,222**	**14.6%**

* Wastewater discharged into the sewer system with subsequent treatment of municipal services
** Internal pretreatment processes
*** Areas with high and extremely high risk according to World Resources Institute

ELECTRICITY

BY DIVISION

kWh	2019	2018	2017
Bioscience	351,397,467	333,293,034	305,509,272
Diagnostic	32,741,087	34,367,035	32,816,148
Hospital	15,690,577	16,380,793	15,296,445
Bio Supplies	9,275,108	-	-
TOTAL	**409,104,239**	**384,040,862**	**353,621,865**
Other	226,747	6,716	-
TOTAL	**409,330,986**	**384,047,578**	**353,621,865**

BY COUNTRY

kWh	2019	2018	2017
Spain	87,807,905	89,577,371	86,097,839
U.S.	304,578,749	281,689,624	259,779,306
Rest of the world	16,944,332	12,780,583	7,744,720
TOTAL	**409,330,986**	**384,047,578**	**353,621,865**

VALUE RELATIVE TO SALES

kWh/millions of euros	2019	2018	2017
Bioscience	87,993	94,774	89,076
Diagnostic	44,631	48,937	44,808
Hospital	116,711	137,131	144,786
Bio Supplies	34,798	-	-
Other	9,936	-	-
TOTAL	**80,282**	**85,596**	**81,893**

VALUE RELATIVE TO PRODUCTION

kWh/Production index	2019	2018	2017
Bioscience*	7,34	7,65	7,21
Diagnostic**	44,630,52	48,937,42	44,808,00
Hospital***	0,68	0,66	0,71
Bio Supplies **	34,798,18	-	-

Production index: * liters of plasma: fractionated+ equivalent ** sales *** liters dosed and filed

NATURAL GAS

BY DIVISION			
kWh	2019	2018	2017
Bioscience	388,359,652	358,704,138	342,916,221
Diagnostic	24,809,400	26,052,844	28,247,569
Hospital	24,019,915	20,886,079	20,451,580
Bio Supplies	1,028,809	-	-
TOTAL	**438,217,776**	**405,643,061**	**391,615,370**

BY COUNTRY			
kWh	2019	2018	2017
Spain	176,214,583	158,062,145	154,056,817
U.S.*	261,524,254	247,161,414	237,076,751
Rest of the world	478,939	419,502	481,802
TOTAL	**438,217,776**	**405,643,061**	**391,617,387**

* Cogeneration plant natural gas consumption is included in Spain totals.

VALUE RELATIVE TO SALES			
kWh/million of euros	2019	2018	2017
Bioscience	97,249	102,000	99,982
Diagnostic	33,819	37,098	38,570
Hospital	178,666	174,846	193,580
Bio Supplies	3,860	-	-
TOTAL	**85,947**	**90,410**	**90,692**

VALUE RELATIVE TO PRODUCTION			
kWh/Production index	2019	2018	2017
Bioscience*	8.1	8.2	8.1
Diagnostic**	33,818.5	37,098.3	38,570.1
Hospital***	1.0	0.8	1.0
Bio Supplies **	3,859,9	-	-

Production index: * liters of plasma: fractionated+ equivalent ** sales *** liters dosed and filed

TOTAL ENERGY CONSUMPTION RELATIVE TO SALES

CONSUMPTION VALUE RELATIVE TO SALES			
kWh/million of euros	2019	2018	2017
Bioscience	186,482.06	198,968.05	191,184.35
Diagnostic	78,449.09	86,035.73	83,378.35
Hospital	295,377.06	311,976.76	338,365.96
Bio Supplies	38,658.05	-	-
Other	9,936.33	299.14	-
TOTAL	**167,199.45**	**177,726.43**	**174,274.09**

COGENERATION PLANT

COGENERATION FIGURES			
Cogeneration	2019	2018	2017
Natural gas consumed (kwh)	114,823,979	89,417,050	85,979,380
Total electricity generated (kwh)	40,567,330	32,984,680	35,024,990
Useful heat recovered (kwh)	30,827,760	25,266,980	23,134,790
Global output	69.4%	71.6%	68.0%
Primary energy saving (pes)	13.9%	17.6%	17.0%
CO_2 emissions (t)	20,898	16,315	15,612
CO_2 emissions savings (t)	3,363	3,492	3,277

Emissions savings have been calculated following the basis of the European Union Emission Trading Scheme EU ETS.

MAIN MATERIALS

BIOSCIENCE MAIN MATERIALS CONSUMED			
Absolute value (T)	2019	2018	2017
Sorbitol	1,891	1,994	1,420
Ethanol	3,303	2,781	2,953
Polyethylene glycol	2,088	2,245	1,914
Glass packaging	292	325	262
Total	**7,574**	**7,345**	**6,549**

DIAGNOSTIC MAIN MATERIALS CONSUMED

Absolute value (T)	2019	2018	2017
Circuit boards (units)	39,144	31,991	30,115
PP Plastic Cards	264.6	248	177
Glass packaging	22.6	20	17
Plastic reagent packaging	18	23	22
Red cell reagents (liters)	234,382	274,034	249,205
PVC pellets, flat tubes and sheets	463	573	429

HOSPITAL MAIN MATERIALS CONSUMED

Absolute value (T)	2019	2018	2017
PP, pellets	798	618	522
Glucose	192	206	254
Sodium chloride	246	212	176
Glass packaging	930	800	1,117
Total	**2,166**	**1,836**	**2,069**

WASTE

GENERATED WASTE BY TYPE AND DISPOSAL METHOD

T	TREATMENT	2019	2018	2017
Total weight of hazardous waste (T)	Energy recovery and by-products	2,652	2,093	1,707
	Reused and recycled	3,088	2,963	2,706
	Disposed of	6,194	5,007	4,275
Total weight of non-hazardous waste (T)	Energy recovery and by-products	4,093	4,762	5,138
	Composted	208	50	29
	Reused and recycled	7,898	7,402	5,494
	Other	0	0*	0*
	Disposed of	21,701	18,947	15,974
Other (non-hazardous/ hazardous waste) (T)	Disposed of	0	0*	2,648
Total		**45,834**	**41,224**	**37,971**

* Waste classified as "Others" in prior years has been allocated to other categories.

TOTAL RELATIVE VALUE

T/million of euros	TREATMENT	2019	2018	2017
Total weight of hazardous waste	Energy recovery and by-products	0.52	0.47	0.40
	Reused and recycled	0.61	0.66	0.63
	Disposed of	1.21	1.12	0.99
Total weight of non-hazardous waste	Energy recovery and by-products	0.80	1.06	1.19
	Composted	0.04	0.01	0.01
	Reused and recycled	1.55	1.65	1.27
	Other	0.00	0.00	0.00
	Disposed of	4.26	4.22	3.70
Other (non-hazardous/hazardous waste)	Disposed of	0.00	0*	0.61
Total		**8.99**	**9.19**	**8.79**

* Waste classified as "Others" in prior years has been allocated to other categories.

ABSOLUTE VALUE BY DIVISION

T	2019	2018	2017
Bioscience	41,906	38,909	36,233
Diagnostic	833	810	762
Hospital	1,219	1,505	976
Bio Supplies	1,790		
Other	86	0	
Total	**45,834**	**41,224**	**37,971**

ABSOLUTE VALUE BY COUNTRY

T	2019	2018	2017
Spain	5,888	6,237	5,180
U.S.	38,556	34,148	32,313
Rest of the world	1,390	839	478
TOTAL	**45,834**	**41,224**	**37,971**

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ABOUT THIS REPORT

THIS REPORT FORMS PART OF OUR COMMITMENT TO TRANSPARENCY AND IT COMPILES BOTH FINANCIAL AND NON-FINANCIAL INFORMATION STATEMENTS

WE ANNUALLY EVALUATE OUR ACTIONS AS A WAY TO MOVE FORWARD IN OUR PERFORMANCE. THE INFORMATION CONTAINED IN THIS REPORT

FINANCIAL INFORMATION 2019 AUDITED BY EXTERNAL AUDITORS

NON-FINANCIAL INFORMATION IN ACCORDANCE WITH GRI STANDARDS

102-46

ABOUT THIS REPORT

In its commitment to transparency and efficiency, Grifols has prepared a Consolidated Director's Report based on the recommendations contained in the "International Integrated Reporting Framework" of the International Integrated Reporting Council (IIRC) and the "International Integrated Reporting Council (IIRC), the "Guidelines for Preparation of the Listed Company Management Reports" of the Spanish National Securities Market Commission. This Consolidated Director's Report presents Group's financial and non-financial information which complies with the provisions of current regulations[1].

This report also includes the Statement of Non-Financial Information (see Annex I "Index of context required by Law 11/2018, of December 28, regarding non-financial information and diversity") also presents the impact of its business on environmental and social issues, as well as on workforce, on human rights and the fight against corruption and bribery, including any measures that may have been adopted to support the principle of equality and opportunity among men and women, non-discrimination and inclusion of the disabled and universal accessibility.

This report has been prepared in accordance with the GRI Standards: Core option. Annex II "GRI content Index" contains a list of the GRI standards, with references to the standards that are included throughout the report, together with the additional information required by Law 11/2018.

In addition, this report shows Grifols' commitment in relation to its contribution to the Sustainable Development Goals. Annex III "Index of Grifols' contribution to the SDGs" contains the list of the SDGs to which it contributes, as well as a detail of the main contributions made in 2019.

The financial information presented in this report, unless expressly stated to the contrary, was prepared in accordance with the Group's reporting model and should be read jointly with the 2019 Consolidated Financial Statements, which have been subject to an external audit. Some of the financial indicators and ratios are classified as Alternative Performance Metrics (APMs) in accordance with European Securities Markets Authority (ESMA) guidelines. Annex IV, "Non-GAAP Measures Reconciliation", includes the reconciliation between the adjusted figures and those corresponding to IFRS-EU financial information.

1. Among others, the Spanish Code of Commerce, the Consolidated Text of the Spanish Companies Act and Law 11/2018 (28 December), which amends the Code of Commerce, the Spanish Companies Act and the Audit Act with respect to non-financial and diversity information, and transposes Directive 2014/95/ EU regarding the disclosure of non-financial information into Spanish Law.

BASES FOR THE PREPARATION OF THE NON-FINANCIAL INFORMATION STATEMENT

In compliance with Law 11/2018, of December 28, regarding non-financial information and diversity, Grifols includes its Non-Financial Information Statement (EINF, for its initials in Spanish) in the Consolidated Director's Report for the period January 1 to December 31, 2019 as a separate document from the consolidated annual accounts. This report is public and can be consulted on the corporate website www.grifols.com.

Grifols performs an annual materiality analysis to identify the most relevant non-financial risks and issues which could impact its stakeholders. As detailed in Annex I "Index of context required by Law 11/2018, of December 28, regarding non-financial information and diversity", the EINF has been prepared taking into account the standards of the Global Reporting Initiative (GRI). For this, Grifols has defined its content taking into account the inclusion of stakeholders, the context of sustainability and the principles of materiality and completeness.

102-43, 102-46, 102-49

SCOPE OF THIS REPORT

This report covers the period from January 1 to December 31, 2019, corresponding with Grifols' fiscal year. In sections with historical data, figures appear from the last three years (2017-2019), classified by Grifols' four main divisions (Bioscience, Hospital, Diagnostics and Bio Supplies) and regions.

For the purposes of this report, Grifols S.A. and its subsidiaries will be considered "Grifols". The information contained herein includes all subsidiaries. A list of Grifols subsidiaries is available in Appendix I in the Consolidated Financial Statements.

Financial information included in this report comes from the Consolidated Financial Statements of the fiscal year ending on December 31, 2019.

The report addresses the entirety of Grifols' operations, ranging from procurement (including plasma collection) and manufacturing processes to commercial subsidiaries, taking into consideration the following points:

- Due to the complexity and global distribution of Grifols' business operations, the scope of some of the non-financial indicators may differ from the established standard. In cases in which reported indicators have exceptions to the scope, these have been adequately identified.

- The indicators contained herein were compiled by Grifols. The procedure used to obtain information ensures methodological rigor and historical comparisons.

Chapter 8: Environment and Climate Change
– The data provided by Grifols in this section represents both its production and commercial activity, except for the commercial subsidiaries with less than 10 employees.
– Since most of Grifols' manufacturing facilities are based in the U.S. and Spain, the environmental information included in this section is classified by division and region: U.S., Spain and Rest of the World (ROW).

Chapter 6: Our people
– Grifols has included figures from the past two years and classified them by gender (male, female), age and region (North America, Europe and ROW) in all cases where historical figures are available. North America includes the U.S. and Canada, while Europe includes the Czech Republic, France, Germany, Ireland, Italy, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom.
– The calculation of the accident rates includes the most significant facilities, excluding investees dedicated to research initiatives.

PRINCIPLES

This report has been prepared in accordance with the GRI Standards: Core option.

Grifols defined the content of this report using GRI standards:

Stakeholder inclusiveness: Grifols maintains an ongoing dialogue with its stakeholders. The group is able to effectively address their expectations and interests by anticipating their needs.

Context of sustainability: Grifols aspire to contribute to economic, environmental and social progress on local, regional and global levels. Its 2019 performance is contextualized within its countries of operation.

Materiality: This report features the corporate issues that had the greatest economic, environmental and social impact, as well as those that could significantly shape stakeholder decisions and opinions.

Completeness: The topics highlighted in this report adequately reflect the group's most significant social, economic and environmental impacts, and allow stakeholders to assess their effectiveness throughout the 2019 fiscal year.

STAKEHOLDERS RELATIONS

Deeply aware of the vital role that stakeholders play in its success, Grifols has several communication channels in place in order to ensure an open and fluid dialogue and stay abreast of their needs and expectations. This report serves as yet another platform to offer information to stakeholders in a clear, concise and ethical manner.

Grifols uses a variety of communication channels to interact with its stakeholder groups, including its corporate website. The following table resumes the main platform:

	Stakeholders	Communication Channels
	**Patients, patient organizations**	Grifols has open lines for on-going communications (email, phone calls). It organizes monthly calls with patient organizations to discuss key updates, topics and events.
	**Plasma donors**	Grifols provides information to plasma donors through its website, educational videos and other communication channels. Donors can communicate with Grifols through plasma collection centers and the website.
	**Customers**	Grifols engages with customers (public and private; wholesalers, distributors, group purchasing organizations (GPOs), blood banks, hospitals and care institutions, National Health Systems) to provide clear and honest information about all of our products.
	**Regulatory bodies**	Grifols uses formal channels when engaging with regulatory bodies such as the FDA, EMA and AEMPS and others, for matters related to clinical trials, plasma donation center authorizations, validation of production facilities and other authorizations regarding the commercialization of therapeutic treatments, including new drugs, indications.
	**Suppliers (non-plasma materials)**	Formal communication channels are used during certification processes, assessments and audits. For daily operations, informal channels are also used.
	**Financial community**	As appropriate, Grifols discloses material information in compliance with regulations of stock exchanges where the company is listed (CNMV, SEC, NASDAQ, ISE, etc.) and uses the suitable channel for each case. Grifols communicates with all of its shareholders, investors, analysts and other stakeholders by organizing and attending meetings, including General Shareholders Meetings, work meetings, conference calls and roadshows. Furthermore, Grifols publishes an annual report and quarterly earnings releases, and press releases on the Grifols corporate website and makes them available through distribution lists when necessary. Grifols hosts an annual capital-markets day designed specifically for investors and analysts that features more in-depth management presentations.
	**Employees**	Grifols maintains a continuously updated intranet site for employees, and has a screen system in their facilities that displays information of general interest for its employees. It also publishes an in-house magazine (Revista GO) and organizes biannual meetings, as well as engaging in informal day-to-day communications with employees. Meetings with the employees' legal representatives are also regularly held.
	**Local community & NGOs**	Grifols works collaboratively and in partnership with numerous NGOs through its foundations and directly and supports a range of community initiatives in locations where the company operates.
	**Media**	Grifols maintains clear and transparent communications with journalists and other media representatives. The company publishes press releases to announce important events like quarterly and annual results, organizes regular visits to manufacturing facilities and hosts an annual meeting with journalists (Annual Press Day).
	**Scientific community, research partners**	Collaboration with research partners and other scientific institutions is essential to the ongoing innovation of Grifols products and processes. Activities with the scientific community include involvement in R+D+i projects, investments and partnerships.
	**Institutional bodies**	Institutional bodies, trade groups and other professional organizations are engaged in both formal and informal channels to organize forums, congresses and other business-related meetings.

102-40, 102-42

MATERIALITY

On an annual basis, Grifols conducts a materiality study in order to identify the most relevant matters for its stakeholders, as well as those that have the greatest impact on its business.

This study allows the company to know the importance of matters related to the business strategy, identify the expectations and needs of the interested parties and specify the planning for accountability. It combines the internal vision of the different businesses and the external vision of the stakeholders, applying the "Reporting Principles for defining report content" of Global Reporting Initiative (GRI) in accordance to the GRI 101: Foundation Standard.

TOPICS IDENTIFICATION

The Materiality Analysis 2019 implies an update of the topics identified in the previous exercise, using information sources of reference for Grifols. Among them, to be noted:

- the sectoral materiality of Sustainability Accounting Standards Board (SASB) for the "Biotechnology and Pharmaceuticals" and "Medical Equipment and Supplies" industries,
- the issues highlighted as relevant by RobecoSAM in the "Biotechnology", "Health Care Equipment & Supplies" and "Pharmaceuticals" sectors,
- and the latest Global Risk Report 2019 report published by the World Economic Forum.

All these sources allow the identification of issues relevant to Grifols' strategy and its stakeholders.

VALIDATION

The resulting matrix has been validated by those responsible for sustainability of Grifols, contrasting the consistency of the valuations granted in the previous phase.

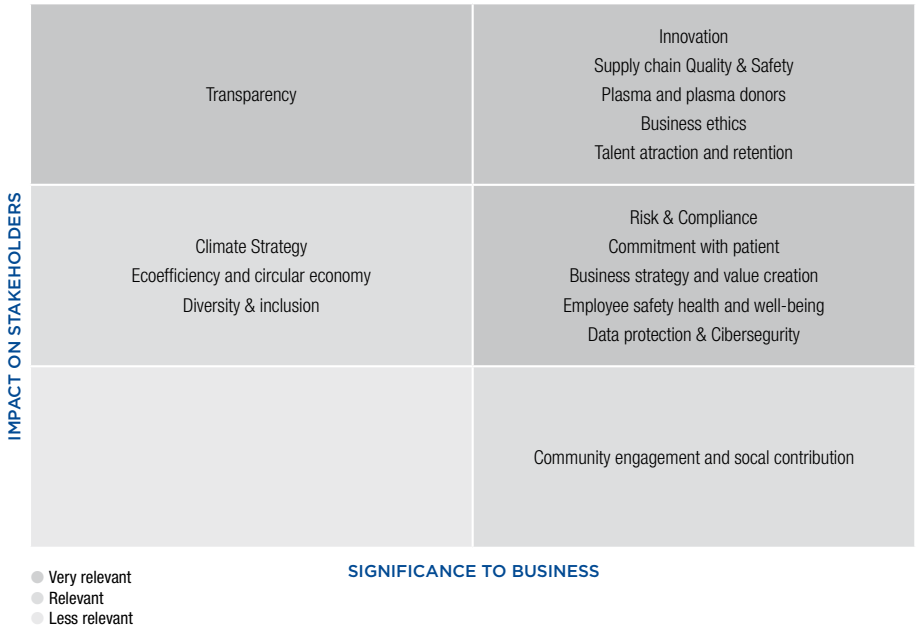
TOPICS PRIORITIZATION

Once the relevant issues have been identified, a prioritization has been elaborated both from the stakeholder's external point of view as from Grifols' internal vision.

To carry out the external prioritization of the issues, it should be noted that the following have been carried out: a study of the main competitors, an analysis of relevant issues for the stakeholders identified in the press during the last year and the evaluation criteria of the Dow Jones Sustainability Index in the "Biotechnology" sector.

In order to carry out the internal prioritization of the issues, in addition to taking into account the relevance in the Grifols Strategic Plan, the document 20-F has been analyzed and interviews with those responsible for the different areas and businesses involved in the scope of sustainability have been conducted.

Once each of the consulted inputs was evaluated and weighted, the following materiality matrix was obtained:



102-44, 102-46, 102-47

CONTENT DEFINITION

Below are the topics included in each material issue, in addition to the linked SASB Standards. The "GRI Content Index" section of this report shows the GRI and SASB Standards associated with each issue, its coverage according to the GRI Standard 103-1 and the location of the response for each of them.

Very relevant issues	Main topics included	Linked SASB Standards
Innovation	Strategy and investments in I+D	
	Intellectual property	
	Product innovation; Research projects; Digitization	
	Contribution to global health and the fight against future challenges	
Safety and quality in the supply chain	Product quality and safety to meet customer expectations	
	Quality management in the supply chain	
	Safety standards	
	Traceability	HC-BP 260a.1
	Product recall management	HC-BP 250a.3
Plasma and plasma donors	Donor Commitment	
	Ethical standards in plasma donation	
	Donor Eligibility	
	Plasma donation	
	Commitment to donor communities	
Business ethics	Codes and policies in ethics	HC-BP-510a.2
	Anti-corruption, bribery and money laundering	
	Complaint channels; Responsible marketing	HC-BP-270a.2
	Bioethics: Ethical research practices in the process of developing medicines and therapies	
Attraction and retention of talent	Recruitment	HC-BP-330a.1
	Formation and development; Performance review; Compensation & Benefits	
Transparency	Reporting Practices	
	Transparency in value transfers	
	Transparency in clinical trials	
Risks and compliance	Normative compliance	
	Risk management, including the violation of human rights	
Commitment to the patient	Education and Awareness about treatments	HC-BP-210a.1
	Support to patient organizations	
	Public and private partnerships to improve access to treatments	HC-BP-240a.1.
	Accessibility	
Business strategy and value creation	Economic results and value creation	
	Investments and acquisitions	
	Fiscal strategy; Global expansion	
Health, safety and occupational well-being	Health and safety performance	
	Risk prevention measures; Wellness Promotion Programs	
	Training and awareness	
Data Protection & Cybersecurity	Data privacy in donors, patients, staff, health professionals, suppliers and customers;	
	Cybersecurity	
Very relevant issues	**Main topics included**	
Climate strategy	Carbon footprint measurement	
	Strategy to reduce greenhouse gas emissions	
	Risk management and climate opportunities, including water stress	
	Use of renewable energy	
Eco-efficiency and Circular Economy	Environmental policies and programs	
	Efficient use of resources: water, materials and energy	
	Strategy to prevent and minimize waste	
	Hazardous waste and wastewater management	
Commitment to the community	Social contribution and philanthropy	
	Commitment to local communities	
	Foundations; Scholarships, sponsorships and distinctions in technological research.	
Diversity and inclusion	Equal opportunities; gender gap, conciliation and disability	
	Diversity: promotion and awareness	
	Anti-discrimination policies; Formal Complaint Mechanisms	

102-44, 102-46, 102-47

INDEPENDENT REVIEW REPORT

KPMG Asesores, S.L.
Torre Realia
Plaça d'Europa, 41-43
08908 L'Hospitalet de Llobregat
Barcelona

Independent Assurance Report to the Management of Grifols, S.A.

To the Management of Grifols, S.A.

In accordance with our engagement letter, we performed a limited assurance review on the non-financial information contained in the Integrated Annual Report of Grifols, S.A. (hereinafter GRIFOLS) for the year ended 31 December 2019 (hereinafter "the Report"). The information reviewed corresponds to the indicators referred in the GRI Index.

Management responsibilities

GRIFOLS Management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) in its core option as described in section 102-54 of the GRI Content index of the Report. It is also responsible for compliance with Materiality Disclosure Service, obtaining confirmation from the Global Reporting Initiative on the proper application of these. Management is also responsible for the information and assertions contained within the Report; for determining GRIFOLS's objectives in respect of the selection and presentation of sustainable development performance, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

These responsibilities include the establishment of appropriate controls that GRIFOLS management consider necessary to enable that the preparation of indicators with a limited assurance review would be free of material errors due to fraud or errors.

Our responsibility

Our responsibility is to carry out a limited assurance review and to express a conclusion based on the work performed, referring exclusively to the information corresponding to 2019. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with International Standard ISAE 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board (IAASB) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement.

KPMG

KPMG applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Internal Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Procedures performed

Our limited assurance engagement consisted of making enquiries of Management and persons responsible for the preparation of information presented in the Report and applying analytical and other evidence gathering procedures. These procedures included:

- Verification of GRIFOLS´s processes for determining the material issues, and the participation of stakeholder groups therein.
- Interviews with management and relevant staff at group level and selected business unit level concerning sustainability strategy and policies and corporate responsibility for material issues, and the implementation of these across the business of GRIFOLS.
- Evaluation through interviews concerning the consistency of the description of the application of GRIFOLS´s policies and strategy on sustainability, governance, ethics and integrity.
- Risk analysis, including searching the media to identify material issues during the year covered by the Report.
- Review of the consistency of information comparing General Standard Disclosures with internal systems and documentation.
- Analysis of the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Visit to the production facilities in Parets (Barcelona) site selected based on a risk analysis considering quantitative and qualitative criteria.
- Review of the application of the Global Reporting Initiative's Standards requirements for the preparation of reports in accordance with core option.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of GRIFOLS.
- Verification that the financial information reflected in the Report was audited by independent third parties.

Our multidisciplinary team included specialists in social, environmental and economic business performance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is lower than that of a reasonable assurance engagement. This report may not be taken as an auditor's report.

KPMG

Conclusions

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this Independent Review Report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Based on the limited assurance procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Integrated Annual Report of Grifols, S.A. for the year ended 31 December 2019, has not in all material respects, been prepared and presented in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative as described in section 102-54 of the GRI Index, including the reliability of data, adequacy of the information presented and the absence of significant deviations and omissions.

Under separate cover, we will provide GRIFOLS management with an internal report outlining our complete findings and areas for improvement.

Purpose of our report

In accordance with the terms of our engagement, this Independent Assurance Report has been prepared for GRIFOLS in relation to its 2019 Integrated Annual Report and for no other purpose or in any other context.

KPMG Asesores, S.L.

Patricia Reverter Guillot

27 February 2020

ANNEX I "INDEX OF CONTENTS REQUIRED BY LAW 11/2018, OF DECEMBER 28, REGARDING NON-FINANCIAL INFORMATION AND DIVERSITY

The selected GRI standards below refer to those published in 2016, except those that have undergone updates and in which case the year of publication is indicated.

Information requested by Ley 11/2018	Page number	Reporting criteria:
General information		
A brief description of the business model that includes its business environment, its organization and structure	21-22	GRI 102-2 GRI 102-7
Markets in which it operates	28-29	GRI 102-3 GRI 102-4 GRI 102-6
Objectives and strategies of the organization	30-31	GRI 102-14
Main factors and trends that can affect its future evolution	52-53	GRI 102-14 GRI 102-15
Reporting framework used	180	GRI 102-54
Principle of materiality	183	GRI 102-46 GRI 102-47
Environmental Issues		
Management approach: description and results of the policies related to these issues, as well as the main risks related to those issues related to the group's activities.	152	GRI 102-15 GRI 103-2
Detailed information on the actual and predictable effects of the company's activities on the environment and, when applicable, health and safety.	154	GRI 102-15
Environmental assessment or certification procedures	155	GRI 103-2
Resources dedicated to the prevention of environmental risks	156	GRI 103-2
Application of the precautionary principle	154	GRI 102-11
Amount of provisions and guarantees for environmental risks	155	GRI 103-2
Contamination		
Measures to prevent, reduce or repair emissions that seriously affect the environment; considering any form of activity-specific air pollution, including noise and light pollution	168	GRI 103-2 GRI 305-7
Circular Economy and Waste Prevention and Management		
Prevention, recycling, reutilization and other recovery and waste disposal measures.	153,160,162,172	GRI 103-2 GRI 306-1 GRI 306-2
Actions to fight food waste	No material	

Information requested by Ley 11/2018	Page number	Reporting criteria:
Sustainable Use of Resources		
Water consumption and supply in accordance with the local limitations	169, 174-175	GRI 303-5 (2018)
Consumption of raw materials and measures taken to improve the efficiency of their use	153,163,171	GRI 301-1 GRI 301-2 GRI 301-3
Direct and indirect energy consumption	170,175-176	GRI 302-1 GRI 302-3
Measures taken to improve energy efficiency	160-162	GRI 302-4
Use of renewable energy	170	GRI 302-1
Climate Change		
Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	167,173	GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4
Measures taken to adapt to the consequences of climate change	164-166	GRI 201-2
Voluntary measures for medium and long-term reduction goals to reduce greenhouse gas emissions and the means implemented for this purpose	160-162	GRI 305-5
Biodiversity Protection		
Measures taken to preserve or restore biodiversity	No material	
Impacts caused by activities or operations in protected areas	No material	
Social and Personnel matters		
Management approach: description and results of the policies related to these matters as well as the main risks related to those issues linked to the group's activities.	110-111	GRI 102-15 GRI 103-2
Employment		
Total number and distribution of employees by country, gender, age and professional category	112,128-129	GRI 102-8 GRI 405-1
Total number and distribution of employment contract modalities and annual average of indefinite contracts, temporary contracts and part-time contracts by gender, age and professional category	112,128-129	GRI 102-8
Number of dismissals by gender, age and professional classification	129-130	GRI 103-2
Average remuneration and its evolution disaggregated by sex, age and professional classification or equal value	131	GRI 405-2
Gender gap, the remuneration of equal or average company jobs	131	GRI 405-2
Average remuneration of directors and executives, including variable remuneration, allowances, allowances, payment to long-term savings forecasting systems and any other perception disaggregated by sex	131	GRI 405-2
Implementation of policies work disconnection	127	GRI 103-2

Information requested by Ley 11/2018	Page number	Reporting criteria:
Number of employees with disabilities	116	GRI 405-1
Organization of Work		
Organization of working time	110,127	GRI 103-2
Number of hours of absenteeism	127	GRI 403-9 (2018)
Measures aimed at facilitating the enjoyment of conciliation and promoting the co-responsible exercise of these by both parents	127	GRI 103-2
Health and Safety		
Health and safety conditions at work	125-126	GRI 403-1 (2018) GRI 403-7 (2018)
Occupational accidents, their frequency and severity, as well as occupational diseases; disaggregated by gender	126	GRI 403-9 GRI 403-10 (2018)
Social Relationships		
Organization of social dialogue including procedures for informing and consulting staff and negotiating with them	124	GRI 103-2
Percentage of employees covered by collective agreement by country	124	GRI 102-41
Balance of collective agreements, particularly in the field of health and safety at work	124	GRI 403-4 (2018)
Training		
Policies implemented in the field of training	117-121	GRI 103-2 GRI 404-2
Total number of training hours by professional category	118-120	GRI 404-1
Integration and universal accessibility of people with disabilities		GRI 103-2
Equality		
Measures taken to promote equal treatment and opportunities for women and men	113,115	GRI 103-2
Equality plans, measures taken to promote employment, protocols against sexual and gender harassment	115-116	GRI 103-2
Policy against all types of discrimination and, when applicable, diversity management	115-116	GRI 103-2

Information requested by Ley 11/2018	Page number	Reporting criteria:
Respect for human rights		
Management approach: description and results of the policies related to these issues as well as the main risks related to those issues related to the group's activities	62,79	GRI 102-15 GRI 103-2
Application of due diligence procedures in the field of human rights and prevention of risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	62	GRI 102-16 GRI 102-17 GRI 410-1 GRI 412-1 GRI 412-2 GRI 412-3
Complaints for cases of human rights violation	62	GRI 103-2 GRI 406-1
Measures implemented to promote and comply with the provisions of the ILO fundamental conventions related to respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or compulsory labor; the effective abolition of child labor	116	GRI 103-2 GRI 407-1 GRI 408-1 GRI 409-1
Lucha contra la corrupción y el soborno		
Management approach: description and results of the policies related to this matter, as well as its main risks linked to the group's activities.	61	GRI 102-15 GRI 103-2
Measures taken to prevent corruption and bribery	63-64	GRI 103-2 GRI 102-16 GRI 102-17 GRI 205-2 GRI 205-3
Measures to fight money laundering	64	GRI 103-2 GRI 102-16 GRI 102-17 GRI 205-2 GRI 205-3
Contributions to foundations an NGOs	147	GRI 102-13 GRI 201-1 GRI 415-1

Information requested by Ley 11/2018	Page number	Reporting criteria:
Information about society		
Management approach: description and results of the policies related to this matter as well as its main risks linked to the group's activity	16	GRI 102-15 GRI 103-2
Commitment of the company to sustainable development		
The impact of the company's activity on employment and local development	19-20	GRI 103-2 GRI 203-2 GRI 204-1
The impact of society's activity on local populations and in the territory	22-25	GRI 413-1 GRI 413-2 GRI 411-1
The relations maintained with the actors of the local communities and the modalities of the dialogue with these	142-146	GRI 102-43 GRI 413-1
Partnership or sponsorship actions	148	GRI 103-2 GRI 201-1
Subcontracting and suppliers		
Inclusion in the purchasing policy of social, gender equality and environmental issues	72	GRI 103-2
Consideration in the relations with suppliers and subcontractors of their social and environmental responsibility	72	GRI 102-9 GRI 308-1 GRI 414-1
Supervision and audit systems and their results	73	GRI 102-9 GRI 308-2 GRI 414-2
Consumers		
Measures for the health and safety of consumers	67,72-74	GRI 103-2 GRI 416-1
Complaint systems, complaints received and resolution thereof	75	GRI 103-2 GRI 418-1
Tax information		
Profit obtained country by country	42	GRI 207-4 (2019)
Taxes earned on benefits paid (per country)	50	GRI 207-4 (2019)
Public grants received (per country)	50	GRI 201-4

ANNEX II: GRI CONTENT INDEX

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the English language version of the report.

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
GRI 101: Foundation 2016						
General Disclosures						
	Organizational Profile					
GRI 102: General Disclosures 2016	**102-1**	Name of the organization	Grifols S.A.		Yes, pages 185-186	
	102-2	Activities, brands, products and services	22		Yes, pages 185-186	
	102-3	Location of headquarters	29		Yes, pages 185-186	
	102-4	Location of operations	27-29		Yes, pages 185-186	
	102-5	Ownership and legal form	Details available in the Annual Corporate Governance Report https://www.grifols.com/en/web/international/investor-relations/annual-corporate-governance-report		Yes, pages 185-186	
	102-6	Markets served	22, 27-29		Yes, pages 185-186	
	102-7	Scale of the organization	8-9, 35		Yes, pages 185-186	
	102-8	Information on employees and other workers	112, 128		Yes, pages 185-186	8
	102-9	Supply chain	76, 77, 82, 83		Yes, pages 185-186	
	102-10	Significant changes to the organization and its supply chain	10, 11, 26, 27		Yes, pages 185-186	
	102-11	Precautionary principle or approach	152		Yes, pages 185-186	
	102-12	External initiatives	Grifols has not adopted any externally-developed economic, environmental or social projects or principles		Yes, pages 185-186	
	102-13	Membership of associations	146		Yes, pages 185-186	

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
GRI 102: General Disclosures 2016	**Strategy**					
	102-14	Statement from senior decision-maker	5-7		Yes, pages 185-186	
	Ethics and Integrity					
	102-16	Values, principles, standards and norms of behavior	16, 62-64		Yes, pages 185-186	16
	102-17	Mechanisms for advice and concerns about ethics	62		Yes, pages 185-186	16
	Governance					
	102-18	Governance structure	56-60		Yes, pages 185-186	
	Stakeholder Engagement					
	102-40	List of stakeholder groups	182		Yes, pages 185-186	
	102-41	Collective bargaining agreements	The employees of some of our subsidiaries in Spain, Germany, Italy, France, Argentina and Brazil are covered by collective bargaining agreements. In 2019, 4.539 employees, representing 19% of group employees, were covered by these agreements		Yes, pages 185-186	8
	102-42	Identifying and selecting stakeholders	181-182		Yes, pages 185-186	
	102-43	Approach to stakeholder engagement	180-181		Yes, pages 185-186	
	102-44	Key topics and concerns raised	183-184		Yes, pages 185-186	
	Reporting practice					
	102-45	Entities included in the consolidated financial statements	A list of Grifols subsidiaries is disclosed in the Annex I of the Consolidated Financial Statements on the following link: https://www.grifols.com/en/annual-accounts		Yes, pages 185-186	
	102-46	Defining report content and topic boundaries	180, 181, 183, 184		Yes, pages 185-186	
	102-47	List of material topics	183, 184		Yes, pages 185-186	

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
	102-48	Restatements of information	No significant changes have occurred requiring the restatement of information. Information included with a different organizational or time scope to the one used in 2018, has been explained and disclosed.		Yes, pages 185-186	
	102-49	Changes in reporting	180 Apart from the cotents definition according to GRI 101, the non-financial information according to the Law 11/2018 has been included this year.		Yes, pages 185-186	
	102-50	Reporting period	180		Yes, pages 185-186	
	102-51	Date of most recent report	2018 Corporate Responsibility Report was published on May 2019.		Yes, pages 185-186	
	102-52	Reporting cycle	Annual		Yes, pages 185-186	
GRI 102: General Disclosures 2016	**102-53**	Contact point for questions regarding the report	GRIFOLS S.A. - Investor Relations Avinguda de la Generalitat, 152 Parc empresarial Can Sant Joan 08174 Sant Cugat del Vallès, Barcelona - España Contact information: Tel. (+34) 935 710 221 Fax: (+34)34 935 712 201 inversores@grifols.com		Yes, pages 185-186	
	102-54	Claims of reporting in accordance with the GRI Standards	180 This report has been prepared in accordance with the GRI Standards: Core option		Yes, pages 185-186	
	102-55	GRI content index	192		Yes, pages 185-186	
	102-56	External assurance	185-186		Yes, pages 185-186	
Material topics						
Innovation						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	9
	103-2	The management approach and its components	88-93		Yes, pages 185-186	9
	103-3	Evaluation of the management approach	94-107		Yes, pages 185-186	9

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
Safety and Quality in the Supply Chain (GRI 416: Customer Health and Safety 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization is linked to the impact through its business relations.		Yes, pages 185-186	
	103-2	The management approach and its components	72-75		Yes, pages 185-186	
	103-3	Evaluation of the management approach	84-85		Yes, pages 185-186	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	84-85		Yes, pages 185-186	3
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	72		Yes, pages 185-186	3
SASB HC-BP Counterfeit Drugs	**260a.1**	**HC-BP-260a.1. Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting**	77		No	
SASB HC-BP PDrug Safety	**250a.3**	**Number of recalls issued, total units recalled**	75		No	
Plasma and plasma donnors						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	
	103-2	The management approach and its components	76, 80-81, 138-139		Yes, pages 185-186	
	103-3	Evaluation of the management approach	76, 80-81, 138-139		Yes, pages 185-186	
Business Ethics (GRI 205: Anti-corruption 2016, GRI 206: Anti-competitive Behavior 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	16
	103-2	The management approach and its components	16, 17, 61-66		Yes, pages 185-186	16
	103-3	Evaluation of the management approach	16, 17, 61-66		Yes, pages 185-186	16

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	63-64		Yes, pages 185-186	16
	205-2	Communication and training about anti-corruption policies and procedures	64	Breakdown by category is not available for publication in this report. Specific measures are being taken in the collection of information and the process to treat the data to be able to give this detail in the next five years	Yes, pages 185-186	16
	205-3	Confirmed incidents of corruption and actions taken	63		Yes, pages 185-186	16
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Detailed content available on page 103 of Grifols document 20F, via the following link: **https://www.sec.gov/Archives/edgar/data/1438569/000110465919023085/0001104659-19-023085-index.htm**		Yes, pages 185-186	16
SASB HC-BP Ethical Marketing	**270a.2**	**Description of code of ethics governing promotion of off-label use of products**	75		No	
SASB HC-BP Business Ethics	**510a.2**	**Description of code of ethics governing interactions with health care professionals**	61, 62, 65		No	
Attraction and retention of talent (GRI 401: Employment 2016, GRI 402: Labor/Management Relations 2016, GRI 404: Training and education 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	8, 5
	103-2	The management approach and its components	110,111, 117, 118		Yes, pages 185-186	8, 5
	103-3	Evaluation of the management approach	119		Yes, pages 185-186	8, 5

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	128-130 New hires by region: USA: 6.873 employees, 39% over total Europe 1.416 employees, 23% over total Rest of the world: 90 employees, 18% over total New hires by age group: <30: 4.903 employese, 65% over total 30-50: 3.000 employees, 5% over total >50: 476 employees, 11% over total Total number of terminations and turnover rate by region: USA: 6.879 employees, turnover 39% Europe: 833 employees, turnover 14% Rest of the world: 56 employees, turnover 11% Total number of terminations and turnover rate by age group: <30: 4.036 employees, turnover 53% 30-50: 3.103 employees, turnover 26% >50: 629 employees, turnover15%		Yes, pages 185-186	8, 5
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	All employees at the main locations, except from the U.S., are eligible to all the work benefits available to their work category regardless of their employment type (full time or part time). In the U.S., all regular full-time employees working an average of 30 hours or more per week, are eligible for several insurance policies (Basic Life Insurance, Accidental Death & Dismemberment, Core Short-Term Disability, Long-Term Disability and Business Travel accident, medical and drug coverage insurance, dental and vision insurance). They also have access to a Health Reimbursement Account (for EHP participants only), and participate in a Employee Assistance Program, LiveWell Wellness Incentive Program, , 401k match, Tuition Reimbursement, PTO Pay & Holiday Pay as well as Adoption Assistance. Part-time employees are eligible to 401k benefits, Business travel accident in insurance and Employee Assistance Program		Yes, pages 185-186	5
	401-3	Parental leave	100% of Grifols employees are entitled to maternity / paternity leave as long as it is contemplated by state, federal, regional or local laws; in 2019, 424 women and 156 men have taken parental leave in Spain and the U.S.. During the reporting period, 443 people (295 women and 148 men) have returned to work after their parental leave, which represents a 92% return to work rate (89% in women, 99% in men).		Yes, pages 185-186	8, 5

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Significant operational changes in the organization that may substantially affect employees, are communicated in advance according to the requirements of the applicable law and the collective agreements.		Yes, pages 185-186	8
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	119 Average training hours by gender: Mujeres: 124h, Hombres 97h Average training hours per employee are based on the accumulated average number of employees (FTE average).		Yes, pages 185-186	4, 5
	404-2	Programs for upgrading employee skills and transition assistance programs	120-121		Yes, pages 185-186	4
	404-3	Percentage of employees receiving regular performance and career development reviews	During 2019, 90,5% of all employees have participated in the performance and development review		Yes, pages 185-186	4, 5
SASB HC-BP Employee Recruitment, Development & Retention	**330a.1**	**Discussion of talent recruitment and retention efforts for scientists and research and development personnel**	89, 91, 117,		No	
Transparency						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	16
	103-2	The management approach and its components	65-67, 92-93		Yes, pages 185-186	16
	103-3	Evaluation of the management approach	65-67, 92-93		Yes, pages 185-186	16
Risks and compliance						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	16
	103-2	The management approach and its components	62, 68, 69		Yes, pages 185-186	16
	103-3	Evaluation of the management approach	62, 68, 69		Yes, pages 185-186	16
Compromise with the patient						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	3
	103-2	The management approach and its components	135-137		Yes, pages 185-186	3
	103-3	Evaluation of the management approach	135-137		Yes, pages 185-186	3
SASB HC-BP Safety of Clinical Trial Participants	**210a.1**	**Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials**	92		No	

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
SASB HC-BP Access to Medicines	**240a.1**	**Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index**	135, 137		No	
Business Strategy and Value Creation (GRI 201: Economic Performance 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	8, 9
	103-2	The management approach and its components	34-42		Yes, pages 185-186	8, 9
	103-3	Evaluation of the management approach	34-42		Yes, pages 185-186	8, 9
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	35, 42		Yes, pages 185-186	8, 9
Health, safety and occupational well-being (GRI 403: Occupational Health and Safety 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	8
	103-2	The management approach and its components	125-127		Yes, pages 185-186	8
	103-3	Evaluation of the management approach	126		Yes, pages 185-186	8
GRI 403: Occupational Health and Safety 2016	403-1	Workers representation in formal joint management–worker health and safety committees	In Spain, Chile and Germany, where there are legally established work committees, Grifols' has occupational health and safety risks prevention workers represented at the committees. In these countries, there are regular communications through OHS meetings. In 2019, 72% of employees in Spain were represented by formal joint management-worker health and safety committees, while in Chile and Germany 100% of employees were represented. There are no formal committees at the other subsidiaries but Grifols undertakes surveys and communicates regularly with its workforce. Employees create committees were all can participate or send suggestions. Each subsidiary defines the frequency of meetings and sets the plans, actions or specific measures for these committees		Yes, pages 185-186	8
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	126 Total hours of absenteesm in Spain by gender, which includes the following typologies: Sickness; sickness hospitalisation; accident in the workplace; maternity/paternity leave; paid leave permit; and not-paid leave permit Women: 877.793 hours. Men: 349.166 hours	Scope is Spain and USA, being the countries where this topic is considered as material.	Yes, pages 185-186	8, 3
	403-3	Workers with high incidence or high risk of diseases related to their occupation	125		Yes, pages 185-186	8, 3
	403-4	Health and safety topics covered in formal agreements with trade unions	125		Yes, pages 185-186	8, 3

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
Data Protection (GRI 418: Customer Privacy 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	16
	103-2	The management approach and its components	67		Yes, pages 185-186	16
	103-3	Evaluation of the management approach	67		Yes, pages 185-186	16
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There has not been any claim regarding privacy violations and client's data loss		Yes, pages 185-186	16
Climate Strategy (GRI 201: Economic Performance 2016; GRI 305: Emissions 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	13
	103-2	The management approach and its components	164-168		Yes, pages 185-186	13
	103-3	Evaluation of the management approach	164-168, 173		Yes, pages 185-186	13
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	164-166		Yes, pages 185-186	13
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	173		Yes, pages 185-186	13
	305-2	Energy indirect (Scope 2) GHG emissions	173		Yes, pages 185-186	13
	305-3	Other indirect (Scope 3) GHG emissions	173		Yes, pages 185-186	13
	305-4	GHG emissions intensity	174		Yes, pages 185-186	13
	305-6	Emissions of ozone-depleting substances (ODS)	174		Yes, pages 185-186	13
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant aire emissions	174		Yes, pages 185-186	13
Eco-efficiency and Circular Economy (GRI 301: Materials 2016, GRI 302: Energy 2016, GRI 303: Water and Effluents 2018, GRI 306: Effluents and Waste 2016, GRI 307: Environmental Compliance 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	12
	103-2	The management approach and its components	152-155		Yes, pages 185-186	12
	103-3	Evaluation of the management approach	160		Yes, pages 185-186	12
GRI 301: Materials 2016	301-1	Materials used by weight or volume	171, 176, 177	Due to the nature of the materials used by Grifols, disclosure by renewable and not renewable is not applicable	Yes, pages 185-186	12

GRI Standard/SASB Standard	GRI Content/SASB Accounting Metric		Page / Direct answer	Identified omission(s)	External assurance	SDGs
GRI 302: Energy 2016	302-1	Energy consumption within the organization	172, 175, 176		Yes, pages 185-186	12, 7
	302-3	Energy intensity	175, 176 All rates are reported using energy consumption within the organization		Yes, pages 185-186	12, 7
	302-4	Reduction of energy consumption	172, 175, 176		Yes, pages 185-186	12, 7
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	169		Yes, pages 185-186	12, 6
	303-2	Management of water discharge-related impacts	169		Yes, pages 185-186	12, 6
	303-3	Water withdrawal	174, 175		Yes, pages 185-186	12, 6
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	175		Yes, pages 185-186	12, 14
	306-2	Waste by type and disposal method	172, 177		Yes, pages 185-186	12
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	155		Yes, pages 185-186	16
Compromise with the Community (GRI 203: Indirect Economic Impacts 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	11, 9, 10
	103-2	The management approach and its components	142-146		Yes, pages 185-186	11, 9, 10
	103-3	Evaluation of the management approach	142-146		Yes, pages 185-186	11, 9, 10
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	9, 139		Yes, pages 185-186	11, 9, 10
Diversity and Inclusion (GRI 405: Diversity and Equal Opportunity 2016, GRI 406: Non-discrimination 2016)						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	184 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 185-186	8, 5
	103-2	The management approach and its components	113-116		Yes, pages 185-186	8, 5
	103-3	Evaluation of the management approach	113-116		Yes, pages 185-186	8, 5
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	114, 128, 129		Yes, pages 185-186	8, 5
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	116		Yes, pages 185-186	8, 16, 5

ANNEX III: INDEX OF GRIFOLS' CONTRIBUTION TO THE SDGs

Sustainable Development Goals		Goals	Strategic Plan 2018-2022	Material issue
Priority Objectives		3.3. End the epidemics of AIDS, tuberculosis, malaria, and neglected tropical diseases and combat hepatitis, water-borne diseases, and other communicable diseases. 3.4. Reduce pre-mature mortality from non-communicable diseases (NCDs) by one-third through prevention and treatment and promote mental health and wellbeing.	Customer Centricity	Commitment to the patient Plasma and plasma donors Business ethics
		8.5. Provide decent work for all women and men, including young people and persons with disabilities through full and productive employment with equal pay. 8.8. Protect labor rights and promote safe and secure working environments for all workers.		Attraction and retention of talent Health, safety and occupational well-being Business strategy and value creation
		9.4. Upgrade infrastructure and retrofit industries to make them sustainable and with increased resources use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, including encouraging innovation and substantially increasing the number of research and development workers and public and private research and development spending.	Innovation Expansion Digital transformation	Business strategy and value creation Innovation
		12.2. Achieve sustainable management and efficient use of natural resources. 12.5. Substantially reduce waste generation through prevention, reduction, recycling, and reus	Business Optimization	Safety and quality in the supply chain Eco-efficiency and Circular Economy
		13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.		Eco-efficiency and Circular Economy Climate strategy
Relevant objectives		4.3. Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education 4.5. Eliminate gender disparities in education by ensuring equal access to all levels of educational and vocational training for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations	Talent Promotion	Attraction and retention of talent Commitment to the community
		5.1. End all forms of discrimination against women and girls everywhere. 5.5. Ensure equal opportunities for leadership and full and effective participation for women at all levels of decision-making in political, economic, and public life.		Diversity and inclusion
		10.2. Empower and promote the social, economic and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.		Commitment to the community
		16.5 Substantially reduce corruption and bribery in all its forms. 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.		Business ethics Risks and compliance Transparency

ANNEX IV: NON-GAAP MEASURES RECONCILIATION

NET REVENUE RECONCILIATION BY DIVISION AT CONSTANT CURRENCY			
In thousands of euros	12M 2019	12M 2018	% Var
REPORTED NET REVENUES	5,098,691	4,486,724	13.6%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(197,949)		
NET REVENUES AT CONSTANT CURRENCY	**4,900,742**	**4,486,724**	**9.2%**

In thousands of euros	12M 2019	12M 2018	% Var
REPORTED BIOSCIENCE NET REVENUES	3,993,462	3,516,704	13.6%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(165,178)		
REPORTED BIOSCIENCE NET REVENUES AT CONSTANT CURRENCY	**3,828,284**	**3,516,704**	**8.9%**

In thousands of euros	12M 2019	12M 2018	% Var
REPORTED DIAGNOSTIC NET REVENUES	733,604	702,265	4.5%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(23,723)		
REPORTED DIAGNOSTIC NET REVENUES AT CONSTANT CURRENCY	**709,881**	**702,265**	**1.1%**

In thousands of euros	12M 2019	12M 2018	% Var
REPORTED HOSPITAL NET REVENUES	134,441	119,454	12.5%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(540)		
REPORTED HOSPITAL NET REVENUES AT CONSTANT CURRENCY	**133,901**	**119,454**	**12.1%**

In thousands of euros	12M 2019	12M 2018	% Var
REPORTED BIO SUPPLIES NET REVENUES	266,540	167,004	59.6%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(9,236)		
REPORTED BIO SUPPLIES NET REVENUES AT CONSTANT CURRENCY	**257,304**	**167,004**	**54.1%**

In thousands of euros	12M 2019	12M 2018	% Var
REPORTED OTHERS NET REVENUES	22,820	22,451	1.6%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(1,002)		
REPORTED OTHERS NET REVENUES AT CONSTANT CURRENCY	**21,818**	**22,451**	**(2.8%)**

In thousands of euros	12M 2019	12M 2018	% Var
REPORTED INTERSEGMENTS NET REVENUES	(52,176)	(41,154)	26.8%
VARIATION DUE TO EXCHANGE RATE EFFECTS	1,730		
REPORTED INTERSEGMENTS NET REVENUES AT CONSTANT CURRENCY	**(50,446)**	**(41,154)**	**22.6%**

NET REVENUE RECONCILIATION BY REGION AT CONSTANT CURRENCY			
In thousands of euros	12M 2019	12M 2018	% Var
REPORTED U.S. + CANADA NET REVENUES	3,390,811	2,974,429	14.0%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(177,889)		
U.S. + CANADA NET REVENUES AT CONSTANT CURRENCY	**3,212,922**	**2,974,429**	**8.0%**

In thousands of euros	12M 2019	12M 2018	% Var
REPORTED EU NET REVENUES	856,662	800,274	7.0%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(507)		
EU NET REVENUES AT CONSTANT CURRENCY	**856,155**	**800,274**	**7.0%**

In thousands of euros	12M 2019	12M 2018	% Var
REPORTED ROW NET REVENUES	851,218	712,021	19.5%
VARIATION DUE TO EXCHANGE RATE EFFECTS	(19,553)		
ROW NET REVENUES AT CONSTANT CURRENCY	**831,665**	**712,021**	**16.8%**

RECONCILIATION OF OTHER FIGURES

In millions of euros	12M 2019	12M 2018	% Var
R+D RECURRENT EXPENSES IN P&L	276	241	
R+D CAPITALIZED	54	55	
R+D DEPRECIATION & AMORTIZATION & WRITE OFFS	(23)	(20)	
R+D CAPEX FIXED ASSETS	5	5	
R+D EXTERNAL	17	10	
R+D NET INVESTMENT	**329.0**	**291.4**	**12.9%**

In thousands of euros	12M 2019	12M 2018	% Var
PP&E ADDITIONS	325,277	240,938	
SOFTWARE ADDITIONS	21,846	20,252	
INTEREST CAPITALIZED	(14,894)	(8,955)	
CAPEX	**332,229**	**252,235**	**31.7%**

In millions of euros except ratio	12M 2019	12M 2018	% Var
NET FINANCIAL DEBT	5,724.9	5,343.1	
EBITDA ADJUSTED 12M	1,373.3	1,236.0	
NET LEVERAGE RATIO [1]	**4.17 x**	**4.32 x**	

(1) Excludes the impact of IFRS 16

In thousands of euros	12M 2019	12M 2018	% Var
EBIT	1,131,365	994,124	
D&A	302,455	228,609	
EBITDA	**1,433,820**	**1,222,733**	**17.3%**
% NR	*28.1%*	*27.3%*	

In thousands of euros	12M 2019	12M 2018	% Var
EBITDA	1,433,820	1,222,733	17.3%
IMPACT OF PLASMA SOLD TO THIRD PARTIES	(26,876)	(4,323)	
EBITDA UNDERLYING	**1,406,944**	**1,218,410**	**15.5%**
% NR	*28.6%*	*27.7%*	*0.0%*

In thousands of euros	12M 2019	12M 2018	% Var
EBIT	1,131,365	994,124	
D&A	302,455	228,609	
IFRS 16	(65,483)	-	
NON-RECURRING ITEMS [2]	4,918	13,243	
EBITDA ADJUSTED 12M	**1,373,255**	**1,235,976**	**11.1%**

(2) Non-recurring items related to acquisitions

GROUP PROFIT RECONCILIATION

In millions of euros	2019	2018	% Var
GROUP PROFIT	**625.1**	**596.6**	**4.8%**
% NR	*12.3%*	*13.3%*	
Amortization of deferred financial expenses	62.3	59.3	5.0%
Deferred financial expenses impact related to refinancing	(97.9)		
Amortization of intangible assets acquired in business combinations	49.9	44.8	11.4%
Non-recurring items and associated with recent acquisitions	4.9	-	
IFRS 16	27.4	-	
Non-recurring items related to the Singulex assets reassessment	55.7		
Tax impacts	(9.1)	(20.2)	(55.0%)
ADJUSTED GROUP NET PROFIT	**718.3**	**680.5**	**5.6%**
% NR	*14.1%*	*15.2%*	

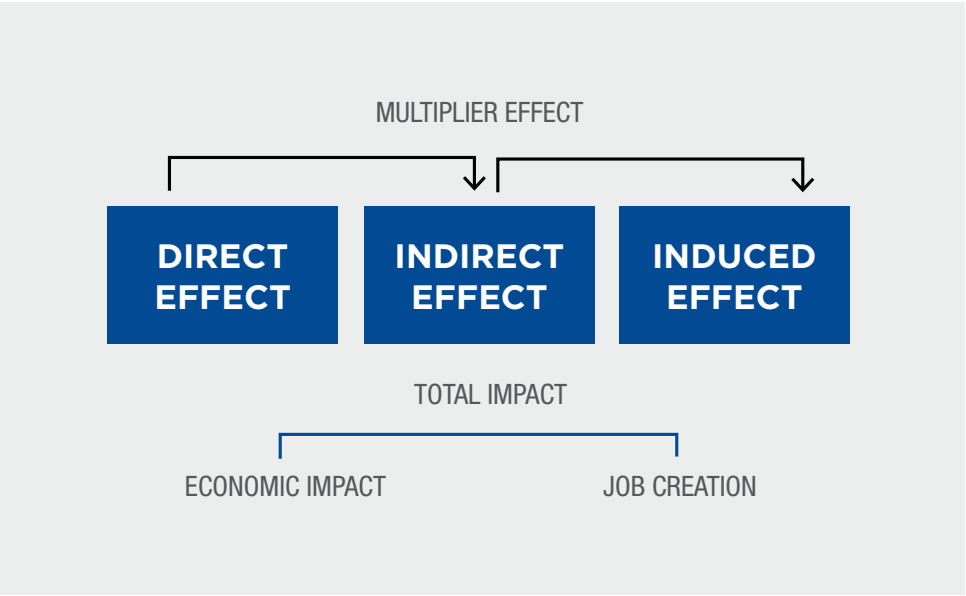
ANNEX V: GRIFOLS' SOCIO-ECONOMIC IMPACT

Grifols has determined the socio-economic impact of its activity on the economy of the United States, Spain, Germany and Ireland in terms of wealth generation and job creation during 2019.

To this end, the input-output analysis is used, a method in which with known inputs (expenditure on suppliers of goods and services, R+D investment, CAPEX, expenditure made by employees based on the wages received, main taxes, dividends to individuals and legal entities and the interest paid to banks) it is possible to obtain the outputs associated with the activities carried out by Grifols.

*The Input – Output framework is an accounting statistical instrument in which all the production and distribution operations that take place in an economy in a given period of time are represented. This allows to observe the flows of the different intersectoral transactions in a specific economy for a reference year. This model allows us to observe a series of effects on the production of the system, linked to the final exogenous demand of the system, which are broken down between the direct or initial, indirect and total effects, which represent the sum of the previous ones.

INPUT-OUTPUT MODEL



	Spain	Ireland	Germany: Except plasma centers	Germany: plasma centers	Total Germany	% of plasma centers in Germany
Economic impact (Millions of euros)						
Direct	810	85	65	109	175	63%
Indirect	401	44	34	55	90	62%
Induced	459	56	37	63	100	63%
Total impact	**1,670**	**185**	**137**	**228**	**364**	**63%**
Impact on the employment (nº people)						
Direct	4,134	213	135	1,236	1,371	90%
Indirect	7,431	497	504	1,112	1,616	69%
Induced	2,192	137	164	274	438	63%
Total employment	**13,757**	**847**	**803**	**2,622**	**3,425**	**77%**

	U.S.: Except plasma centers	U.S.: plasma centers	Total U.S.	% in plasma centers
Economic impact (Millions of dollars)				
Direct	1,756	1,906	3,662	52%
Indirect	784	864	1,648	52%
Induced	760	865	1,626	53%
Total impact	**3,301**	**3,635**	**6,936**	**52%**
Impact on the employment (nº people)				
Direct	4,404	13,046	17,450	75%
Indirect	37,075	68,867	105,942	65%
Induced	2,956	3,353	6,309	53%
Total employment	**44,435**	**85,266**	**129,702**	**66%**

ANNEX VI – METHODOLOGY AND CALCULATION OF THE ADJUSTED AND UNADJUSTED WAGE GAP

In 2018, calculations were limited to the unadjusted salary gap, defined as the percentage differential between the total gross salary per hour worked by men and women. The same calculation was made in 2019, with the exclusion of the following groups:

- Members of the Board of Directors
- Collaborators based in Liberia
- Partial retirees
- Grifols Foundations
- Aigües de Vilajuïga, MedKeeper and IBBI, since these companies are still not 100% integrated into Grifols' systems and policy framework.

In total, the database used to calculate the unadjusted salary gap includes 15,878 employees in the U.S. and 4,106 employees in Spain.

In 2019, the adjusted wage gap was also computed. The methodology consisted of the use of econometric models that compare the annual salaries at 100% of the working hours of men and women, isolating the effects generated by any and all possible differences identified between the two (socioeconomic factors, job characteristics, etc.).

In other words, the adjusted salary gap measures the difference in retribution for the same job or one of equal value. It is calculated as follows:

$$ln(W_i) = \beta_0 + \beta_1 * Sexo_i + \sum_{j=2}^{M} \beta_j * X_{ij} + \mu_i$$

For the econometric calculation of the adjusted wage gap, the following variables were taken into account: age, seniority, educational level, maternity / paternity leave, professional category, contract type and work schedule. In addition, for the U.S., the type of activity (plasma/non-plasma) was also taken into account. In order to attain an accurate figure, the calculation excluded workers for whom up-to-date information was lacking on any of the variables.

In total, the database used to calculate the adjusted wage gap in the United States included 11,572 employees and 3,889 in Spain.

Those remunerations that are paid based on seniority, shifts, personal circumstances or any other factors that could distort the results have not been included. The results for Spain and the U.S. are shown separately, in order to avoid applying a currency exchange rate that could distort the results. U.S. results shown are separated by plasma centers and other activity (non-plasma), since they are two very different operations.

ANNEX VI: GLOSSARY AND ABBREVIATIONS

- AATD/Alpha-1 antitrypsin deficiency: Inherited disease characterized by low levels of, or no,alpha-1 antitrypsin (AAT) in the blood. This protein made in the liver, reaches other organs (such as the lungs), after being released into the blood stream, enabling its normal function.
- Albumin: The most abundant protein found in plasma (approximately 60% of human plasma). Produced in the liver, it is important in regulating blood volume by maintaining the oncotic pressure of the blood compartment.
- Alzheimer's disease: This is the most common form of dementia. This incurable, degenerative,and terminal disease was first described by German psychiatrist and neuropathologist Alois Alzheimer in 1906 and was named after him.
- Babesiosis/Babesia virus: disease caused by microscopic parasites that infect red blood cells.
- Beta-amyloid: Protein strongly implicated in Alzheimer's diseases. Beta-amyloid is the maincomponent of certain deposits found in the brains of patients of Alzheimer's disease.
- CIDP: Chronic Inflammatory Demyelinating Polyneuropathy. Neurological disorder which causes gradual weakness, numbness, pain in arms and legs and difficulty in walking.
- Cirrhosis: Medical condition which is a result of advanced liver disease. It is characterized by thereplacement of liver tissue by fibrosis (scar tissue) and regenerative nodules (lumps that occurdue to attempted repair of damaged tissue).
- ELISA: Enzyme-linked immunosorbent assay.
- EMA: European Medicines Agency.
- Factor VIII or FVIII: This is an essential blood clotting factor also known as anti-hemophilic factor(AHF). In humans, Factor VIII is encoded by the F8 gene. Defects in this gene results in hemophiliaA, a sex-linked disease that occurs predominantly in males. FVIII concentrated from donated blood plasma, or alternatively recombinant FVIII, or rFVIII can be given to hemophiliacs to restore hemostasis.
- Factor IX: This is an important blood clotting factor also known as Christmas factor or plasmathromboplastin component (PTC). It is one of the serine proteases of the coagulation system andbelongs to the peptidase family S1. In humans, a deficiency of this protein causes hemophilia B,a sex-linked disease that occurs predominantly in males.
- FDA: Food and Drug Administration. U.S.Health Authority.
- Fibrin sealant: Surgical adhesive material derived from plasma.
- Fractionation: Process of separating plasma into its component parts, such as albumin, immunoglobulin, alpha-1 antitrypsin and coagulation factors.
- GPO: Group Purchasing Organization.
- HBV: Hepatitis B Virus.
- HCV: Hepatitis C Virus.
- Hematology: The study of blood, blood-forming organs, and blood diseases.
- Hemoderivative: proteins obtained by fractionation of human blood plasma. See plasma derived proteins.

- Hemophilia: Genetic deficiency characterized by the lack of one of the clotting factors. It has two main variants:.

- Hemophilia A: genetic deficiency of coagulation Factor VIII, which causes increased bleeding (usually affects males).

- Hemofilia B: genetic deficiency of coagulation Factor IX.

- Hemotherapy: Treatment of a disease using blood, blood components and its derivatives.

- HIV: Human Immunodeficiency Virus.

- IA: Immunoassays. These are systems available in several formats that may be used to detectantibodies, recombinant proteins or a combination of the two.

- Immunoglobulins: also known as antibodies, are proteins derived from plasma. They control de body's immune response. They have multiple indications and some of their main uses are to treat: (i) immune deficiencies, (ii) inflammatory and autoimmune diseases and (iii) acute infections. IVIG is an immunoglobulin administered intravenously that contains IgG (immunoglobulin (antibody) G).

- Intravenous: administration of drugs or fluids directly into a vein.

- Immunohematology: A branch of hematology related to the study of recombinant proteins and antibodiesand their effects on blood and the relationships between blood disorders and the immunesystem. Also referred to as Transfusional Medicine - blood bank, its main activities include blood typing, compatibility tests and crossmatching and antibody identification.

- Immunology: This is a branch of biomedical science that covers the study of all aspectsof the immune system in organisms. It deals with the physiological functioning of the immunesystem in states of both health and disease; malfunctions (autoimmune diseases, hypersensitivities, immune deficiency, transplant rejection) and the physical, chemical and physiological characteristics of the components of the immune system in vitro, in situ, and in vivo.

- IVD: In vitro Diagnostic.

- IV solutions/Intravenous solution: Medicine or homogeneous mixture of a substance in liquid,enabling it to be infused into the circulatory system through a needle.

- Molecular Diagnostics: Discipline that studies genomic (DNA) and proteomic (proteins)expression patterns and uses the information to distinguish between normal, precancerous, andcancerous tissues at the molecular level.

- NAT: Nucleic Acid Amplification Testing.

- pdFVIII: Plasma-derived Factor VIII.

- Plasma: Liquid part of the blood, consisting of a mix of a large number of proteins in solution.

- Plasma-derived proteins: Purified plasma proteins with therapeutic properties that areobtained through the fractionation of human plasma. Albumin, immunoglobulins, factor VIIIand alpha-1 antitrypsin are the main plasma proteins.

- Plasmapheresis: Plasmapheresis is a technique which separates plasma from other bloodcomponents, such as red blood cells, platelets and other cells. These unused blood componentsare suspended in saline solution and immediately re-injected back into the donor.

Because the donor is only providing plasma and not whole blood, the recovery process is faster and better tolerated, and the donor is able to make donations more frequently.

Plasmapheresis was developed by Jose Antonio Grifols Lucas in the year 1951. It is the only procedure that is capable of obtaining sufficient quantities of plasma to cover the manufacturing needs for the different plasma protein therapies.

- Prolastin®/Prolastin® -C: This is a concentrated form of alpha-1 antitrypsin (AAT), derived from human plasma and approved only for chronic, or ongoing, replacement therapy in people with genetic AAT deficiency. Given as

prescribed, Prolastin raises the levels of AAT in the blood and lungs. Raising the AAT level may help reduce the damage to the lungs caused by destructive enzymes.

- rFVIII: Recombinant Factor VIII is the anti-hemophilic factor A, obtained using recombinant DNAtechnology. With this technology, pure factor is synthesized in the laboratory instead of beingextracted from blood plasma.

- Rh (Rhesus) blood group system: Most important blood group system after ABO. The Rh bloodgroup system consists of 50 defined blood-group recombinant proteins, among which the five recombinant proteins D,C, c, E and e are the most important.

The commonly used terms Rh factor, Rh positive and Rhnegative refer to the D antigen only.

- ROW: Rest of the World

- SubQ: Sub-cutaneous.

- Transfusion medicine: Branch of medicine that encompasses among others, immunohematology, blood and plasma screening and blood typing.

- WNV: West Nile Virus. Virus that is transmitted by mosquitoes. Humans are mainly infectedthrough mosquito bites, but infection can occur through organ transplantation and blood.

- Von Willebrand Disease (vWD): This is the most common hereditary coagulation abnormalitydescribed in humans, although it can also be acquired as a result of other medical conditions. Itarises from a qualitative or quantitative deficiency of von Willebrand factor (vWF), a multimericprotein that is required for platelet adhesion.

- Zika virus: infectious disease spread by the bite of an infected Aedes species mosquito.