JOINING EFFORTS
GRIFOLS’ CONTRIBUTION TO THE 2019 SUSTAINABLE DEVELOPMENT GOALS
“We are prepared to face new challenges with a responsible business model based on “One Grifols” and aligned with the Sustainable Development Goals”

RAIMON GRÍFOLS ROURA
AND VÍCTOR GRÍFOLS DEU
CEOs
GRIFOLS ACTIVELY SUPPORTS 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’ STRATEGIC PLAN FOR THE 2018-2022 PERIOD IS ALIGNED WITH THE SDGs

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<td><strong>Priority Objectives</strong></td>
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<td>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.</td>
<td>Customer Centricity</td>
<td>Commitment to the patient Plasma and plasma donors Business ethics</td>
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<td>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.</td>
<td>Attraction and retention of talent Health, safety and occupational well-being Business strategy and value creation</td>
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<td>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.</td>
<td>Business strategy and value creation Innovation</td>
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<td>12.2. Achieve sustainable management and efficient use of natural resources. 12.5. Substantially reduce waste generation through prevention, reduction, recycling, and reuse</td>
<td>Business Optimization</td>
<td>Safety and quality in the supply chain Eco-efficiency and Circular Economy</td>
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<td>13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</td>
<td>Eco-efficiency and Circular Economy Climate strategy</td>
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<td><strong>Relevant Objectives</strong></td>
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<td>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</td>
<td>Talent Promotion</td>
<td>Attraction and retention of talent Commitment to the community</td>
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<td>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.</td>
<td>Diversity and inclusion</td>
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<td>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.</td>
<td>Commitment to the community</td>
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<td>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.</td>
<td>Business ethics Risks and compliance Transparency</td>
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GRIFOLS’ CONTRIBUTION: SDGs PRIORITIZATION

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 PRECIOISA) 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 monitoring of biologic drugs.
- Creation of EUR 8,500 million in economic impact and 148,000 jobs.
- Growth of global workforce to 24,003 employees: 98% with permanent contracts and 93% employed full-time.
- Establishment of a new area within the HR Department — “People Experience Hub” — to boost employee commitment and motivation.
- 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.
- 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 CO₂ emissions from the Bioscience Division’s cogeneration plant.
- Offsetting of 1,500 tons of CO₂ thanks to reforestation projects in areas of need in Panama, accredited by the Gold Standard Global Goals.
- Objective to consume 70% of electricity from renewable energy sources by 2030.
- Distinction of Green Globe Certification in the new Clayton (U.S.) fractionation plant.
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<tr>
<th>RELEVANT OBJECTIVES</th>
<th>2019 Notable Contributions</th>
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<tr>
<td>• 1.99 million training hours carried out in 2019; an average of 112 hours per employee.</td>
<td>• 31% of Board of Directors are women, exceeding CNMV recommendations.</td>
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<td>• More than 1.7 million training hours to employees with lower qualification, promoting equal opportunities among its workforce.</td>
<td>• 15% increase in female staff compared to previous year.</td>
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<td>• More than 7,900 collaborators and professionals received training and professional development through Grifols Academy programs and initiatives.</td>
<td>• 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%).</td>
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<td>• 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.)</td>
<td>• 96% of female employees have permanent contracts and 91% work full-time.</td>
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<td>• 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.</td>
<td>• 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.</td>
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<td>• 31% of Board of Directors are women, exceeding CNMV recommendations.</td>
<td>• Design of plans to increase employment of women and members of minority groups (+10.5%), with 106 concrete measures in place.</td>
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<td>• 15% increase in female staff compared to previous year.</td>
<td>• 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.</td>
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<td>• 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%).</td>
<td>• Donation of more than 31 million IU of clotting factors and a commitment to donate 200 million by 2021.</td>
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<td>• 96% of female employees have permanent contracts and 91% work full-time.</td>
<td>• 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%.</td>
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<tr>
<td>• 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.</td>
<td>• More than 2,400 employees in Grifols plasma donation centers took part in non-profit and fundraising activities.</td>
</tr>
<tr>
<td>• Design of plans to increase employment of women and members of minority groups (+10.5%), with 106 concrete measures in place.</td>
<td>• 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. Also support various sustainable health projects aimed at the most vulnerable populations and countries.</td>
</tr>
<tr>
<td>• 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.</td>
<td>• No known cases of corruption.</td>
</tr>
<tr>
<td>• 31% of Board of Directors are women, exceeding CNMV recommendations.</td>
<td>• Increase in communication and development activities related to anti-corruption, reaching 89% of at-risk employees.</td>
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<tr>
<td>• 15% increase in female staff compared to previous year.</td>
<td>• 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 Lobbying Disclosure Act stipulations.</td>
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<td>• 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%).</td>
<td>• Member of the European Union’s Lobby Transparency Register.</td>
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JOINING EFFORTS. GRIFOLS’ CONTRIBUTION TO THE 2019 SUSTAINABLE DEVELOPMENT GOALS

GRIFOLS’ CONTRIBUTION

TO ENSURE A HEALTHY LIFESTYLE AND PROMOTE WELL-BEING FOR ALL PEOPLE

CONTINUOUS INNOVATION TO BOOST DIAGNOSTIC SOLUTIONS THAT ALLOW SAFE BLOOD AND PLASMA TRANSFUSIONS TO BE CARRIED OUT AS A BASIC ELEMENT IN HEALTH PROMOTION

Grifols supports the integrated strategies promoted by WHO and, through its Diagnostic Division, innovates to make new tests available to blood banks for virological analysis through nucleic acid amplification techniques (NAT) to detect the human immunodeficiency virus (HIV), Hepatitis B and C and others which are just emerging such as the Zika virus, the West Nile virus or Babesiosis.

According to WHO, 50% of the blood donated is obtained from low-middle income countries which represent 80% of the planet’s population and in which adoption of basic measures to guarantee the safety of blood transfusion is not universal. Thus, Grifols also works to spread transfusion diagnostic solutions in low-middle income countries such as the Philippines, India, Egypt and Indonesia. Furthermore, in China, Grifols together with Shanghai RAAS, hopes to contribute in progressively raising transfusion safety standards in the country’s donation centers.

In 2019, more than 38 million blood donations have been tested with NAT technology and more than 42 million gel cards (DG-Gel®) have been supplied.

Grifols also produces genomic and proteomic tests for in vitro diagnosis, prognosis, assessment, response prediction and the monitoring of biological drugs. The Group is also developing molecular diagnostic tests and prognosis in oncology, autoimmunity, and the central nervous system and cardiovascular medicine.
The objective of the Global Laboratory Initiative (GLI) program\(^1\), led by the Probitas Foundation, is to improve and strengthen the capabilities of clinical diagnostic laboratories to promote the diagnosis of diseases that represent a global public health problem such as tuberculosis, HIV and malaria, as well as other neglected and chronic tropical diseases in the most vulnerable regions of the world.

Through the GLI program, the renovation of laboratories is promoted, necessary equipment for diagnosis is provided and the technical personnel are trained to be up-to-date on diagnostic techniques so they can offer reliable results that guarantee effective treatment for patients. The GLI program is currently established in 9 countries: Mali, Ghana, Ecuador, Sierra Leone, Peru, Tanzania, Bolivia, Belize and Angola. 28 laboratories have been refurbished since 2010 and 1.7 million people have been assisted\(^5\).

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 center in Monrovia (Liberia Republic) to collect plasma from Ebola survivors. At the same time, it constructed a dedicated processing facility at its Clayton (North Carolina, USA) manufacturing complex to purify the collected plasma and produce anti-Ebola immunoglobulin.

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 the same time, it constructed a dedicated processing facility at its Clayton (North Carolina, USA) manufacturing complex to purify the collected plasma and produce anti-Ebola immunoglobulin.

In 2014, 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.

\(^1\)https://www.who.int/es/news-room/fact-sheets/detail/blood-safety-and-availability
\(^2\)https://www.who.int/features/factfiles/blood_transfusion/es/
\(^3\) According to the criteria established by the World Bank. https://data.worldbank.org/country/low-income
\(^4\)https://www.fundacionprobitas.org/en/what-is-gli-model
\(^5\) For more information on specific projects: https://www.fundacionprobitas.org/en/where-is-gli-implemented-
In 2019 there were breakthroughs in the 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.

Also, new formulations and indications for products that respond to the needs of patients and healthcare professionals have been approved and launched. Among them is Xembify®, a 20% subcutaneous immunoglobulin, which broadens our portfolio of products to treat primary immunodeficiencies; a new plasma-protein-based biosurgical solution, Vistaseal®, developed in collaboration with Ethicon; and a new presentation of HyperRAB®, a hyper-immune immunoglobulin for patients exposed to rabies, twice as strong as the alternative existing treatments in the market.

Since 2004, Grifols has focused on finding a treatment to delay the progression of Alzheimer’s disease, a disease that affects more than 35 million people in the world and could increase to 82 million by 2030.

In 2012, Grifols launched the AMBAR study (Alzheimer Management By Albunim Replacement), an international and innovative clinical trial directed at reducing the progression of mild and moderate Alzheimer’s, in collaboration with Fundació ACE in Barcelona and the Alzheimer Disease Research Center in Pittsburgh (U.S.). All results have shown the positive effects of the treatment by measuring changes in patients’ cognitive function and their ability to perform daily tasks.

In 2019, Grifols presented the trial finding results in several international congresses. The results achieved stem from 15 years of rigorous scientific investigation and strengthen Grifols’ research area of therapies based on the exchange of plasma proteins (Plasma Protein Replacement Therapies).

A large part of Grifols’ priorities are rare diseases, such as primary immunodeficiency, Alpha 1 antitrypsin deficiency, bleeding disorders and Chronic inflammatory demyelinating polyneuropathy (CIDP).

Most of the research efforts are aimed at exploring the potential of plasma proteins, including new applications for the plasma proteins known today with therapeutic value and the search for new ones.

Likewise, the manufacturing of plasma-derived medicines is a long, complex and highly regulated process but the company is committed to the planning and execution of the capital investment necessary to respond to the patients’ needs.


6. Source: https://www.who.int/news-room/fact-sheets/detail/dementia
The number of personnel in Grifols is growing constantly. In 2019, the workforce increased by 13% compared to the previous year, with a total of 24,003 workers. In the company’s endeavors to encourage stable employment, the percentage of permanent contracts is maintained representing 98% of the total workforce, as well as full-time work contracts (93%).

Grifols’ approach to remuneration is focused on guaranteeing a competitive and appropriate remuneration for the individual and professional performance of the workers. The amount allocated to the remuneration of staff in 2019 was EUR 1,179 million and had risen by 17.8% from the previous year.
Grifols has estimated the total socio-economic impact generated by its activity in 2019 in terms of the generation of wealth and the creation of employment on the economies of the main countries in which it operates: the United States, Spain, Germany and Ireland.

In 2019 the company generated EUR 8,500 million of economic impact, 15% more than the previous year. Of these, EUR 4,400 million correspond to direct economic impact and EUR 4,100 million to indirect and induced impact. 41% of Grifols' economic impact stems from its plasma center network, located in the U.S. and Germany.

Grifols' activities generated 148,000 jobs, a 15% growth compared to 2018, including 125,000 indirect and induced jobs. For each direct job created by Grifols, 5.4 employment opportunities are created. 60% of the total jobs created are linked to Grifols’ plasma centers.

Grifols, as a fundamental part of its work-life balance measures, protects maternity and paternity rights and works towards developing talent.

In 2019, a new area “People Experience Hub” was created within the HR department to reinforce team commitment and motivation that includes work-life balance initiatives. In Spain, Grifols has launched a series of work-life balance measures to be added to those that already exist, which will later be rolled out in other countries, among which flexible entry and exit schedule and teleworking promotion could be highlighted.

Also, 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. The company also has training and awareness initiatives; in 2019 more than 134,000 hours of training were carried out in this field.

Grifols is also committed to diversity in the workforce as a factor that contributes to enriching the company’s culture, improving results through the contribution of different points of view and experiences. In 2019, 8,379 people were hired and there are more than 80 different nationalities working together in the organization. Generational diversity is also strengthened: 32% of the workforce is under 30 years old, 51% is between 30 and 50 years old and 18% over 50 years old.

Inclusion and equal opportunities for people with disabilities are also fostered in the company. In 2019, 558 people with some type of disability formed part of the Grifols team (461 in 2018). In December 2019, a multidisciplinary team was formed in Spain in order to improve the recruitment, hiring and support processes for employees with disabilities, as well as their teams.

Beyond that, Grifols continues to work so that the diversity existing in the areas in which it operates is also represented in the company’s work teams, while considering characteristics such as gender and race diversity, among others.

For more information on Grifols’ contribution to the SDG 8, consult sections 1. About Grifols, 2. Sustainable Growth and 6. Our people of the Integrated Annual Report 2019
In 2019, Grifols continued to promote innovation and productive investments as key drivers of its long-term, sustainable growth. Grifols 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 (+31.7% compared with last year).

Also, in 2019, Grifols’ allocations to R+D+i increased by 12.9% to EUR 329 million, which accounts for 6.5% of revenues. Grifols’ innovation intensity (that measures the relationship between the R+D+i activity and the organization’s revenues) is above the European average (1.41% in 2018)\\(^7\).

This investment, year after year, has permitted research projects to be carried out, centered on responding to the needs of thousands of patients, new therapies, products and services to be developed or improvements made on the existing ones and the production processes in the organization to be carried out, as well as competitiveness and long-term profitability.

To achieve all of these advancements, a team of 1,029 professionals, along with more than 100 external researchers, are dedicated to R+D+i.

Over the last five years, Grifols has allocated more than USD 10 million to sponsor preclinical and clinical research projects through the ISR program that broadens the body of scientific knowledge on plasma proteins. The company has allocated nearly EUR 12 million to promote research projects aimed at raising awareness of liver diseases, within the framework of the Grifols Chair.

Thanks to innovation and improvement, the number of patents and patent applications worldwide reached 3,179 in 2019, of which 631 are undergoing definitive approval.

Grifols promotes know-how and knowledge sharing through the publication of scientific articles in magazines at the highest level, and gives scientific grants and awards, more than 10 in 2019, for a value of more than EUR 2.15 million.

The Digitalization Committee includes different groups or Digital Transformation Teams and leads the company’s digital transformation. They 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. The projects launched will improve industrial efficiencies and quality.

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JOINING EFFORTS. GRIFOLS’ CONTRIBUTION TO THE 2019 SUSTAINABLE DEVELOPMENT GOALS

GUARANTEE OF SUSTAINABLE CONSUMPTION AND PRODUCTION METHODS AIMED AT ACHIEVING EFFICIENT MANAGEMENT OF NATURAL RESOURCES

Grifols annually evaluates the main risks and negative impacts that its activity could generate on the environment. In order to minimize them, the organization has an Environmental Program that defines objectives and targets in the area of energy, water, waste, consumption and other aspects to be carried out in the organization’s facilities.

In 2019, EUR 21.8 million were allocated to environmental initiatives. Of these, 66% have been allocated toward waste management, 26% to managing the water cycle and the remainder 8% intended for reducing atmospheric emissions, energy and others.

Grifols commits to innovation to identify possible improvements in the different production phases that allow the application of eco-efficiency to reduce the negative impact on the environment.

In 2019, Grifols was the first pharmaceutical company in the U.S. to obtain the Gold Certificate of the “Zero Waste to Landfill” program in Grifols’ facilities in North Carolina, 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.

In the Bioscience Division, apart from plasma, Grifols also uses large quantities of ethanol in the fractionation and purification processes of plasma proteins.

Aimed at reducing consumption by applying the circular economy approach, 72.5% (70.8% in 2018) of ethanol consumed in the manufacturing process was recovered in distillation towers and reutilized in Grifols’ facilities.
The company applies water-saving measures when designing new facilities and modifies existing facilities to reduce water consumption, especially in those with hydric stress. In 2019, water consumption was 3,185,460 m³, 4% less than in 2018 despite having increased its revenues by 13.6%. Grifols’ aim is to reduce water consumption by 87,700 m³ per year in existing facilities.

In relation to waste, Grifols has mapped out a strategy focused on prevention, reduction and recovery. In 2019, the volume of waste recovery reached 17,939 metric tons, representing 39% of the total waste generated (45,834 metric tons). The volume of waste intended for re-use and recycle treatments increased in 2019 to 10,986 metric tons - 24% of the total waste generated – and Grifols’ goal is to increase recycling volumes by 500 tons more per year.

Grifols diverts 99% of the waste generated at its Clayton facilities – a total of 10,488 tons per year – from landfills. Metals, cardboard, glass, plastics and other wastes are recycled to protect the environment.

Regarding energy, the company has an Energy Policy in which it formalizes the commitment to use energy resources efficiently and to minimize energy demands with the design and implementation of energy-saving measures and the use of renewable energy, among others.

In 2019, energy consumption compared to revenues resulted in an energy intensity of 166,219 kWh/M€, a 5.56% reduction from the previous year (175,995 kWh/M€ of 2018).

By 2030, Grifols is committed to consume 70% of the electricity from renewable energy sources and enhance energy efficiency by 15% per production unit through the systematic application of eco-efficiency measures.

For more information on Grifols’ contribution to the SDG 12, consult sections 8. Environment and climate change of the Integrated Annual Report 2019

Grifols makes efforts to utilize surplus plasma from blood donations, offering its facilities, technology, expertise and technical team at the disposal of public donation centers. 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.
ADOPT MEASURES TO COMBAT CLIMATE CHANGE AND ITS EFFECTS

Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the latest reports on the state of climate emergency, Grifols has for the first time identified and published the risks and opportunities derived from climate change that are most relevant to its business, and has defined what the associated potential financial impact could be.

Among the most relevant climate risks Grifols has identified is the increase in the frequency and severity of extreme weather events (severe physical risk) and the changes in weather patterns (chronic physical risk). Some of the most relevant climate opportunities for Grifols lie within the development of more efficient production and distribution processes and in the promotion of the circular economy. These opportunities may have a positive financial impact mainly as a reduction in its operational costs.

Within the framework of the Environmental Program, the Group is working to minimize the negative impacts of its activity by mitigating the effects of climate change, and adapting to the new climatic scenarios, through the development of initiatives such as the construction of a photovoltaic plant to reduce the atmospheric emissions or the implementation of more efficient automated cleaning processes to reduce water consumption and cope with periods of water scarcity, among others.

In regards to the most relevant climate opportunities, Grifols has set eco-efficiency and circular economy objectives within its Environmental Program 2020-2022 with initiatives such as the implementation of automatic processes for cleaning reactors and more efficient production lines to decrease caustic soda consumption or the installation of a new plastic bottle shredder to recycle all emptied plasma bottles.

GRIFOLS HAS REDUCED THE INTENSITY OF ITS CO₂ EMISSIONS BY 10.6% SINCE 2016

USE OF INTERNATIONAL FRAMEWORKS TO ASSESS CLIMATE RISKS AND OPPORTUNITIES: APPLYING THE RECOMMENDATIONS OF THE TCFD
Grifols annually calculates its carbon footprint (scopes 1, 2 and 3) in accordance with the GHG Protocol to identify and reduce the greenhouse gas emissions generated by its operations and its impact on climate change.

At a global level, the efforts made by Grifols have enabled a 10.6% reduction in the intensity of its CO₂ emissions since 2016.

Grifols is currently working, within the framework of its Environmental Program, to achieve the objective of reducing CO₂ emissions by 32,360 metric tons by 2022, through the implementation of eco-efficiency measures in new and existing facilities and using renewable energy sources. Also, different initiatives are in place in the organization specifically aimed at reducing emissions, such as the migration to refrigerant gases in 2018 and 2019 which are less polluting. Likewise, the cogeneration plant in the Bioscience Division that generates electricity which is sold back to the grid, as well as useful heat utilized in Grifols’ own facilities, led to a primary energy saving (PES) of 13.9% and a reduction in CO₂ emissions of 3,363 tons compared to emissions generated by conventional plants.

Also, since 2018 Grifols’ offices in Clayton (North Carolina, USA) have had the Leadership in Energy and Environmental Design (LEED) certification for its sustainable design. In 2019, the new plasma fractionation plant located in Clayton obtained the Green Globe Certification on behalf of the Green Building Initiative (GBI). In both cases the recognition shows the company’s commitment in the fight against climate change.

For more information on Grifols’ contribution to the SDG 13, consult sections 8. Environment and climate change of the Integrated Annual Report 2019
GUARANTEE OF AN INCLUSIVE, EQUITABLE AND QUALITY EDUCATION

In 2019, the company’s workforce participated in 1.99 million hours of training through The Grifols Academy and professional internal development programs, which adds up to an average of 112 hours per employee. Of these hours, more than 1.7 million have been provided to employees with lower qualifications, promoting equal opportunities among its team.

As part of its commitment to the training of its personnel and of different social stakeholders, in 2009 Grifols created The Grifols Academy. It encompasses the Professional Development Academy, the Academy of Plasmapheresis and the Academy of Transfusion Medicine. In 2019, more than 7,900 employees were trained through The Grifols Academy’s training programs and initiatives.

All these training actions have a positive impact in the company’s good results and in the specialization and professionalization of the personnel.

Grifols collaborates and forges alliances with companies, institutions and other organizations to foster education. A clear example is the Bioethics Chair promoted by the Fundació Víctor Grífols i Lucas in collaboration with UVic-UCC. The objective of the Bioethics Chair is to promote research and educational initiatives, awards, scholarships and publications to stimulate and spread knowledge of specific bioethics areas. Over the last five years, the company has allocated more than EUR 2 million to the Fundació Victor Grifols i Lucas.

Grifols has built strategic alliances for promoting education: an executive development program for 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.; and the collaboration with the College for America program led by Southern New Hampshire University. Through this collaboration, 77 Grifols’ employees have graduated, while 68 continue to pursue their bachelor’s degrees.

For more information on Grifols’ contribution to the SDG 4, consult sections 6. Our people of the Consolidated Directors’ Report 2019
ACHIEVE GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN AND GIRLS

There is a majority presence of women in the organization, representing 60%, and it has increased 15% with respect to the previous year. The female representation has increased in all professional categories: top management (+11.2%), senior management (+11.3%) and professionals (+27.9%). 98% of women have a permanent contract and 91% work full time. 31% of the Board of Directors are women, exceeding the Comisión Nacional del Mercado de Valores (Spanish Stock Exchange Commission) recommendation for 2020.

The company, in its commitment to the principle of non-discrimination, equal treatment and opportunities, and in compliance with the Equality Law of 3/2007 of March 22 has equal opportunities guidelines in place. Currently, equality negotiating committees have been established in the group’s companies and new equality plans are being negotiated, which will include measures aimed at guaranteeing an equal labor environment in which women and men have the same opportunities in all areas.

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. According to the latest report published by the World Economic Forum, 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 the United States has stagnated, maintaining a 27.6% closing gap.

Grifols’ adjusted gender pay gap which in Spain stands at 5.1% and 2.2% in the U.S., shows that the remuneration policies in Grifols are designed to ensure that men and women receive the same treatment for the same role.

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.

Grifols also guarantees a labor environment that is free from discrimination in which differences and singularities of its personnel are valued. The company has prevention tools and communication and complaints channels open to employees and to third parties that allow possible incidents to be identified and resolved in initial phases. In 2019, 55 reports of discrimination were reported and Grifols carried out investigations to ensure a professional environment without any discrimination. Although none was deemed discriminatory in legal terms, further measures were taken to ensure a discrimination-free environment.

In the U.S., Grifols designed plans aimed at increasing the employment of women and people belonging to minority groups, in accordance with regulations issued by the Office of Federal Contract Compliance Programs (OFCCP) of the U.S. Department of Labor. These Affirmative Action Plans (AAPs) 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. In 2019, Grifols’ AAPs resulted in 106 concrete action measures, an increase of 10.5% from 2018. Furthermore, the 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 training sessions.

In 2019, investment in the community amounted to EUR 38.9 million. Of these, EUR 15.4 million were allocated for patient organizations, collaborating through product donation and promoting initiatives for the access to treatment; 17.2 million for foundations, NGOs and local communities, including more than 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 healthy meal per day. The foundation has also endorsed sustainable health projects for the most vulnerable populations and countries.

Among the different initiatives with a social impact that Grifols promotes, the PatientCare Program can be highlighted. Since 2006, the program has provided treatment to patients with hemophilia and primary immunodeficiency in the USA and who have treatment access difficulties. As part of the commitment to patient communities, Grifols collaborates with the World Federation of Hemophilia’s Humanitarian Aid Programme (FMH). To date, Grifols has donated more than 100 million IU of product to date and 31 million IU in 2019. From 2014 to 2021, the company has pledged to donate 200 million international units (IU) of clotting factors to patients in developing countries to ensure they receive adequate treatment.

Along these lines, in 2018 Grifols launched AlfaCare, the first support program for patients with Alpha 1 anti-trypsin (AAT) deficiency in Spain. 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.

For more information on Grifols’ contribution to the SDG 10, consult sections 7. Committed to society of the Integrated Annual Report 2019

The company encourages its plasma donors in the U.S. to contribute to social development and to reduce inequality through the Plasma Possibilities program through which they may forego compensation for their donation in favor of donating to a non-profit organization. Since its launch in 2007, Plasma Possibilities has helped raise over USD 45,000 for more than 30 U.S. non-profit charity organizations.

Social programs in the communities where the plasma centers are located increased by 25% in 2019 and more than 3,400 initiatives have been implemented. Moreover, as part of Grifols’ commitment to involve employees in reducing inequality, more than 2,400 employees from Grifols’ centers volunteer their time in non-profit activities and the collection of funds.
JOINING EFFORTS. GRIFOLS’ CONTRIBUTION TO THE 2019 SUSTAINABLE DEVELOPMENT GOALS

BUILD INSTITUTIONS THAT ARE EFFECTIVE AND INCLUSIVE AND REDUCE CORRUPTION AND BRIBERY WITH RESPONSIBLE AND TRANSPARENT ORGANIZATIONS

Grifols’ activity is based on the principles of Bioethics to ensure the safety and dignity of all the people that participate in the pharmaceuticals production process. The Universal Declaration of Human Rights covers the principles that Grifols subscribes to and the organization guarantees compliance through the Code of Ethics and by placing channels to report or communicate possible violations of human rights at the disposal of its personnel and third parties.

In order to guarantee the adequate conduct of people working in Grifols and interacting with the company, in 2019, 4,600 interactions between employees and public officials or other professionals were reviewed, focusing on operations of greater risk of corruption or misconduct. As a result of the preventative activities, as was the case last year, Grifols has not identified any confirmed incidents related to corruption.

The ongoing training programs in aspects related to corruption and its prevention is a priority for Grifols. As of 2019, close to 90% of the employees with a greater probability of being exposed to acts of corruption have been trained in the company’s anticorruption mechanisms.

Grifols places an anonymous channel, the Grifols Ethics Helpline, at the disposal of the workforce and third parties to inform of any suspected matters of ethics, irregularity or behavior detected. In 2019, 226 allegations were received (230 allegations in 2018). All allegations presented are managed according to the standard operating procedure established to investigate, resolve and conclude.

Grifols encourages integrated and transparent communication with its stakeholders: health professionals, healthcare organizations and public officials, among others. In the U.S. the company complies with all federal and state regulations. As required by the “Lobbying Disclosure Act” (LDA), Grifols annually provides all the information on this subject. The activity reports are public and are available in the U.S.A. Congress. The company 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.

As an exercise of transparency, Grifols annually publishes through its website, the information relating to payments and transfers of value stemming from interactions with healthcare professionals and organizations, in accordance with the specific regulations of each country in which it operates and the voluntary codes adopted in the U.S. and Europe.

For more information on Grifols’ contribution to the SDG 16, consult sections 3. Corporate Governance of the Integrated Annual Report 2019