

Welcome to your CDP Climate Change Questionnaire 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Grifols is a global healthcare company since 1940 whose mission is to improve the health and wellbeing of people around the world. We accomplish this mission by producing life-saving protein therapies for patients and by providing hospitals, pharmacies and healthcare professionals with the tools they need to deliver expert medical care.

We have four primary divisions - Bioscience, Diagnostic, Hospital and Bio Supplies– which develop, produce and market our innovative products and services to medical professionals in more than 90 countries around the world.

Bioscience: Grifols Plasma-Related Companies, in order to produce high quality plasma products, has vertically integrated its productions structure. From plasma donation (Biomat USA and TPR), further plasma testing and inventory hold (Grifols Plasma Operations), to the production stage (Biomat, Instituto Grifols, Grifols Biologicals and Grifols Therapeutics), Grifols closely oversees every step of the process.

Hospital Pharmacy and Blood Bank: A broad range of parenteral solutions for intravenous therapies and clinical nutrition products used in the care of patients. Also offers latest-generation solutions for hospital pharmacy management processes.

Diagnostic Division: Development and manufacture of instruments, reagents and other services for in-vitro diagnostics that allow medical professionals to make more informed decisions. This division's products are designed for blood banks, transfusion centers and immunohematology labs.

Biosupplies Division, recently created, provides high-quality biological materials for life-science research, clinical trials, and for manufacturing pharmaceutical and diagnostic products. The biological materials are collected from our own network of blood and plasma donor centers in the U.S and Europe.

Engineering: Grifols Engineering designs novel engineering solutions for the manufacturing processes in its own plants and offers its services to other companies.

Commercial affiliates over the world (offices and warehouses in some of them)

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2019	December 31, 2019	Yes	3 years

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Argentina
 Australia
 Brazil
 Chile
 China
 China, Hong Kong Special Administrative Region
 Czechia
 France
 Germany
 Ireland
 Italy
 Malaysia
 Mexico
 Poland
 Portugal
 Singapore
 Spain
 Switzerland
 Thailand
 United Kingdom of Great Britain and Northern Ireland
 United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	<p>CEO's, members of the board of directors and Executive Committees, are the 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 approves the Grifols Integrated Annual Report, which includes climate-change objectives and performance markers.</p> <p>The executive committee regularly supervises Grifols' performance regarding 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.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Setting performance 	<p>CIO approves the Grifols Environmental Plan and informs CEOs periodically about the status of the actions. Biannual and yearly progress is also reported to the President and CEOs for their review. The Integrated Annual Report publishes the performance of climate-related issues with CEOs supervision. Board of Directors approves the Corporate Risk Policy which includes environmental risks associated to regulatory changes. Board of Directors also approves the Corporate Responsibility Policy that includes the aim to minimize the environmental risks</p>

	objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	involved in company activities, taking into account the effects of climate change. CIO, in addition to approving the Grifols Energy Policy 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.
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Chief Industrial Officer (CIO)	Both assessing and managing climate-related risks and opportunities	Half-yearly
Other committee, please specify Corporate Environmental Committee	Both assessing and managing climate-related risks and opportunities	Half-yearly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

1. Where in the organizational structure this/these position(s) and/or committees lie: The responsibility regarding climate-related issues lies in the Grifols Environmental Committee. Chief Industrial Officer (CIO) reports directly to the CEOs, who are members of the Board of Directors, Corporate Executive Committee, Bioscience Executive Committee, Hospital Executive Committee and Diagnostic Executive Committee. CIO is member of the Corporate Environmental Committee that meets twice a year and is the final responsible of the Corporate Environmental Department. CIO approves the three-years Corporate Environmental Program of which includes goals regarding to energy efficiency and GHG and ODS emissions. Monetary and human resources have been allocated to fulfill the accomplishment of the before mentioned goals. He is also responsible of the Global Facilities department and Grifols Engineering Company, approving investments related to engineering projects, including issues related to energy efficiency and control of energy expenses.

2. What their associated responsibilities are: His responsibility is to surveil the compliance of Grifols Energy Policy, which was approved in 2017. He proposes and approves objectives and

actions aimed to reduce energy consumption and emissions worldwide. CIO participates in the half-yearly follow-up of results and makes new proposals for actions to be implemented. He oversees the capital expenditures for energy savings projects. This responsibility has been assigned to this Committee because it manages the information about climate-related issues at a global company level and has the authority to make decisions. Therefore, it is the most appropriate to evaluate the results and plan improvement goals in the future.

3. How climate-related issues are monitored: Environmental Key Performance Indicators (eKPI), such as energy consumption, are requested to the responsible of each center monthly and annually. The data provided is verified and the equivalent CO2 emissions are calculated by manufacturing plant, division and country. The results are evaluated by the Grifols Environmental Committee.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Energy manager	Monetary reward	Energy reduction project Efficiency project	Indicator: Control and reduction of operating costs (including energy costs)

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
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Short-term	0	3	
Medium-term	3	6	
Long-term	6	10	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Grifols has defined a substantive financial impact in relation to the classification of the financial impact defined in the identification of climate risks and opportunities following the TCFD recommendations. It is considered substantive impact when the financial impact associated to a risk or an opportunity is up to 10Million EUR, it means when the financial impact is classified in Medium (>10M€ <= 20M€), Medium-high (>20M€ <= 200 M€) or High (> 200M€).

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Grifols process for the identification of substantive impact consisted on defining if the financial impact of the risk or opportunity is higher than 10 Million EUR. In 2019, Grifols adapted its climate risks and opportunities identification to TCFD taxonomy. 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. Grifols used TCFD taxonomy for risks and opportunities and adapted each financial impact to its business model in order to obtain a complete list of financial impacts derived from climate change. First step was evaluating financial impact of each risks and opportunity and classifying in:

- High: > 200M€
- Medium-high: >20M€ <= 200 M€

- Medium: >10M€ <= 20M€
- Low: <=10M€

Financial impact associated to every transition risk has been determined as low, but impact associated to some physical risks and some opportunities has been determined as medium.

Following the methodology, those risks and opportunities with an impact higher than 10M€, the following aspects should be also analyzed:

- Likelihood, classifying among unlikely, likely or very likely
- Timeframe, distinguishing among:
 - o Short term: 0<=3 years
 - o Medium term: >3 <=6 years
 - o Long term: >6 years
- Where the financial impact takes place:
 - o OPEX
 - o CAPEX
 - o Acquisition or divestments
 - o Access to capital

No risk has been determined to have high or medium-high impact. Finally, some physical risks and their financial impacts have been determined as relevant, all of them having medium impact (between 10M€ and 20M€).

The financial impact associated with all transitory risks has been determined as low. The impact that is associated with some of the physical risks and opportunities has been determined as medium.

An example of a risk with a substantive financial impact is the reduction of incomes due to a decrease in production capacity (transportation difficulties or interruptions in the supply chain). The financial impact has been assessed as Medium (>10M€ <= 20M€). In this case, the rest of the aspects were analyzed: Likelihood was evaluated as likely, timeframe as Long term (>6 years) and the financial impact takes place on the Operational Expenses (OPEX).

An example of a transitory risk is the increasing of the price of GHG emissions. The financial impact was estimated lower than 10Mill EUR, so the result is Low. Following the methodology, no other aspects (likelihood, timeframe and where the financial impacts took place) were assessed.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Not relevant, explanation provided	Risks arising from current legislation have been assessed and considered not relevant for the following reasons: Grifols evaluates the risk of serious non-compliance of a legal requirement as a part of the Corporate Risk Policy. A corporate procedure (EV-SOP-Compliance Obligation) has been developed in

		<p>order to minimize that risk. The procedure concerns the manufacturing plants in Spain and USA, from the Bioscience, Hospital and Diagnostic divisions. The compliance of this procedure is audited with, at least, a half-yearly frequency.</p> <p>The identification of legal requirements and other requirements that Grifols subscribes, applicable to its environmental aspects, is supported by a specialized external company (Asecorp Consultoría Empresarial in Spain and Dakota in the companies located in USA) that performs both the initial identification and its periodic maintenance through an on-line system restricted access. The identification of requirements includes those deriving from general to local legislation, as well as voluntary requirements and those derived from permits and licenses. This system allows direct access to the full legal texts, the summary sheets of each regulation and the requirements applicable to each company. Further legal information can be obtained through other sources, such as Official Bulletins, magazines or industry associations.</p> <p>The Environmental Department is permanently informed, via email, about all changes that may occur in the online system (new legislation published, derogations, modifications, etc.). Yearly external audits carried out by the certification body TÜV Rheinland check the Grifols environmental compliance obligations. Yearly internal audits are also contracted to external companies to ensure the objectivity. The Grifols Internal Audit Department verify main environmental requirements.</p>
Emerging regulation	Not relevant, explanation provided	<p>Emergent regulation has been evaluated but has been concluded that it is not relevant.</p> <p>The evaluated risk in Grifols is a potential economic fine due to not being aware of a new legal requirement. The standard operational procedure EV-SOP-000004 makes sure that this situation does not happen. The compliance of new regulations is evaluated, at least, half-yearly. This evaluation is especially important for manufacturing plants in Spain and USA, from the Bioscience, Hospital and Diagnostic divisions.</p> <p>Moreover, the Environmental Department is permanently informed, via email, about all changes that may occur in the online system (new legislation published, derogations, modifications, etc.).</p> <p>Some of the main production plants have been recently built and Grifols Engineering takes into consideration eco-efficiency criteria in all its projects. Best technologies in our sector have been implemented and therefore this risk is evaluated as not relevant.</p>
Technology	Relevant, always included	<p>The risk of generating higher emissions due to the unawareness of Best Available Techniques (BAT) that could help to reduce them. In order to avoid it, a document has been developed (EV-RINS-000002-2) which establishes Grifols environmental standards that must be applied during the design of new facilities (building and processes).</p>

		<p>These standards are aimed to air conditioners, lighting, compressed air, vapor generation, water treatment, electricity and natural gas consumers, etc. Most of Grifols standards are above market standards. For instance, using of motors with IEC IE4 efficiency rating or higher, using inverters, installation of flow regulators connected to temperature probes that adjust the fan functioning. In addition, at the beginning of engineering projects, the environmental aspects are evaluated and BATs are implemented when possible. For instance, using clean in place (CIP) automated rotation ball cleaning systems when washing reactors and hoses.</p> <p>A new document, EV-INS-000018 Environmental consideration in Applied Engineering department ensures that the environmental criteria are included in the design and manufacturing of new equipment. For instance, prioritize as far as possible, local suppliers for the components, in cases where a cooling system is required, the refrigerant gases will not be halogenated and it will be taken into consideration that the GWP (Global Warming Potential) is the lowest possible. There are alternatives that allow reducing the electrical consumption during the use of the equipment, for instance, select, among those electric motors that are suitable, even within the same brand, the one with the lowest power, at the programming level, in prolonged stoppages of the machine, a deactivation time is established after which almost all the components of the machine (motors, lighting, screens, etc.) are deactivated, except for the control ones.</p> <p>Try to include the maximum number of components and machined parts in each of the orders, and in order to minimize the number of shipments by suppliers, try to establish a container return system be with the nearest suppliers as far as possible.</p>
Legal	Not relevant, explanation provided	The risk of business loss due to a permit or license non-compliance has been evaluated. Grifols has a department in Spain dealing with this specific issue. The compliance of permits and licenses is evaluated, at least, half-yearly.
Market	Not relevant, included	<p>The market loss risk due to a lack of an appropriate environmental strategy has been evaluated. This risk would affect the commercial and marketing activity of Grifols International. These departments actively participate in the identification of initiatives that come out, mainly, of the European and American markets, that might be implemented by the manufacturing plants from the Bioscience, Hospital and Diagnostic divisions.</p> <p>Specifically following items have been evaluated as a low risk : Changing customer behavior, uncertainty in market signals and increased cost of raw materials</p> <p>Therefore, this risk is not considered as relevant.</p>

Reputation	Not relevant, explanation provided	Shifts in consumer preferences, sector stigmatization and increased stakeholder concern or negative stakeholder feedback have been evaluated but the resulting relevance has been low. Reduced revenues due to the sustainability performance not aligning with customer expectation and reduced revenues due to non-compliance with Grifols own voluntary commitments having a negative effect on clients, employees and other stakeholders have been assessed as not relevant because of the nature of Grifols business.
Acute physical	Relevant, always included	<p>The increase of the frequency and severity of extreme weather events such as cyclones and floods have been evaluated considered relevant</p> <p>In line with its internal risk management procedure, Grifols diversifies its production, establishes contingency and emergency plans, designs facilities to withstand extreme weather events and reduce water consumption in its manufacturing processes to effectively manage these risks.</p> <p>Grifols has one of its most important manufacturing plants in North Carolina. This site could be affected by floodings, heavy rains and/or hurricanes. In the Barcelona site, Grifols has the packaging facility near to the small river Tenes. A potential flood could affect this site but there is no historical record and the actual probability of this happening is low. However, climate changes could increasingly affect this natural phenomena. Since the facilities are purposely built to resist this kind of extreme weather events, damages would be mostly associated to facades or roof replacements. Emergency and contingency plans are developed in order to ensure facilities in North Carolina are well prepared to face any extreme events such as tornadoes and hurricanes. For instance, during the design stage of the facilities, materials and structures are specifically chosen in order to adapt to extreme weather events.</p>
Chronic physical	Relevant, always included	<p>Changes in climate patterns have been evaluated considered relevant.</p> <p>Some of Grifols most important production centers in Spain (Barcelona and Murcia) are located in a Mediterranean climate area, and in the USA (California). These sites could be affected by droughts, which could increase due to climate change. Droughts could affect the availability of subsoil water that is used in the production process. In Barcelona, water for production comes from wells owned by Grifols and city water. A long time without rain could affect the reservoir of these wells. In 2019, Grifols consumed 916,778 m³ of water in Spain, of which 26% comes from wells (23% in 2018). Grifols implements different measures aimed to reduce water consumption. For instance: the collection and reuse of clean water in boilers and/or in cooling towers, rejection of distillers, ultra and microfiltration, WFI (Water for Injection) and purified water circuits</p>

		<p>purge systems, avoid the installation of open water cooling circuits using exchangers with cooling tower or chiller equipment, recovery water from steam condensates and use as feed water in the boilers, etc.</p> <p>There is a catalogue of measures to reduce water consumption that have been implemented in Grifols during the last 20 years (EV-RINS-000002-2). Synergies regarding this aspect are developed between Spain and USA engineering groups.</p> <p>The 2020-2022 Corporate Environmental Programs includes objectives to reduce water consumption in Grifols plants in Spain (Hospital and Diagnostic divisions) and USA (Bioscience division). For instance, reducing water consumption by 2,100 m³ per year through the implementation of more efficient automated cleaning processes in some production areas of the facilities of Laboratorios Grifols and Instituto Grifols in Barcelona and reducing water consumption by 10,000 m³ per year through the reuse and recovery of water from pasteurization baths from the albumin purification process in Los Angeles and Ireland.</p> <p>There are contingency plans in all these plants in case a water shortage takes place.</p>
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C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased direct costs

Company-specific description

Increase in costs due to unexpected losses on damaged facilities:

In Barcelona site, Grifols has the packaging facility near to the small river Tenes. A potential flooding could affect this site but the real probability is low and we have not got any historical background. Changes in climate could affect increasingly this natural phenomena in both sites.

The Catalan Water Agency carried out some planning work of the Besós river. The result was that the packaging plant of Instituto Grifols is located in the 100- and 500-year flood zones of the Tenes river return period.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)**Potential financial impact figure – minimum (currency)**

10,000,000

Potential financial impact figure – maximum (currency)

20,000,000

Explanation of financial impact figure

The worst serious impact would be on 100- and 500-year-flood return period. In this case, the maximum loss of product that it is stored in the cold room and the damages to the facilities is assessed at a maximum of 10 million EUR.

Manufacturing areas are located in the first floor and product warehouse is elevated 1 meter above the level 0. Floods are not expected to affect these areas.

Cost of response to risk

24,000

Description of response and explanation of cost calculation

In April 2019 he studied the floodability of the conditioning building of IG products in Parets del Valles (Barcelona). A detailed hydraulic study of the Tenes river was carried out around the Grifols facilities to know what the impact of the installation would be in case of floods of the River Tenes with return periods of up to 500 years. The main objectives were:

1. Avoiding the return of water levels of the river Tenes through the internal drainage

network.

2. Prevent the external runoff generated in the polygon can enter to Grifols site.

3. Avoiding the direct flooding of the Tenes River for avenues of return of 100 and 500 years.

As a result, several actions will be carried out (cost of response to risk):

-Installing an anti-return valve in the drainage

-Covering one of the factory's perimeter doors

-To build a wall to increase the protection of the fire pumps

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

Reduction of income due to a decrease in production capacity (transportation difficulties or interruptions in the supply chain) mainly in Spain and North America.

Manufacturing needs a transportation of raw materials from different countries. Grifols is extending countries where to obtain plasma, such as Germany in 2018.

Grifols is diverting products, mainly for Diagnostic Division, to reduce the risk of reduction of incomes in the main business division, Bioscience.

The stock of the main raw material that is plasma is usually longer than 3 months.

Plasma products can be produced at more than one production facility at distances greater than 2,600 miles.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

10,000,000

Potential financial impact figure – maximum (currency)

20,000,000

Explanation of financial impact figure

2019 Grifols Bioscience división revenues were 3,993 Mill EUR. North Carolina site produces the 43% of the final products. So, it is estimated that 2 days of no production on this site could have a financial impact of 10 Mill EUR.

Cost of response to risk

100,000

Description of response and explanation of cost calculation

Description of response: Additional space of 1000m2 to increase the stock of other raw materials other than plasma.

Cost calculation: Annual rental cost of 1000m2 in North Carolina site.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact

Company-specific description

Some of the Grifols most important production centers in Spain (Barcelona and Murcia) are located in a mediterranean climatic area, and USA (California). These sites could be affected by droughts, which could increase due to climate change. Droughts could affect the availability of subsoil water that is used in production. In Barcelona, water for production comes from wells of Grifols property and city water. A long time without rain

could affect the reservoir of these wells. In 2019, Grifols consumed 916.778 m³ of water in Spain, 26% comes from wells (23% in 2018). Nevertheless, the city water supply is more than enough to meet the needs of these facilities and it is unlikely to run out of supply.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)
Potential financial impact figure – minimum (currency)

10,000,000

Potential financial impact figure – maximum (currency)

20,000,000

Explanation of financial impact figure

In Barcelona site, it is consumed water from wells for the manufacturing process. The cost of using water from supplier would increase the annual water consumption cost in 1.6 Mill EUR.

In Los Angeles site, it is estimated that during a water scarcity period the cost of the water could increase 100%, arising 2.2 Mill EUR annually.

It is estimated that the water scarcity period is around 3 years and the total cost could arise to 11.7 Mill EUR.

Cost of response to risk

110,000

Description of response and explanation of cost calculation

Some Environmental goals for water reducing consumption have been included in the Corporate Environmental Program 2020-2022 that Will be implemented in Barcelona and Los Angeles sites:

In Barcelona site will be implemented new more efficient Clean in Place (CIP) systems in the designated manufacturing areas of Bioscience división. CAPEX for this project is 40,000EUR.

In Los Angeles site, a project for recovery water of Albumin Pasteurizer Baths for Reusing (annual savings 6.057 m³) is scheduled. CAPEX for this project is 70,000 EUR.

We have also identified the opportunity, explained in the point C2.4a of this report, that can reduce this risk by the implementation of some new reverse osmosis equipment, more efficient and with a lower water rejection.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

Grifols is prioritizing new photovoltaic plants in those sites with a significant solar impact. The Grifols 2020-2022 Corporate Environmental Program includes the construction of two 100 kW and 150 kW photovoltaic plants for self-consumption in the facilities of the Hospital division in Murcia (Spain). Total anual generation will be 350,000 kWh. It has also been studied the opportunity to install a 4000 kW photovoltaic self-consumption plant at the North Carolina facility where 121 Ha of land are available. Approximately 8 Ha would be used to produce 5.6 Million kWh annually. The project is on stand-by until the ROI is reasonable.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

10,000,000

Potential financial impact figure – maximum (currency)

20,000,000

Explanation of financial impact figure

In Murcia the estimated annual savings in energy consumption are 29,000 EUR.

25 years is the estimated time of life of the facilities, so the estimated savings for this period are 725,000 EUR

In North Carolina, the financial impact has been calculated taking into consideration the available surface, the power to be installed, the annual production of kWh during 25 years (140 Mill kWh) and the cost of the electricity, The estimated result is 9.8 Mill EUR.

Cost to realize opportunity

5,050,000

Strategy to realize opportunity and explanation of cost calculation

Murcia: The cost of construction of two 100 kW and 150 kW photovoltaic plants that will generate 350,000 kWh per year is 250,000 EUR.

North Carolina: The opportunity is greater, however the installation cost is higher and therefore the return on investment is similar to 12 years. The budget includes 12,000 photovoltaic panels, the infrastructure needed for energy transformation, a transformer station and an online monitoring system for the photovoltaic plant. Installed power 4,000kW; annual production of 5.6 Mill kWh; Cost 4.8 Mill EUR.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Reduced water usage and consumption

Primary potential financial impact

Reduced direct costs

Company-specific description

In 2019, the water consumption in absolute terms in Grifols' main production plants has been reduced even with the increasing in production. Specifically in the plants of the Bioscience division of North Carolina and Los Angeles this consumption has been reduced in absolute terms by 14% due to the implementation of some new reverse osmosis equipments, more efficient and with a lower water rejection. There is an opportunity to complete the replacement of the existing osmosis equipment at the North Carolina and Barcelona sites.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

10,000,000

Potential financial impact figure – maximum (currency)

20,000,000

Explanation of financial impact figure

Water consumption of the Bioscience division in 2019 was 2,784,960 m³. In 10 years it could be the double due to the new production capacities - increasing of fractionation capacity by 12 million liters of plasma. Additional savings of 8% of the total consumption are calculated taking into consideration the investment in new reverse osmosis equipments. The estimated cost of water is 2.6 EUR /m³. This 8% savings in these 10 years, taking into account the total 100% increase of consumption is estimated in 11.5 Mill EUR.

Cost to realize opportunity

1,500,000

Strategy to realize opportunity and explanation of cost calculation

In the next 10 years the fractionation capacity of the Bioscience division will be the double due to two new plasma fractionation facilities in North Carolina. There is still an opportunity to replace other reverse osmosis equipments at the North Carolina and Parets del Valles facilities. These investments will reduce total consumption of water related to production of the Bioscience division by an additional 8%.

Equipment and installation cost of a new reverse osmosis in North Carolina and Parets del Vallés is based on the previous Project of 2018 and totals 1.5 Mill EUR.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of recycling

Primary potential financial impact

Reduced direct costs

Company-specific description

Reduction of operational costs, considering the complete life cycle analysis.

Grifols in Clayton has generated in 2019, 10,500 tonnes of waste and it is exploring alternative ways of waste management and new recycling opportunities in order to avoid landfill for 98% of waste. 2020-2022 Grifols Environmental Program includes objectives to reduce waste quantities and increase recycling options. We can recycle the 500 metric tons of empty plasma bottles from the new fractionation plant in Clayton (USA). Grifols in Parets del Vallès (Barcelona) has produced 3,400 tonnes of waste in 2019. It is also proposed in the 2020-2022 Grifols Environmental Program to reduce waste quantities and exploring measures for reducing the generation of hazardous waste produced during the fractionation process. We can install a system to recover the ethanol from 618 t of production paste residue, reducing in turn the weight and volume of this waste.

The new fractionation plant in Clayton (USA) will use 6 million liters of ethanol annually in the production process. The recycling of this ethanol and its reuse in the same process is a great opportunity for the circular economy and a reduction in operational costs.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)**Potential financial impact figure – minimum (currency)**

10,000,000

Potential financial impact figure – maximum (currency)

20,000,000

Explanation of financial impact figure

The recycling of 500 metric tons of empty plasma bottles (biohazardous waste) can save about 200.000 EUR. $500 \text{ t} \times 400 \text{ EUR} / \text{t}$.

Installing an evaporator system to recover the ethanol from 618 t of production paste residue, reducing in turn the weight, volume and hazardousness of this waste. Savings from ethanol recovered = $150 \text{ t} \times 1000 \text{ EUR} / \text{t} = 150.000 \text{ EUR}$ + savings from waste disposal = $618 \times 300 \text{ EUR} / \text{ton} = 185.400 \text{ EUR}$.

In Clayton (USA) there is the opportunity to construct 2 new ethanol distillation towers in the next 10 years due to the construction of 2 new fractionation plants. The savings from the ethanol recovered are 6 million liters x 2 towers x 1€ / liter = EUR 12 Million. The savings from the waste alcohol treatment are: 48.000 tons of aqueous ethanol solution x 100 €/ton = EUR 4.8 Million.

Total savings for these recycling opportunities: $200,000 + 150,000 + 185,400 + 12,000,000 + 4,800,000 = 17,335,400 \text{ EUR}$

Cost to realize opportunity

8,500,000

Strategy to realize opportunity and explanation of cost calculation

The Installation of a new plastic bottle grinder in the new fractionation plant for shredding and cleaning the plastic for recycling costs about EUR 1 Million.

The evaporator system to recover the ethanol from the production paste residue in Parets del Vallès (Barcelona) have a budget of EUR 1.3 Million.

The construction of two new ethanol distillation tower + controls upgrade and new accumulation tanks has been offered by EUR 6.2 million.

Total investment is: EUR 8.5 Million.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, and we do not anticipate doing so in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

The decision to use climate-related scenarios analysis has been discussed internally. By the moment, it is considered that the evaluated risks, in general, are not relevant for Grifols operations worldwide. The activities that are expected to be developed at a short and medium-term, will not be significantly affected by climate change consequences. Grifols strategy is to implement the recently approved Energy Policy by carrying out different projects and actions which would be in line with most of the climate-related scenarios in the future. One of the main difficulties that currently prevent Grifols from considering these scenarios is the organization's complexity (wide range of different production activities around different countries). In addition, there is a lack of fully developed guidelines that would help to analyze these scenarios. Therefore, it has been concluded that currently there is not enough available information to carry out an evaluation that would help to make decisions or develop strategies. Nevertheless, in the near future, we do not rule out the possibility to evaluate the feasibility of choosing a specific scenario and start implementing it in some parts of Grifols business.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	No	The risks and climate opportunities identified impact the business strategy from the point of view of innovation applied to production and services, as well as the construction of biotechnology facilities for Grifols customers.

		<p>The innovation strategy is based on the installation of eco-efficient technologies, mainly for air emissions and water consumption. To do this, the use of the SAP tool is being expanded to be more in-depth in identifying Grifols projects that may have an environmental impact. The study of the characteristics of air conditioning, compressed air, insulation, lighting, cooling systems, cooling towers, steam generation installations is expanded to a greater number of projects developed in the different Grifols companies . The strategy consists on the study of these facilities from the design stage, both for internal and external projects, in order to offer know-how in this field to client companies.</p> <p>A specific example of a strategy for reducing greenhouse emissions from refrigerant gas leaks is to build new refrigeration facilities that use gases with Zero Global Warming Potential when possible. The Grifols International's new cold installation using this technology has been included in the Corporate Environmental Program 2020-2022.</p>
Supply chain and/or value chain	No	<p>Grifols' supply chain is not considered to be relevant from the point of view of risks and climate opportunities to influence the business strategy. The quantity and quality of plasma, the main raw material, is not expected to be affected by climate change or natural disasters arising from it. Nor is it considered that this may be affected by this reason. Current controls on this and other raw materials guarantee quality and supply in any climate situation.</p>
Investment in R&D	No	<p>Climate-related risks and opportunities have not yet influenced our R&D investment strategy, as we are initially focused on evaluating the risks and opportunities relating to our operations and existing products and services, ensuring our business strategy is aligned in accordance with these.</p>
Operations	Yes	<p>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 Program and are driven by the Corporate Risk and Energy Policies. In this way, climate-related risks and opportunities are interweaved into Grifols' strategy and decision-making framework.</p> <p>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.</p> <p>Strategic goals for 2030 have been approved:</p>

		<p>-Reduce greenhouse gas emissions per unit of production by 40%.</p> <p>-Increase energy efficiency per unit of production by 15% by systematically integrating eco-efficiency measures in new projects and existing installations.</p> <p>-Consume 70% of electricity from renewable sources.</p> <p>-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</p> <p>-Facilitate the decarbonization of transport in business trips and employee commutes by reducing air travel, carbon offsetting, encouraging teleworking, among others</p> <p>-Protect biodiversity on Grifols properties through the Grifols Wildlife Program, promoting CO2 capture</p> <p>The most substantial strategic decision made in this area has been the approval of the Corporate Environmental Program for the period 2020-2022, including specific targets for achieving the 2030 goals. For example, the construction of photovoltaic plants, the purchasing of 18,000,000 kWh per year through Power Purchasing Agreements, the purchasing of 50,000,000 kWh of annual renewable electricity and ecoefficiency certifications of new buildings.</p>
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C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Capital expenditures	<p>The analysis of the financial strategy, taking into account the risks and opportunities identified, is based on the use of renewable energy with a time horizon by 2030. The goal is to consume 70% of electricity from renewable sources. The options studied are as follows:</p> <p>1. Purchase electrical renewable energy with Renewable Energy Certificates (REC's). The estimated annual cost of the certificates is 286,000 EUR per year. This increase in renewable energy would be gradually carried out over the next 10 years to 70% by 2029.</p> <p>2.- Purchase of renewable energy through PPAs (Power Purchasing Agreements) with renewable energy producers. These long-term agreements, from 10 to 15 years, allow to contract at a fixed price or at variable price indexed to national or international electricity markets. To</p>

	<p>minimize risks the formula studied and more viable seems to be the variable price indexed to the domestic market and with a discount that is usually 5%. This is the main option for Grifols and the other two are complementary. The projected 10-year savings are estimated in 4.4 Mill EUR.</p> <p>3.- Installation of photovoltaic plants for self-consumption in the production facilities of Grifols. It is a complementary option that could produce around 6 Mill kWh annually. Estimated investment of 5.05 Mill euros and a total saving in the life time of these facilities (25 years) of 10.5 Mill EUR.</p>
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C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

The assessment of risks and opportunities related to climate change has led the assessment of green certification of the new buildings that are being built in Clayton (USA) and Barcelona (Spain). The 2020-2022 Grifols Environmental Program has included the following objectives:

- Obtaining LEED Silver or Gold certification for a new corporate building in Barcelona (Spain)
- NFB: Achieve Green Globes certification (Two Green Globes level) in two new buildings in Clayton (USA). It allows 30% electricity reduction compared to a standard construction.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 5

Year target was set

2016

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 2 (location-based)

Base year

2016

Covered emissions in base year (metric tons CO₂e)

122,508

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2019

Targeted reduction from base year (%)

0.51

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

121,883.2092

Covered emissions in reporting year (metric tons CO₂e)

131,442

% of target achieved [auto-calculated]

-1,429.9186223613

Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

Reduction of 2,066 MWh of electric energy consumption in existing buildings by year (622 TCO₂e) carrying out different actions such as cooling systems optimization, installation of high-efficiency equipments, or lighting system replacements for the manufacturing plants of the Bioscience, Diagnostic and Hospital divisions in Spain and USA.

Target reference number

Abs 6

Year target was set

2016

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1

Base year

2016

Covered emissions in base year (metric tons CO₂e)

67,369

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

72.7

Target year

2019

Targeted reduction from base year (%)

5.33

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

63,778.2323

Covered emissions in reporting year (metric tons CO₂e)

79,833

% of target achieved [auto-calculated]

-347.1124016182

Target status in reporting year

Achieved

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

Reduction of 19,720 MWh of Natural Gas in existing buildings by year (3,592 TCO₂e) carrying out different actions such as improving steam generation efficiency, pipeline insulation, cogeneration engines overhaul, or window replacements for the manufacturing plants of the Bioscience and Diagnostic divisions in Spain and USA.

Target reference number

Abs 7

Year target was set

2016

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 2 (location-based)

Base year

2016

Covered emissions in base year (metric tons CO₂e)

122,508

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2021

Targeted reduction from base year (%)

3.66

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

118,024.2072

Covered emissions in reporting year (metric tons CO₂e)

131,442

% of target achieved [auto-calculated]

-199.2509555749

Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

Optimization of 6,229 MWh of electric energy demand in new buildings by year (4,479 TCO₂e) carrying out different actions such as installation of Variable Frequency Drivers (VFD) in engines and pumps, hig-efficiency lihgtng systems, recovery of heat, or the inclusion of energy efficiency standards during the new buildings design for the manufacturing plants and centres of the Bioscience divisions in Spain and USA.

Target reference number

Abs 8

Year target was set

2016

Target coverage

Country/region

Scope(s) (or Scope 3 category)

Scope 1

Base year

2016

Covered emissions in base year (metric tons CO₂e)

67,369

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

72.7

Target year

2019

Targeted reduction from base year (%)

0.3

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

67,166.893

Covered emissions in reporting year (metric tons CO₂e)

79,833

% of target achieved [auto-calculated]

-6,167.0303354164

Target status in reporting year

Achieved

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

Optimization of 926 MWh of Natural gas demand in new buildings by year (169 TCO₂e) carrying out different actions such as pipelines insulation, installation of cleaning in place (CIP) systems for reactors, or acquiring a high-efficiency distiller for the manufacturing plants of the Bioscience and Hospital divisions in Spain.

Target reference number

Abs 30

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2018

Covered emissions in base year (metric tons CO₂e)

218,536

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

40

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

131,121.6

Covered emissions in reporting year (metric tons CO₂e)

244,006

% of target achieved [auto-calculated]

-29.1370758136

Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

Reducing the global Scope 1 and 2 emissions by 40% in 2030, considering the 2018 Scope 1 and 2 emissions as base year emissions. Thus 87,414.4 TCO₂e are expected to be reduced (Scope 1 and 2 emissions in 2018 were 218,536*0.4=87,414.4). This is a global goal that includes all specific objectives to be implemented in all Grifols Divisions' facilities worldwide aimed to reduce electricity and natural gas consumption during the following years. It has to take into account the increase of the production in these 10 years.

C4.2**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

C4.3**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

	Number of initiatives	Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *)
Under investigation	0	
To be implemented*	0	
Implementation commenced*	6	3,197
Implemented*	3	1,976
Not to be implemented	2	23

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes
Motors and drives

Estimated annual CO₂e savings (metric tonnes CO₂e)

6

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,896

Investment required (unit currency – as specified in C0.4)

10,000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Implementation of new variable-frequency drivers in engines and pumps at the Bioscience division plant in Parets del Vallès (Spain) in order to optimize electricity consumption (19.6 MWh/year).

Initiative category & Initiative type

Energy efficiency in buildings
Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

1,844

Scope(s)

Scope 1
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

250,000

Investment required (unit currency – as specified in C0.4)

2,100,000

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

Design and construction of a new fractionation building in accordance with the latest energy efficiency standards in the Bioscience division facilities at Clayton (NC, US) in order to optimize energy consumption. Implementation of an energy monitoring software in the Diagnostic division plant at Emeryville (CA, US) in order to improve the energy consumption follow-up at all facilities.

Initiative category & Initiative type

Energy efficiency in buildings
Insulation

Estimated annual CO2e savings (metric tonnes CO2e)

126

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

17,742

Investment required (unit currency – as specified in C0.4)

60,000

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

Insulation of pipelines in the Bioscience division plant at Parets del Vallès (Spain) in order to avoid thermal loss and optimize natural gas consumption (126.000 kg CO₂e / 0,18 kg CO₂e per kwh of Natural Gas =700 MWh Natural Gas annually x 25.36 €/MWH = 17,742 €.

C4.3c**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Financial optimization calculations	When Grifols installs a new product process or build a plant, the possibilities in eco-efficiency are always studied. Sometimes, we can choose between several technologies and we study the use of Best Available Techniques. The Manager studies the options and considers several factors. The eco-efficiency options are taken into account and these are usually approved if the payback period is reasonable. The installation of one autoclave for sterilizations (steam and air mixture) in Laboratorios Grifols plant in Barcelona, Installation Clean in Place Units (CIPs) to optimize the cleaning methods of reactors or installations of Variable Frequency Drives (VFD) and high efficiency motors and pumps when are technically possible are some examples of these investments. In the last started up industrial plant in Barcelona, Prolastine C, it has been included different technologies for reducing emissions.
Employee engagement	Grifols, complying the ISO 14001 standard, has some instructions about the eco-efficiency measures in new products (R+D), design of buildings and engineering projects. It is internally mandatory to study the options of eco-efficiency in the design of a project and the development of a new product. All the engineers have been trained in ecoefficiency technology.
Compliance with regulatory requirements/standards	The compliance to regulatory requirements in energy efficiency is always compulsory in Grifols projects. There is an internal procedure

	<p>for legal compliance, which allows constant monitoring of existing requirements for Grifols activity and identification of new ones. Assessment of the legal compliance is systematically carried out in order to detect potential requirements in terms of emission reduction activities that may affect Grifols activity. More specifically, legal requirements are evaluated at three different levels: Catalan and local government regulations; Spanish and States (US) regulations; and European Union and Federal (US) regulations.</p>
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C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2016

Base year end

December 31, 2016

Base year emissions (metric tons CO₂e)

92,643

Comment

Scope 2 (location-based)

Base year start

January 1, 2016

Base year end

December 31, 2016

Base year emissions (metric tons CO₂e)

122,508

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

112,564

Start date

January 1, 2019

End date

December 31, 2019

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO₂e)

98,043

Start date

January 1, 2018

End date

December 31, 2018

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

103,045

Start date

January 1, 2017

End date

December 31, 2017

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

Start date

End date

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

In most of our sites we have no access to information related to our emissions from the suppliers.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

131,442

Start date

January 1, 2019

End date

December 31, 2019

Comment

Past year 1

Scope 2, location-based

120,493

Start date

January 1, 2018

End date

December 31, 2018

Comment

Past year 2

Scope 2, location-based

112,481

Start date

January 1, 2017

End date

December 31, 2017

Comment

Past year 3

Scope 2, location-based

Start date

End date

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Grifols Beijing

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols Beijing 2019 = 17 (0,07%). Total staff Grifols 2019= 24126.

Source

Grifols Colombia

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols Colombia 2019 = 9 (0,04%). Total staff Grifols 2019 = 24126.

Source

Grifols India Healthcare

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols India 2019 = 14 (0,06%). Total staff Grifols 2019 = 24126.

Source

Grifols Japan KK

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols Japan 2019 = 17 (0,07%). Total staff Grifols 2019 = 24126.

Source

Grifols Nordic AB

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols Nordic 2019 = 8 (0,03%). Total staff Grifols 2019 = 24126.

Source

Grifols Taiwan

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols India 2019 = 4 (0,02%). Total staff Grifols 2019 = 24126.

Source

Home Address

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Scope 1 and 2 emissions are not significant. Scope 3 is considered due to business trips.

Source

Home Address USA

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Scope 1 and 2 emissions are not significant. Scope 3 is considered due to business trips.

Source

Grifols Beijing

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols Beijing 2019 = 17 (0,07%). Total staff Grifols 2019= 24126.

Source

Grifols Colombia

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols Colombia 2019 = 9 (0,04%). Total staff Grifols 2019 = 24126.

Source

Grifols India Healthcare

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols India 2019 = 14 (0,06%). Total staff Grifols 2019 = 24126.

Source

Grifols Japan KK

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols Japan 2019 = 17 (0,07%). Total staff Grifols 2019 = 24126.

Source

Grifols Nordic AB

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols Nordic 2019 = 8 (0,03%). Total staff Grifols 2019 = 24126.

Source

Grifols Taiwan

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions considered as not relevant as they are originated by energy consumption associated to office's staff which is very low. Total staff Grifols India 2019 = 4 (0,02%). Total staff Grifols 2019 = 24126.

Source

Home Address

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Scope 1 and 2 emissions are not significant. Scope 3 is considered due to business trips.

Source

Home Address USA

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Scope 1 and 2 emissions are not significant. Scope 3 is considered due to business trips.

C6.5**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.****Purchased goods and services**

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

35,498.4

Emissions calculation methodology

We have used the Life Cycle Assessment Methodology. We have calculated emissions in production of glass and plastic that is the packaging of some of our final products: We know the electricity consumption of packaging of 100 ml and 500 ml of PP and glass material. We have the total units of production of PP and glass but not their corresponding volume, so we have estimated that all units have 100 ml excepting those ones that we are sure are 500 ml.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Grifols uses several raw materials from all over the world. So far we have only calculated emissions related to primary packaging lifecycle, specifically glass vials and plastic bags and bottles. It is included the packaging of all manufacturing plants.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

Main capital goods are provided by the same Grifols company, so we include emissions for manufacturing, equipment, machinery, building and facilities are included in total Scope 1+2.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Please explain

It is included in other sources of scope 3 emissions.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

2,259.1

Emissions calculation methodology

Regarding yearly imports, calculation is carried out using data from the total weight transported, total distance and kind of transport. GHG Protocol emission factors are applied for road, air and watercraft transports. More specifically, the Mobile Combustion GHG Emissions Calculation Tool (Version 2.6) is used.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

It includes emissions generated by imports managed from Grifols International by road, air and watercraft transport.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

17,056.1

Emissions calculation methodology

Different emission factors are used depending on the final waste treatment: Incineration, recycling, reusing, byproduct, landfill, anaerobic digestion, solid recovered fuel. Emission factors are taken from the following sources: - Department for Environment, Food and Rural Affairs (DEFRA), UK Government. DEFRA Standard set 2014, Scope 3: Waste disposal and water treatment. Waste: Construction, glass, industrial waste, electrical items, metal, plastic, paper and wastewater. - Catalan climate change office. Catalan Government. GHG emissions calculation methodology for Municipal Solid Waste management for companies. February, 2015. Waste: Municipal Solid Waste (Spain). - IPCC: Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories (2000). Waste: Organic and hazardous waste

(incineration). - USA's Environmental Protection Agency (EPA): WARM (Waste Reduction Model), version 13, June 2014. Waste: Municipal Solid Waste (USA).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We calculate emissions by waste type and generating facility. We include data from waste generated by Grifols in all facilities.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

11,343.1

Emissions calculation methodology

The scope is all Grifols' facilities. Conversion factors are applied from World Resources Institute, GHG protocol tool for mobile combustion and IPCC. Aircraft data is provided by the airlines companies. Road data is calculated from expenses related to employees business trips (when using personal vehicle) as well as from the mileage from own fleet (when using company vehicles).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

90.7

Please explain

We calculate emissions by distance travelled and facility. We include data from travels in all Grifols facilities.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

50,210.9

Emissions calculation methodology

Surveys have been carried out on latest years in Spain, USA facilities and affiliates in order to get employee's commuting choices. Emission factors are applied from the following sources: Catalan Climate Change Office (March, 2018). World Resources Institute (2015). GHG Protocol tool for mobile combustion (Version 2.6).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We have calculated emissions by means of transport based on total distance covered by all Grifols' employees.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Electrical consumption of rented offices is included in Scope 2.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

5,646.2

Emissions calculation methodology

Regarding yearly exports, calculation is carried out using data from the total weight transported, total distance and kind of transport. GHG Protocol emission factors are applied for road, air and watercraft transports. More specifically, the Mobile Combustion GHG Emissions Calculation Tool (Version 2.6) is used.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

It includes emissions generated by exports managed by Grifols International by road, air and watercraft transport.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Main Grifols' products do not need to be processed after their sale. They are directly given to patients.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Main Grifols' products (hemoderivatives) are given to patients and do not generate emissions during their use.

End of life treatment of sold products

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

40.8

Emissions calculation methodology

We have considered those products sold by Hospital and Bioscience divisions in the Spanish market. This information is yearly reported in the SIGRE declaration (Spanish Pharmaceutical industries association). Conversion factor for glass recycling: 21kgCO₂/t glass. Conversion factor for paper/cardboard recycling: 21kgCO₂/t paper and cardboard.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

It is considered the products put on the market by companies from the Bioscience and Hospital divisions.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Grifols does not have important assets downstream.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Grifols does not work with franchises.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Main Grifols investments are in new companies and facilities that are integrated in Grifols holding. Their emissions are included in Scope 1 and 2.

Other (upstream)

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

102.24

Emissions calculation methodology

Plasma transported from donor centers to Biomat and Instituto Grifols, Total distance 501222,2 km. Emission factor: 0,204 kgCO₂/km. Mobile Combustion GHG Emissions Calculation Tool (Version 2.6) is used.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

It is included transport from donor centers (Spain, Czech Republic, Germany and Slovakia) to Biomat and Instituto Grifols (Spain).

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

There are no other known sources of emissions in scope 3.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000478566

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

244,006

Metric denominator

unit total revenue

Metric denominator: Unit total

5,098,689,000

Scope 2 figure used

Location-based

% change from previous year

1.7

Direction of change

Decreased

Reason for change

Despite the production increased, the emissions by revenue have decreased. The actions for energy savings implemented are resulting effective. Some examples of the actions implemented in 2018 are:

- Implementation of new variable-frequency drives in engines and pumps at the Bioscience division plant in Parets del Vallès (Spain) in order to optimize electricity consumption (19.6 MWh/year).
- Design and construction of a new fractionation building in accordance with the latest energy efficiency standards in the Bioscience division facilities at Clayton (NC, US) in order to optimize energy consumption. Implementation of an energy monitoring software in the Diagnostic division plant at Emeryville (CA, US) in order to improve the energy consumption follow-up at all facilities.
- Insulation of pipelines in the Bioscience division plant at Parets del Vallès (Spain) in order to avoid thermal loss and optimize natural gas consumption (48.26 MWh/year). Further details of these actions can be found in the answer to the question 4.3a (Chapter 4, Targets & Performance).

Intensity figure

10.11

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

244,006

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

24,126

Scope 2 figure used

Location-based

% change from previous year

1.7

Direction of change

Decreased

Reason for change

There has been an increase of 13.64% in the FTE and 11.66% in Total Scope 1+2. The increase in the number of employees is mainly due to the acquisition during the past years of new donor centers in USA (IBBI).

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	71,379.5
Spain	35,503.1
Germany	4,701.4
Ireland	696.4
Chile	180.1
Czechia	48
Brazil	25.7
Portugal	24.3
Australia	5.7

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Bioscience division	103,120.7
Diagnostic division	4,694.6
Hospital division	4,749

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	110,462.8		301,578.75	1,500
Spain	15,957.6		42,430.42	2,500
Germany	3,488.7		7,344.56	
Ireland	0			4,322.15
Brazil	169.1		1,725.04	
Switzerland	32.7		1,165	
Australia	537.3		672.47	
Italy	185.6		482.19	
Chile	230.7		477.56	
Mexico	79.4		175.34	
Czechia	62.3		112.83	
Argentina	35.7		90	
Singapore	43.7		92.54	
Portugal	25.7		70.62	
China	69.2		83.65	
United Kingdom of Great Britain and Northern Ireland	42.3		88.22	
Thailand	11.9		23.73	
France	0.7		9.77	
Poland	6.6		8.67	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Bioscience division	118,002.5	
Diagnostic division	7,444.6	
Hospital division	5,994.6	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1,235.14	Decreased	0.51	8,322,150 kWh from renewable sources were used in 2019. This resulted in emissions savings equal to 3,286.2 TCO2e. 4,925,561 kWh from renewable sources were used in 2018. This resulted in emissions savings equal to 2,051.1 TCO2e. The gross global emissions (Scope 1 + 2) of Grifols for this reporting year are 244,006 metric tons of CO2e. Its gross global emissions for the previous reporting year were 218,535 metric tons of CO2e. The emissions value change is equal to 0.51% according to the next formula: $((3,286.2 - 2051.1)/244,006) * 100 = 0.51\%$.
Other emissions reduction	5,710.2	Decreased	2.34	26,985.77 MWh saved by energy reduction projects, equal to 5,710.2 TCO2e (20,898 MWh savings in natural

activities				gas projects, equal to 3,806.6 TCO ₂ e; and 6,087.8 MWh savings in electricity projects, equal to 1,903.6 TCO ₂ e) included in the Corporate Environmental Program 2017-2019. It has been taken into account those actions finished by 2019. The gross global emissions (Scope 1 + 2) of Grifols for this reporting year are 244,006 metric tons of CO ₂ e. Its gross global emissions for the previous reporting year were 218,535 metric tons of CO ₂ e. The emissions value change is equal to 2.34% according to the next formula: $((3,806.6 + 1,903.6) / 244,006) * 100 = 2.34\%$.
Divestment				
Acquisitions	11,252.8	Increased	4.61	Acquisition of the IBBI company, which add new blood donor centers across USA. The gross global emissions (Scope 1 + 2) of IBBI for 2019 were 11,252.8 TCO ₂ e. The gross global emissions (Scope 1 + 2) of Grifols for this reporting year are 244,006 metric tons of CO ₂ e. Its gross global emissions for the previous reporting year were 218,535 metric tons of CO ₂ e. The emissions value change is equal to 4.61% according to the next formula: $(11,252.8 / 244,006) * 100 = 4.61\%$.
Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	445,716.03	445,716.03

Consumption of purchased or acquired electricity		8,322.15	356,631.36	364,953.51
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		8,322.15	802,347.39	810,669.54

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

438,217.78

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

323,393.8

MWh fuel consumed for self-cogeneration or self-trigeneration

114,823.98

Emission factor

0.182

Unit

metric tons CO2 per MWh

Emissions factor source

Guía práctica para el cálculo de emisiones de gases de efecto invernadero (Oficina Catalana del Canvi Climàtic, March 2019).

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

4,857.66

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

4,857.66

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

2.52

Unit

metric tons CO2 per m3

Emissions factor source

World Resources Institute (2015). GHG Protocol tool for stationary combustion (Version 4.1).

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

96.69

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

2.28

Unit

kg CO2 per liter

Emissions factor source

World Resources Institute (2015). GHG Protocol tool for stationary combustion (Version 4.1).

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

1,236.26

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

1,236.26

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

1.613

Unit

kg CO2 per liter

Emissions factor source

World Resources Institute (2015). GHG Protocol tool for stationary combustion (Version 4.1).

Comment**C8.2d**

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	40,567,330	0	0	0
Heat	30,827,760	30,827,760	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C9. Additional metrics**C9.1**

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 MEMORIA-2019.pdf

Page/ section reference

The verification report is on pages 185-186. The certified emission values can be found on pages 173-174.

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 MEMORIA-2019.pdf

Page/ section reference

The verification report is on pages 185-186. The certified emission values can be found on pages 173-174.

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3 (upstream)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 MEMORIA-2019.pdf

Page/section reference

The verification report is on pages 185-186. The certified emission values can be found on pages 173-174.

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Year on year change in emissions (Scope 1 and 2)	ISO 14001:2015.	Changes in emissions are verified as part of ISO 14001 audits carried out by TÜV Rheinland.
C4. Targets and performance	Progress against emissions reduction target	GRI Standard, ISO 14001:2015.	Grifols Environmental Program which includes climate-related targets is audited yearly by TÜV Rheinland and KPMG.
C8. Energy	Change in Scope 1 emissions against a base year (not target related)	GRI Standard.	Energy consumption data and indicators are yearly audited by KPMG.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Offer financial incentives for suppliers who reduce your upstream emissions (Scopes 3)

% of suppliers by number

1

% total procurement spend (direct and indirect)

1

% of supplier-related Scope 3 emissions as reported in C6.5

13.8

Rationale for the coverage of your engagement

Our engagement focused on business travel suppliers, which accounted for more than 13% of our total Scope 3 emissions in 2019. Grifols reached an agreement with airlines KLM, Air France and Delta to offset the emissions generated by employees' business travels. Grifols 2019 Scope 3 total emissions were 86,515 TCO₂e. Total aircraft emissions (all companies) contribution to Scope 3 was 11,979.1 TCO₂e ($11,979.1 \times 100 / 86,515 = 13.8\%$). Thanks to the agreement with KLM, Air France and Delta a total amount of 1,500.7 TCO₂e was saved.

Impact of engagement, including measures of success

An agreement was reached between Grifols and KLM, Air France and Delta to offset the emissions generated by employees' business travels using their flights. A total amount of 1,500.7 TCO₂e was compensated through different projects carried out by the airlines related to forestry conservation among others (further details about some of these projects can be found at co2delta.com/projects).

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Offer financial incentives for suppliers who reduce your upstream emissions (Scopes 3)

% of suppliers by number

1

% total procurement spend (direct and indirect)

1

% of supplier-related Scope 3 emissions as reported in C6.5

1.24

Rationale for the coverage of your engagement

Our engagement focused on business travel suppliers, which accounted for more than 13% of our total Scope 3 emissions in 2019. Grifols reached an agreement with car rental company Hertz in order to offset the emissions generated by employees' business travels. Grifols 2019 Scope 3 total emissions were 86,515 TCO₂e. Total road business travel emissions (all companies) contribution to Scope 3 was 1,072.9 TCO₂e ($1,072.9 \times 100 / 86,515 = 1.24\%$). Thanks to the agreement with Hertz a total amount of 369.1 TCO₂e was saved.

Impact of engagement, including measures of success

An agreement was reached between Grifols and Hertz in order to offset the emissions generated by employees' business travels using their company's rental cars. A total amount of 369.1 TCO₂e was compensated through different projects carried out by Hertz's partner TerraPass. Some of these projects are related to forestry, waste to energy or wind projects (further details about some of these projects can be found at terrapass.com/projects).

Comment

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Other

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

i) Description of the method of engagement: Collaboration directly with local governments. ii) Topic of the engagement: Reduction of carbon footprint via the promotion of public or shared transports. iii) Nature of the engagement: Voluntary engagement or agreed engagement. iv) Actions advocated as part of engagement: Examples are the following. - Mobility plan: Several actions were included in the mobility plan that was presented to the catalan government for reducing emissions in commuting. Some of the actions are the following: an internal application for sharing private cars that can be consulted by all the employees, installation of bike racks in all Grifols sites in Spain, use of bus financed by the company and installation of electric vehicle charging points in the facilities. The mobility plan is currently under revision - Local working group: The City Council of Parets del Vallés created the "Consell Industrial" that organize periodic meeting where Grifols, the local administration and other companies discuss about industrial issues including environmental that affects the town and the territory.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The Environmental Committee of Grifols, S.A. is formed by the Chief Industrial Officer, Chief Human Resources Officer, Chief Information Technology Officer, Corporate Communications VP, Corporate Health & Safety Director and Environment Director. The Committee leads the Environmental Strategy at a Corporate Level and supervises the compliance of the Policies. Manufacturing Grifols companies have also their own Environmental Committee, formed by the President, Manufacturing Director, Technical Director, R&D Director and Environment Director. The Committees guide the climate change strategy at asset level, and evaluate the environmental results and the Policy compliance. Grifols Environmental Policy assures legal compliance about air emissions. Grifols Corporate Environmental Policy includes the commitment to implement pollution prevention techniques in order to minimize the environmental risks involved in company activities, taking into account the effects on climate change. In order to strengthen this commitment, an Energy Policy has been approved by the executive committee in 2017. According to this policy, Grifols commits to:

- Achieve an efficient use of energy resources.
- Minimize Grifols energy demand on new and existing facilities, especially in buildings and production processes, by means of design and implementation of energy conservation measures and renewable energy usage.
- Establish corporate objectives within Grifols environmental management framework.
- Optimize supply infrastructures and purchasing strategies to cope with the energy demand, so as to guarantee the operational capacity and economic competitiveness of Grifols.
- Establish procedures in order to continuously track energy demand thus being able to plan required infrastructures, identify and quantify energy saving measures and their energy footprint.

- Involve and raise awareness among all Grifols employees in reducing energy consumption. The Corporate Environmental Program of Objectives 2017-2019 have been included within the Energy Policy framework. This Program is approved by the Corporate Environmental Committee. An Energy Manager is the responsible for implementing the Energy policy at a Corporate level. The Manager belongs to the Global Facilities department. The Corporate Environment department is also included in the Global Facilities department. Energy efficiency measures are implemented in engineering projects, previously agreed with the Environment department.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

 MEMORIA-2019.pdf

Page/Section reference

Pages 150-177.

Content elements

Governance
 Strategy
 Risks & opportunities
 Emissions figures
 Emission targets
 Other metrics

Comment

Grifols Integrated Annual Report 2019.

Publication

In mainstream reports

Status

Complete

Attach the document

 Maquetación Programa Ambiental Feb2017 - v4.e_us_ampliacion.pptx

Page/Section reference

Pages 1-19.

Content elements

Risks & opportunities
 Emissions figures
 Emission targets
 Other metrics

Comment

Grifols Environmental Program 2017-2019.

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Environment Director	Environment/Sustainability manager

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below



I have read and accept the applicable Terms