



NOTE ON THE METHODOLOGY APPLIED FOR THE DISCLOSURE OF TRANSFERS OF VALUE FROM GRIFOLS TO HEALTHCARE PROFESSIONALS AND HEALTHCARE ORGANIZATIONS FOR YEAR 2016

I. Introduction

Grifols has adopted a policy to voluntarily apply the transparency principles set forth within the Disclosure Code issued by the European Federation of Pharmaceutical Industries and Associations ("EFPIA").

Moreover and as further clarified below, Grifols has decided to extend EFPIA's transparency principles to all its business divisions and activities and not only to those which fall within the scope of application of EFPIA, that is to say, to those related to medicinal products.

This Methodological Note is solely intended as a general guide to understand the contents of Grifols' country reports for the disclosure of transfers of value made in favor of Healthcare Professionals ("HCP") and Healthcare Organizations ("HCO").

Any country-specific considerations that could differ from, or be complementary to, the general methodology described herein, are set forth in the corresponding country-specific report.

The year of disclosure corresponds to the calendar year of 2016.

II. General Criteria

1. Scope of Application

The transfers of value disclosed for 2016, correspond to those made by any company trading under Grifols, S.A., with an ownership, directly or indirectly, of more than 50%.

Likewise, the transfers of value which are disclosed are those made from any Grifols' business division, that is to say, the Bioscience Division, which does fall within the scope of application of EFPIA, and the Diagnostic Division and Hospital Division, in respect of which, even if not falling within the scope of application of EFPIA, Grifols has decided to apply the same transparency principles.

The following general criteria are applicable:

a) In those countries where the Grifols subsidiary is a member of the local association adhered to EFPIA, the transfers of value are disclosed following the principles set forth by the local association code. Generally, the transfer of value made in favor of HCPs are disclosed on an individual basis, provided the previous and written consent has been obtained from the HCP in accordance with the applicable personal data protection laws. When such consent is not obtained, the transfers of value are disclosed in an aggregate form. The transfers of value made in favor of HCOs are disclosed in an individual format. Transfers of value related to research and development ("R&D") activities are disclosed in an aggregate form.

b) In those countries where the Grifols subsidiary is not a member of the local association adhered to EFPIA, the transfers of value are disclosed following the principles set forth by EFPIA's Disclosure Code.

Finally, in those countries where, even if under the scope of EFPIA's Disclosure Code, a local law or equivalent legal rule on transparency exists, the transfers of value are disclosed applying such local legal requirements.

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2. Healthcare Professional (HCP) / Healthcare Organization (HCO)

The transfers of value that are disclosed are those made by Grifols in favor of any HCP and HCO whose principal, primary or main practice is located within a country covered by EFPIA.

3. Publication

Grifols is publishing one report per country through Grifols website: www.grifols.com.

In those countries where the Grifols subsidiary is a member of the local association, the publication will be performed according to the local code. For instance, publication will be performed through a central platform, when applicable.

III. Transfers of Value

The transfers of value which are disclosed are the following:

- a) Services rendered by HCPs and HCOs in favor of Grifols: the fees and expenses covered by Grifols in accordance with each services agreement are disclosed.
- b) Sponsorships of HCPs to attend educational or promotional events organized by Grifols or by third parties: the costs of registration fees, travel and accommodation covered by Grifols in relation to the event are disclosed.
- c) Sponsorships agreements entered into by Grifols with third parties for educational events: the actual costs covered by Grifols in accordance with each sponsorship agreement are disclosed.
- d) Donations and grants: the amounts of the donation and grant covered by Grifols in favor of HCOs are disclosed.
- e) Research and Development: the transfers of value derived from R&D activities, which, according to EFPIA's Disclosure Code should be made public, are disclosed. These transfers of value, which are disclosed in an aggregate format, refer to fees and costs relating such activities, as well as those amounts corresponding to research grants. Likewise, when the R&D activities are executed through a Contract Research Organization ("CRO"), the transfers of value made through such CROs are disclosed.
- f) Transfers of Value made by Grifols indirectly (through third parties): when the transfers of value, which are made in favor of HCPs and/or HCOs as their final recipients, are made through third parties, Grifols also discloses them in so far Grifols has knowledge of them.

IV. Amounts Disclosed

- a) The amounts disclosed include any taxes and/or withholdings that in each case may correspond, that is to say, the transfers of value are disclosed in their gross amount.
- b) The amounts are disclosed in Euros and/or in the official currency of the country of the recipient.

The transfers of value originally made in a different currency, are converted to the official currency of the country of the recipient. The exchange rate applied for the currency conversion, has been obtained from the European Central Bank (www.ecb.int).

The conversion to Euros of the disclosed amounts, has been done by applying the average official exchange rate for year 2016 among the corresponding currencies, issued by the European Central Bank.

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- c) The amounts disclosed correspond to the transfers of value made during the 2016 calendar year: 1 January 2016 to 31 December 2016, both included.
- d) The general rule applied by Grifols is that a transfer of value is subject to 2016 disclosure, when the date of its actual payment falls within 2016 calendar year.

This general rule is applicable to donations and grants, sponsorship agreements, R&D activities and to other services rendered by HCPs and HCOs. The costs related to such R&D activities and to such other services, are disclosed in the same disclosure year in which the corresponding services have been rendered.

However, for transfers of value consisting *only* in disbursement of costs relating events organized by Grifols or by third parties (that is to say, costs relating registration, travel and accommodation), the date considered for the disclosure of such costs, is the date the event has taken place.

For clarification purposes we include below some examples:

- *Sponsoring for attendance to a congress:* The date considered is the date the event is to take place. For example, if the event took place in January 2016, but the costs relating the event (registration, travel and/or accommodation) were disbursed by Grifols in December 2015, these transfers of value (these costs) would be made public within the 2016 disclosure.
- *Rent of space/booth in a congress:* The date considered is the date of effective payment by Grifols. For example, if the event took place in March 2017, but the actual payment was made in December 2016, the transfer of value (the both rental set forth within the sponsorship agreement) would be made public within the 2016 disclosure.
- *Speaker services:* The date considered is the date of effective payment by Grifols of the HCPs professional fees. For example, if the event in which the speaker made his/her presentation, took place in December 2015, the costs relating such services were covered by Grifols in December 2015, but the professional fees as such were effectively paid by Grifols in February 2016, all these transfers of value (namely, professional fees, as well as the indicated costs) would be made public within the 2016 disclosure.
- *Services agreement which duration surpasses 1 calendar year:* The transfers of value derived from such agreement, will be disclosed in respect of the year in which each payment is effectively made by Grifols. In case of professional fees paid through installments, the year in which the corresponding payment of each installment occurs would be taken into account.
