



# JOINING EFFORTS

GRIFOLS'  
CONTRIBUTION  
TO THE 2020  
SUSTAINABLE  
DEVELOPMENT  
GOALS

**GRIFOLS**



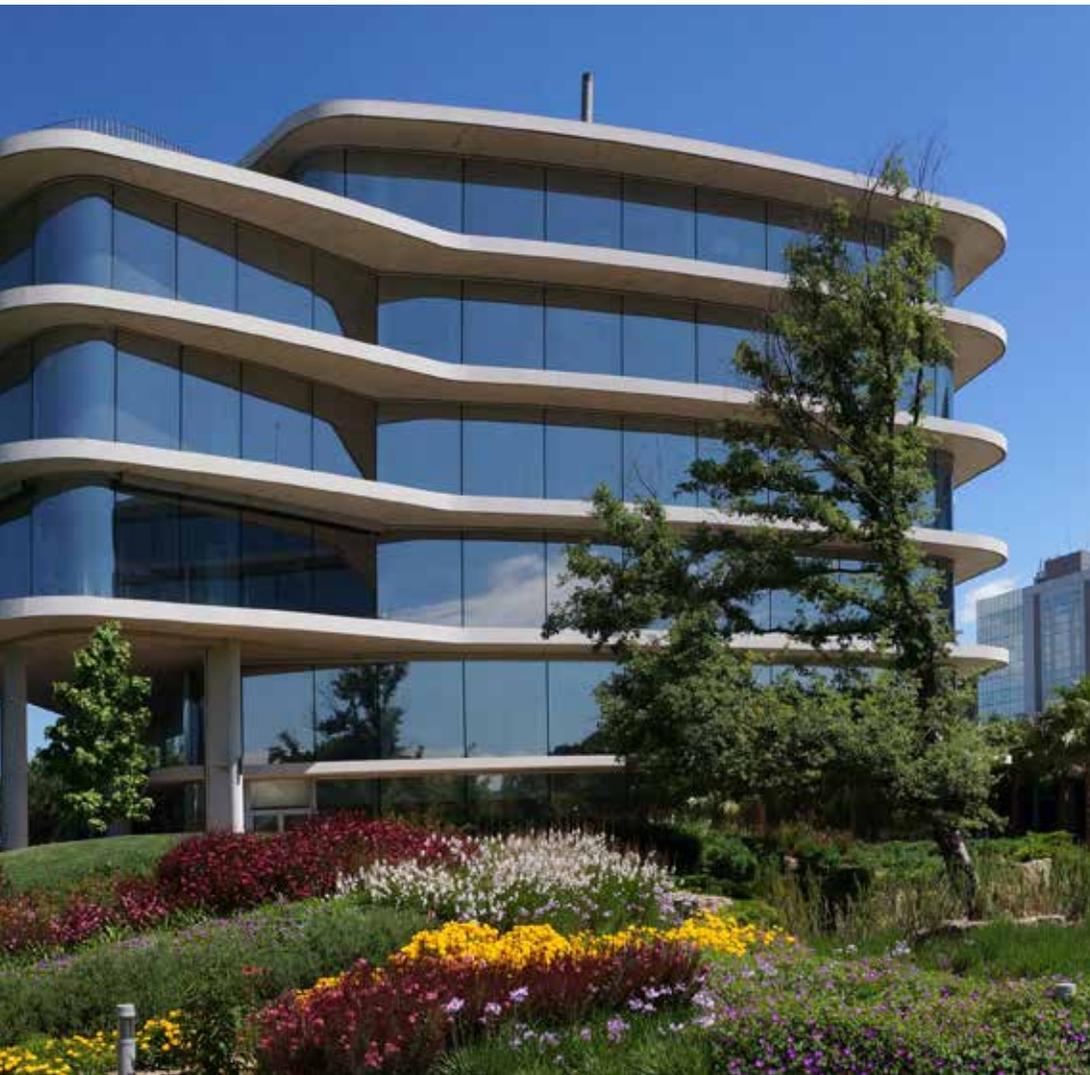
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In a year marked by the COVID-19 pandemic and ensuing health crisis, Grifols believes more than ever in the need to address the global challenges outlined in the SDGs.

To this end, for the second consecutive year, the company created this report to highlight and summarize its various lines of action aimed at promoting the achievement of the sustainable development goals.



# GRIFOLS ACTIVELY SUPPORTS EFFORTS TO ACHIEVE SDGs



Adopted by the United Nations in 2015, the 2030 Agenda for Sustainable Development offers a shared global vision to promote peace and prosperity for people and the planet. The Agenda is grounded on 17 Sustainable Development Goals (SDGs), which collectively advocate a holistic approach to address and manage critical global challenges including the eradication of hunger and poverty, access to high-quality education, gender equality, decent work opportunities and the fight against climate change. The SDGs have been divided into 169 concrete and measurable targets to enable their implementation.

Grifols recognizes the vital role companies play on the path toward sustainable development. For this reason, it partners with and supports the actions of numerous agents engaged in this global pursuit, reflecting its commitment to making a positive impact on society.

In 2020, Grifols continued to bolster its corporate governance structure and position as a responsible and transparent company with the creation of a Sustainability Committee and approval of a new Sustainability Policy. Delegated by Grifols' Board of Directors, this Committee reflects Grifols' long-term commitment to sustainability and promotion of SDGs, which are integrated into the company's business model and operations to amplify their value and positive impact.

In order to effectively measure and communicate its contributions, in 2019 Grifols identified and prioritized the SDGs on which it could make the greatest impact. Through this analysis, the company was able to determine how it magnify its value and provide solutions based upon its sector, operations and geographical scope.

Grifols carried out a materiality analysis to rank the objectives and identified five SDGs where it could have the greatest impact and four others where it could make significant contributions. Grifols also supports SDG17 – Partnerships for the Goals – by collaborating with different interest groups (social and educational institutions, governments, organizations, entities and other companies) to jointly spearhead initiatives in the education, innovation and healthcare domains, among others.

Grifols promotes the SDGs throughout its value chain by seeking partnerships and synergies with its main partners and public- and private-sector collaborating entities. In 2020, the Probitas Foundation analyzed the SDGs it supports through its programs and projects, extending the company's overall SDG impact.



# OUR STRATEGIC PLAN IS ALIGNED WITH THE SDGs

SDGs per relevance	Goals	Strategic Plan 2018-2022	Material aspects	Affected stakeholders
Priority SDGs	 <p>3.3. End the epidemics of AIDS, tuberculosis, malaria, and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases.</p> <p>3.4. Reduce premature mortality from non-communicable diseases (NCDs) by one-third through prevention and treatment efforts, as well as promotion of mental health and well-being initiatives.</p>	Client focus	<ul style="list-style-type: none"> <li>• Patient commitment</li> <li>• Plasma and plasma donors</li> <li>• Bioethics</li> </ul>	<ul style="list-style-type: none"> <li>• Patients and patient organizations</li> <li>• Plasma donors</li> <li>• Scientific community and research partners</li> </ul>
	 <p>8.5. Achieve full and productive employment and dignified work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value.</p> <p>8.8. Protect labor rights and promote safe and safe work environments for all workers.</p>		<ul style="list-style-type: none"> <li>• Talent attraction and retention</li> <li>• Occupational health, safety and well-being</li> <li>• Business strategy and value creation</li> </ul>	<ul style="list-style-type: none"> <li>• Grifols employees</li> <li>• Local communities and NGOs</li> </ul>
	 <p>9.4. Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.</p> <p>9.5. Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including encouraging innovation and substantially increasing the number of research and development workers and public and private research and development spending.</p>	Innovation Expansion Digital transformation	<ul style="list-style-type: none"> <li>• Business strategy and value creation</li> <li>• Innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Scientific community and research partners</li> <li>• Patients and patient organizations</li> <li>• Grifols employees</li> <li>• Local communities and NGOs</li> </ul>
	 <p>12.2. Achieve the sustainable management and efficient use of natural resources.</p> <p>12.5. Substantially reduce waste generation through prevention, reduction, recycling and reuse</p>	Business optimization	<ul style="list-style-type: none"> <li>• Security and quality in the supply chain</li> <li>• Eco-efficiency and circular economy</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory authorities</li> <li>• Grifols employees</li> <li>• Local communities and NGOs</li> </ul>
	 <p>13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>		<ul style="list-style-type: none"> <li>• Eco-efficiency and circular economy</li> <li>• Climate strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory authorities</li> <li>• Grifols employees</li> <li>• Local communities and NGOs</li> </ul>

SDGs per relevance	Goals	Strategic Plan 2018-2022	Material aspects	Affected stakeholders
Relevant SDGs	 <p>4.3. Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education. 4.5. Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations.</p>	Talent promotion	<ul style="list-style-type: none"> <li>Talent attraction and retention</li> <li>Commitment with the community</li> </ul>	<ul style="list-style-type: none"> <li>Grifols' employees</li> <li>Local communities and NGOs</li> <li>Scientific community and research partners</li> </ul>
	 <p>5.1. End all forms of discrimination against women and girls everywhere. 5.5. Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p>	Talent promotion	<ul style="list-style-type: none"> <li>Diversity and inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Grifols employees</li> </ul>
	 <p>10.2. Empower and promote the social, economic, and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p>		<ul style="list-style-type: none"> <li>Commitment with the community</li> </ul>	<ul style="list-style-type: none"> <li>Patients and patient organizations</li> <li>Grifols employees</li> <li>Local communities and NGOs</li> </ul>
	 <p>16.5 Substantially reduce corruption and bribery in all their forms. 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.</p>		<ul style="list-style-type: none"> <li>Business ethics</li> <li>Risks and compliance</li> <li>Transparency</li> </ul>	<ul style="list-style-type: none"> <li>Grifols employees</li> <li>Regulatory authorities</li> <li>Financial community</li> </ul>
ODS transversal	 <p>17.6 Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge-sharing on mutually agreed terms through improved coordination among existing mechanisms, in particular the United Nations, and a global technology facilitation mechanism. 17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries. 17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.</p>		<ul style="list-style-type: none"> <li>Commitment with the community</li> <li>Business strategy and value creation</li> <li>Commitment with the patient</li> </ul>	<ul style="list-style-type: none"> <li>All stakeholders</li> </ul>

**GRIFOLS' PRIORITIZATION OF SDGs**

Sustainable Development Goals	Outstanding contributions in 2020
PRIORITY GOALS	<div data-bbox="199 512 293 611" style="float: left; margin-right: 10px;">  </div> <ul style="list-style-type: none"> <li>- Grifols leads more than 25 international initiatives dedicated to research potential COVID-19 diagnosis and treatment with plasma-derived medicines</li> <li>- Production of plasma-derived medicines to treat patients with diseases such as primary immunodeficiencies (PID), coagulation disorders and alpha-1 antitrypsin deficiency (AATD). FDA approves Prolastin®-C Liquid in 0,5g and 4g vial format for the treatment of AATD</li> <li>- Progression in the clinical trials for the use of albumin to treat cirrhosis (ph. III PRECIOSA) and acute-on-chronic liver failure (ph. III APACHE)</li> <li>- Market launch of new product formulations and indications that address patients and healthcare professionals' needs (Xembify®, HyperRAB® or Veraseal®) and TAVLESSE® in certain European countries</li> <li>- AMBAR's efficacy in slowing down the progression of Alzheimer's disease in patients with mild-to-moderate AD is confirmed and publication of the clinical trial results in the scientific journal Alzheimer's &amp; Dementia: The Journal of the Alzheimer's Association</li> <li>- New diagnostic test to increase the safety of blood transfusions. Procleix Panther System with Automation Ready Technology (ART) receives FDA approval to be used in conjunction with tests approved for screening Zika virus, HIV and hepatitis viruses</li> <li>- Grifols and Shanghai RAAS close a strategic agreement which will help to increase transfusion safety standards of donation centers in China</li> <li>- Development of new molecular diagnostic tests and immunoassays for in vitro diagnostics, prognosis, response prediction and monitorization of biologic drugs for respiratory diseases, oncology, autoimmunity, cardiovascular medicine, and neurodegeneration</li> <li>- Alkahest acquisition to enhance research projects focused on treating age-related diseases and to bolster the development of innovative therapies based on the knowledge of the human plasma proteome</li> </ul>
	<div data-bbox="199 831 293 930" style="float: left; margin-right: 10px;">  </div> <ul style="list-style-type: none"> <li>- Economic impact of EUR 7,500 million and creation of 140,000 jobs in the U.S., Spain, Germany and Ireland</li> <li>- In response to COVID-19, commitment to employment stability, prioritization of employees' health, safety and well-being, and implementation of prevention measures (teleworking, flexibility agreements, contingency and de-escalation plans, COVID tests for Spanish employees, free external psychological care services, etc.)</li> <li>- Commitment to stable and quality employment: 98% of permanent contracts and 93% full-time</li> <li>- Reinforcement of a diverse and discrimination-free talent pool to drive value creation: more than 88 nationalities, 52% of staff are 30-50 years old and 599 employees with some type of disability</li> <li>- Implementation of a strategic plan in 2021 to further promote diversity and inclusion</li> <li>- New "People Experience Hub" area established by HHRR to boost employee commitment and motivation and extending work-life balance measures to different countries</li> <li>- Commitment to the well-being of all employees reflected on the increase in training hours on safety, health, and environmental issues (&gt;116,000 hours) and on the launch of health and wellness initiatives</li> <li>- Launch of two global surveys: one specific to COVID-19 sent to 7,858 employees and another general survey, sent to 22,217 employees</li> </ul>

Sustainable Development Goals	Outstanding contributions in 2020
	<ul style="list-style-type: none"> <li>- More than EUR 16.8 million in R+D+i resources and more than 30 people dedicated to the R&amp;D of COVID-19 treatments and screening tests</li> <li>- R+D+i investment totaling EUR 298 million, representing 5.6% of revenues and denoting an innovation intensity 4 times greater than the European average</li> <li>- Employees dedicated to R+D+i increase to more than 1,100 people</li> <li>- More than USD 10 million allocated over the last 5 years to pre-clinical and clinical research projects through the ISR program</li> <li>- More than EUR 14 million allocated over the last 5 years to drive research projects on liver disease under the umbrella of the Grifols Chair</li> <li>- Promotion of scientific dissemination by allocating EUR 4 million to scientific awards, investigation, and education in 2020</li> <li>- More than EUR 308 million to improve production facilities</li> <li>- Completion of the projects related to the Beyond Trust software, which allows secure remote access to immunohematology instruments, and the BT Manager software, which allows the remote management of tests and results</li> <li>- Strategic agreement with National Service Projects Organization (NSPO) for the construction and operation of 20 plasma collection centers and other production facilities.</li> <li>- Strategic acquisition of production facilities in Canada to produce immunoglobulin and albumin to supply the Canadian market starting from 2023</li> </ul>
	<ul style="list-style-type: none"> <li>- EUR 23.2 million allocated to environmental initiatives (+6.9% compared to 2019)</li> <li>- Boosting circular economy in all phases of the life cycle</li> <li>- 3% reduction in energy intensity compared to 2019 thanks to the implementation of energy efficiency measures</li> <li>- 4% reduction in water consumption compared to 2019 and roll-out of savings measures in 75% of production centers</li> <li>- Maintenance of the Gold Certification in the "Zero Waste to Landfill" program (first pharmaceutical company in the U.S. to receive it in 2019)</li> <li>- Prioritization of waste revalorization, preventing 98% of waste generated in U.S. (Clayton, NC) facilities from reaching landfills</li> <li>- Waste recovery: 74% in production facilities and 6% in other facilities including donation centers</li> <li>- Goal of increasing recycling volumes by 500 tons more per year; achieved 100% by 2020.</li> <li>- 2030 commitment to enhance energy efficiency by 15% per production unit through the systematic application of eco- efficiency measures</li> </ul>
	<ul style="list-style-type: none"> <li>- Measurement and disclosure of carbon footprint in scopes 1, 2 and 3 in accordance with the GHG Protocol</li> <li>- Application of TCFD recommendations to identify and disclose risks and opportunities stemming from climate change</li> <li>- Significant progress towards achieving the 2030 target of reducing greenhouse gas emissions per unit of production by 40%: reduction of 8.1% CO<sub>2</sub> emissions per unit of sale (scopes 1 and 2) in 2020</li> <li>- Progress on energy decarbonization to achieve the goal of consuming 70% of energy from renewable sources by 2030: construction of a photovoltaic plant (nominal power output 100kW) in Murcia (Spain) and purchase renewable energy.</li> <li>- Total emissions reduced by 12.9% in 2020 due to the increase of teleworking and the reduction of business trips arising from the COVID-19 pandemic</li> <li>- 15.8% savings in primary energy and reduction of 3,840 tons of CO<sub>2</sub> emissions from the Bioscience Division's cogeneration plant.</li> <li>- Distinction of level "Two Green Globes" of the Green Globe Certification in the new Clayton fractionation plant.</li> <li>- Objective to reduce CO<sub>2</sub>e by 1,860 tons per year through eco-efficiency projects in new facilities</li> <li>- Diagnostic Division has launched the "Secure Remote Support" project (full deployment planned by 2021) which enables to remotely solve customer claims and thus lower emissions from the use of different means of transport</li> </ul>

Sustainable Development Goals	Outstanding contributions in 2020	
RELEVANT GOALS		<ul style="list-style-type: none"> <li>- More than 2 million training hours in 2020, an average of 99 hours per employee.</li> <li>- Major commitment to online training during COVID-19: 6,400 hours of telematic training through the Grifols Academy (Professional Development), adapting on-site courses to a virtual format; virtual sessions delivered by experts to help deal with the situation; creation of an internal global portal with a wide range of resources available, etc.</li> <li>- More than 1.7 million training hours for employees to bolster their career paths</li> <li>- More than 13,400 collaborators and professionals received training and professional development through Grifols Academy programs and initiatives</li> <li>- Reinforcement of strategic alliances to promote education, including the executive leadership program for senior managers in collaboration with ESADE Business School (Barcelona) and the University of Georgetown's McDonough School of Business (Washington, D.C.)</li> <li>- Since 2013, 86 Grifols employees have graduated and 59 are in the process of earning a degree thanks to the collaboration with Southern New Hampshire University's College for America program</li> </ul>
		<ul style="list-style-type: none"> <li>- More than 30% of the Board of Directors are women, following CNMV recommendations for 2020. Grifols is working to increase this percentage.</li> <li>- Progress on female representation in professional categories with executive duties: 36% of women in Director roles and 26% of women in Executive roles</li> <li>- 98% of female employees have permanent contracts and 92% work full-time</li> <li>- Design of plans to increase employment of women and members of minority groups, with 83 action measures in place in 2020 (106 in 2019).</li> <li>- Adjusted salary gap stands at 2.2% in the U.S., 3.1% in Spain and 1.3% in Germany. Significant progress has been made in the salary gap study and in the identification of possible causes for wage inequality; development of action measures that will be included in the Global Diversity Plan 2021 – 2023</li> </ul>
		<ul style="list-style-type: none"> <li>- Within the COVID-19 framework: organization of food and personal protection equipment campaigns; technical and logistical support to hospitals; 1,000 economically vulnerable families receive an assortment of food and other products thanks to the "Donate your Christmas basket to Twin Families" campaign</li> <li>- Community investments of more than EUR 41 million</li> <li>- Donation of more than 43 million IU of clotting factors and a commitment to donate more than 200 million from 2014 to 2021</li> <li>- More than 2,000 social initiatives in communities where Grifols' plasma centers are located</li> <li>- Average of 1,900 employees in Grifols plasma donation centers took part in non-profit fundraising and volunteering activities, dedicating more than 10,000 hours</li> <li>- EUR 6.3 million donation to the Probitas Foundation to promote the healthy development of children and young people at risk of social exclusion, as well as their physical, psychological and emotional well-being, offering one meal a day. Support for various sustainable health projects aimed at the most vulnerable populations and countries.</li> </ul>
		<ul style="list-style-type: none"> <li>- No known cases of corruption</li> <li>- Increase in communication and development activities related to anticorruption, reaching 92% of at risk employees</li> <li>- Review of 3,044 interactions between employees and public servants or other professionals, focusing on higher risk operations</li> <li>- Reinforcement of transparency: disclosure of transfers of value in Europe and the U.S. (in accordance with the EFPIA Disclosure Code and U.S. Open Payments Program) and contributions made in the U.S. according to the Lobbying Disclosure Act</li> <li>- Member of the European Union's Lobby Transparency Register</li> </ul>
CROSS-CUTTING GOALS		<ul style="list-style-type: none"> <li>- More than 30 public, public-private, academic, and civil society partnerships to promote and enhance access to health, and to research and develop new medicines that contribute to extend and enhance patients' quality of life</li> <li>- Important alliance with the Egyptian government to boost self-sufficiency of plasma-derived medicines in the Middle East and Africa</li> <li>- Contribution to the use of surplus plasma from blood donations in various countries. Estimated savings of EUR 67 million for the Spanish public healthcare system arising from the industrial hospital-plasma fractionation service</li> <li>- Generation of alliances and synergies, notably in the health sector, through memberships in more than 20 companies and other associations</li> <li>- More than 15 private and public partnerships with the objective of minimizing the negative impact of Grifols' activities in the environment</li> <li>- More than 10 partnerships to promote access and quality of education in general, and more specifically in the biopharmaceutical sector</li> <li>- Promoting multisectoral alliances to improve the living conditions of groups at risk of exclusion by reducing inequalities. Promoting their social and economic inclusion by driving diversity and inclusion into the corporate culture</li> </ul>

# MANAGEMENT OF THE COVID-19 AND ITS IMPACT ON THE SDGs

The unprecedented crisis caused by the COVID-19 has had social, economic and health implications that directly affect the achievement of the Sustainable Development Goals.

According to the latest estimates, the pandemic has had a negative impact on almost all SDGs: increased poverty as a result of the resultant financial crisis and loss of jobs (SDG 1); greater prevalence of malnourishment due to loss of income and food-supply issues (SDG 2); higher disease incidence and

mortality from COVID-19 and other causes due to overstressed healthcare systems (SDG 3); higher levels of unemployment and occupational deaths (SDG 8); and negative impacts on the health and welfare of the most vulnerable groups (SDG 10), among others.

In recognition of the important role it plays, Grifols is even more committed to promoting sustainability and the attainment of the SDGs. To this end, it carried out a broad umbrella of actions in 2020 to mitigate the negative effects of the pandemic.



<sup>1</sup> The Agenda 2030 as a guide to global recovery (2020) of Forética. [https://foretica.org/wp-content/uploads/2020/09/Informe\\_ODS\\_2020\\_la\\_Agenda\\_2030\\_como\\_guiia\\_para\\_la\\_recuperacion\\_global.pdf](https://foretica.org/wp-content/uploads/2020/09/Informe_ODS_2020_la_Agenda_2030_como_guiia_para_la_recuperacion_global.pdf)



## ■ PLASMA AS A TREATMENT

**GRIFOLS LEADS SEVERAL DIAGNOSTIC AND TREATMENT INITIATIVES AGAINST COVID-19. IT PARTICIPATES IN MORE THAN 25 RESEARCH PROJECTS AROUND THE WORLD TO COMBAT THE PANDEMIC**

The COVID-19 pandemic has highlighted the strategic relevance of plasma and plasma-derived medicines in ensuring the quality of life of thousands of people worldwide. Both in Europe and in the U.S., plasma donors and centers have been classified as essential.

Before the WHO officially declared the pandemic, Grifols was already contributing to SDG 3 (health and well-being) by ensuring the continuous operations of its plasma donation centers, industrial complexes and commercial network and supply of medicines, products and essential services, with minimum delays or supply interruptions. Authorities appealed for the need for plasma donations to ensure both the normal manufacture of plasma-derived medicines, as well as convalescent plasma from recovered COVID-19 patients as a potential treatment against the disease.

Grifols' efforts with health authorities ensured the continued safety of plasma donations, with no reported cases of coronavirus transmissions from blood or plasma donations. Grifols implemented measures to prevent people with COVID-19 symptoms from donating plasma. Also, additional measures were taken to further preserve the safety of plasma donors and employees who work in plasma centers.

As part of its commitment to health, Grifols leads or participates in more than 25 international research projects aimed at discovering potential treatments to fight COVID-19. Among others, the company leads the development of anti-SARS-CoV-2 hyperimmune globulin containing antibodies from plasma donors who have recovered from the disease.

In October 2020, Grifols joined other companies and various U.S. health agencies on the ITAC (Inpatient Treatment With Anti-Coronavirus Immunoglobulin) clinical trial to evaluate the efficacy and safety of the anti-SARS-CoV-2 hyperimmune globulin in hospitalized and seriously ill patients. At the onset of 2021, Grifols began a clinical trial in Spain to evaluate the safety of an anti-SARS-CoV-2 immunoglobulin, administered subcutaneously, that would provide immediate protection and be especially beneficial to protect, among others, the elderly, healthcare workers and immunocompromised patients for whom the vaccination is not recommended.

Grifols' hyperimmune globulin has a high and consistent concentration of neutralizing antibodies against the novel coronavirus, provides immunity and, if proven effective, could be used to both prevent

and treat the disease. The company is also making headway on a clinical trial to evaluate the efficacy of high-dosage intravenous immunoglobulin to stabilize or improve the health of COVID-19 patients. At the same time, it is collaborating in several European and U.S. studies with plasma-derived products, including antithrombin III and alpha-1 antitrypsin.



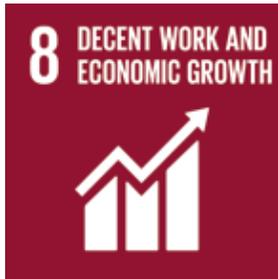
## ■ COMMITMENT WITH TRAINING: SUPPORTING ONLINE TRAINING

The outbreak of COVID-19 and consequent confinement and social distancing measures enforced by global healthcare authorities to minimize its spread posed logistical hurdles for Grifols' ongoing training initiatives. Faced with this challenge, the company made a major commitment to delivering its offerings in an online format.

Significant training efforts were focused on adapting most of the on-site courses to a virtual format. As a result, in 2020 70% of training courses were carried out virtually and 6,398 hours of telematic training were given through the Grifols Academy (Professional Development). Among its various initiatives, of note are the development of a mobile-accessible APP with gamification elements and intense learning capsules to train employees on Bioscience Division products. In the area of industrial training, Grifols leveraged the power of virtual reality for non-intrusive training programs which incorporated simulations of activities and processes.

In parallel, Grifols also invested in initiatives to help employees better manage pandemic-related stressors (multiple online expert sessions: 156 aimed at successfully managing and coping with critical situations that drew more than 2,400 participants, 74 aimed at improving physical, emotional and mental health, and 82 focused on adaptation to change, communication and collaboration within a virtual environment), as well as other programs to promote corporate and leadership competencies. To this end, in 2020 the company created an internal global portal with a wide range of resources available to all Grifols employees (virtual sessions, articles, videos and coaching sessions covering topics related to wellness, managing time and priorities, digital collaboration and communication, development of remote leadership skills, among others).





## ■ GREATER EFFORTS TO GUARANTEE EMPLOYMENT AND PROMOTE OCCUPATIONAL HEALTH, SAFETY AND WELL-BEING

### SINCE THE PANDEMIC WAS DECLARED, GRIFOLS HAS TAKEN ALL POSSIBLE MEASURES TO PROTECT THE HEALTH OF ITS EMPLOYEES

Grifols' team has always been its top priority. Since the onset of the pandemic, the company has been fully committed to maintaining employment and contributing to SDG 8 (decent work and economic growth): no temporary redundancy measures were taken in any of company's countries of operation. Priority has been given to the teams' safety and physical and emotional well-being, taking all preventive measures recommended by global health authorities in the company's facilities, and guaranteeing the continuation of operations in all centers (flexibility agreements, work shifts, teleworking, protection of particularly sensitive or vulnerable groups and of people in quarantine, recovery of working hours, etc.).

In addition, the company offers a new free external COVID-19 psychological care service for employees and their families. Worth highlighting are the joint efforts of Grifols and the main trade union representatives in Spain to reach agreements in the context of the pandemic, including the "Flexibility

Agreement to Cope with COVID-19" which, among other measures, prioritizes teleworking and grants protection to particularly vulnerable groups, including people in quarantine (100% of salary paid in the case of medical leave, which is treated as a labor accident, for employees in countries that do not offer paid employee leaves) and pregnant women (who may opt for paid leave, receiving 100% of their salary).

More than 25 contingency plans have also been created for plants, donation centers and offices around the world, as well as de-escalation plans. Also, molecular tests are regularly carried out on all Grifols employees and medical services have been extended 24 hours a day, 7 days a week.

The digital transformation process implemented in recent years made it possible to continue implementing, training and talent development plans since the beginning of the pandemic.

In April 2020, the company launched the "Working During the COVID-19 Pandemic" survey to learn more about the workforce's emotional state, available support networks and their opinions on the quality of COVID-19-related communications and instructions. The initiative received a total of 7,858 responses and a 51% participation rate. The main results served as the foundation for several action plans over the following months.



## ■ INNOVATION TO DEVELOP COVID-19 TREATMENTS AND SCREENING TESTS

As part of its commitment to society and contribution toward SDG 9 (innovation and infrastructure), Grifols has offered its vast experience and knowledge about plasma at the disposal of global health authorities, focusing significant R+D efforts and resources to develop potential COVID-19 treatments and detection tests. These initiatives include treatments by direct transfusion of convalescent or hyperimmune plasma, the production of an hyperimmune globulin from convalescent plasma, the collaboration and support of its more than 300 donation centers to collect hyperimmune plasma, and the development of a specific molecular test using TMA (Transcription-Mediated Amplification) technology to detect the SARS-CoV-2 virus with a reliability similar to that of PCRs.

Grifols has allocated more than EUR 16.8 million in R+D resources and dedicated the work of more than 30 people to researching and promoting COVID-19 treatments and detection tests. Also, since the outbreak of the pandemic, Grifols has worked closely with the health authorities in countries where it has major presence, including, among others, the United States, Spain, Germany, and China, and shared its knowledge and technology on plasma inactivation for transfusions and hyperimmune plasma to develop and produce a potential treatment as quickly and safely as possible





## INITIATIVES TO REDUCE THE PANDEMIC'S IMPACT ON THE WORLD'S MOST VULNERABLE POPULATIONS

### DURING THE PANDEMIC, GRIFOLS' SOCIAL INITIATIVES INCLUDED SUPPORT FOR HOSPITALS AND FOOD COLLECTION

In 2020, the COVID-19 pandemic accentuated social inequalities and vulnerability. In the wake of rising unemployment and financial hardship, hunger became one of the main threats and consequences of the virus.

To contribute to the SDG 10 (reduction of inequalities), Grifols has mobilized human and economic resources since the onset of the pandemic, including food and personal protection equipment donation campaigns in regions most affected by the pandemic. Moreover, it has also offered technical and logistical support to hospitals for the storage, preparation and dispensing of medicines, as well as the remodeling and expansion of their facilities to treat COVID-19 patients.

Worth mentioning is the "Donate Your Christmas Basket to Twin Families" initiative, organized by Grifols in collaboration with the Probitas Foundation's "Twin Families" program, which aims to ensure that children

in at-risk families have access to a healthy meal every day. Thanks to this initiative, 1,000 economically vulnerable families received an assortment of food and other provisions (including masks and hand sanitizer), delivered through a network of 17 small- and medium-sized social outreach organizations in Spain. These contributions by Grifols' Spanish personnel were valued at EUR 83,400.

Also, the company promoted and participated in various campaigns to raise awareness on plasma as an essential raw material, both in general and specifically convalescent or hyperimmune plasma from recovered COVID-19 patients. These campaigns included "Give Your Light," a Grifols initiative to raise awareness on the importance of plasma donations, and "The Fight Is in Us" (TFIUS), carried out in collaboration with leading institutions and organizations in the U.S. to encourage donations of convalescent plasma.



## ■ BOOSTING ECO-EFFICIENCY

Grifols enacted several organizational actions in response to COVID-19, including teleworking measures and the cutback in air travel. In this regard, the number of flights decreased by 72%, while remote connections increased by 369%. Both measures helped the company improve air quality and reduce its greenhouse gas emissions by 12.9% in 2020.

Despite the numerous technical and logistical complications during the worst months of the pandemic, Grifols continued to implement its environmental plan and initiatives aimed at minimizing its environmental impacts, as detailed in the sections on SDG 12 and 13 .

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 For more information on Grifols' management of COVID-19, see the 2020 Integrated Annual Report

# CONTINUOS CONTRIBUTION TO THE SDGs

PRIORITY  
SDGS



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

Directly affected stakeholders: Patients and patient organisations, plasma donors, scientific community, and research partners

### DIAGNOSTIC SOLUTIONS THAT ENSURE SAFE BLOOD AND PLASMA TRANSFUSIONS

In the field of specialty diagnostics, Grifols promotes the integrated strategy set forth by the World Health Organization<sup>1</sup> to enhance the safety of blood and plasma donations.

Through its Diagnostic Division, Grifols innovates to make new specialized tests available to blood banks and hospital transfusion centers for virological analyses using nucleic acid amplification techniques (NAT) to detect the human immunodeficiency virus (HIV), hepatitis B and C and other emerging viruses, such as Zika, the West Nile and babesiosis.

Grifols also works to expand transfusion diagnostic solutions in low and middle-income countries<sup>2</sup> such as the Philippines, India, Egypt and Indonesia to improve the access to safe blood transfusion services. In this regard, the WHO<sup>3</sup> warns that 60% of donated blood is obtained from low and low-middle income countries.

These countries represent 80% of the world's population and in some case, lack basic measures to guarantee the safety of blood transfusions

Grifols and its partner Shanghai RAAS are working in China to progressively raise transfusion safety standards in the country's donation centers under an "Strategic Alliance Agreement" announced in 2019 and signed in 2020.

Moreover, and within the field of diagnostics, Grifols focuses on the development of new diagnostic tests for personalized medicine for prognosis, response prediction and monitoring of biologic drugs. The group is also developing molecular diagnostic tests and prognosis in oncology, auto-immune disorders, the central nervous system and cardiovascular medicine. In 2020, the U.S. health authority (FDA) approved the Procleix<sup>®</sup> Panther system with Automation Ready

Technology (ART) for tests approved to screen for Zika, HIV, hepatitis C and hepatitis B.

Strengthening the capacities of clinical diagnostic laboratories in the most vulnerable regions of the world by democratizing the techniques applied in developed countries

The objective of Global Laboratory Initiative (GLI) program, led by Probitas Foundation, is to improve and strengthen the capabilities of clinical diagnostic laboratories to promote the diagnosis of diseases that represent a global public health problem. These include tuberculosis, HIV and malaria, as well as other neglected and chronic tropical diseases in the most vulnerable regions of the world.

Through the GLI program<sup>4</sup>, Grifols promotes the renovation of laboratories, necessary equipment

for diagnosis and training initiatives for technical personnel, to ensure they are up to date on diagnostic techniques and able to deliver reliable results that inform effective treatments for patients. The GLI program currently operates in 11 countries: Mali, Ghana, Ecuador, Sierra Leone, Peru, Tanzania, Bolivia, Belize, Angola, Dominican Republic and Liberia. To date, 29 laboratories have been rehabilitated and launched since 2010. The four laboratories launched in 2020 have thus far generated 8,479 direct beneficiaries and 403,000 indirect beneficiaries<sup>5</sup>.



1. <https://www.who.int/es/news-room/fact-sheets/detail/blood-safety-and-availability>

2. According to World Bank criteria: <https://datos.bancomundial.org/nivel-de-ingresos/paises-de-ingreso-bajo>

3. <https://www.who.int/es/news-room/fact-sheets/detail/blood-safety-and-availability>

4. <https://www.fundacionprobitas.org/es/what-is-gli-model>

5. For more information on specific projects: <https://www.fundacionprobitas.org/es/where-is-gli-implemented>

## PRODUCT BREAKTHROUGHS AND NEW APPROVALS IN THE BIOSCIENCE DIVISION TO TREAT RARE AND CHRONIC DISEASES

In 2020, further progress was made in the development of the phase III PRECIOSA trial on the potential benefits of albumin to treat liver cirrhosis and phase III APACHE trial on the use of albumin to treat acute chronic liver failure.

New product formulations and indications were approved and launched in 2020 to serve the evolving needs of patients and healthcare professionals, achieving wide market acceptance. These include Xembify®, a 20% subcutaneous immunoglobulin to treat patients with primary immunodeficiencies, which registration submitted to the European Health Authorities (EMA) following its FDA approval; the launch in several European countries of Vistaseal™, a biological sealant developed by Grifols to control surgical bleeding; the approval of a new 3-ml vial format for HyperRAB®, a hyperimmune immunoglobulin for patients exposed to rabies which is twice as potent as existing treatment alternatives on the market; EU approval of Gamunex to treat severe acute exacerbations in myasthenia gravis (MG); and FDA approval of anti-hepatitis B and anti-tetanus immunoglobulins, following the Gamunex production method (IGIM-C).

In 2020, Grifols also started marketing TAVLESSE® in Europe following its approval by the European Commission at the beginning of the year. This is the first non-plasma product launched by the Bioscience Division in Europe to treat chronic immune thrombocytopenic (ITP) in adult patients who are refractory to other treatments. TAVLESSE® is already available in Germany and the United Kingdom, with a phased launch planned for the rest of Europe over the upcoming months and future expansion in Turkey.

Desde 2004, Grifols dedica importantes esfuerzos a encontrar un tratamiento para retrasar la progresión del alzhéimer, enfermedad neurodegenerativa que afecta a aproximadamente 35 millones de personas en el mundo, cifra que podría aumentar hasta alcanzar aproximadamente los 60 millones en 2030<sup>6</sup>.

## AMBAR STUDY TO COMBAT ALZHEIMER'S DISEASE

Since 2004, Grifols has dedicated important efforts to discover a treatment effective in slowing down the progression of Alzheimer's disease (AD). AD is a neurodegenerative disease that affects approximately 35 million people worldwide, a figure that could rise to 60 million by 2030<sup>6</sup>.

In 2012, Grifols launched the AMBAR study (Alzheimer Management By Albumin Replacement) in collaboration with Fundació ACE in Barcelona and the Alzheimer Disease Research Centre in Pittsburgh (U.S.). AMBAR is an international multicenter clinical trial designed to evaluate the efficacy of plasma replacement in reducing the progression of Alzheimer's in patients at the mild to moderate stages of the disease, measured by assessing changes in patient's cognitive function and ability to perform daily tasks. The study's findings demonstrate the positive effects of this treatment in slowing down the progression of Alzheimer's disease.

The result of 15 years of rigorous research, these findings strengthen Grifols' investigative approach using Plasma Protein Replacement Therapies. Grifols presented the trial's results at several scientific conferences in 2018 and 2019. In July 2020, the results were also featured in the prestigious scientific journal Alzheimer's & Dementia: The Journal of the Alzheimer's Association.

As part of its strategic plan, Grifols is moving ahead with plans to make AMBAR an accessible treatment option for Alzheimer's patients. To this end, the company plans, in a first stage, to open AMBAR Reference Centers as pilot facilities to treat AD patients following the standard clinical practice established for AMBAR. In addition to benefiting AD patients, this initiative would also reinforce the findings of the clinical trial by offering a means to collect more data and real-world evidence.

<sup>6</sup> Source: <https://www.who.int/es/news-room/fact-sheets/detail/dementia>

## FOCUSED ON THE PATIENT: THE QUEST FOR NEW TREATMENTS FOR RARE DISEASES

As part of its commitment to patient and continuous innovation, Grifols aims to contribute to the discovery of new treatments for rare diseases such as primary immunodeficiency, alpha-1 antitrypsin deficiency, bleeding disorders and chronic inflammatory demyelinating polyneuropathy.

Most of Grifols' research efforts are aimed at exploring and promoting therapeutic treatments with plasma proteins, including new applications for plasma proteins recognized for their therapeutic value, as well as the search for new ones. The manufacturing of plasma-delivered medicines is a long, complex and highly regulated process, but the company remains committed to making the necessary capital investments to continuously respond to patients' needs.

In 2020, the FDA approved Prolastin®-C Liquid in 0.5-gram and 4-gram vials for the treatment of alpha-1 antitrypsin deficiency. Also, in September, Grifols announced an agreement with Alkahest to acquire its remaining shares, following five years of collaboration. This acquisition will help Grifols reinforce its research efforts and potentially bring new therapeutic alternatives to the market. Alkahest investigates the therapeutic use of plasma proteins to combat age-related diseases (neurodegenerative disorders, cognitive deterioration, neuromuscular and ophthalmological diseases) and the development of innovative therapies based on knowledge of the human plasma proteome. Alkahest has already identified more than 8,000 proteins using advanced molecular analysis techniques at the cellular level, some of which are expected to enter Grifols' research and development pipeline and result in new marketable medicines.

## PIONEER PROJECT IN LIBERIA TO COMBAT EBOLA WITH IMMUNOGLOBULINS PRODUCED FROM CONVALESCENT PLASMA

In 2014, Grifols launched the Ebola Project in Liberia with the aim of producing anti-Ebola immunoglobulins to treat the disease in West African countries using plasma from Ebola survivors.

This project, fully financed by Grifols in collaboration with Probitas Foundation and the Liberian government, among others, included two main lines of action: (i) design, construction and installation of modular

centers in Monrovia (Republic of Liberia) for the voluntary donation of plasma by pre-tested survivors of the disease; and (ii) construction of a plant in Clayton (North Carolina, U.S.) to process the donated plasma and produce anti-Ebola immunoglobulins.

In 2020, Grifols allocated EUR 2.5 million to continue with the project.

PRIORITY  
SDGS8 DECENT WORK AND  
ECONOMIC GROWTH

## PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK

Directly affected stakeholders: Grifols' employees, local community and NGOs

### COMPETITIVE REMUNERATION POLICY BASED ON INTERNAL EQUITY

Grifols' approach to remuneration is focused on guaranteeing a competitive and appropriate remuneration for the individual and professional performance of employees. In 2020, the company allocated EUR 1,235 toward remunerations, a 4.8% increase over the previous year. An external analysis is performed every year to ensure remuneration levels are adequate and aligned with market standards. This analysis also allows continuously improving compensation packages and adapting them to the current context and employee preferences. In this regard, it is worth highlighting the "Flexibility and Social Benefits Pact" established in 2020 to enhance benefits for employees with children with functional diversity and renew school benefits for the children of employees, among other objectives.

### CLEAR COMMITMENT TO WORK-LIFE BALANCE AND PROMOTION OF EMPLOYEE HEALTH AND WELFARE

As a fundamental part of its work-life balance measures, Grifols protects maternity and paternity rights and promotes ongoing efforts to develop its talent pool.

In 2019, a new "People Experience Hub" area was created within the HR department to reinforce Grifols' team commitment and motivation and promote work-life balance, among other measures. In 2019, Grifols implemented a series of work-life balance measures in addition to those already in place, including flexible entry and exit schedules and teleworking formats. In 2020, these measures were extended to the rest of countries where the company operates.

In October 2020, Grifols launched a new global survey to know the opinion and needs of its employee base by evaluating 17 dimensions through 69 corporate questions and two open questions. The survey was sent to 22,217 employees and achieved 78% participation in the commercial area and 71% in other areas.

In 2019, Grifols also published its new Health and Safety Policy, which integrates all preventive activities at all levels of the organization. The company has specific programs in place to promote the well-being of its workforce, including a number of awareness initiatives.

In 2020, the company imparted more than 116,000 security, health, and environment training hours.

### COMMITMENT TO THE CREATION OF STABLE AND QUALITY EMPLOYMENT

In 2020, Grifols once again confirmed its commitment to encourage stable and quality employment: At the end of 2020, its workforce included 23,655 employees, 98% of which had permanent contracts and 93% full-time work contracts. The workforce grew across all geographic areas where the company operates, except for the United States. This lack of growth mainly stems from the elevated levels of employee turnover in plasma donation centers, which are generally high in the industry.

**IN 2020, THE COMPANY ALLOCATED EUR 1,235 TOWARD REMUNERATIONS**

## IN 2020, THE CEOs SIGNED A STATEMENT ON DIVERSITY AND INCLUSION TO UNDERSCORE THE COMPANY'S FIRM COMMITMENT TO THIS AREA

### DIVERSITY ENRICHES THE CORPORATE CULTURE

Grifols is committed to diversity in the workforce, considering it a key factor to enhancing the organizational culture, corporate performance and innovation by harnessing the different points of view and experiences of team members. Teams that reflect different educational backgrounds, personal profiles, cultures, experiences and physical capacities are essential for developing new ideas. In 2020, Grifols added 5,300 people to its workforce, which represents 88 nationalities. Generational diversity was also strengthened: 29% of employees are under 30, 52% are 30 to 50 years old, and 19% are older than 50.

In 2021, Grifols will implement a three-year strategic plan – the Global Diversity Plan 2021-2023 – with the following objectives: (i) reflect the diversity of the communities in which the organization operates; (ii) further strengthen diversity and inclusion in Grifols' corporate culture and ways of working; and (iii) position Grifols as a benchmark in diversity and inclusion.

As part of this plan, Grifols aims to address gender equality as an organization-wide issues, as well as initiatives on leadership, people-management processes and policies, corporate culture, and communication, which will focus on a different group every year.

In the same way, Grifols continues its efforts to ensure team diversity, including gender and racial diversity, in its global regions of operations.

The company also fosters inclusion and equal opportunities for people with disabilities, progressively incorporating more disabled employees in its workforce. In 2020, 599 employees with some type of disability formed part of the Grifols team (558 in 2019 and 461 in 2018). Further progress was made following the creation of a multidisciplinary team to recruit more people with disabilities. Created in 2019 and operational in 2020, it spearheaded the following actions, among others: establishment of a stakeholder network of foundations and associations to offer access to diverse talent; training sessions on unconscious biases; and disability awareness meetings with top-tier manufacturing managers. Grifols' strategic diversity and inclusion plan foresees extending these lines of action in 2021 to other subsidiaries, especially in Germany and Ireland.

### THE POSITIVE IMPACT OF GRIFOLS' OPERATIONS ON LOCAL COMMUNITIES

In 2020, Grifols estimated the total socioeconomic impact generated by its activities in terms of wealth and job creation in main countries of operations: the U.S., Spain, Germany and Ireland.

Based on this analysis, the company generated EUR 2,051 million in socioeconomic value in Spain, Germany and Ireland (of these, EUR 1,009 million correspond to direct economic impact and EUR 1,042 million to indirect and induced impact) and USD 6,143 million in U.S. (of these, USD 3,487 million correspond to direct economic impact and USD 2,656 million to indirect and induced impact). Close to 40% of Grifols' economic impact stems from its plasma center network, located in the U.S. and Germany.

Grifols' activities generated 139,092 jobs, including 116,596 indirect and induced jobs. Close to 60% of total jobs created by Grifols are linked to the company's plasma centers. For each direct job created by Grifols, 5.2 employment opportunities are created. 60% of the total jobs created are linked to Grifols' plasma centers.



## PROMOTE A NEW INDUSTRY UNDER SUSTAINABILITY CRITERIA, COMMITTED TO THE CONSTRUCTION OF INFRASTRUCTURES, AS WELL AS ENCOURAGING TECHNOLOGY, INNOVATION AND RESEARCH

Directly affected stakeholders: Scientific community and research partners, Patients and patient organisations, Grifols' employees, Local community

### COMMITMENT TO INNOVATION AND PRODUCTIVE INVESTMENTS TO IMPROVE PEOPLE'S HEALTH AND WELL-BEING

In 2020, Grifols continued to promote innovation and productive investments as key drivers of its long-term sustainable growth. In total, Grifols allocated EUR 308 million to expedite the extension of the Bioscience Division's production capacity and the growth of other divisions.

In 2020, Grifols also allocated EUR 298 million to R+D, representing more than 5.6% of its income. Grifols' innovating intensity – measured by correlating R+D investments and financial results – was four times higher than the European average (1.41% in 2018)<sup>1</sup>.

Year after year, Grifols' dedication to R+D has led to high-impact research projects in benefit of thousands of patients. The total number of R+D projects in the

Bioscience Division continues to increase: 88 projects in 2020, 84 in 2019 and 77 in 2018. These focus on the development of new therapies, products and services, as well as in the industrial development of production methods to optimize operations and product safety. These developments are spearheaded by a team of 1,107 people (1,029 in 2019), as well as more than 100 external researchers.

In 2020, Grifols allocated EUR 2.4 million to sponsor preclinical or clinical research projects through the ISR Program and more than USD 10 million over the last five years. This initiative contributes to expanding scientific knowledge related to plasma proteins. Since 2015, the company also allocated more than EUR 14 million to promote research projects on hepatic

diseases within the framework of the Grifols Chair. Also from 2015 to 2020, Grifols contributed to funding several research projects, including the INFECIR 2 study to assess the effects of albumin in patients with advanced cirrhosis and PREDICT project, which included 1,200 hospitalized patients with acute-on-chronic liver failure (ACLF).

As a result of the efforts, Grifols boasts 3,027 patents and 634 patent applications.

Grifols also promotes know-how and knowledge-sharing by publishing articles in leading scientific journals and granting scholarships and scientific awards, which in 2020 totaled EUR 1.6 million.

<sup>1</sup> EUROSTAT. Private Enterprise Expenditure on R&D (absolute value and intensity). Last figure available 2018: 1.41% GDP. <https://rio.jrc.ec.europa.eu/en/stats/private-enterprise-expenditure-rd-absolutevalue-and-intensity>

## GRIFOLS' SUSTAINABLE GROWTH STRATEGY AIMED AT ENSURING SAFE ACCESS TO LIFE-SUSTAINING PLASMA-DERIVED MEDICINES FOR PATIENTS AROUND THE WORLD

### LEADING IN DIGITAL TRANSFORMATION AND INNOVATION

Grifols' Digitalization Committee leads the company's digital transformation. It includes different groups, known as Digital Transformation Teams (DTTs), to analyze and recommend digital proposals or initiatives with the greatest potential for transformation. In 2020, Grifols analyzed about 60 new digital innovation initiatives.

Technological innovations in Grifols' manufacturing operations aim to identify solutions to continuously optimize efficiencies through in-house and third-party collaborations, such as the collaboration in 2020 with BCN Super Computing Centre to model and optimize the manufacturing processes of the Bioscience Division.

In 2020, of note are the completion of two immunohematology projects in the Diagnostic Division; Beyond Trust software, that allows secure remote access to immunohematology instruments to perform remote maintenance tasks, and BT Manager software, which allows clients' remote management of tests and results of one or more instruments

### COMMITMENT TO PROMOTING INITIATIVES TO HELP COUNTRIES ATTAIN SELF-SUFFICIENCY IN PLASMA-DERIVED MEDICINES

Grifols brings its experience and reputation in the construction and management of plasma centers and manufacturing facilities to continue to help countries enhance their sufficiency of plasma-derived medicines. As part of its strategic agreement signed in 2020 with Egypt's National Service Projects Organization (NSPO), Grifols will promote the local plasma-derived products market by sharing its industrial know-how and financial support to develop, build and operate 20 plasma donation centers (with an initial capacity to obtain 600,000 liters of plasma per year); and manufacturing facilities, including a fractionation plant (with capacity to fractionate up to 1 million liters of plasma per year) and another purification and fill-and-finish plant, in addition to a warehouse and an analysis laboratory, expected to be operational by the end of 2025.

In October 2020 Grifols closed the acquisition of a plasma fractionation plant, an immunoglobulin plant and an albumin purification plant in Montreal (Canada). These facilities, expected to be operational in 2023, will be dedicated to manufacturing IVIG and albumin to supply the Canadian market, thus contributing to the country's self-sufficiency in plasma-derived medicines.



PRIORITY  
SDGS12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION

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

Directly affected stakeholders: Regulatory authorities, Grifols' employees, Local community, and NGO

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

Grifols' environmental management is based on the concept of a circular economy to minimize the negative impacts that its activities can generate on the environment. To implement this model, Grifols allocated significant resources to environmental actions. In 2019, EUR 21.8 million were allocated to environmental initiatives, a figure that increased to EUR 23.2 million in 2020 (an increase of 7.3%). Of these, 66% were allocated to waste management, 26% to managing the water cycle and 8% to reducing atmospheric emissions, energy and others.

The company prioritizes the efficient use of material resources, water and energy and minimizing waste generation by considering the life cycles of its products and services. The company is also committed to identifying possible improvements in the different manufacturing stages where eco-efficiency criteria could be applied, with the aim of reducing negative environmental impacts. For example, in the Bioscience

Division, apart from plasma, Grifols also uses large quantities of ethanol to fractionate and purify plasma proteins. Aimed at decreasing consumption through circular economy approach, 74% of ethanol consumed (73% in 2019 and 71% in 2018) was recovered in distillation towers and reutilized in Grifols' facilities. Also of note in 2020 is the company's decision to eliminate a specific component of the diagnostic cards, leading to annual drop in plastic consumption of 0.752 metric tons per year. It also reduced the number of CDs included in diagnostic kits by more than 1,500 units per year by integrating the data in the DxNET web platform.

At the close of 2020, 75% of Grifols' total production was manufactured in ISO-14001-certified facilities, which guarantees the environmental management system implemented. In parallel, 75% of personnel dedicated to manufacturing operations worked in ISO-certified plants.

In alignment with its efforts to mitigate its environmental footprint, Grifols established six core commitments for 2030 related to energy efficiency, emissions reduction, renewable sources, decarbonization, circular economy and biodiversity. In addition, it established environmental programs on a three-year basis; currently, the Environmental Plan 2020-2022 sets out objectives and targets in the areas of energy and its associated emissions, consumption, water, waste, and other aspects, to be carried out in the organization's facilities.

#### ENERGY

The company has an Energy Policy in which it formalizes, among others, the commitment to use energy resources efficiently and minimize the energy demands by designing and implementing energy-saving measures and renewable energy options.

In 2020, energy consumption compared to revenues resulted in an energy intensity of 154,316 kWh/M€, a 3% reduction over 2019 (166,219 kWh/M€ in 2019).

By 2030, Grifols is committed to enhance energy efficiency by 15% per production unit through the application of eco-efficiency measures. With this objective, energy audits have been carried out in the facilities, headquarters, donor centers and analytical laboratories of the Bioscience and Bio Supplies Divisions industrial sites in Germany.



## WATER

To reduce water consumption, the company applies water-saving measures when designing new facilities and the modifying existing ones, particularly in those areas with hydric stress. In 2020, total water consumption was 3,056,928 m<sup>3</sup>, 4% lower than in 2019 (the same variation that occurred between 2019 and 2018.), despite a 4.7% increase in turnover.

Grifols' objective under the Corporate Environmental Program 2020-2022 is to reduce water consumption by 87,700 m<sup>3</sup> per year in existing facilities. By the end of 2020, Grifols had made 34.2% progress toward meeting this objective. On the other hand, regarding its objective to reduce wastewater discharge parameters, in 2020 the company made 50% progress in actions to reduce organic matter and 30% progress in actions to reduce suspended solids and nitrogen.

## WASTE

Grifols waste management strategy aims to prevent and reduce waste and encourage recovery. In 2020, the volume of waste recovery reached 20,276 metric tons (17,939 metric tons in 2019), which represents 41% of the total waste generated (48,978 metric tons).

In turn, 74% of the waste generated in manufacturing facilities and 6% of the waste generated in other facilities (including donation centers) was recovered in 2020 (through recycling, reuse, etc.). Grifols' goal is to increase the recycling volumes by 500 tons per year (target 100% achieved in 2020).

Grifols gives priority to the revaluation of waste, preventing 98% of the waste generated in Clayton facilities (U.S.) from reaching the landfill. Metals, cardboard, glass, plastics and other waste are recycled to protect the environment.

In 2019 Grifols was the first pharmaceutical company in the U.S. to obtain the Gold Certificate of the "Zero Waste to Landfill" program in Grifols' North Carolina facilities, granted by Underwriters Laboratories (UL). This award recognizes companies that allocate between 95% and 99% of the waste generated to recovery treatments other than landfill and incineration with energy recovery of less than 5%. In 2020, the facilities maintained the certification by reaching a waste recovery rate of more than 98%.



## ■ ADOPT MEASURES TO COMBAT THE CLIMATE CHANGE AND ITS EFFECTS

Directly affected stakeholders: regulatory bodies, local community and NGOs, scientific community, institutional bodies

### ASSESSMENT OF CLIMATE RISKS AND OPPORTUNITIES FOLLOWING THE TCFD INTERNATIONAL RECOMMENDATIONS

Following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), the latest expert reports and the recent declaration on the state of climate emergency in the European Union, in 2020 Grifols confirmed its climate-change risks and opportunities most relevant to its business and their associated potential financial impacts. These risks, opportunities and potential impacts were first identified, defined and published in 2019. Among the most relevant climate risks identified was the increase in the frequency and severity of extreme weather events (acute physical risk) and the changes in weather patterns (chronic physical risk). Some of the most relevant climate opportunities for Grifols lie within the development of more efficient production and distribution processes and in the promotion of the circular economy. These opportunities may have a positive financial impact and reduce its operational costs.

In 2020, Grifols took a step forward in reinforcing its corporate governance, demonstrating a clear commitment to climate at the highest level of the organization: in December 2020, Grifols' Board of Directors created a Sustainability Committee which, among other issues, will establish the principles and commitments related to environmental responsibility and oversee the integration of financial and non-financial environmental information. Moreover, Grifols' Board of Directors approved a new Sustainability Policy to reinforce the basic principles and commitments and serve as a basis for their integration in Grifols' business model.

Within the framework of its Environmental Plan, Grifols is working to minimize the negative impacts of its activity by mitigating the effects of climate change and adapt to the new climatic scenarios by developing

initiatives such as the construction of a photovoltaic plant to reduce the atmospheric emissions and the implementation of more energy-efficient automated cleaning processes to reduce water consumption and cope with periods of water scarcity, among others.

Also, following its internal risk management procedures, Grifols is managing climate risks through product diversification, the establishment of contingency and emergency plans, and the design of facilities to withstand extreme weather events.

Regarding the most relevant climate opportunities, Grifols has set eco-efficiency and circular economy objectives within its Environmental Plan 2020-2022. These include several initiatives such as the implementation of automatic processes for cleaning reactors, more efficient production lines to decrease

caustic soda consumption, and the installation of a new plastic bottle shredder to recycle all emptied plasma bottles. Grifols measures and manages its climate change impacts, risks and opportunities and monitors the level of achievement of the objectives outlined in its environmental programs.

In 2020, Grifols improved its rating on the "Carbon Disclosure Project" (CDP), earning an "A-" management score. The CDP is the world's leading environmental reporting platform that annually evaluates organizations' environmental strategies and their climate-change performance.

## SIGNIFICANT EFFORTS IN CLIMATE ACTION TO MINIMIZE THE CARBON FOOTPRINT

Grifols annually calculates its carbon footprint (with scopes 1, 2 and 3) in accordance with the GHG Protocol to identify and reduce the greenhouse gas emissions generated by its operations and mitigate its impact on climate change.

Grifols aspires to reduce its CO<sub>2</sub> emissions by 32,360 metric tons by 2022 in accordance with the 2020-2022 Environmental Plan. After the first year of the program, in 2020 total emissions amounted to 287,992 tons of CO<sub>2</sub>e, a 12.9% decrease over the previous year, stemming primarily from an increase in teleworking and a reduction in business trips.

During 2020 Grifols has also made significant progress towards achieving the following objectives set for 2030:

- Reduce greenhouse gas emissions per unit of product by 40%: in 2020, CO<sub>2</sub>e emissions per unit of sales fell by 8.1% in relation to 2018 considering Scope 1 and Scope 2 emissions thanks to the efforts made by Grifols at a global level.
- Decarbonizing energy consuming 70% of electricity using renewable energies: in 2020, a photovoltaic plant with a nominal power of 100 kW launched operations at the Hospital Division's Murcia facilities (Spain), preventing the emission of 39 tons of CO<sub>2</sub>e per year. Grifols also purchased 16 million kWh of renewable energy for its plants in Spain and 7 million kWh for the Bioscience Division's plant in Ireland. These actions contribute to meeting the target established in the Environmental Plan 2020-2022)

of reducing CO<sub>2</sub>e emissions by 23,400 tons per year by using 68 million kWh of renewable electric energy.

In addition to using renewable energy sources, other initiatives have been launched to reduce emissions, such as the study already completed to replace refrigerant gases in the cooling systems in the Bioscience Division's facilities in Spain with others with a lower Global Warming Potential (GWP). Likewise, the cogeneration plant in the Bioscience Division, whose electrical consumption generates useful heat, has led to a primary energy saving (PES) of 16% in 2020 (14% in 2019) and a reduction in CO<sub>2</sub> emissions of 3,880 tons (3,363 tons in 2019) compared to emissions generated by conventional plants. In line with the current Environmental Plan, the generation of electrical energy and useful heat produced by this plant increased, boosting operating hours by 20% compared to 2018.

Grifols is also committed to implementing eco-efficiency measures in new and existing facilities. Since 2018, Grifols' Clayton plant (North Carolina, U.S.) has the Leadership in Energy and Environmental Design (LEED) award for its sustainable design. In 2019, the new Clayton fractionation plant obtained the Green Globe Certification on behalf of the Green Building Initiative (GBI). In 2020, after monitoring and verifying the building's performance for one year, it was recognized with the Two Green Globes distinction. These recognitions demonstrate the company's commitment to the fight against climate change. In this line and, as part of the Environmental Plan,

Grifols has set out the objective to reduce greenhouse gas emissions by 1,860 tons per year through eco-efficiency projects in new facilities.

Lastly, Grifols also promotes the following initiatives to encourage the reduction of emissions:

- In 2019, Grifols reached pioneering agreements with Air France, KLM and Delta Airlines with the aim of reducing the carbon footprint of Grifols' employees business travels. As part of this commitment, CO<sub>2</sub> emissions generated by Grifols' business travel with these airlines are calculated and offset by projects aimed at mitigating CO<sub>2</sub> emissions, such as reforestation efforts and the generation of renewable energy. In 2019 1,500 tons of CO<sub>2</sub> were offset in a reforestation project in Panama accredited by the Gold Standard Global Goals. In 2020, this initiative slowed down due to challenges in the airline industry as a result of COVID-19. Grifols' intention is to resume and expand these agreements when the crisis is over. In any case, air transport emissions have dropped by 8,768 tons of CO<sub>2</sub>e in 2020 due to the decrease in business air travel.
- At the end of 2019, Grifols launched a voluntary teleworking pilot project for certain positions, which was promoted and expanding in 2020 due to the pandemic. Other actions include an employee bus service, which departs from various locations at different times throughout the day, a van pooling service co-funded by Grifols (North Carolina premises), and the installation of electric vehicle chargers in the main production centers.

- Diagnostic Division launched the "Secure Remote Support" project (full deployment planned by 2021), which allows technicians to avoid displacements by remotely solving customer claims, lowering transport-related emissions, especially from airplanes in wide geographical areas.

RELEVANT  
SDGS

## ■ GUARANTEE OF AN INCLUSIVE, EQUITABLE, QUALITY EDUCATION

Directly affected stakeholders: Grifols' employees, local community and NGOs, scientific community and research partners

Grifols is firmly committed to the ongoing training and development of its talent pool, an objective articulated through its corporate competency model, GRIFOLSMAP.

In 2020, training actions focused on the development of corporate skills and leadership competencies to ensure the highest quality security and technical excellence standards, while promoting Grifols' values.

During the year, Grifols employees participated in more than 2 million hours of training (1.99 million hours in 2019), which translates to an average of 99 hours per person. Women received 64% of the training hours and men, 36%. Of these hours, more than 1.737 million were aimed at the least qualified people in the organization, in this way promoting equal opportunities among the employee base.

In 2009, Grifols created the Grifols Academy as part of its commitment to training personnel and different social stakeholders. This encompasses the Professional Development Academy, the Academy of Plasmapheresis and the Academy of Transfusion Medicine. In 2020, more than 13,500 people took

part in the Grifols Academy's training programs and initiatives. It is important to note that, in 2019, the Center Leadership Development Program (CLDP) of the Academy of Plasmapheresis obtained the ICE 1100 accreditation from the Institute for Credential Excellence (ICE). This accreditation recognizes the program's unique training approach, based on solid ethical values. Moreover, the Accrediting Commission of the Accrediting Council for Continued Education & Training (ACCET) agreed to continue the accreditation of Grifols' Academy of Plasmapheresis for another five-year period, until December 30, 2024.

Grifols collaborates and forges alliances with companies, institutions and other organizations to offer education. Through the Bioethics Chair, promoted by Víctor Grifols i Lucas Foundation in collaboration with UVic-UCC, the company promotes bioethics as a discipline through research, teaching and social dissemination. Over the last six years, the company has donated more than EUR 2 million to the Víctor Grifols i Lucas Foundation.

Grifols continually builds strategic alliances to promote education. Among its many initiatives, it





has developed an executive development program for the organization's top executives in association with ESADE Business School (Barcelona) and the McDonough School of Business at Georgetown University (Washington DC). It also collaborates with the College for America program led by Southern New Hampshire University. Through this collaboration, 86 Grifols' employees have earned degrees and 59 continue studying to pursue their bachelor's degrees.

Grifols also seeks to contribute to education in society and developing people with whom it interacts through its activities.

Grifols promotes workshops, meetings and conferences in the U.S. and Germany to extend knowledge about safety in plasma collection and plasma drug manufacturing processes. The year 2020 has seen the greatest involvement of patient communities in global plasma awareness campaigns and initiatives, which have also addressed challenges faced by the sector during the pandemic.

The José Antonio Grifols Lucas Foundation was created in 2008 with the mission to support and foster educational and health programs that contribute

to improving the well-being of communities and the social environment of people who donate plasma in Grifols' centers in the U.S. It also promotes research related to donor health and quality of life. As part of its long-term vision, in 2020, the steering committee approved 11 grants totaling USD 300,000 to support civic, social and educational programs in areas where Grifols donation centers are located.

Grifols wants to contribute to guaranteeing access to education and equal opportunities for young people in the communities where it operates. It also seeks to generate shared value and bring the scientific world closer to students, in order to help encourage STEAM (Science, Technology, Engineering, Arts and Mathematics) professions among young people. For this purpose, the organization promotes training programs in local communities and collaborates in educational programs. In 2020, despite the pandemic, Grifols participated in more than 100 such training and educational activities.

These training actions, aimed at both Grifols employees and other social stakeholders, have a significant impact on the company's solid performance and continuous development of its talent pool.

RELEVANT  
SDGS

## ■ ACHIEVE GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN AND GIRLS

Directly affected stakeholders: Grifols' employees

Women represent the majority of employees in the organization, reflecting 60% (the same as last year). However, 2020 stands out due to the marked increase in women's representation in professional categories with executive functions. The number of women in the executive category rose to 37 (+15.6%); directors to 166 (+3.1%), senior management to 237 (+5.5%); and management to 602 (+5.0%).

Within the company, 98% of women have permanent contracts and 92% work full-time. Also, more than 30% of Grifols' Board of Directors members are women, thus following the Spanish Securities Market Commission (CNMV) recommendation for 2020, although the organization is working to increase this percentage to 40%.

To fulfill its commitment to the principle of non-discrimination, equal treatment and opportunities, and in compliance with the Equality Law of 3/2007 of March 22, Grifols has drafted and implemented Equal Opportunity Plans in Spain. Equality committees have recently been established in the group's companies to negotiate new equality plans, which will include

measures and actions aimed at guaranteeing an equal labor environment, in which women and men have the same opportunities in all areas.

Similarly, Grifols continues to make progress in the area of equal pay. In this regard, since 2018 the organization carries out an adjusted and unadjusted gender wage gap calculation project. In 2020, the project has continued including, for the first time, an analysis of the pay gap in Ireland and Germany (in addition to U.S. and Spain), therefore covering more than 90% of the workforce.

As a result of this project, it has been noted that Grifols' adjusted gender pay gap in the U.S. stands at 2.2%; 3.1% in Spain; 1.3% in Germany; and 21.9% (unadjusted) in Ireland. These percentages, in contrast to the data provided by the World Economic Forum, which place the salary gap in Spain at 44.2%, in the U.S. at 27.6%, in Germany at 32.09% and in Ireland at 31.40% show that Grifols' remuneration policies are designed to ensure that men and women are treated equally when performing the same role.

Nonetheless, Grifols is committed to improving these figures, with plans to deepen its understanding of the root causes of this gap to further increase the number of women in management positions.

In this sense, and taking this analysis as reference, Grifols has designed an action plan included in the Global Diversity Plan 2021-2023, which establishes measures to elevate the representation of women in positions of responsibility, ensuring selection processes free of bias, as well as measures for work-life balance and flexibility, among others. In addition, the organization is working to adapt existing measures to the new requirements of Royal Decree 902/2020 of October 13, 2019, which defines new transparency obligations in terms of salary audits and job evaluations.

Grifols also guarantees a discrimination-free labor environment, in which the differences and diverse attributes of its personnel are valued. In addition to prevention tools, the organization has communication and reporting channels open to employees and third

parties that allow possible incidents to be identified and resolved in initial phases. In 2020, 53 discrimination reports were filed (55 in 2019) and Grifols carried out appropriate investigations and actions to ensure a discrimination-free labor environment. Although none of the claims was deemed discriminatory in legal terms, all measures were taken to ensure a discrimination-free environment.

In the U.S., Grifols designed plans aimed at increasing the employment of women and people belonging to minority groups, in accordance with regulations issued by the Office of Federal Contract Compliance Programs (OFCCP). These Affirmative Action Plans (AAPs) require that employers, such as Grifols, take active measures to ensure equal employment opportunities and avoid discrimination based on race, sex, and disability, among other characteristics. In 2020, 83 action measures were in place, in addition to the 106 in place in 2019.

RELEVANT  
SDGS10  
REDUCED  
INEQUALITIES

## ■ REDUCE INCOME AND OPPORTUNITY EQUALITY BY PROMOTING SOCIAL AND ECONOMIC INCLUSION

Directly affected stakeholders: Patients and patient organisations, Grifols' employees, local community and NGOs

### GRIFOLS CONTRIBUTES TO THE DEVELOPMENT OF SOCIETY BY PARTICIPATING IN SOCIAL OUTREACH INITIATIVES THAT TRIGGER A POSITIVE RIPPLE EFFECT BEYOND FINANCIAL PERFORMANCE

Grifols' Sustainability Policy establishes the organization's commitment to its social environment, ensuring that its business activities have a positive impact on its staff, patients, donors, customers, suppliers and society as a whole. Grifols' social commitment is based on four principles and four main axes, and its scope of action extends to various stakeholders.

In 2020, investment in the community amounted to EUR 41.2 million. Of these, EUR 21.4 million were allocated to patient organizations, collaborating through product donation and promoting initiatives for the access to treatments; EUR 2.1 million for social action in local communities, including those where plasma centers are located; EUR 6.9 million to special projects and sponsorships, and EUR 6.8 million for NGOs, including more than EUR 6.3 million to the Probitas Foundation, to promote the healthy development of children and young people at risk of social exclusion, emphasizing their physical, psychological and emotional well-being,

and providing one healthy meal per day. The foundation also endorsed several sustainable health projects for the most vulnerable populations and countries.

At the same time, Grifols has completed the project launched in 2019 to evaluate the organization's contribution to community well-being. In particular, the project has focused on measuring the social value generated by plasma donation centers in the U.S., analyzing and quantifying the impact they generate on donors, patients and local communities where they are located. Measuring social value created allows Grifols to gain a deeper understanding of the impact of its activities on its various stakeholders to better meet their needs. The main results show that the total impact generated by Grifols amounts to EUR 6.2 billion, which represents a social return on investment (total SROI) of 2.1x. By stakeholder group, EUR 1.8 billion of social value was generated for donors, EUR 722 million for local communities and EUR 3.6 million for patients.

Among the diverse social impact initiatives promoted by Grifols, the PatientCare Program should be highlighted. Since 2006, the program has provided treatment to patients with hemophilia and primary immunodeficiency in the U.S., and who have treatment access difficulties. The company actively works to promote patient access to treatment and improve healthcare for priority diseases in priority countries, such as Ebola in Liberia, tuberculosis in Sierra Leone, HIV in Tanzania or malaria in Angola, among others.

As part of the company's commitment to serving patient communities, Grifols collaborates with the World Federation of Hemophilia's Humanitarian Aid Program. As part of this commitment, Grifols has donated more than 43 million international units (IU) of product in 2020 and more than 170 million to date. From 2014 to 2021, the company has committed to donating a minimum of 200 million international units (IU) of clotting factors.

\* The Access to Medicine Foundation considers the priority issues and diseases in priority countries to be those with the highest Disability Adjusted Life Years (DALY) based on World Health Organization (WHO) data. These include communicable diseases, non-communicable diseases, neglected tropical diseases, maternal and neonatal health conditions, and priority pathogens.

Along these lines, in 2018 Grifols launched AlfaCare, the first support program for patients with Alpha 1 antitrypsin (AAT) deficiency in Spain. In 2020, around 200 new patients enrolled in this program (by December 2019, approximately 180 patients had signed up). Grifols has made significant efforts to adapt this program initiative to a digital format to continue helping and supporting alpha-1 patients during the pandemic.

The company also encourages its plasma donors in the U.S. to contribute to social development and reduce inequality through the program "Plasma Possibilities." Through this program, they can forego the economic consideration for their blood donation in favor of donating to a non-profit organization. Since its launch, Plasma Possibilities has helped raise more than USD 80,000 (USD 35,000 in 2020) for more than 40 U.S. non-profit charity organizations (19 in 2020).

The number of social programs in the communities where plasma centers are located remained stable in 2020, with more than 2,000 initiatives implemented. Also, as part of Grifols' commitment to involve employees in reducing inequality, an average of 1,900 employees from Grifols' donation centers have participated in non-profit voluntary and fundraising activities in 2020, dedicating more than 10,000 hours.

Within its commitment to society, Grifols promotes dialogue and support for the communities in which it operates. One of its main areas of action is education, which it promotes both through direct actions and through donations.



RELEVANT  
SDGS

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

Directly affected stakeholders: Grifols' employees, regulatory authorities, financial community

### A DEEP-SEATED RESPECT FOR HUMAN DIGNITY AND HUMAN RIGHTS UNDERPINS ALL GRIFOLS' OPERATIONS

Honesty, ethics, transparency, integrity and regulatory compliance guide Grifols in all of its operations and stakeholder commitments. These principles have been part of Grifols' history since its foundation. The board of directors and the members of the group's management promote these principles through leading by example, an essential value of Grifols' culture.

Grifols' activities are based on the principles of bioethics to ensure the safety and dignity of all people involved in the pharmaceutical production process. The Universal Declaration of Human Rights covers these principles, to which Grifols subscribes and which the organization guarantees through compliance with the Code of Ethics, as well as by providing its employees and third parties with channels for reporting possible violations of human rights.

Grifols has a crime prevention policy, the aim of which is to reinforce the company's unequivocal rejection of the commission of offenses, crimes or any unethical

behavior, as well as its determination to prevent and fight them. The organization applies a "zero tolerance" approach to bribery and corruption acts and, in accordance with Grifols' internal procedure, violation of Grifols' Anticorruption Policy may result in disciplinary actions. Grifols' Anticorruption Policy applies to all of its employees and to those of all its subsidiaries and those who participate in its undertakings, as well as to third parties who collaborate with the company. In this regard, Grifols' Internal Audit Department regularly audits the departments and business units, including the review and control of compliance with the anticorruption policy, when applicable, and the development and monitoring of due diligence processes to third parties and their certification. External and independent audits are also carried out to review and evaluate different aspects of Grifols' global anticorruption program (at the corporate governance level, the Global Compliance Committee / Global Compliance Review Board (GCRB) assists the Audit Committee, which reports to the board of directors,

in of its role of supervising the global anticorruption program). Mechanisms, procedures and policies are also in place to prevent, detect and react to any possible non-compliance in the prevention of money laundering that may be detected in the course of its activities.

To guarantee the appropriate conduct Grifols' personnel and those interacting with the company, in 2020, 3,044 interactions between employees and public officials or other professionals were reviewed, focusing on operations of greater risk of corruption or misconduct. As a result of these preventive activities, no confirmed incidents related to corruption were identified by Grifols.

Corruption prevention training programs are a priority for Grifols. As of 2020, close to 92% of the company's employees with the highest probability of being exposed to corruption incidents had been trained through the company's anti-corruption initiatives.

Grifols places an anonymous channel, the Grifols Ethics Helpline, at the disposal of the workforce and third parties to report ethics issues, irregularities or suspicious behaviors. In 2020, 169 allegations were received (226 allegations in 2019 and 230 allegations in 2018). All allegations presented are managed according to the standard operating procedure established, which entails investigation, resolution and conclusion.

Grifols encourages integrated and transparent communication with its stakeholders, which include health professionals, healthcare organizations, employer organizations, public officials, among others. In the U.S., the company complies with all federal and state regulations. As required by the “Lobbying

Disclosure Act” (LDA), Grifols annually provides complete information in this area. Activity reports are public and available in the U.S. Congress. The company also voluntarily participates in the European Union’s Lobby Transparency Register and subscribes to the principles governing the rules of conduct for interactions with EU institutions articulated in its code of conduct.

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



RELEVANT  
SDGS17 PARTNERSHIPS  
FOR THE GOALS

## ■ ALLIANCES TO ACHIEVE THE GOALS

Directly affected stakeholders: All stakeholders

### GRIFOLS BUILDS SOLID ALLIANCES WITH ITS STAKEHOLDERS THAT ALLOW IT TO EXCHANGE RESOURCES, KNOWLEDGE, EXPERIENCE AND TECHNOLOGY

The achievement of the different SDGs addressed throughout this report largely depends on building strong and inclusive alliances at all levels (global, regional, national, and local) among the many existing stakeholders (public and private sector, civil society, scientific world, etc.), for whom sustainable development must be a priority.

Grifols contributes to SDG 17 through strong alliances with its stakeholders, allowing it to exchange resources, knowledge, experiences and technology. These alliances also encourage dialogue and transparency, and allow Grifols to act with greater awareness of the interests and concerns of its stakeholders.

### PARTNERSHIPS TO PROMOTE THE ACCESS TO HEALTHCARE AND FOSTER INNOVATION

Grifols has forged more than 30 private, public-private, academic and civil society alliances to promote and improve access to healthcare, research and the development of medicines that contribute to improving and extending people's lives.

In the context of the pandemic caused by COVID-19, Grifols led and participated in several campaigns to raise awareness and educate society on the importance of plasma and plasma medicines, such as the campaign "The Fight is in Us" – a coalition involving leading institutions and organizations in the U.S., including other networks of plasma donation centers, research organizations, NGOs and other producers of plasma-derived therapies. It also built synergies by collaborating with healthcare stakeholders to carry out innovative scientific projects aimed at developing screening tests and treatments for the disease.

The company also promotes greater knowledge of the therapeutic potential of plasma proteins and the development of innovative therapies based on knowledge of the human plasma proteome through companies such as Alkahest, currently 100% owned by Grifols after several years of collaboration. It also seeks to extend transfusion diagnostic solutions and improve access to secure blood transfusion services in countries such as China, together with Shanghai RAAS, and in other middle- and low-income countries.

Also, Grifols collaborates with donation centers and public health organizations in different countries – Spain, Czech Republic, Slovak Republic and Canada – placing its facilities, technology, know-how and technical equipment at their service to process plasma excess. In the case of Spain, the savings for the public health system in 2020 is estimated at EUR 67 million, derived from the industrial fractionation service for hospital plasma. In the case of Canada, Grifols has been processing Canadian plasma for more than three decades to provide safe plasma medicines to Canadian patients and healthcare suppliers.

Grifols also collaborates to innovate in other therapeutic areas beyond plasma-derived therapies; for instance, the development of a treatment for Ebola – in an alliance with governments, health authorities and local and international NGOs; Alzheimer's disease, in collaboration with Fundació ACE in Barcelona and the Alzheimer Disease Research Centre of Pittsburgh; retinal cancer, together with Hospital Sant Joan de Déu in Barcelona; hepatic cirrhosis, in collaboration with the Chronic Liver Failure European Consortium and the European Foundation for the Study of Chronic Liver Failure (EF-CLIF); and chronic immune thrombocytopenia, through the product called "TAVLESSE," within the framework of a collaboration and licensing agreement with Rigel Pharmaceuticals.

Similarly, Grifols has collaborated with third parties to promote technological innovation and the creation of more efficient processes. Examples include the technical collaboration agreement with University of Mondragón to develop robotic solutions and instrumentation for medical and pharmaceutical areas; and the acquisition of 10% of Bloodbuy (a cloud-based technology platform that facilitates the purchase and sale of blood components in the United States), an operation that will generate important synergies with the Bio Supplies Division and with the Diagnostic Division of Grifols.

The organization also contributes to the generation of synergies and alliances in the healthcare sector through its membership in more than 20 associations and employers' associations.

## **ALLIANCE BETWEEN GRIFOLS AND THE EGYPTIAN GOVERNMENT TO BOOST PLASMA-DERIVED MEDICINE SELF-SUFFICIENCY IN THE MIDDLE EAST AND AFRICA**

Grifols and the National Service Projects Organisation (NSPO) of Egypt reached a strategic agreement to develop the local plasma-derived products market. This agreement constitutes a strategic alliance that contributes to the achievement of SDG 3 (health and well-being), as it enables the organization to advance in its commitment to support countries in achieving higher levels of self-sufficiency in plasma medicines, which are essential for patients who depend on them.

The project, to be developed over five years, includes the development, construction and operation of 20 plasma donation centers (with an initial capacity of obtaining 600,000 liters of plasma per year); and manufacturing facilities, including a fractionation plant (with capacity to fractionate up to 1 million liters of plasma per year) and purification and fill-and-finish plant, in addition to a warehouse and an analysis laboratory. In this way, the alliance also contributes to achieving SDG 9 (industry, innovation and infrastructure) by investing in the construction of infrastructures that will boost the self-sufficiency of plasma medicines in the country.

Plasma centers and manufacturing facilities are expected to be operational by the end of 2025.

The value that Grifols brings to this project includes its industry knowledge and experience, its intellectual property and all the support, guidance, training, engineering services, manufacturing services, know-how and technology needed by Egypt to strengthen its healthcare system with its own infrastructure to guarantee the supply of plasma medicines required by the country in the medium-term.

## ALLIANCES TO PRESERVE THE ENVIRONMENT

Grifols has established more than 15 alliances with private and public stakeholders to minimize the negative impact of its activities on the environment.

To offset the company's environmental footprint in mobility, Grifols has signed agreements with various airline companies (Air France, KLM and Delta Airlines) to calculate CO<sub>2</sub> emissions generated in business trips and offset these by participating in programs aimed at mitigating CO<sub>2</sub> emissions.

Grifols also participates in different programs to ensure the correct management of waste generated by its activities, whether it is derived from medicines. These include the SIGRE program in Spain and membership in the Pharmaceutical Product Stewardship Working Group in the U.S., as well as managing electrical and electronic equipment waste through the ECOASIMELEC

program in Spain, or other waste through the Zero Waste to Landfill program of Underwriters Laboratories (UL) in North Carolina. To this end, the organization also collaborates with other private sector companies, such as Recycla in Chile and other suppliers of the Bioscience Division's plant in North Carolina.

With the aim of preserving the environment, Grifols has formed alliances to protect the biodiversity of the 121 protected 300 acres it occupies in Clayton, North Carolina, through the Wildlife at Work and Corporate Lands for Learning programs (promoted by the Wildlife Habitat Council) and in collaboration with North Carolina State University. It also seeks to protect biodiversity in the areas of the Besòs and Tordera rivers through an agreement with RIVUS Foundation, promoted by the Besòs Tordera Consortium for the period 2020-2022.

## ALLIANCES TO PROMOTE LEARNING OPPORTUNITIES AND IMPROVE ACCESS TO INCLUSIVE, QUALITY EDUCATION

Grifols también ha consolidado alianzas en el ámbito educativo, con el mundo académico y científico. Actualmente cuenta con más de 10 alianzas para promover el acceso y calidad de la educación en general y, en particular, en el sector biofarmacéutico.

Dichas alianzas benefician a diferentes colectivos: al equipo humano de Grifols – mediante asociación con la Southern New Hampshire University para la obtención de grados universitarios mediante becas y con otras universidades locales –, a estudiantes interesados en desarrollar carreras profesionales en el sector biofarmacéutico – con la participación activa de Grifols en el Biomanufacturing Training and Education Center y la colaboración estrecha con el Johnston Community College, entre otros.

## ALLIANCES TO CONTRIBUTE TO THE COMMUNITY, REDUCE INEQUALITIES, PROMOTE SOCIAL AND ECONOMIC INCLUSION AND DRIVE DIVERSITY AND INCLUSION IN THE COMPANY'S CULTURE

Grifols has forged alliances with different stakeholders to improve the conditions of at-risk groups by reducing inequalities and promoting their social and economic inclusion. It has also signed new agreements with more than 10 foundations and associations to expand the dissemination of its job offers to reach groups at risk of being socially excluded and profiles with functional diversity.

The organization collaborates with the donor community, through the "Plasma Possibilities" program, so that donors can contribute to non-profit organizations the economic consideration received for their blood donation. Grifols also works with entities to donate different resources (economic contributions, international units of coagulation factors and vaccines) to humanitarian causes. It also contributes to the creation of stronger communities with the World Federation of Hemophilia (WFH), Habitat for Humanity and Direct Relief, for example. For its part, the Probitas Foundation forged more than 200 alliances with stakeholders from different levels and sectors: international organizations, social and health entities, other foundations, research groups, external consultants, hospitals, health authorities and private companies to contribute to improving the health – including emotional and nutritional – of the most vulnerable populations at both local and international levels.

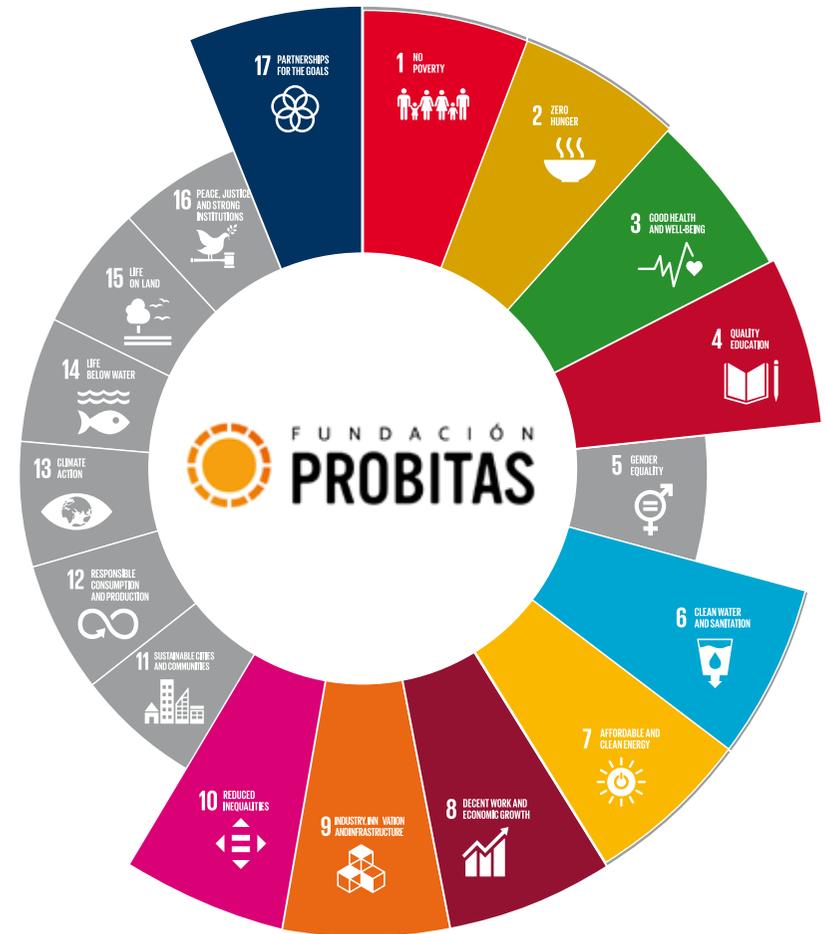
# THE PROBITAS FOUNDATION'S CONTRIBUTION TO THE SDGs

The Probitas Foundation was created in 2008 to improve the health of the most vulnerable populations in remote regions with limited resources, taking advantage of Grifols' experience in the field of medical care and clinical diagnosis. Currently, the foundation combines internal development programs at international and local levels. These are carried out through local entities with experience in the social and health sectors, international NGOs in the humanitarian sector and several United Nations agencies. Grifols' shareholders approved an annual allocation of 0.7% of the company's profit before tax to promote the works of this private foundation.

In 2020, through its local programs, the foundation promoted the healthy development of vulnerable children and youth in their physical, psychological, and emotional well-being by offering comprehensive support through nutritional, socio-educational, psychosocial and health resources. The foundation also collaborated with research center, hospitals, foundations, and other partners in the field of mental

health, supporting services not included in the public health system. In 2020, the foundation supported international sustainable health projects and programs, aimed at the most vulnerable populations. Beyond contributing with financing, the foundation has coordinated, managed and trained several local collaborators to become self-sufficient in the near future.

The Probitas Foundation is aligned with the general guidelines established by the World Health Organization (WHO) and contributes with its activity in the achievement of the Sustainable Development Goals (SDGs). SDG 3 and SDG 10 are the main focuses, since the foundation's goal is to improve the health of the most vulnerable populations locally and internationally. However, it also impacts goals 1, 2, 4, 6, 7, 8, 9 and 17.





**Improvement of the nutritional and emotional health and healthy habits**

The RAI Program (Reinforcement of Child Nutrition) was launched in 2012, with the aim of improving the health of children at social risk, focusing on nutritional, psychological and emotional improvements. The program is divided into three components: school canteen aids, to ensure one healthy meal per day in the school canteen; summer programs, to provide socio-educational tools and one healthy meal to children; and healthy habits, to promote a healthy life through activities.



**Improvement of the health and quality of life of children and teenagers**

SIT (Health, Innovation and Therapies) is a program launched in 2018, which works to provide support to projects whose common objective is to improve the health and quality of life of children, young people and their families by offering services not covered by the public health system. Areas of work include the training, prevention and awareness development of professionals in the health and social fields, who work with children and young people, as well as innovative therapies.



**Reinforcement of the capacities of clinical diagnosis laboratories in the most vulnerable regions of democratized work, techniques applied in developed countries**

GLI (Global Laboratory Initiative) is a program developed in 2010 to improve the health of the most vulnerable populations, reinforcing the capacities of the clinical diagnosis laboratories through multidisciplinary work. By improving the diagnosis of diseases that represent public health issues on a worldwide level – such as tuberculosis, HIV and malaria, as well as other communicable pathologies and chronic diseases – it is possible to adapt treatments with much more specificity, avoiding resistance to medicines. Local communities have better global health indices as a result.



**International cooperation actions to fight neglected tropical diseases (NTD), HIV/AIDS, malaria and tuberculosis, among others**

Through PCI (International Cooperation Program), since 2010, the foundation has provided support for projects led by international cooperation entities in the health area. On an annual basis, projects are selected through a tendering process and by collaborating with international organizations. Projects seek to improve access to quality healthcare for vulnerable populations; strengthen local health structures: supply water, sanitation and hygiene; prevent disease; and carry out awareness campaigns; among other initiatives.



**Development opportunities, training and access to employment for young Africans**

The YAKAAR Program (FARO) was created in 2019 to give opportunities to young Africans to fulfill their potential in their country of origin. For this purpose, the program promotes efforts to raise awareness among young people and their families on the migratory process before the decision is made; offers training in countries of origin; facilitates access to employment to reduce “brain drain”; provides training in entrepreneurship and business management; and offers a comprehensive accompaniment for a return to the country of origin and labor incorporation by helping participants develop business or labor-insertion plans.

Sustainable Development Goals						
	Year program started	2012	2018	2010	2010	2020
	Countries where the programs are implemented	Spain	Spain	11 countries	41 countries	Spain/Senegal
	1.a Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions	✓	✓	✓	✓	✓
	2.2 By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons	✓				
	6.b Support and strengthen the participation of local communities in improving water and sanitation management			✓	✓	
	7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology			✓	✓	

 For more information on the Probitas Foundation, see <https://www.fundacionprobitas.org/es/home>





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