CORPORATE RESPONSIBILITY REPORT 2018

GRIFOLS

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GRIFOLS: DEDICATED TO ENHANCING THE HEALTH OF PEOPLE

MISSION

Our mission is to improve the health and well-being of patients around the world.

We accomplish this mission by producing proteins for patients who face sometimes life-threatening conditions and by providing hospitals, pharmacies and healthcare professionals with the tools they need to enhance quality of life.

VISION

As our business continues to grow, we remain committed to a long-term, sustainable and responsible vision.

We strive to be a global leader in our markets and a constant industry reference for innovation, quality and safety.

CORPORATE VALUES

At Grifols, we believe that an ethical, sustainable and transparent approach to business generates countless positive returns.

Our sense of responsibility and integrity are core elements of our corporate culture, which guides us every day and helps create long-term value for patients, the healthcare community and society in general.

“ONE GRIFOLS”

The “One Grifols” philosophy reflects the solid corporate values instilled by Grifols’ founders in 1940.

These values advocate a work model grounded on teamwork, responsibility, sustainability, vision and long-term value creation.

Guided by these values, the company aspires to create wealth for its various stakeholders by generating stable employment, promoting global research, fostering the development and building the trust of its shareholders and investors, through a sustainable growth in alignment with its mission of improving the health of people.

Grifols is the story of these values, commitments and a pioneering spirit that drives the progress of science.

Proud of its history, the company projects its past into the future with the “One Grifols” principles as a guide.

WE CONTINUE TO CONTRIBUTE TO SOCIETY, LEADING RESEARCH THAT BRINGS US CLOSER TO FINDING NEW TREATMENTS

Throughout almost 80-year of history, Grifols has been guided by three essential values: innovation, safety and quality. Interweaved into our corporate culture, they form part of our DNA. The Grifols Museum is the latest example of our ongoing pursuit of these core tenets. A homage to our origins, the museum showcases our rich history without losing sight of our long-standing mission: enhancing the health and well-being of people.

I am pleased to announce the new Grifols Museum in Barcelona is already a reality this year.

We celebrated two other breakthroughs in 2018 that I was personally involved in lately: the topline results of the AMBAR (Alzheimer Management By Albumin Replacement) trial in the fight against Alzheimer's disease (AD) and the start of production on the first anti-Ebola immunoglobulin. Both projects offered us the chance to contribute our accumulated knowledge and expertise on plasma and the manufacture of plasma-derived medicines. We will continue our quest to finding effective and safe solutions for these devastating diseases, which have such a high social impact.

The topline results of the AMBAR clinical trial give us reasons for optimism. Although we continue to analyze the data collected from trial subjects with mild to moderate AD, we are hopeful: plasma exchange with albumin and immunoglobulin might slow down the progression of Alzheimer's and improve specific cognitive functions in treated patients. If confirmed, we will have played a role in changing the course of the disease and advancing scientific and social progress.

Important progress was also made in the Ebola Project in Liberia. Our installations in Clayton have begun production on the first batches of plasma from Ebola survivors, with the aim of manufacturing the first anti-Ebola immunoglobulin to combat future outbreaks in West Africa. The project's research line is framed within a long-term clinical trial and reflects our corporate commitment to respond to international health crises wherever they occur, including in the world's most disadvantaged regions.

Neither milestone would have been possible without the solid commitment, dedication and hard work of the numerous teams that took part in these projects, and of course, without the support and determination of Grifols' two CEOs. My heartfelt thanks and congratulations to everyone involved.

Thank you for your confidence,

VÍCTOR GRÍFOLS ROURA
President

This report is an exercise in transparency as part of our "One Grifols" model of responsible management, designed to generate social, economic and environmental value. This management model relies on a robust corporate governance system grounded on three main pillars: ethics, honesty and transparency. We aspire to serve as a global reference for innovation, safety and quality, with eyes set on our ultimate objective of helping people live longer and healthier lives.

We have taken many important steps in 2018:

We expanded and diversified our access to plasma to increase our production of plasma-derived medicines in benefit of thousands of patients. We today operate the largest plasma collection network in the world, with 256 sites in the United States and Europe, fully aware of our responsibility as a life-saving bridge between donors and patients.

We also continued to build on our strategy of international expansion. In addition to strengthening our presence in the United States and Europe, we have made significant strides toward forming a strategic alliance in China. The agreement with Shanghai RAAS represents an outstanding opportunity for growth for our divisions.

In terms of research, we published the topline results on the efficacy of AMBAR (Alzheimer Management by Albumin Replacement), which demonstrated the benefits of plasma exchange and its replacement with albumin and immunoglobulin as a possible treatment for Alzheimer's patients. This encouraging outcome opens the door to further research.

Our ongoing R&D+i efforts led to important licenses, allowing us to launch differential products that respond to the needs of patients and healthcare professionals. Among them, a new liquid formulation of alpha-1 antitrypsin, an immunoglobulin to treat patients exposed to rabies, and another for hepatitis A and measles. At the same time, we broadened our portfolio of diagnostic solutions, including new virus-detection tests using NAT technology. We also reinforced our portfolio of hospital pharmacy solutions with the acquisition of MedKeeper.

Our team is continually expanding, while staying true to its pioneering spirit. In 2018, the Grifols' workforce grew by 16% over the previous year to 21,230 employees, 59% of whom are women. These figures underscore our commitment to job creation and equal opportunities. We take great pride in the positive results of our human resources initiatives, which are allowing us to gradually reduce the gender pay gap and promote talent by increasing the number of training hours.

THIS REPORT HIGHLIGHTS THE EFFORTS OF EVERYONE WHO FORMS PART OF THE GRIFOLS TEAM AND REFLECTS OUR "ONE GRIFOLS" MODEL OF RESPONSIBLE MANAGEMENT

TOGETHER, WE ENSURE THAT THOUSANDS OF PATIENTS RECEIVE THE TREATMENTS THEY NEED

Grifols reported more than EUR 4,500 million in value creation in 2018, driven by the efforts of our global talent pool and solid corporate leadership. Ninety percent (90%) of generated value was distributed: nearly EUR 850 million were allocated to remunerations; EUR 624 million to tax contributions; more than EUR 197 million toward innovation, and over EUR 33 million to social outreach investments, among others.

A robust financial management strategy enabled the company to optimize economic resources in line with our growth objectives and long-term vision. In 2018, our operating revenues grew by more than 9%, with sales increases across all divisions and regions where we operate. Net profit grew to approximately EUR 600 million.

Also worth noting are our environmental accomplishments in 2018. We have made important progress toward meeting the targets outlined in the 2017-2019 Environmental Plan, allocating EUR 18 million in investments and expenditures to maximize our energy usage, water cycle and reduce atmospheric emissions. We invested EUR 252 million in our leading-edge manufacturing plants, designed with eco-efficiency criteria.

Overall, our assessment of 2018 is very positive. The aforementioned commitments, which this report describes in greater detail, are closely linked to our capacity for future growth and ability to sustain operations with a long-term perspective.

We are poised for future growth,

RAIMON GRÍFOLS ROURA
Co-CEO

VÍCTOR GRÍFOLS DEU
Co-CEO

2018 HIGHLIGHTS

OPERATING GROWTH*

REVENUES (M€)
4,487
+9.2%

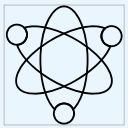
NET PROFIT (M€)
597

+9% NORTH AMERICA

+17% EUROPEAN UNION

+4% ROW

INVESTMENT AND INNOVATION



MANUFACTURING INSTALLATIONS (M€)
252

NET INVESTMENT R&D+i (M€)
291
+9.4%

PLASMA CENTERS
256

PATENTS AND APPLICATIONS
2,965

TALENT & DIVERSITY

HUMAN RESOURCES
21,230

WORKFORCE GROWTH
+16%

72% U.S. WORKFORCE

26% EUROPE WORKFORCE

2% WORKFORCE IN ROW

* Operating or constant currency (cc) excludes exchange rate variations of the year.

EQUAL OPPORTUNITY

PERMANENT CONTRACTS
98%

FULL-TIME CONTRACTS
94%

TRAINING (MILLIONS OF HOURS)
2.5

59% WOMEN

41% MEN

SUSTAINABILITY

ENVIRONMENTAL COSTS (M€)
15.5

ENVIRONMENTAL INVESTMENTS (M€)
2.7

Resource allocation (expenses & investments)

63% WASTE MANAGEMENT

32% WATER CYCLE

5% ATMOSPHERIC, ENERGY EMISSIONS AND OTHERS

RESPONSIBILITY

TOTAL TAX CONTRIBUTIONS (M€)
624

COMMUNITY INVESTMENTS (M€)
33.3

Destination of resources (investments and expenditures)

41% PATIENTS & LOCAL COMMUNITIES

28% FOUNDATIONS & NGOs

8% RESEARCH AWARDS & EDUCATION

23% SPECIAL PROJECTS AND OTHERS

2018 MILESTONES

JAN

- Acquisition of a 51% stake in MedKeeper to reinforce the Hospital Division.

FEB

- Raimon Grífols Roura and Víctor Grífols Deu recognized by *Forbes* among Spain's top 50 CEOs.
- FDA approval for a new, stronger formulation of anti-rabies immunoglobulin (HyperRAB®).

MARCH

- Agreement with Henry Schein for the U.S. distribution of Grifols' physiological saline, manufactured in its Murcia plant.
- Industrial complex in Clayton (North Carolina, U.S.) recognized for its environmental commitment.
- Grifols agrees to acquire 35 plasma centers of Haema in Germany.

APRIL

- Collaboration agreement with IrsiCaixa to support research for HIV and related diseases.
- Donation of +25 million international units of factor VIII to the World Federation of Hemophilia Humanitarian Aid Program over an 8-year timeframe.

MAY

- Shareholders Meeting approves a record-high dividend payout of EUR 265 million.
- The FDA approves new conventional antiserums, allowing Grifols to expand its blood-typing product portfolio in the U.S.
- Clayton office building distinguished with the Leadership in Energy and Environmental Design (LEED) certification for its sustainable design.

JUNE

- U.S. launch of the liquid alpha-1 antitrypsin formulation (Prolastin®-C Liquid).
- Public disclosure of value transfers made to European healthcare professionals and health organizations in 2017.
- FDA approves two new NAT-technology blood screening tests: one for HIV, hepatitis B and C, and another for the West Nile virus.
- Annual investor and analyst meeting.

FTSE4Good

JULY

- Grifols listed on the FTSE4Good stock exchange index of sustainability.
- Grifols' R&D rated "excellent" by the Profarma Plan, an initiative of the Spanish Ministry of Industry, Tourism and Commerce.

AUG

- Grifols acquires 24 plasma centers in the U.S. from Biotest.
- FDA approves new Emeryville (California, U.S.) installations to produce recombinant proteins.
- FDA approves NAT-technology blood screening tests for the Zika virus.

GamaSTAN™ Immune Globulin (Human)

SEP

- New EUR 85 million loan signed with the European Investment Bank (EIB) to support R&D+i projects.
- FDA approves a new immunoglobulin formulation (GamaSTAN®) to treat patients exposed to hepatitis A and measles.

alzheimer management by albumin replacement ambar

OCT

- Presentation of preliminary results on the efficacy of AMBAR clinical trial to treat Alzheimer's.
- FDA approval for the molecular diagnostic test ID Core XT, used to genotype blood groups.

SRAASH

NOV

- Spanish launch of AlfaCare, the first support program for patients suffering from alpha-1 antitrypsin deficiency.
- Grifols is recognized in PwC's "2018 Global Innovation 1000" ranking among the top 1,000 global companies that invest the most in R&D.
- Announcement of initiation of talks with Shanghai RAAS Blood Products to explore a possible strategic collaboration in China.

DEC

- Processing started on the first batch of plasma from Liberian Ebola survivors as part of the Ebola Project.

1

ABOUT GRIFOLS

ABOUT GRIFOLS

ESTABLISHMENT

1940

DEDICATED TO GLOBAL HEALTHCARE FOR NEARLY 80 YEARS

DIVISIONS

4

CONSOLIDATED AND COMPLEMENTARY BUSINESS AREAS

COMMERCIAL PRESENCE

100 countries

SUBSIDIARIES IN MORE THAN 30 COUNTRIES AND PRODUCTION PLANTS IN 6

PLASMA DERIVATIVES MEDICINES

GLOBAL LEADERSHIP

SOLID, LONG-TERM STRATEGY TO CONTINUE AT THE INDUSTRY'S FOREFRONT

A GLOBAL COMPANY DEDICATED **TO IMPROVING THE HEALTH AND WELL-BEING OF PATIENTS WORLDWIDE**

LEADERS IN THE PRODUCTION OF PLASMA-DERIVED MEDICINES, RECOGNIZE LEADER IN TRANSFUSIONAL DIAGNOSTICS AND EXPERTS IN SOLUTIONS FOR HOSPITALS

THE **COMMITMENT AND EXPERTISE OF OUR TALENT POOL** AND OUR STEADFAST QUEST FOR EXCELLENCE MAKE THE DIFFERENCE

OUR ORIGINS MAKE THE DIFFERENCE

HELPING TO ENHANCE THE HEALTH OF PEOPLE SINCE 1940

1940

Dr. José Antonio Grífols Roig establishes **Laboratorios Grifols** in Barcelona.

1943

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

1945

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

1951

Dr. José Antonio Grífols Lucas develops the **plasmapheresis technique.**

1958

First plasma fractionation plant in Spain begins operations.

1973

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

alzheimer management by albumin replacement
ambar

1995

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

2002

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

2003

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

2006

FDA grants approval for the immunoglobulin Barcelona plant (IVIG).

Grifols is listed on the Spanish stock exchange.

2011

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

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

2014

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

2016

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

2018

Leaders in plasma collection centers, with 256 centers in the U.S. and Europe.

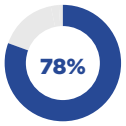
Initiation of strategic collaboration with **Shanghai RAAS** in China.

Presentation of encouraging results from the **AMBAR** clinical trial.

FOUR DIVISONS AND A UNIQUE COMMITMENT TO QUALITY AND SAFETY

BIOSCIENCE DIVISION

Leaders in the production of plasma-derived medicines for the treatment of rare and chronic diseases.



of total revenues

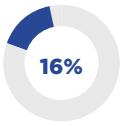
Includes activities related to the research, development, production and sale of plasma proteins for therapeutic purposes.

MAIN PROTEINS AND THERAPEUTIC AREAS:

- **Immunoglobulins**, used mainly in the treatment of primary immunodeficiencies and rare neurological diseases like chronic inflammatory demyelinating polyneuropathy (CIDP).
- **Albumin**, used to treat liver diseases, as well as a to restore blood volume and essential proteins following trauma, cardiocirculatory insufficiency and severe burns.
- **Alpha-1 Antitrypsin** (A1P1) used to treat alpha-1 deficiency, a rare genetic disease that can lead to severe lung diseases such as emphysema.
- **Factor VIII** and other clotting factors for hematology used to treat hemophilia and other conditions that can lead to episodes of internal bleeding.
- Other **specialty hyperimmune immunoglobins** to treat potentially life-threatening infections like rabies, tetanus, hepatitis B and Rh incompatibility.

DIAGNOSTIC DIVISION

Leaders in blood- and plasma-analysis systems, including NAT technology diagnostics, recombinant proteins for immunoassay reagents and blood typing solutions.



of total revenues

Development and production of medical devices and reagents, as well as other services to improve transfusion safety.

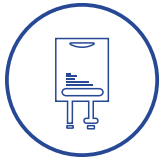
MAIN AREAS OF SPECIALIZATION:

Transfusion medicine:

- NAT (nucleic acid amplification technique) technology to detect infectious agents in blood or plasma donations.
- Supplier of recombinant proteins for immunoassay reagents.
- Devices and tests for blood typing and detection of antibodies.
- Molecular diagnostic using DNA technology to determine blood groups of patients and donors.

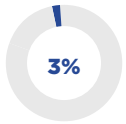
Specialty diagnostics:

- Immunological diagnostic of infectious and autoimmune diseases using ELISA techniques via antigen-antibody reactions.
- Personalized medicine to monitor patients treated with biologic therapies.
- Advanced diagnostic testing services at the Grifols immunohematology center in San Marcos (U.S.).



HOSPITAL DIVISION

Responds to the needs of hospital pharmacies to contribute to safe, high-quality patient care.

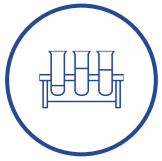


of total revenues

Latest-generation tools for hospital pharmacy management processes, intravenous solutions and a broad range of parenteral solutions for intravenous therapies and clinical nutrition products used in the care of patients.

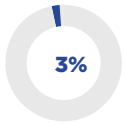
MAIN AREAS OF SPECIALIZATION:

- **Intravenous solutions** to maintain or restore fluids and electrolyte balance in patients.
- **Pharmatech solutions** for each phase of the medication process, from the central hospital pharmacy to administration to hospitalized patients.
- **Clinical nutrition**, including a complete range of special diets and formulations for enteral and parenteral nutrition.
- **Medical devices for interventional therapy**, including instrumentation, medical devices and disposable materials for a range of hospital services, including use in hemodynamics, urology, anesthesiology and cardiovascular surgery.



BIO SUPPLIES DIVISION

Primarily focused on sales of biological products for non-therapeutic purposes.



of total revenues

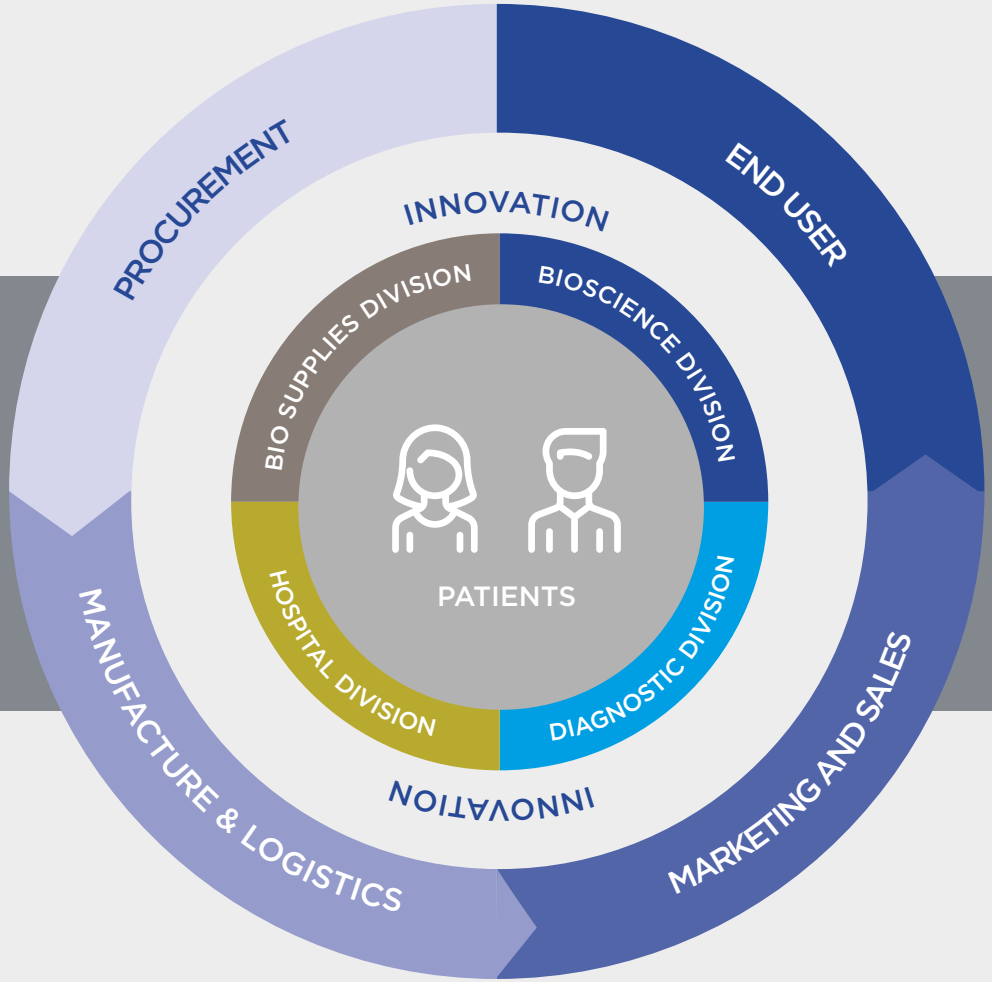
Biological products for non-therapeutic use and other biological products.

MAIN AREAS OF SPECIALIZATION:

- **Biological products for non-therapeutic use,** such as specialty serums and plasma reagents used by biotech and biopharmaceutical companies for in-vitro diagnostics, cell cultures and R&D in the diagnostic field.

AN INTEGRATED BUSINESS MODEL

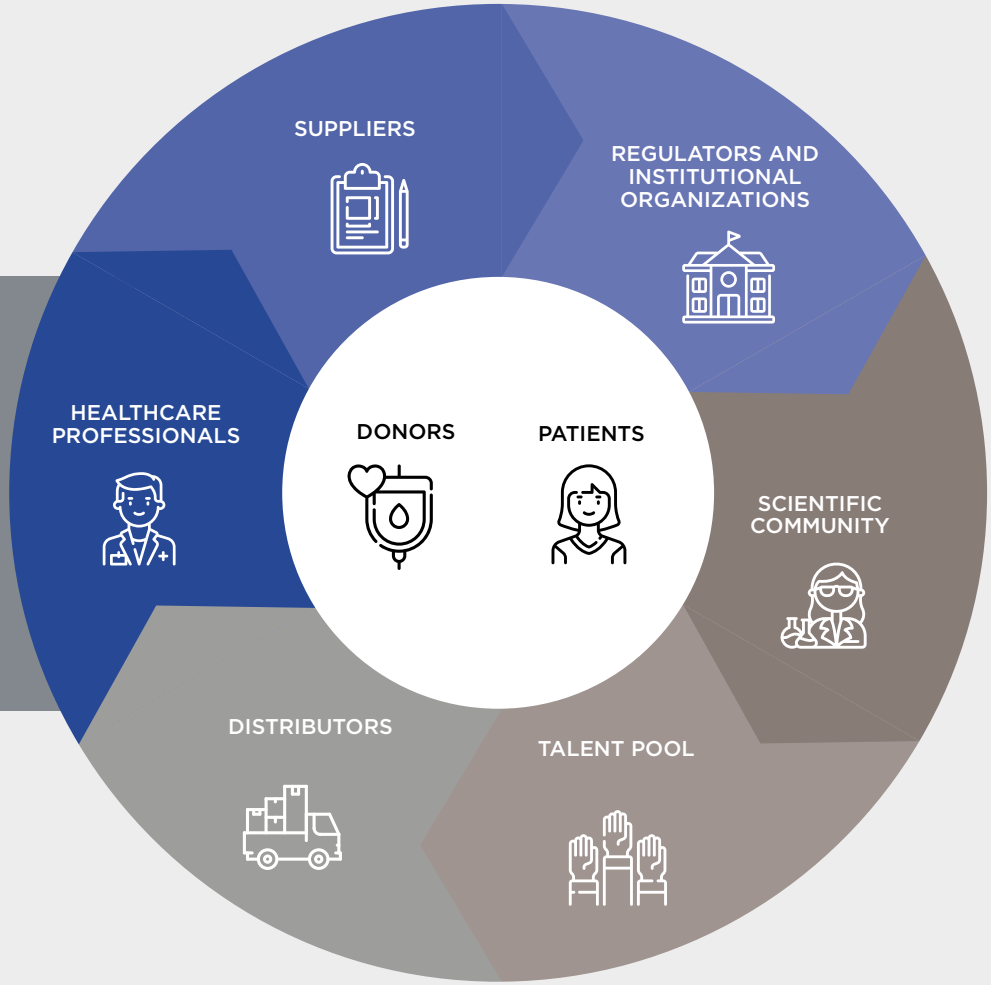
AT GRIFOLS, WE PROMOTE AN INTEGRATED BUSINESS MODEL THAT ENSURES THE QUALITY AND CONTROL OF THE VALUE CHAIN



THE SUCCESS OF OUR BUSINESS MODEL IS BASED ON THE IMPORTANCE WE PLACE ON OUR COMMINTMENTS TO ALL STAKEHOLDERS

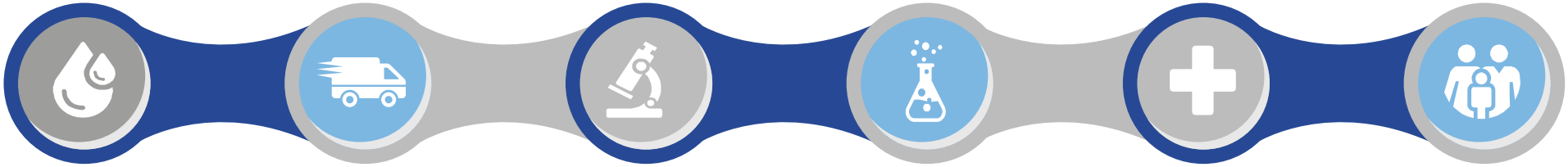
WE PUT DONORS AND PATIENTS AT THE CENTER OF THE VALUE CHAIN

OUR WORK CONVERTS THE GENEROSITY OF DONORS INTO TREATMENTS THAT ENHANCE PEOPLE´S LIVES



THE BIOSCIENCE DIVISION VALUE CHAIN

MAXIMUM SAFETY FROM DONOR TO PATIENT



PLASMA COLLECTION

An industry leader in plasma collection centers, with 256 centers in the U.S. and Europe to produce plasma-derived medicines.

Donors undergo strict medical controls prior to each donation.

TRANSPORT & LOGISTICS

The plasma obtained from qualified donors is frozen on-site at the center and sent to fractionation plants.

The adherence of strict safety procedures is critical to ensure the quality and safety of collected plasma.

ANALYSIS & CONTROL

Each unit of plasma is subject to 18 analytical tests to certify its safety and quality. The plasma units that pass all tests are stored for at least 60 days before being used. The plasma is tested again during the production process.

PRODUCTION

The next step is fractionation, which entails separating each of the many proteins found in plasma useful for therapeutic purposes. This is carried out by applying changes in temperature and pH, and filtration and centrifuging techniques.

Each protein is consequently purified before its dosage.

DISTRIBUTION

This phase includes the distribution of finished products from manufacturing plants to client facilities.

Most of Grifols' sales in 2018 were made through its own sales network.

SAFETY AND EFFICACY

Grifols closely tracks its products after they are introduced into the market. Through its Pedigri® system, implemented more than 20 years ago, Grifols is the only company that offers detailed information to healthcare professionals on the origin and traceability of its plasma-derived products.

WHAT IS PLASMA?

Plasma is the liquid part of human blood that remains after platelets, red blood cells, leukocytes and other cellular components are removed. The largest component of human blood, plasma contains essential proteins that, after fractionation and purification, can be transformed into life-saving plasma-derived medicines.

WHAT IS PLASMAPHERESIS?

Plasmapheresis is used to obtain plasma from a blood sample. Using this technique, plasma is separated from the other blood components (red blood cells, platelets and other cells), which are returned to the donor during the donation process.

GRIFOLS ONLY USES PLASMA FROM QUALIFIED DONORS

Qualified donors are those who have passed all necessary medical exams and donated at least twice in the last six months. Grifols never uses plasma from first-time donors.

GRIFOLS FRACTIONATES AND PURIFIES PLASMA PROTEINS IN ITS PRODUCTION PLANTS

At present, the company has a fractionation capacity of 14.8 million liters of plasma per year across its manufacturing plants in the United States (Clayton, North Carolina and Los Angeles, California) and Spain (Barcelona).

18 ANALYTICAL TESTS CERTIFY THE SAFETY AND QUALITY OF PLASMA

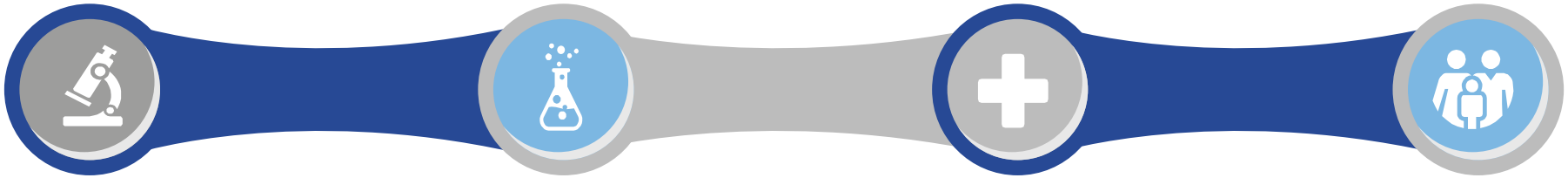
Each unit of plasma goes through a series of highly sensitive molecular medicine tests such as ELISA and genomic amplification like NAT. In order to be used as raw material, plasma units must pass 18 different analyses, which test for hepatitis A, B and C, HIV and parvovirus B19, among other conditions. Each lot of plasma is analyzed several times during the production process.

NOT EVERYONE CAN DONATE PLASMA

Candidates must be 18 years or older, weigh at least 50 kg and pass a thorough medical exam. They undergo a health screenings before every donation.

THE DIAGNOSTIC DIVISION VALUE CHAIN

GRIFOLS PROMOTES SYNERGIES AMONG ITS PORTFOLIO OF DIAGNOSTIC SOLUTIONS



PREVENTION & ANALYSIS

- Analysis of infectious agents in blood and plasma.
- Manufacture of recombinant proteins.
- Donor-patient compatibility and blood-typing systems.
- Blood bags, medical devices and other supplies to obtain and fractionate blood.

DIAGNOSIS

- Infectious diseases.
- Auto-immune conditions.
- Neurodegenerative diseases.
- Manufacture of recombinant proteins.

PROGNOSIS

- Clotting and risk of thrombosis.

TREATMENT-MONITORING

- Traceability and tracking of blood-component transfusions.
- Autoimmune tests.
- Monitoring of biologic drugs.
- Monitoring of anti-clotting treatments.

NAT TECHNOLOGY

Based on the analysis of nucleic acids, is the most advanced system to detect infectious agents in blood and plasma donations. It contributes to improved safety in transfusion diagnostics.

RECOMBINANT PROTEINS

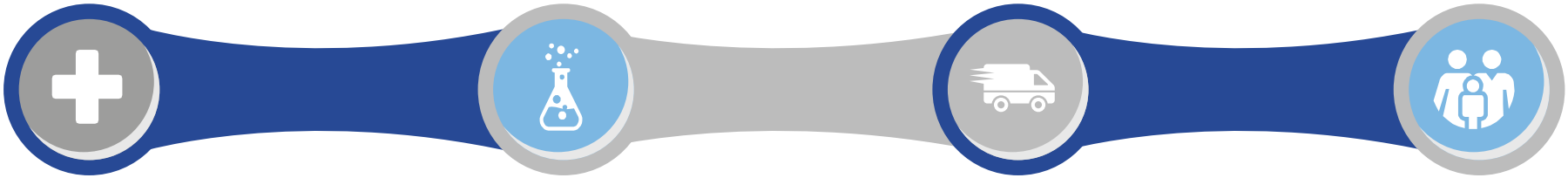
Trigger the production of antibodies and can lead to an immune response. Antigen-antibody interactions are used as a diagnostic test in laboratories.

PERSONALIZED MEDICINE

Tailors medical treatment to the individual characteristics of each patient. Through Progenika, Grifols develops tests for patients treated with biological therapies to monitor their clinical progress and response.

THE HOSPITAL DIVISION VALUE CHAIN

A VALUE CHAIN THAT RESPONDS TO HOSPITALS' NEEDS



PROCUREMENT OF COMPONENTS

Selection of raw material and suppliers.

PRODUCTION

Manufacture of intravenous solutions, sterile solutions and other healthcare products in two plants, located in Murcia and Barcelona, Spain.

Development of web- and mobile-based technologies for hospital pharmacies.

TRANSPORT

Transport of products to hospital pharmacies, clinics, blood banks, etc.

SAFETY AND EFFICACY

Commitment to patient safety through a detailed tracking of products after they are introduced into the market.

PHYSIOLOGICAL SALINE

Is an isotonic solution that restores electrolyte balance.

It is used to treat dehydration, as a conduit to deliver medicines and electrolytes, and to restore circulatory volume following blood donations, among other applications.

HOSPITAL PHARMACIES

Are responsible for acquiring, preserving, dispensing and developing medicines. They oversee logistical and clinical functions, as well as pharmacovigilance and clinical pharmacokinetics, among others tasks.

CLINICAL NUTRITION AND PROBIOTICS

Are designed for patients who suffer from diseases that require an appropriate diet as part of their treatment plan.

GRIFOLS AROUND THE WORLD

1 GLOBAL HEADQUARTERS

5 BIOSCIENCE DIVISION CENTERS

13 MANUFACTURING PLANTS

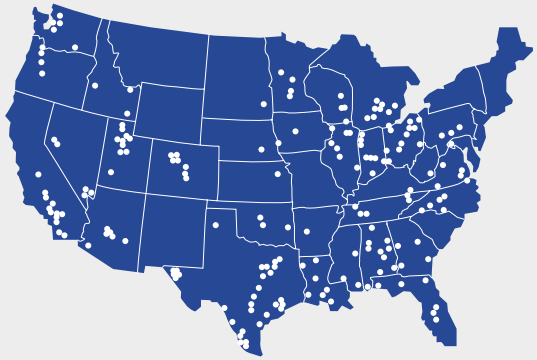
8 DIAGNOSTIC DIVISION CENTERS

9 R&D+i CENTERS

3 HOSPITAL DIVISION CENTERS

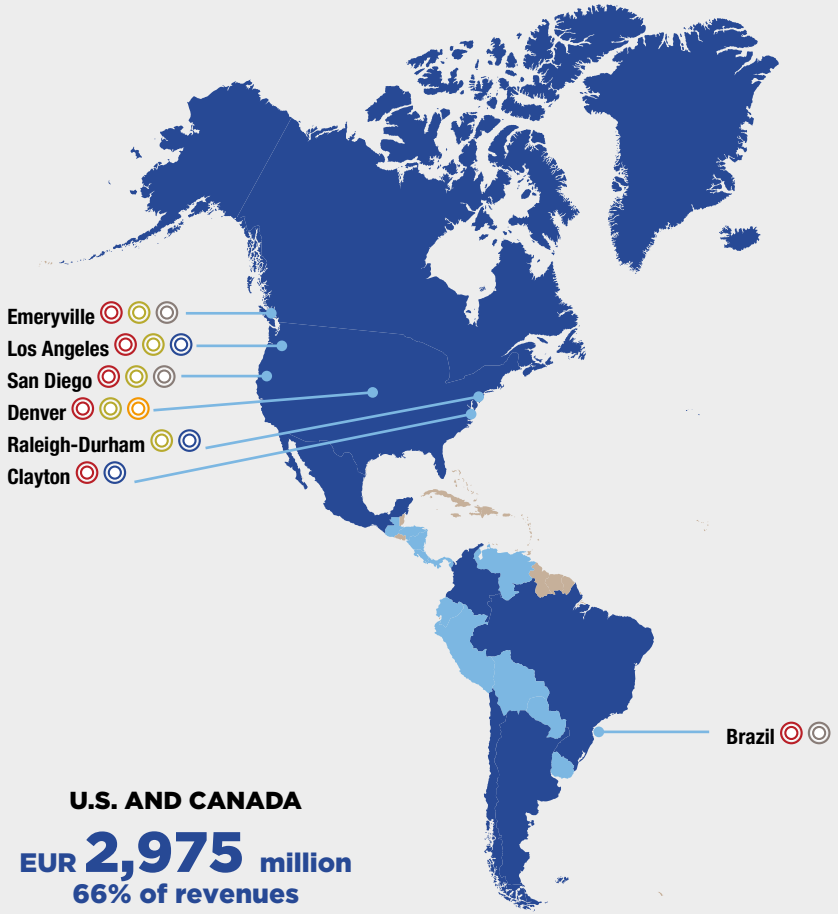
● GRIFOLS SUBSIDIARIES
● DISTRIBUTORS

A BROAD NETWORK THAT INCLUDES 220 PLASMA CENTERS IN THE U.S.



36 CENTERS IN EUROPE (GERMANY) DIVERSIFY GRIFOLS' PLASMA SUPPLY

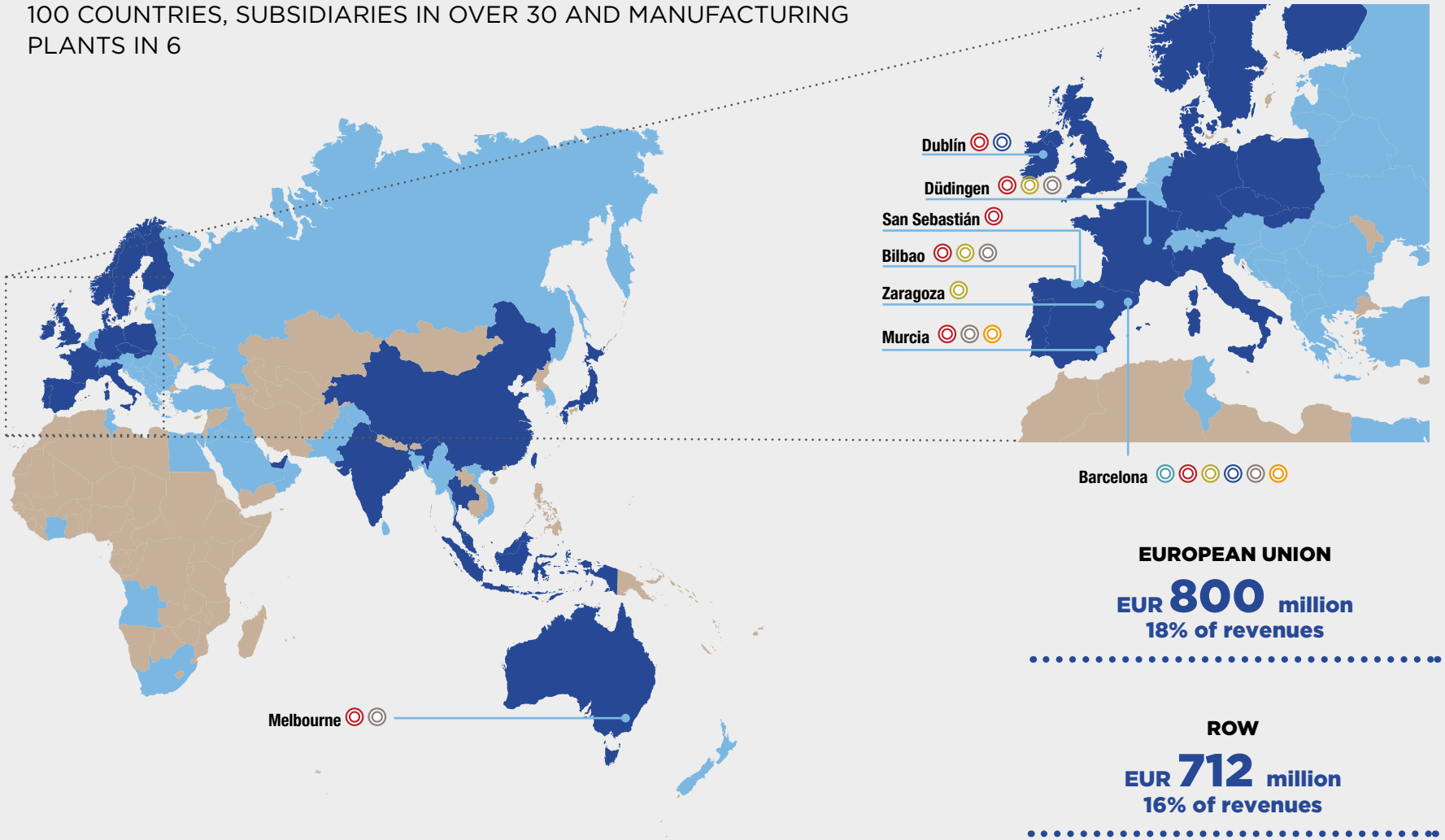
GRIFOLS OPERATES THE LARGEST NETWORK OF PLASMA DONATION CENTERS IN THE WORLD, WITH 256 CENTERS IN THE U.S. AND EUROPE



U.S. AND CANADA

EUR 2,975 million
66% of revenues

GRIFOLS' GLOBAL SCOPE INCLUDES OPERATIONS IN MORE THAN 100 COUNTRIES, SUBSIDIARIES IN OVER 30 AND MANUFACTURING PLANTS IN 6



EUROPEAN UNION

EUR 800 million
18% of revenues

ROW

EUR 712 million
16% of revenues

FUTURE STRATEGY

GRIFOLS MAINTAINS ITS SUSTAINABLE GROWTH STRATEGY BY DEFINING CORPORATE PRIORITIES FOR THE COMING YEARS

MAIN LINES OF PERFORMANCE IN 2018

In 2018, Raimon Grífols Roura and Víctor Grífols Deu concluded their second year at the helm of Grifols, advancing its track record of growth and consolidation as a solid, diversified and profitable company.

In alignment with its strategic roadmap, Grifols continues to explore and leverage its vast body of collective knowledge and potential for innovation to enhance the quality of patient care and to further support healthcare professionals. To this end, the company places particular emphasis on business optimization, globalization, innovation, digitalization, a strong client focus and talent development.

The company remains committed to a path of sustainable growth, guided by a five-year strategic plan built around six main pillars:

- Innovation, to continue building a differential product portfolio
- Enhanced customer centricity, to address the evolving needs of patients and healthcare professionals
- Global expansion, broadening its reach while maintaining the U.S. as a key market and bolstering its strategic position in high-growth markets, such as China
- Corporate growth, both organic and through corporate transactions in amid an increasingly competitive market
- A robust human resources policy focused on employee recruitment and retention, talent development and continuous professional development for Grifols' global talent pool
- Advocacy of the "One Grifols" philosophy to continually pursue knowledge-sharing and innovation to drive value-generating opportunities via multi-disciplinary initiatives and teams

Grifols' primary areas of action in 2018, in line with its current strategic plan, centered on sustainable growth and global expansion; leadership, expansion and diversification of the plasma-center network; innovation; teamwork; and talent development.

HIGHLIGHTS OF GRIFOLS' 2018-2022 STRATEGIC PLAN

ONE GRIFOLS

CUSTOMER CENTRICITY	BUSINESS OPTIMIZATION	INNOVATION PERFORMANCE	EXPANSION	DIGITAL STRATEGY	TALENT PROMOTION
Enhance organization-wide focus on meeting and exceeding customer needs to build sustainable, competitive advantage	Identify opportunities to improve productivity and optimize value	Leverage technological advancements to deliver innovative solutions and transformational breakthroughs	Expand globally with the U.S. as the anchor market	Build digital capabilities to deliver better outcomes	Firm and robust human resources policy focused on employee recruitment and continuous professional development for Grifols' workforce

GRIFOLS ENGINEERING REPRESENTS A COMPETITIVE ADVANTAGE IN THE PRODUCTION PROCESS AND IN THE GRIFOLS' PRODUCT PORTFOLIO

SERVICES THAT GENERATE VALUE AND NEW OPPORTUNITIES

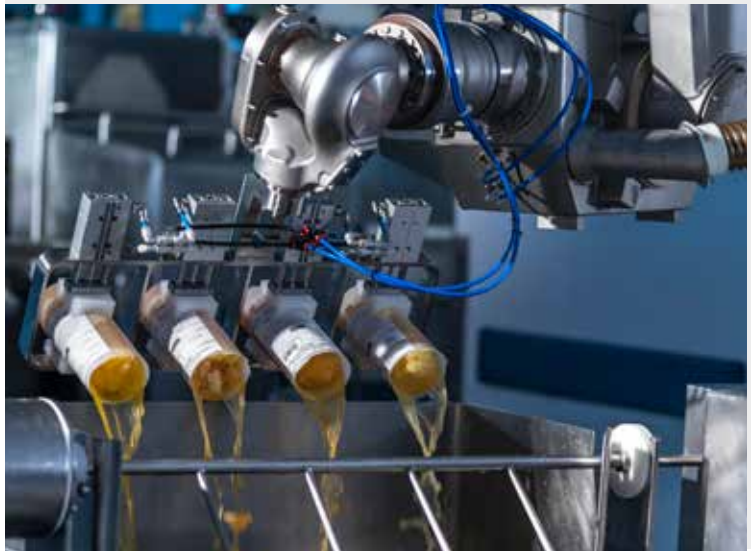
GRIFOLS ENGINEERING

In-house engineering to improve productivity

Grifols Engineering strengthens company's industrial capabilities through its accumulated over the decades experience on biotechnological process engineering as value added.

Grifols origins traced back to 1940. Since then, in-house engineering has played a key role in developing and improving its productivity.

Grifols Engineering is a company specialized in project management for manufacturing processes and plants and in developing and producing special equipment for the biotech industry, complying with the European health authorities and the FDA.



GRIFOLS VIAJES

A global purchasing power to ensure solutions and savings for every travel need

As a global company with a remarkable presence in the U.S. and subsidiaries in 30 countries, Grifols has its own travel agency, Grifols Viajes, to streamline and manage efficiently those travel needs of its talent pool.

Grifols Viajes provides company's staff with the flexibility that they need and increases their work-life balance.

Grifols Viajes also coordinates the development of corporate events, congresses and other internal meetings.

2

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

SHAREHOLDER QUORUM

80%

HIGH SHAREHOLDER REPRESENTATION

BOARD OF DIRECTORS

>50% INDEPENDENT

BOARD OF DIRECTORS LEADERSHIP: INDEPENDENT, DIVERSE AND WELL BALANCED IN TERMS OF GENDER, AGE AND EXPERIENCE

EXECUTIVE COMMITTEE

19 MEMBERS

DEEPLY COMMITTED EXECUTIVE TEAM WITH PROVEN EXPERTISE

CORPORATE POLICIES AND REGULATIONS

9

ROBUST POLICIES AND REGULATIONS THAT GO BEYOND LEGAL COMPLIANCE

A SOLID CORPORATE GOVERNANCE STRUCTURE **PROMOTES VALUE CREATION AND LONG-TERM CORPORATE SUSTAINABILITY**

OUR CORPORATE GOVERNANCE IS BASED ON **ETHICAL, INTEGRITY AND HONESTY**

WE UNDERSTAND **TRANSPARENCY AS A VALUE, AN OBLIGATION AND A COMMITMENT**

A SOLID CORPORATE GOVERNANCE

ETHICS AND INTEGRITY, TRANSPARENCY AND LEADERSHIP OF THE BOARD OF DIRECTORS ARE THE THREE PILLARS THAT ARTICULATE GRIFOLS' CORPORATE GOVERNANCE

For a global company, a reliable and robust corporate governance structure is vital to creating long-term value. Integrity, honesty, transparency and compliance with the highest ethical standards are the essence of Grifols' corporate culture and governance, which is upheld by three main pillars:

To access these documents, please visit our corporate website:
→ Corporate policies
→ Internal Code of Conduct regarding matters related to stock markets

1 ETHICS & INTEGRITY

For Grifols, mere legal compliance is not enough. The company has built a corporate governance based on integrity, honesty and transparency, which translates into ethical codes that advocate the highest standards of corporate conduct in the communities where it operates (See the chapter titled "Pride" for more details on Grifols' Code of Ethics, Code of Conduct and Anti-Corruption Policy, which applies to the Board of Directors and entire employee base).

Grifols S.A. is the group's parent company. As a company incorporated in Spain and listed on the Spanish stock market, it complies with the Spanish Companies Act and other relevant Spanish regulations. Furthermore, as a foreign private issuer of securities listed in the United States, Grifols complies with the requirements established by the U.S. Securities and Exchange Commission, the NASDAQ Corporate Governance Rules, and the U.S. Sarbanes-Oxley law of 2002.

Grifols has an "Internal Code of Conduct regarding matters related to stock markets" that complies with the Spanish Restated Securities Markets Law and the EU regulation on market abuse, among other regulations. Policies approved by the Board of Directors govern "Communication with Financial Market Participants", "Grifols' Corporate Responsibility", "Tax Compliance and Best Practices Policy" and "Risk Control and Management Policy".

2 TRANSPARENCY

AS A LISTED COMPANY, GRIFOLS ASSUMES TRANSPARENCY AS A VALUE, DUTY AND COMMITMENT

Approved by the Board of Directors, the Annual Corporate Governance Report contains the following information:

- Ownership structure
- Administration structure
- Related-party transactions
- Risk management
- General Shareholders' Meeting
- Internal control and risk management systems in relation to the financial information issuing process (SCIIF)
- Level of compliance with corporate governance recommendations
- Other information of interest

To access this document, please visit our corporate website:
→ Annual Corporate Governance Report 2018

The company also publishes an Annual Report on the Remuneration of Board Members, which clearly and concisely outlines the board-approved remuneration policy. The Board submits this report for a consultative vote as a separate agenda item during the General Shareholders' Meeting.

The Annual Report on Remuneration of Board Members includes detailed information on:

- Remuneration policy
- Summary of the application of the remuneration policy
- Summary of individual retributions perceived by each one of the board members during the year
- Other information of interest

To access this document, please visit our corporate website:
→ 2018 Annual Report on Remuneration of Board Members

3 BOARD LEADERSHIP

GENERAL SHAREHOLDERS' MEETING

BOARD OF DIRECTORS

AUDIT COMMITTEE

APPOINTMENTS AND REMUNERATION COMMITTEE

SENIOR MANAGEMENT

GRIFOLS IS AMONG THE 10 IBEX-35 COMPANIES WITH MORE THAN 80% OF SHARE CAPITAL REPRESENTED IN ITS GENERAL SHAREHOLDERS' MEETING

GENERAL SHAREHOLDERS' MEETING

The General Shareholders' Meeting serves as Grifols' governing body and represents all shareholders as the decision-making body of all matters within its competence. Grifols encourages participation in the Shareholders' Meeting and does not require a minimum number of shares to attend.

Information on the powers granted to the Grifols General Shareholders' Meeting and other issues regarding the last meeting are published on the corporate website

BOARD OF DIRECTORS

The Board of Directors is Grifols' highest decision-making body, with the exception of matters that fall under the competence of the General Shareholders' Meeting.

Above all else, Grifols Board of Directors is responsible for approving the company's corporate strategy and execution. To this end, it supervises, guides and controls the actions of Grifols management to achieve its established objectives and fulfill stakeholder expectations.

Detailed information on the responsibilities of Grifols Board of Directors and Board Committees are available on the corporate website

BOARD OF DIRECTORS' COMMITTEES

The company has an Audit Committee and an Appointments and Remuneration Committee. Each comprises a secretary and three members who are appointed based on their knowledge, skills and experience in committee matters, in order to contribute the achievement of the set specific objectives in each committee.

All committee members are non-executive directors of which at least two have to be independent directors. The president of each committee is an independent director.

Please visit the corporate website for more information on the responsibilities and roles of board committees

LEAD INDEPENDENT DIRECTOR

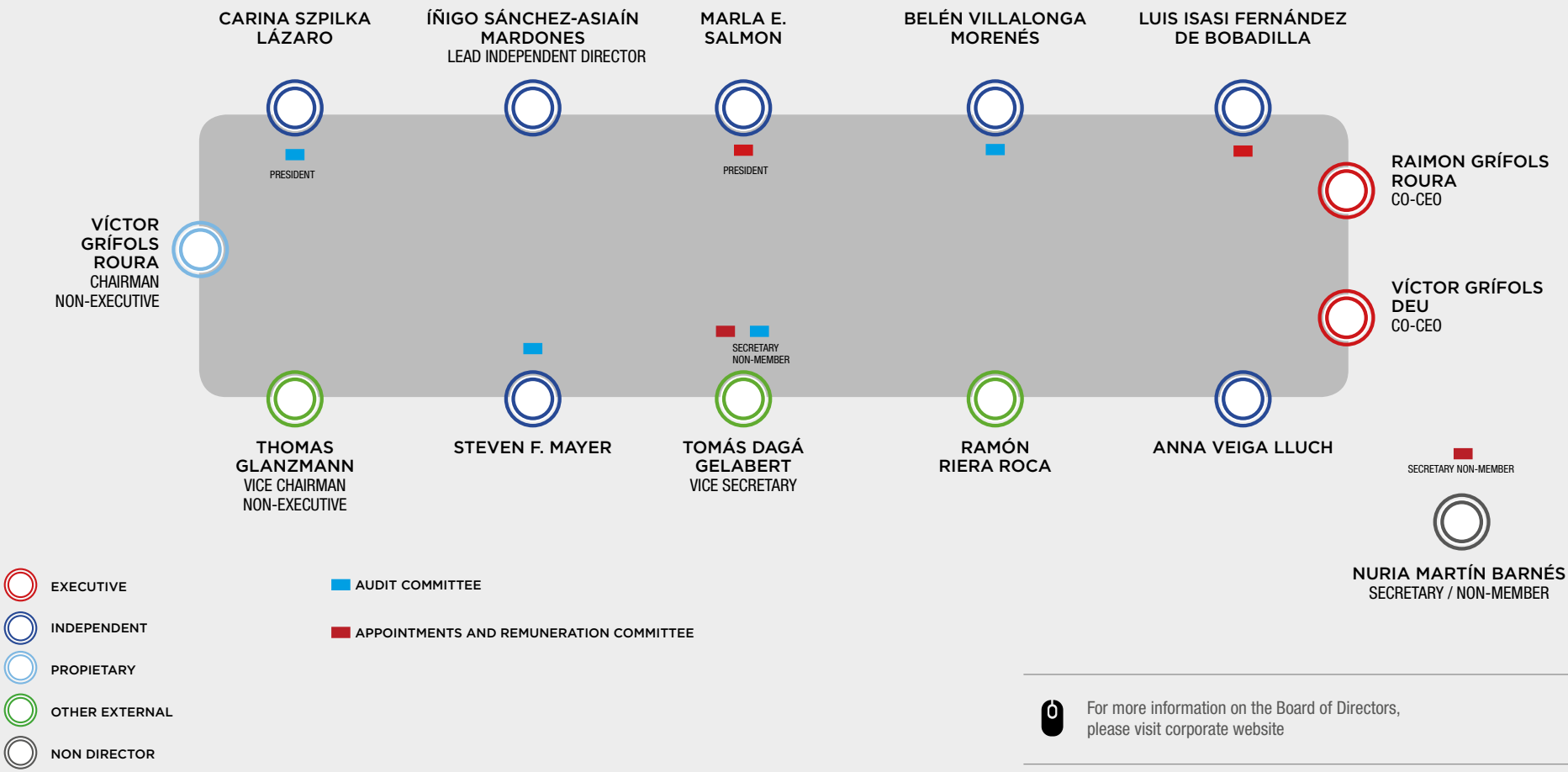
Beyond legal requirements, and in alignment with best practices in corporate governance, Grifols Board of Directors has a lead independent director who coordinates the independent directors and safeguards and reinforces independence of the Board of Directors.

CONSISTENCY IN CORPORATE POLICIES

Corporate responsibility	Guidelines: integrity and transparency; legal compliance and prevention of unlawful conducts; environmental commitment; safety and health; and social commitment.
Comunication with financial markets	General principles: transparency, veracity, equality, symmetry in information disclosure, and legal compliance.
Internal code of conduct for matters relating to stock markets	Conduct guidelines for all affected employees regarding the handling, use and disclosure of insider and relevant information.
Best practices in tax compliance	Aligned with OECD and EU principles: prudence, cooperation with competent tax authorities, no presence in tax havens and legal compliance in all markets.
Risk control and management policy	Zero-tolerance risk framework, leadership by senior management for adequate resource allocation, integration of strategic and planning management processes, segregation of duties, holistic management approach, and continuous improvements through regular reviews.
Directors' remuneration policy	The Directors' Remuneration Report was approved by the Ordinary General Shareholders Meeting held on May 26, 2017 and will be valid for the next three years unless amended by the Grifols General Shareholders Meeting.
Crime prevention policy	Approved in 2018, it aims to reinforce the company's unequivocal rejection of the commission of crimes, criminal acts and all types of unethical behavior. The Crime Risk Management System oversees this policy.
Anti-corruption policy	It establishes appropriate standards of conduct for executives, employees and third parties that collaborate in the company's day-to-day operations. Grifols uses various review processes to reinforce compliance.
Board of directors selection and diversity policy	Approved on February 22, 2019 on the motion of the Appointments and Remunerations Committee, it aims to strengthen the procedures followed during the recruitment of new members for the Grifols' Board of Directors.

For more information on Grifols corporate policies, please visit our website

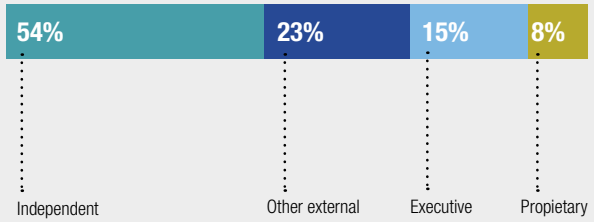
GRIFOLS' BOARD OF DIRECTORS AS OF DECEMBER 31, 2018



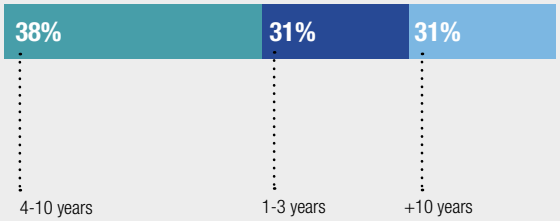
For more information on the Board of Directors, please visit corporate website

BOARD OF DIRECTORS' PROFILE

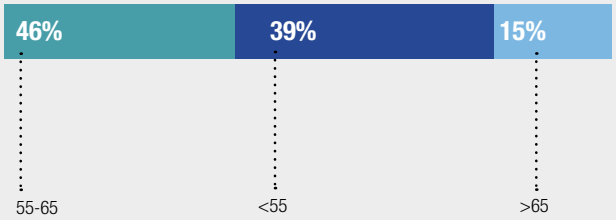
CATEGORY



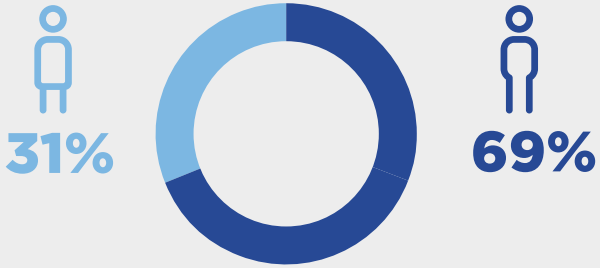
NUMBER OF YEARS ON THE BOARD



AGE



GENDER



A DIVERSE AND WELL-BALANCED BOARD IN TERMS OF GENDER, AGE AND EXPERIENCE

GRIFOLS REINFORCES THE INDEPENDENCE ON ITS BOARD OF DIRECTORS: IT HAS A LEAD INDEPENDENT DIRECTOR AND MORE THAN 50% OF MEMBERS ARE INDEPENDENT

31% OF BOARD MEMBERS ARE WOMEN, EXCEEDING THE RECOMMENDATION BY THE *COMISIÓN NACIONAL DEL MERCADO DE VALORES*

EXECUTIVE TEAM

Grifols' executive team is responsible for leading the company in alignment with the corporate strategy approved by the Board of Directors. To this end, it promotes the company's long-term growth and value creation for stakeholders within the framework of robust risk management and internal control structures.

Grifols' executive team has vast experience in identifying business opportunities; integrating strategic acquisitions, which have played a key role in Grifols' transformation; and driving the company's organic growth in the specialized sector in which it operates. Their commitment to excellence has been key to Grifols' recognition as a global player in the healthcare sector.

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

* Mr. José Antonio García held this position until June 30, 2018. Mr. Lluis Twose began his tenure on July 1, 2018.

RISK CONTROL AND MANAGEMENT

Grifols' risk control and management system applies to all companies that make up the group, including subsidiaries.

The company's risk control and management policy aims to provide greater security to patients, donors, employees, shareholders, clients, suppliers and other stakeholders, through the prevention, control and management of the risks to which Grifols is exposed. The risk control and management policy is developed and complemented with specific policies.

Approval of the company's risk control and management policy is among the responsibilities of Grifols' Board of Directors.

For its part, the Audit Committee supervises the efficiency of the risk control and management system, including regular assessments. The Internal Audit Department supports the Audit Committee in these functions. At the same time, the senior management team oversees the risk management process by identifying and evaluating relevant risks and determining appropriate responses, taking into account the potential business impact, costs and benefits.

By establishing and enforcing these norms and control procedures, Grifols aspires to cultivate an atmosphere of strict and constructive control throughout the organization in which all employees fully understand their roles and obligations.

MAIN RISK FACTORS

- **Regulatory risks:** arising from regulatory changes or from changes in social, environmental or tax regulations
- **Market risks:** relating to the exposure of the results and Grifols' equity to changes in market prices and variables, such as exchange rates, interest rates, prices of raw materials, prices of financial assets and others
- **Credit risks:** the possibility that counterparty fails to perform its contractual obligations and produces an economic or financial loss for the company
- **Business risks:** uncertainty regarding the performance of key variables inherent in the Grifols' business: such as demand, supply of raw materials and new competitive products
- **Operational risks,** related to direct or indirect economic losses resulting from inadequate internal procedures, technical failures, human error or as a consequence of certain external events, including legal risks, fraud, and those related to information technologies and cybersecurity
- **Reputational risks:** including potential negative impact resulting from changes in the perception of Grifols by its various stakeholders
- **Penal risks**

GRIFOLS' PRINCIPLES OF CONTROL AND RISK MANAGEMENT

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

Leadership of senior management to allocate the **necessary resources.**

Integration in management processes, especially strategic and planning processes.

Separation of functions among business areas and supervision and quality assurance mechanisms

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

Ongoing improvements through **periodic reviews** of the system's strength and effectiveness, as well as risk-related best practices and recommendations.

3

CORPORATE RESPONSIBILITY

CORPORATE RESPONSIBILITY

7 SOLID VALUES GUIDE OUR DAY-TO-DAY OPERATIONS

THEY REPRESENT THE KEYSTONE IN OUR INTERACTIONS WITH OTHERS

EACH VALUE REPRESENTS A LONG-TERM COMMITMENT

OUR VISION FOCUSES ON MOVING FORWARD TO FULFILL OUR COMMITMENTS

EACH COMMITMENT IMPACTS OUR STAKEHOLDERS

PATIENTS, DONORS AND HEALTHCARE PROFESSIONALS ARE AT THE HEART OF EVERYTHING WE DO

PROMOTING OUR COMMITMENTS BRINGS US CLOSER TO FULFILLING OUR PURPOSE

WE OFFER LIFE-SAVING TREATMENTS AND PATH-BREAKING DIAGNOSTIC AND HOSPITAL SOLUTIONS

THE **INTERACTION AMONG GRIFOLS' CORPORATE VALUES, SOCIAL COMMITMENT AND STAKEHOLDERS** FORMS THE FOUNDATION OF ITS CORPORATE RESPONSIBILITY

OUR CORPORATE VALUES GUIDE OUR DAILY OPERATIONS

THIS REPORT ANALYZES **THE GROUP'S ACTIVITIES IN 2018 AND THEIR IMPACT ON STAKEHOLDERS**

GRIFOLS' CORPORATE SOCIAL RESPONSIBILITY

Grifols' corporate values underpin its corporate identity and guide its business interactions both in and outside of the organization. These core principles inform all of Grifols' operations and relationships with stakeholders.

This Corporate Responsibility Report offers concrete examples of how these values manifested themselves in the company's scope of activities and their impact into across stakeholders over 2018, taking into account each value represents a concrete commitment for Grifols.

To this end, the company analyzes, evaluates and manages the economic and financial factors of its operations; its donors; patient needs; the needs and aspirations of its employees; value creation for its shareholders and investors; relationships with suppliers and collaborators; and its impact on the environment and global communities where it operates.

Grifols has been listed on some of the most renowned sustainability indices including FTSE4Good and the Carbon Disclosure Project (CDP), testament to its continuous quest of transparency. Rating agencies and sustainability analysts evaluate its management model and level of compliance in economic, social, environmental and corporate governance realms.

CDP DISCLOSURE INSIGHT ACTION 2018 CLIMATE CHANGE

For the seventh consecutive year, Grifols has been featured on the CDP's Climate Disclosure Leadership Index and Climate Performance Leadership Index, which rank companies with the best practices in terms of emissions reductions and efforts to mitigate the impact of climate change.

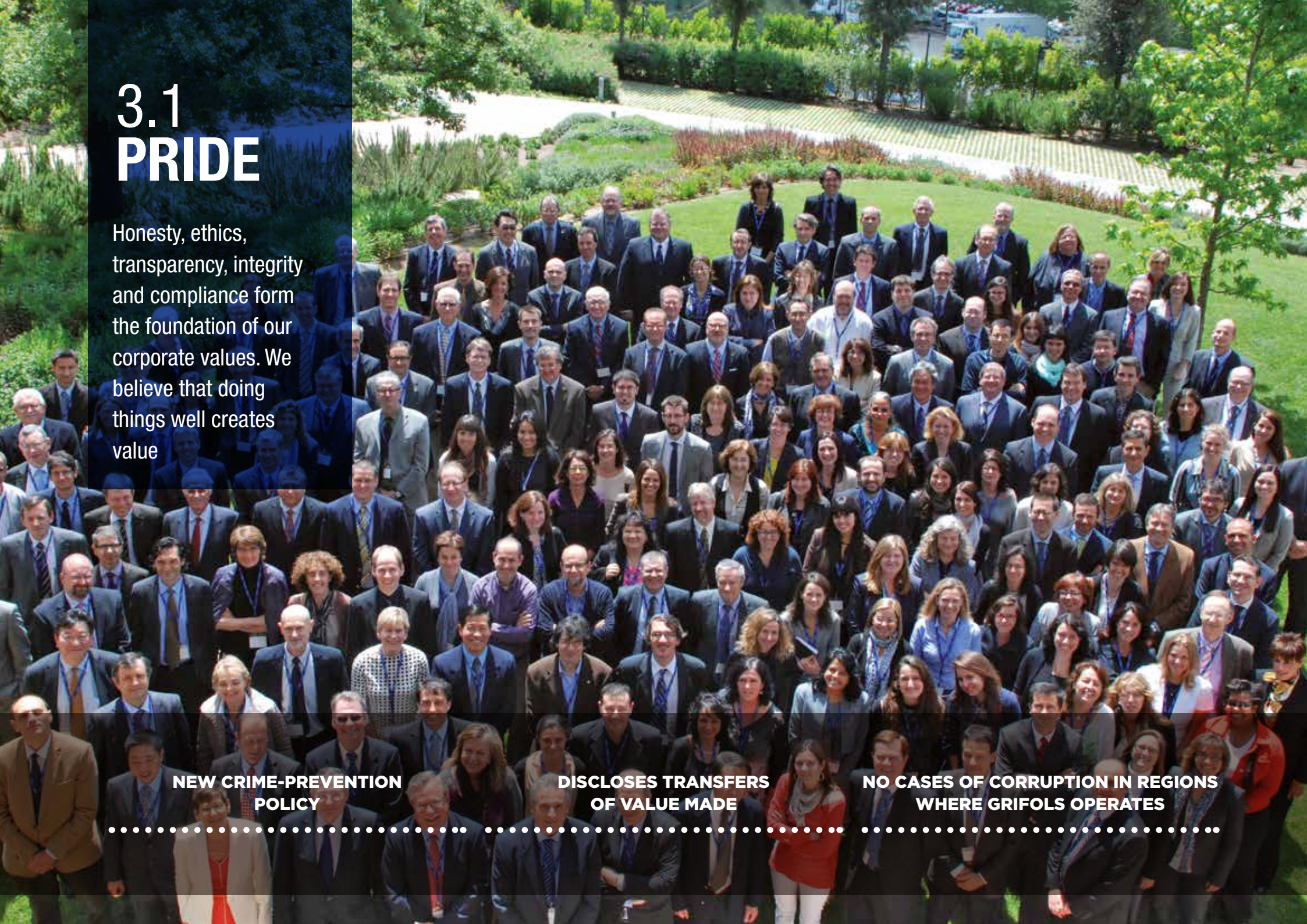
FTSE4Good

Grifols was listed on the FTSE4Good Global Index for the first time in 2018.

EACH VALUE SYMBOLIZES A COMMITMENT WITH OUR STAKEHOLDERS

3.1 PRIDE

Honesty, ethics, transparency, integrity and compliance form the foundation of our corporate values. We believe that doing things well creates value



NEW CRIME-PREVENTION POLICY

DISCLOSES TRANSFERS OF VALUE MADE

NO CASES OF CORRUPTION IN REGIONS WHERE GRIFOLS OPERATES

GRIFOLS' ETHICAL PRINCIPLES

ETHICAL PRINCIPLES ARE ARTICULATED AND SHARED ORGANIZATION-WIDE THROUGH A SERIES OF CORPORATE POLICIES

Honesty, ethics, transparency, integrity and compliance underpin Grifols' operations and its commitment to stakeholders. These principles have guided the company since its origins.

Leading by example, the Board of Directors and senior management team ensure these values are manifested in Grifols' corporate culture throughout the organization.

These principles underscore Grifols' corporate policies, which aim to surpass legal and compliance mandates (see Chapter 2 on "Corporate Governance" for more details).

Grifols' Code of Ethics for Executives and Board of Directors, Code of Conduct, Crime-Prevention Policy and Anti-Corruption Policy serve as the mainstays of its compliance program. This program is complemented by other policies and procedures related to concrete legal domains, compliance risks and country-specific requirements.

The Code of Conduct is available on www.grifols.com

CODE OF ETHICS FOR GRIFOLS' EXECUTIVES AND DIRECTORS

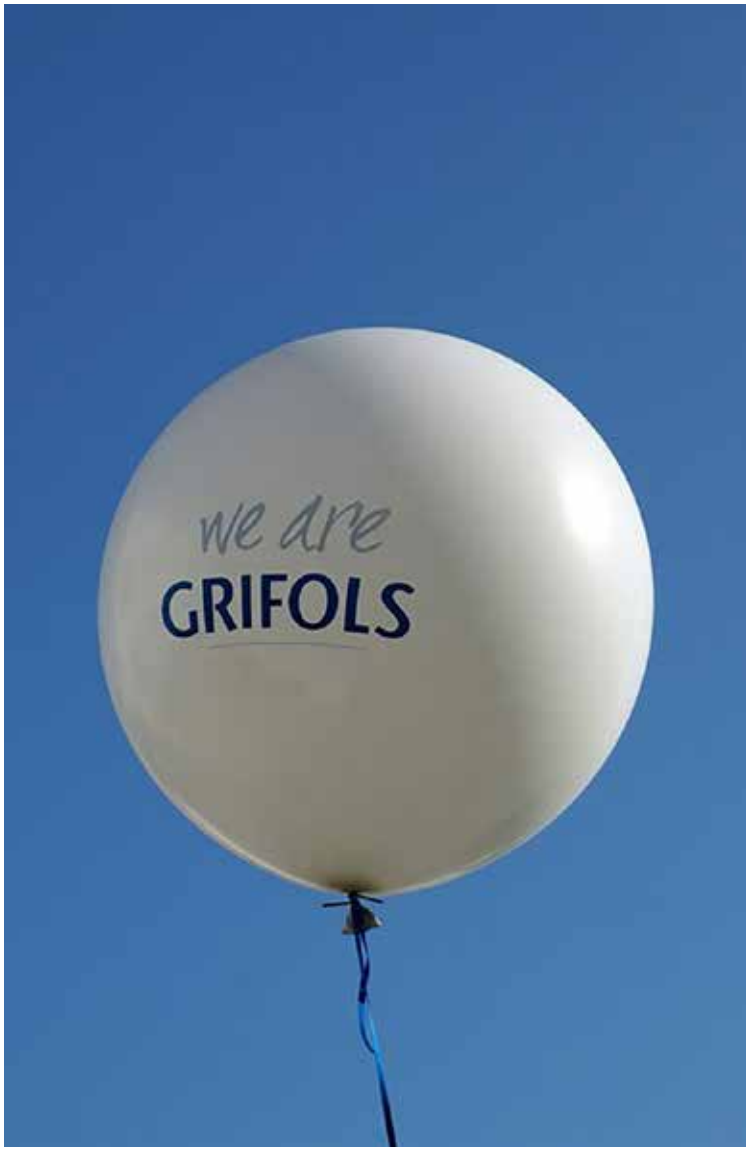
- Grifols' Code of Ethics specifically targets members of the Board of Directors, senior executives, managers and functional managers. As an ethical framework, it governs Grifols' management with regard to product manufacturing and distribution, financial management and business relationships.
- Grifols' Code of Ethics also extends to employees and collaborators to ensure that all activities carried out on the company's behalf align with its corporate values.
- Company executives sign the Code of Ethics every year to reaffirm their commitment, which includes a pledge to notify the Grifols Audit Committee of any possible legal infringements or breaches of Grifols' ethical code.

GRIFOLS' CODE OF CONDUCT: BEYOND LEGAL COMPLIANCE

The group's ethical principles are gathered in the Grifols' Code of Conduct, which applies to all directors, employees, executives and administrative bodies, including Grifols subsidiaries. The Code of Conduct establishes the rules and guidelines that govern all Grifols employees in performing their duties and managing professional relationships. The Board of Director approves the Grifols' Code of Conduct. The code was last revised and updated in 2015 to adapt to the company's growth and global expansion.

PILLARS OF THE GRIFOLS CODE OF CONDUCT

1. Compliance
2. Respect for others
3. Environment, health and safety
4. Product safety
5. Data protection and privacy
6. Dishonesty, fraud and corruption
7. Conflicts of interest
8. Respect for free competition
9. Compliance with customs and international trade control regulations
10. Reliability of financial Information and disclosure
11. Improper use of privileged information
12. Transparency in financial transactions
13. Appropriate use and protection of assets
14. Compliance training and response to violations
15. Seeking advice, raising concerns and reporting misconduct



GRIFOLS' ETHICS HELPLINE

The Code of Conduct encourages employees and third parties to use the Grifols Ethics Helpline to confidentially raise concerns of non-compliance or misconduct.

All allegations follow a standard operating procedure to guarantee that all claims are adequately investigated, resolved and closed.

Grifols has appointed an Ethics Ombudsperson to safeguard the correct implementation of this process. The ombudsperson reviews all submissions, determines if they warrant an investigation and ensures that compliance-related allegations and complaints are properly channeled and investigated.

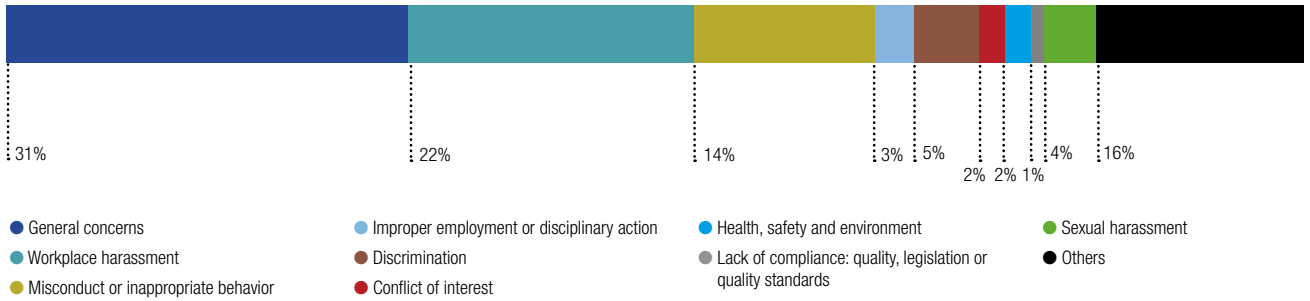
The Grifols Ethics Helpline received 230 allegations in 2018 (170 allegations in 2017). The company encourages the use of the helpline in all of its countries of operation.

Grifols does not tolerate retaliation of any kind against those who in good faith report violations of applicable laws, rules and regulations, or non-compliance with internal policies and procedures. Retaliation may result in disciplinary action, including termination of employment.

Grifols Ethics Helpline: http://grifols.ethicspoint.com

GRIFOLS EMPLOYEES CAN CONFIDENTIALLY REPORT INSTANCES OF IMPROPER CONDUCT OR CASES OF NON-COMPLIANCE

GRIFOLS' ETHICS HELPLINE: TYPES OF ALLEGATIONS IN 2018



AGAINST CORRUPTION AND BRIBERY

Grifols is a global company fully committed to compliance with all applicable laws, rules and regulations wherever it does business. The compliance program includes policies and procedures to promote ethical conduct and compliance with anti-corruption regulations throughout the organization (Ethics & Compliance).

The Anticorruption Compliance Function is managed by the Global Chief Compliance Officer (GCCO), whose principal responsibility is to assure that Grifols' global anticorruption policies and procedures comply with all applicable anticorruption laws, rules and regulations. The Global Chief Compliance Officer reports to the Board of Directors through the Audit Committee.

The Local Compliance department provides support in managing and coordinating the Anticorruption Compliance Function through the group's affiliates. To this extent, the Global Compliance department maintains Local Compliance duly informed on any new activities regarding training, policies and procedures, as well as in regard to any change that could impact Grifols affiliates worldwide. This management and coordination activities by Local Compliance also include the continuous and systematic monitoring of any specific aspect that may need to be legally complied with on a local level by the affiliates, and that, in turn, may imply the need to adapt the Global Compliance program accordingly and if necessary.

The integrated IT system launched in 2017 for Anticorruption Compliance related matters, continues its rollout throughout the Grifols affiliates to continue improving the efficiency of compliance review processes on the interactions of Grifols' staff with healthcare professionals and organizations.

CRIMINAL RISK MANAGEMENT SYSTEM

GRIFOLS' CRIME-PREVENTION POLICY

In 2018, Grifols' Board of Directors approved the crime-prevention policy to reinforce the company's unequivocal rejection of the commission of crimes, criminal acts or any other type of unethical behavior, and its steadfast determination to prevent and combat these actions.

The crime prevention policy is available to all employees and third parties on the Grifols' corporate website. The policy was developed through the Crime Risk Management System, or CRMS.

The objective of the CRMS is to assure public administrations, judicial and administrative, as well as third parties, that Grifols effectively exercises the requisite supervision, monitoring and control over board members, executives, employees, subsidiaries and other individuals by establishing measures to prevent crime or reduce their risk of commission.

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

Grifols' Anti-Corruption and Crime-Prevention Policies are both available on our website: www.grifols.com

GRIFOLS ANTICORRUPTION POLICY

Grifols Anticorruption Policy, approved by the Audit Committee of the Board of Directors, applies to all of the employees of Grifols, S.A., and its affiliates and participated companies, as well as to third parties that collaborate with the company.

The Policy sets forth appropriate standards of conduct for interactions with government officials and other identified individuals who operate within the private sector, and is available to all employees and third parties through the corporate website. Anticorruption training is required periodically for both the current staff and newcomers at Grifols. Further, those employees who, on account of their roles and responsibilities within the company, interact more frequently with government officials or have a role relating, in general, to the commercialization of Grifols' products or services, are subject to additional reinforced training.

Compliance with the Anticorruption Policy is further reinforced through various review processes designed on account of the different types of interactions that may take place, and which are assumed by Global Compliance.

5,038 interactions among employees and government officials or other professionals were reviewed during 2018, with a particular attention on those transactions with a greater risk.

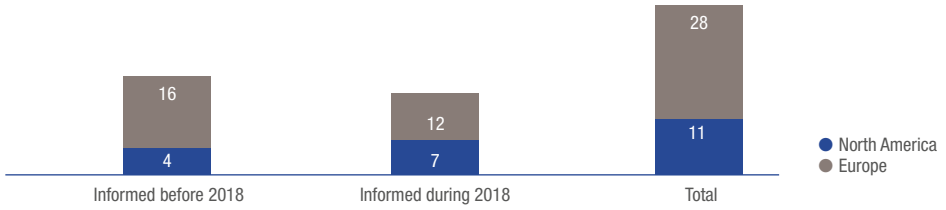
Grifols applies a "zero tolerance" approach to acts of bribery and corruption by any and all members of the company and third parties. Violations of Grifols Anticorruption Policy may lead to disciplinary actions up to and including termination. In 2018, Grifols had no confirmed incidents of corruption in the markets where it operates.

ANTICORRUPTION TRAINING IN 2018

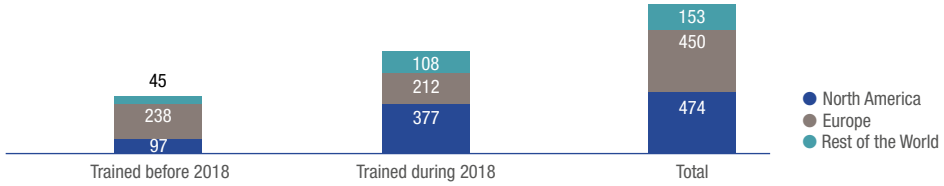
At 31 December 2018, more than 86% of employees who, on account of their roles and responsibilities, are more likely to run the risk of facing acts of corruption, have received specific training on the Anticorruption Policy and rest of internal controls that sustain it. Out of these, more than 56% were trained during 2018.

Further to the continuous and periodic training on the anticorruption compliance program's policies and procedures, Global Compliance is in permanent contact with Grifols' employees to inform them on its policies and procedures, especially on related changes or novelties, or on any material anticorruption-related resolutions issued by government or judicial authorities, such as the US Department of Justice or the Spanish tribunals among others, that support the continuous enhancement of an ethical culture within the organization.

NUMBER OF EXECUTIVE MEMBERS INFORMED ABOUT ANTICORRUPTION METHODS AND PROCEDURES



TOTAL NUMBER OF EMPLOYEES WITH HIGHER PROBABILITY OF EXPOSURE TO CORRUPTION CASES THAT HAVE PARTICIPATE IN SPECIFIC ANTICORRUPTION TRAINING



ANTICORRUPTION MANAGEMENT PRACTICES ON THIRDPARTIES

The third party anticorruption management program that forms part of the global Anticorruption Compliance Program, includes a series of controls on those third parties with whom Grifols intends to maintain a commercial relationship.

To this extent, before initiating the commercial relationship, these third parties are subject to an exhaustive verification process, with a first phase through which the legitimacy of the engagement is cleared and, with a second phase, of Due Diligence, consisting in verifying the good standing of third party's organization and key employees, its way of doing business and its reputation.

Furthermore, the subsequent contracts entered into with such third parties include anticorruption related undertakings, as well as an annex summarizing Grifols Anticorruption Policy. Likewise, they are required to provide, at least annually, with a certification on having fully complied with the ethical standards that sets forth the Anticorruption Policy and, certain third parties are also required to receive specific anticorruption training.

Within the third party management program enhancement project initiated in 2017, during 2018 Global Compliance has focussed in revaluating the third party monitoring process, which ultimate objective is to re-channel all activities that, both actively and reactively, aim at minimizing the risks derived from any conduct that could violate the Anticorruption Policy and that could be identified during the duration of any third party commercial relationship.

MONEY LAUNDERING

GRIFOLS COLLABORATES WITH THE COMPETENT AUTHORITIES IN THE FIGHT AGAINST MONEY LAUNDERING AND THE FINANCING OF TERRORIST ACTIVITIES

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

PREVENTION

The Code of Ethics, Code of Conduct and Crime Prevention Policy include measures for the prevention of money laundering applicable all Grifols' employees and activities.

As part of the CMR's criminal risk analysis, Grifols has evaluated its exposure to the risks of money laundering and terrorist financing, identifying the activities with greater risk and identifying the main mechanisms of existing mitigating control.

DETECTION

Some of the aforementioned policies and procedures permit taking concrete actions to detect the risk of money laundering.

The company has a communication channel open to employees and third parties to confidentially report any concerns of possible ethical misconduct (Grifols Ethics Helpline).

REACTION AND RESPONSE

Grifols has a reaction and response protocol, as well as a sanctions system, to amend any claims of unethical behavior or irregularities using all means possible, and if necessary, take corrective actions to prevent them from happening in the future. Grifols also collaborates with the competent authorities in each country to combat money laundering and the financing of terrorist activities. To this end, it is committed to providing all information requested in accordance with current legislation and reporting any suspicious transactions.

INTEGRITY AND TRANSPARENCY

PROVIDING INFORMATION IN A CLEAR, CONCISE, HONEST AND ETHICAL MANNER CONTRIBUTES TO GREATER TRANSPARENCY

Grifols stresses the importance of transparency in all of its business operations and financial activities. A transparent organization encourages the ethical behavior of its employees and reduces the risk of illicit actions or conducts.

The company does its utmost to promote transparency among its main stakeholder groups, as well as disclose information in a clear, concise, honest and ethical manner.

INTERACTIONS WITH HEALTHCARE PROFESSIONALS AND ORGANIZATIONS

Interactions between the healthcare industry and professionals have an unequivocally positive impact on enhancing patient care and research by creating value and advancing the efforts of all parties involved.

As a global leader in the healthcare sector, Grifols has broad experience and knowledge about patient behavior and disease management. The company's interactions with healthcare professionals and organizations undoubtedly expand and enrich this body of knowledge.

The ability to tap this body of knowledge plays a key role in guiding the global healthcare industry, enhancing patient care and expanding treatment options. Transparency and integrity should underpin these interactions.

In the **United States**, the Open Payment Program or Transparency Reports and Reporting of Physician Ownership or Investment Interests (Sunshine Act) requires manufacturers of pharmaceutical products, biological products, medical devices and medical supplies to itemize all information relating to payments and other transfers of value made to specific healthcare practitioners and organizations, such as physicians and teaching hospitals. The Sunshine Act also requires applicable manufacturers and group purchasing organizations to report certain physician ownership or investment interests. The Centers for Medicare & Medicaid Services (CMS) extracts and publishes information from these reports, including amounts transferred and names of reported healthcare practitioners and organizations.

Grifols has a specific policy and procedure in place regarding its transparency program to ensure compliance with U.S. federal and state reporting obligations.

In 2019, the company will implement a new transparency-training program for new and present employees whose responsibilities include interactions with healthcare organizations or healthcare professionals. The company also plans to establish a quarterly sub-certification process to promote data integrity, continue its compliance with external transparency requirements and enhance the certification of decision-makers to ensure that accountability is evenly spread throughout the organization on a global scale.

In Europe[1], Grifols voluntarily adopted the practices outlined in the European Federation of Pharmaceutical Industries and Associations (EFPIA) Disclosure Code for the third consecutive year. The company complies with all relevant country-specific transparency norms where they exist, including France, Portugal and Slovakia. Grifols also adheres to trade-association requirements in its countries of operation, such Germany and Italy.

In line with its commitment to transparency, Grifols has made these principles extensive to all its divisions and operations, beyond those covered under the EFPIA protocol, which is specific to medicines. As a member of MedTech Europe, Grifols also applies the Code of Business Practice transparency guidelines of this European trade association.

1. European countries covered by the EFPIA Disclosure Code: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Malta, Norway, the Netherlands, Poland, Portugal, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine and United Kingdom.

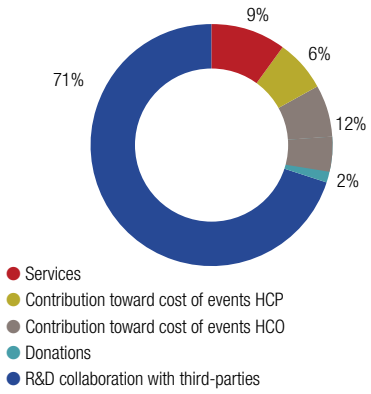
Grifols' commitment to transparency is detailed on the corporate website. The company discloses all information related to transfers of value by country in accordance with local regulations. In alignment with the aforementioned EFPIA Disclosure Code, Grifols has published a methodological note and country-specific reports detailing transfers of value to healthcare organizations and professionals.

Prior to their disclosure, all transfers of value are subject to the processes and procedures defined by Grifols' Global Compliance Program, including approval by the competent committees.

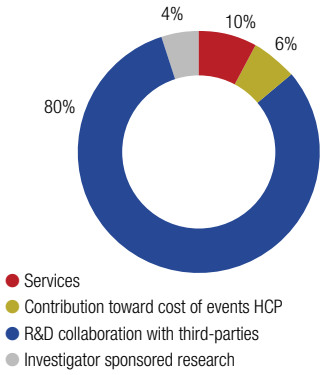
In 2017[1], Grifols distributed EUR 11,715,663 in transfers of value in Europe in accordance with the EFPIA Disclosure Code and USD 13,586,205 in the United States under the Open Payments Program. With regard to countries in MedTech's geographical area of influence, Grifols made no reportable transfers of value in 2017, as defined by MedTech and its "Training Aid" requirements. In addition to the United States and Europe, Grifols plans to implement similar transparency programs in other countries, such as Australia and Japan.

1. Transfers of value made in 2018 will be published on Grifols website on July 1, 2019: www.grifols.com and www.cms.gov

TRANSFERS OF VALUE BY TYPE IN EUROPE



TRANSFERS OF VALUE BY TYPE IN U.S.



GRIFOLS HAS VOLUNTARILY COMMITTED TO PUBLICLY DISCLOSING TRANSFERS OF VALUE MADE TO HEALTHCARE PROFESSIONALS AND ORGANIZATIONS

PRIVACY AND DATA PROTECTION

The company works with essential data required for its scientific research, contact details of its global workforce, and personal information of donors and patients, among others.

For Grifols, protecting the privacy and confidentiality of personal data is extremely important, as well as preventing violation and interruptions of its IT systems. This staunch commitment to safeguarding the privacy of personal data is contained within Grifols' Code of Conduct, which applies to all of its companies and employees.

Grifols complies with all data protection laws and works exclusively with suppliers that guarantee adequate data integrity safeguards.

The company keeps personal details and medical information collected in plasma-donation centers and during clinical trials in the strictest confidentiality. The company also employs rigorous procedures, tools, frontline technology and insurance policies to protect the organization's assets and its users in a cyber-context.

In 2017, Grifols created a multidisciplinary committee to further bolster the company's data protection systems and ensure compliance with the new EU General Data Protection Regulation (GDPR).

In its quest to go beyond legal compliance, Grifols' recently established Data Protection Office is working on standardizing the processing of personal data globally to ensure to employees, donors, patients and all stakeholders, that their personal data is properly processed by Grifols.

For more information on Grifols' risk management policy and system, please see the "Corporate Governance" chapter. Detailed information on transparency in the development of clinical trials, responsible testing and promotional and educational materials may be found in Chapter "Commitment".

3.2 SAFETY

As manufacturers of products that are vital to the health and quality of life of patients, our work requires the highest levels of safety and quality

MORE THAN 607,000 QUALIFIED DONORS ALLOWS US TO PRODUCE SAFE PLASMA-DERIVED MEDICINES

MORE THAN 700 AUDITS AND INSPECTIONS, WITH SATISFACTORY RESULTS

422 VOLUNTARILY-PERFORMED SUPPLIER AUDITS

SAFETY, QUALITY AND MAXIMUM CONTROL THROUGHOUT THE VALUE CHAIN

GRIFOLS' CORPORATE CULTURE PROMOTES QUALITY AND SAFETY AS CORE VALUES, WHICH ARE ARTICULATED THROUGH CONCRETE POLICIES AND RIGOROUS PROCEDURES

As fundamental corporate values, safety and quality are fostered by Grifols' corporate culture and integrated into every stage of the value chain. The company's vertically integrated business model further enhances its control over production processes.

The favorable results of regular audits and inspections by health authorities, international organisms and customers over the past year are a reflection of Grifols' adherence to these core tenets. In 2018, the company reported no cases of regulatory non-compliance, warnings or non-compliance with voluntary codes.

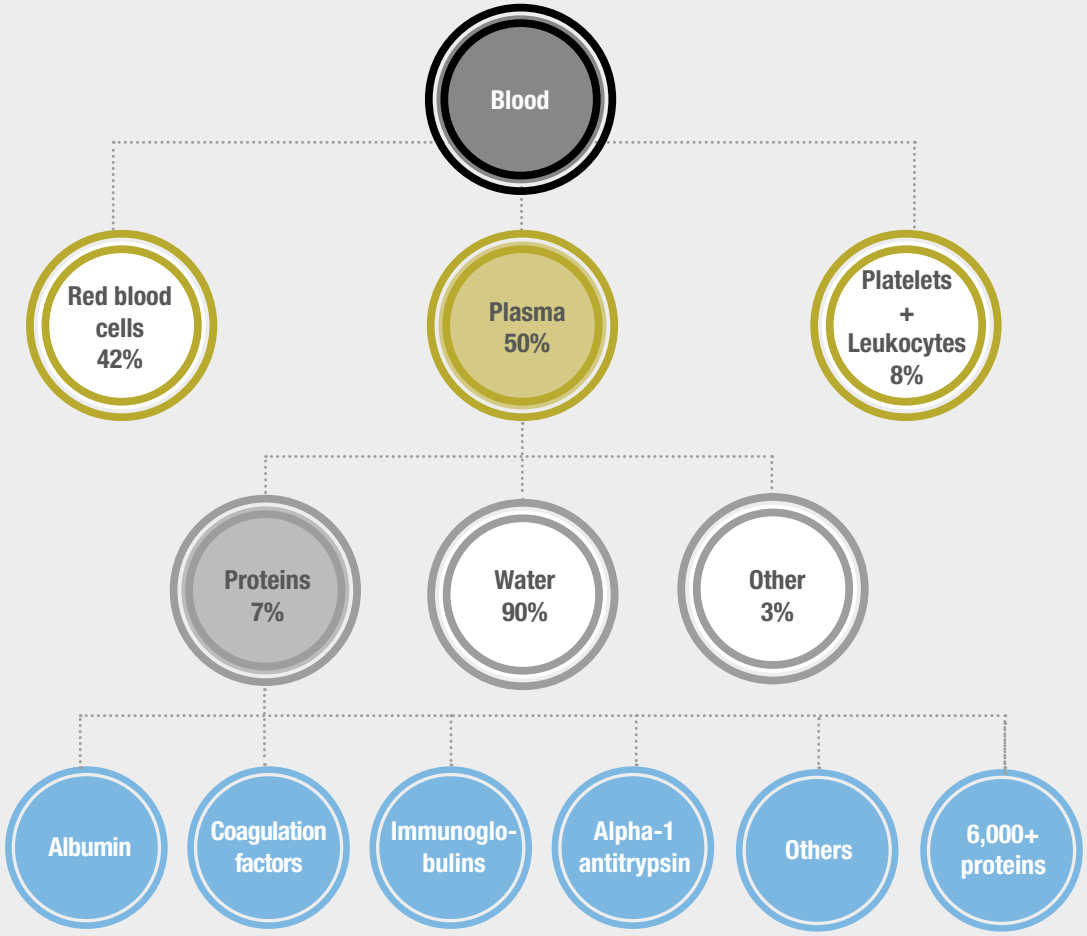
In alignment with its commitment to safety and quality, the company has voluntary withdrawn four lots from the market. None of the product withdrawn had a significant impact on patients.

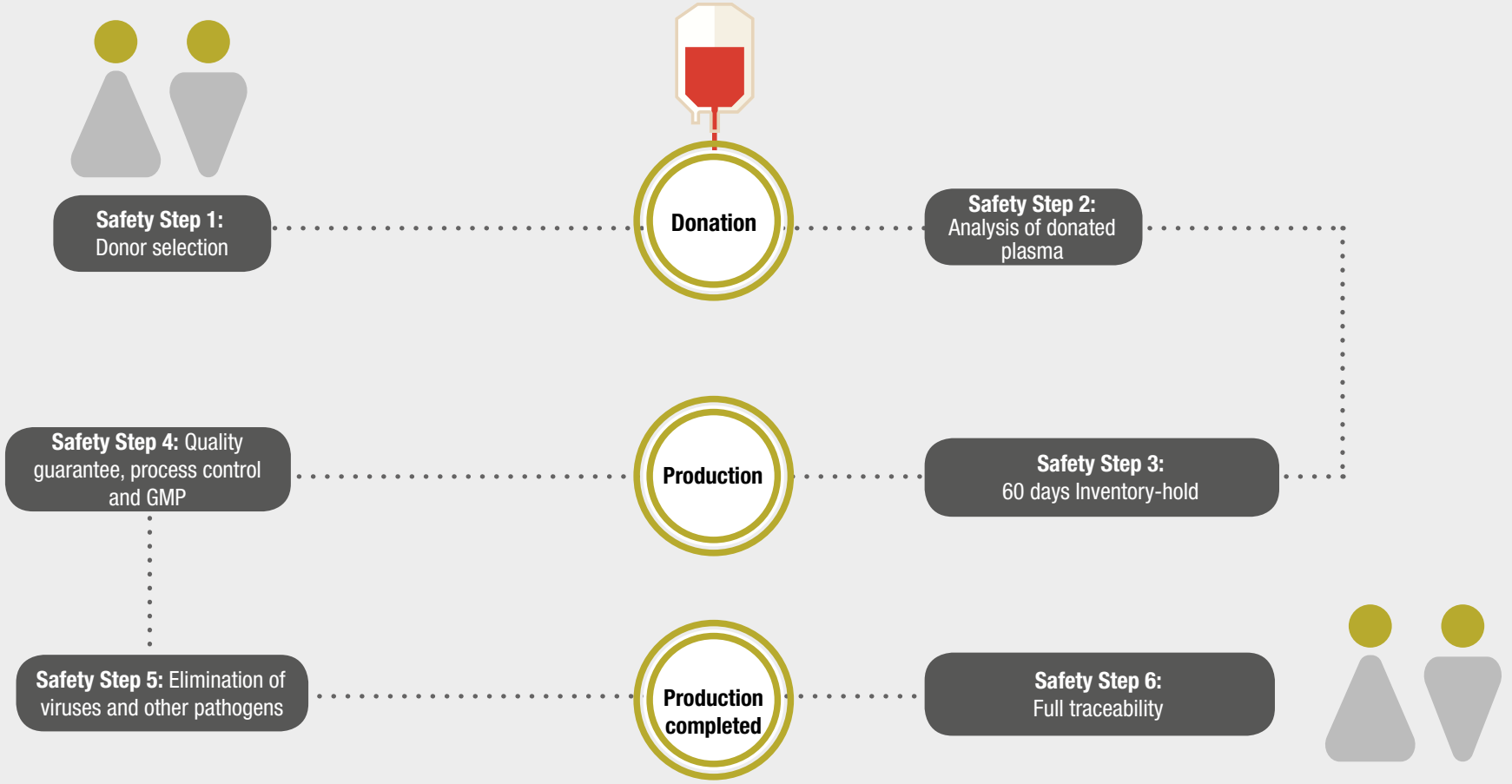
BIOSCIENCE DIVISION

PLASMA IS THE MOST ABUNDANT COMPONENT OF THE BLOOD

GRIFOLS' ASPIRES TO ENHANCE THE HEALTH OF PATIENTS BY SAFELY AND EFFICIENTLY OBTAINING ESSENTIAL PLASMA PROTEINS TO PRODUCE LIFE-SAVING MEDICINES

EACH PLASMATIC PROTEIN CONSTITUTES AN ESSENTIAL MEDICINE FOR PATIENTS WHO NEED THEM





GRIFOLS' COMMITMENT TO THE SAFETY AND EFFICACY OF ITS PLASMA-DERIVED MEDICINE IS INHERENT THROUGHOUT THE VALUE CHAIN

DONOR SELECTION

GRIFOLS ADHERES TO WORLD HEALTH ORGANIZATION (WHO), EUR PHARM, PPTA/IQPP AND CFR FDA REGULATIONS FOR PLASMA COLLECTIONS

Grifols only uses plasma from qualified donors (more information in the "Donor Profile" section) collected in centers approved by competent health authorities. Donors are subject to annual medical exams and routine health screenings before every donation.

Donors are compensated for their time and dedication. Grifols' compensation policy ensures a sustainable supply of plasma to produce life-saving plasma-derived therapies.

Plasma donors represent a cross-section of society, from college students and homemakers to military personnel and office employees, among others.

Grifols does not discriminate against potential donors on the basis of ethnicity, gender or socioeconomic status. The company only accepts healthy donors who are committed to the donation process, have proof of a permanent local residence and meet rigorous health and safety criteria.

ANALYSIS OF DONATED PLASMA

TESTING LABORATORIES USE TECHNIQUES APPROVED AND VALIDATED BY THE U.S. FDA AND EU HEALTH AUTHORITIES

All units of donated plasma are analyzed in FDA-licensed laboratories to guarantee the safety and quality of source plasma. Each unit of plasma undergoes rigorous screening tests that integrate highly sensitive technologies:

- NAT (Nucleic Amplification Testing), which detects the presence of pathogens in DNA
- ELISA (Enzyme-Linked Immunosorbent Assay), which detects virus antibodies or recombinant proteins

More than 10 analyses are performed on each unit of plasma to test for hepatitis A, B or C, HIV and parvovirus B19, among other conditions. Once the plasma units are in production, every batch is tested at various points during the manufacturing process.

60-DAY INVENTORY HOLD

RAW MATERIALS FOLLOW A STRICT QUALIFICATION PROCESS, COMPLIANCE WITH GMP AND REGULAR INSPECTIONS

Grifols Supplier Qualification Management System ensures that all raw materials follow a strict qualification process. The subsidiaries that form part of the plasma supply chain adhere to good manufacturing processes (GMPs) and undergo regular inspections by health authorities.

All plasma units that pass the initial viral testing must be held for at least 60 days at a temperature equal or lower than -20 degrees Celsius before being released into production.

Known as "inventory hold," this waiting period allows donors to return for a second donation. The results of the "hold sample" are verified against the new donation to reconfirm the absence of viruses and pathogens.

QUALITY GUARANTEE AND GMP

EFFICIENT QUALITY CONTROL SYSTEM IMPLEMENTED IN ALL OF ITS PRODUCTION PLANTS, WHICH UNDERGO REGULAR INSPECTIONS TO ENSURE COMPLIANCE WITH GMP REGULATIONS

Grifols carries out routine tests in its manufacturing processes and methods to guarantee the safety of its products.

Strict safety standards are enforced throughout the manufacturing process, from product development and design to the purification and formulation systems that aim to preserve the natural characteristics of the proteins. These safety standards minimize the risk of degradation of plasma proteins and improve tolerability levels for patients.

In adherence to safety standards, Grifols re-tests plasma using NAT and ELISA techniques before entering the production process.

ELIMINATION OF VIRUSES AND OTHER PATHOGENS

FLUID COMMUNICATIONS AND COLLABORATIONS WITH COMPANIES THAT FORM PART OF THE PLASMA PROTEIN THERAPEUTICS ASSOCIATION MANAGEMENT BOARD, AS WELL AS THE MAIN GLOBAL HEALTH AUTHORITIES

During the production phase, approved plasma undergoes rigorous testing and purification processes, including several pathogen elimination steps, viral inactivation and viral removal techniques to guarantee the highest possible safety levels.

Depending on the product, the manufacturing process may include heat treatment, pasteurization, solvent/detergent treatment and/or nanofiltration. Periodically, Grifols voluntarily closes its plants to perform maintenance work, expansion projects and other capital investments. The facilities have never been closed because of regulatory non-compliance while under Grifols' control.

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

PRODUCT TRACKING AND FULL TRACEABILITY

THE PEDIGRI® SYSTEM ALLOWS HEALTHCARE PROFESSIONALS TO OBTAIN DETAILED INFORMATION ON THE PLASMA USED TO PRODUCE A SPECIFIC VIAL OF PRODUCT AND A CERTIFICATE OF THE TESTING PERFORMED ON IT

Before releasing any plasma-derived medicine, Grifols identifies product vials with a laser mark and holographic seal. The laser-marking system etches the lot number on each unit of product to ensure traceability. The holographic seal on product packaging verifies its authenticity as a Grifols product, as well as the safety testing performed. Through these measures, Grifols is able to monitor the safety of its products long after the production process.

As part of its collaborative efforts with regulatory authorities to prevent counterfeits, Grifols has a system that assigns unique, traceable numbers to product units in accordance with the applicable rules and regulations of the global markets where it operates. Its pledge to patient safety includes pharmacovigilance system to trace its products after their market release, in collaboration with global healthcare professionals and health authorities.

These measures enable the company to monitory the safety of its products long after they have been manufactured and distributed.

STRICT INTERNAL CONTROL SYSTEM

Grifols' extensive safety system for its plasma proteins includes the dedication of highly trained staff, a rigorous process and product design, leading-edge in-house technologies developed by Grifols Engineering and full traceability from plasma donation to the final product.

Grifols' Quality Committees meet regularly to monitor processes, evaluate key performance indicators (KPIs) and quality markers, and review GMP compliance status.

SUPPLIER EVALUATION SYSTEM

Grifols' Supplier Qualification Management System ensures that all raw materials, including plasma from outside providers as well as non-plasmatic supplies, follow a strict qualification process. Grifols' subsidiaries that form part in the plasma supply chain adhere to GMPs and undergo regular inspections from health authorities.

The company runs a robust program of routine supplier audits to guarantee compliance with GMP norms and quality standards. In 2018, Grifols suppliers were collectively subject to a total of 242 audits as part of the qualification or evaluation processes.

Audits performed on suppliers' raw materials and services focus on the quality and safety of their offerings.

FOR GRIFOLS SAFETY IS A FUNDAMENTAL CORPORATE VALUE

EXTERNAL QUALITY CERTIFICATIONS

Grifols is certified by the Plasma Protein Therapeutics Association (PPTA), having earned the IQPP seal (International Quality Plasma Program) related to the plasma collection process, and the QSEAL (Quality Standards of Excellence, Assurance and Leadership), regarding the production of plasma-derived medicines.

IN-HOUSE AND EXTERNAL QUALITY AUDITS

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

OUR PERFORMANCE IS TESTAMENT TO OUR COMMITMENT TO SAFETY AND TOTAL LEGAL COMPLIANCE

All production installations included in the Bioscience Division's value chain are regularly inspected, including plasma donation centers, manufacturing plants, warehouses, testing laboratories and transport companies.

In 2018, they were subject to 287 routine internal compliance inspections and 384 inspections by health authorities.

In this regard, Grifols maintained its stellar track record, with no safety or quality deficiencies detected in the 671 inspections.

The company's installations have never received a warning letter, license suspension or revocation for non-compliance.

The company also has an assessment system that rates suppliers on the potential risk of their product or service on the value chain. As part of this system, Grifols conducts regular audits of its suppliers and closely monitors new providers.

In 2018, 242 supplier quality audits were performed, of which 95% obtained a favorable outcome.

INSPECTIONS BY HEALTH AUTHORITIES AND ACCREDITED INSTITUTIONS

384

INTERNAL AUDITS

287

SUPPLIER AUDITS CONDUCTED

242

NO INCIDENTS RELATED TO LEGAL NON-COMPLIANCE, FINES, NOTIFICATIONS OR VOLUNTARILY-ADOPTED CODES

REQUIREMENTS TO DONATE

>18 YEARS <65

>50 KG

UNDERGO A RIGOROUS QUALIFICATION PROCESS THAT STARTS WITH A MEDICAL EXAMINATION AND IT IS REPEATED EVERY 6 MONTHS

DONORS COMPLETE A THOROUGH QUESTIONNAIRE TO RECONFIRM THEIR HEALTH RECORD

ELIMINATE ANYONE FROM THE PROCESS WITH HIGH-RISK BEHAVIORS OR AN UNHEALTHY LIFESTYLE

VITAL SIGNS, PROTEIN LEVELS AND HEMATOCRIT ARE VERIFIED IN EACH DONATION TO GUARANTEE THAT THE DONOR IS IN OPTIMAL HEALTH

DONOR PROFILE

BY RACE

- 36% Caucasian
- 31% African American
- 21% Hispanic
- 9% Other
- 2% Native American
- 1% Asian

BY AGE

- 32.5% 18-25
- 33.9% 26-35
- 17.7% 36-45
- 10.9% 46-55
- 7.47% 56-65
- 0.3% >66

GRIFOLS ONLY USES PLASMA FROM QUALIFIED DONORS TO PRODUCE ITS PLASMA-DERIVED MEDICINES

Qualified donors are those who donate at least twice over a six-month period without a positive test result.

They can donate as often as twice in a seven-day period, with a full day in between. Grifols only uses plasma from qualified donors to produce its plasma-derived medicines.

Plasma from first-time donors is never used to manufacture any of Grifols' medicines. This plasma is destroyed or used for diagnostic or reactive use (see Bio Supplies Division), if the donor does not return for a second donation or has a positive test result.

REASONS TO DONATE

Because plasma donations save lives

Plasma-derived medicines are used to treat or prevent severe conditions and diseases in a number of medical fields, among them, pneumology, hematology, immunology, neurology, infectious diseases and traumatology. Plasma donors help save lives and enhance the quality of life of thousands of patients worldwide.

Because plasma can't be manufactured synthetically

Plasma is an essential raw material of a number of hemoderivatives that are used to treat and prevent potentially life-threatening diseases and conditions. Plasma can't be created in a lab or produced synthetically. These life-saving medicines are possible thanks to the generosity of plasma donors.

THE GENEROSITY OF DONORS ENABLES US PRODUCE PLASMA-DERIVED DRUGS TO TREAT POTENTIALLY DEADLY DISEASES

PLASMA THERAPIES ARE ONLY POSSIBLE THANKS TO DONORS SINCE PLASMA CAN'T BE ARTIFICIALLY PRODUCED IN A LAB

DIAGNOSTIC DIVISION

ACHIEVING THE HIGHEST STANDARDS OF QUALITY LEADS TO RELIABLE DIAGNOSES AND HELPS ENSURE PATIENTS RECEIVE THE TREATMENT THEY NEED

SUPPLIER CONTROLS

The Diagnostic Division defines requirements regarding the assessment, approval and monitoring of suppliers, which are classified according to their importance in the production process. Results are documented in a supplier evaluation registry, and potential new suppliers are accepted or rejected depending on the results of this analysis.

To ensure quality compliance at all times, Grifols re-evaluates its quality system and standards for key suppliers every three years. This evaluation is conducted every five years for important suppliers. Low-risk suppliers do not require a new evaluation process. The division also performs a periodic analysis of quality indicators to evaluate suppliers on their compliance with specific requirements.

Grifols' supplier audits include closely evaluating and monitoring the processes of new suppliers. The carried out 19 audits in 2018, 100% of which achieved positive results.

STRICT CONTROL AND SAFETY STANDARDS THROUGHOUT PRODUCTION

The Diagnostic Division ensures the safety, efficacy and quality of its products through a range of production, quality and R&D management processes, as well as its certification and adherence to various quality management systems such as ISO 13485, ISO 14971, MDSAP, FDA 21CFR820 and FDA 21CFR600, among others.

The division also implements project management techniques, agile software development, GMP, automation, continuous improvements and ongoing validation of its integrated IT systems. The Diagnostic Division's talent pool receives continuous education to reinforce its technical abilities.

PRODUCT LICENSES

The production, marketing and sale of Diagnostic Division products are subject to registration with the authorities in the applicable countries.

ONGOING AUDITS AND INSPECTIONS ENSURE THE SAFETY OF DIAGNOSTIC DIVISION PRODUCTS

- 21 routine inspections carried out in Grifols' facilities: 6 in-house audits and 15 external audits by healthcare authorities and accredited institutions
- 19 supplier audits conducted with 100% favorable results

ROUTINE INSPECTIONS	SUPPLIER AUDITS
21	19

EVALUATION PROCESS FOR SUPPLIERS OF THE DIAGNOSTIC DIVISION

1	2	3	4	5	6	7
Criticality assessment	Quality system evaluation	Technical visit	Raw material qualification	Relevant business risks	Approval or rejection	Re-evaluation

HOSPITAL DIVISION

WE PROVIDE HIGH-QUALITY PRODUCTS DESIGNED TO OPTIMIZE HOSPITAL OPERATIONS AN FACILITATE THE WORK TO HEALTHCARE PROFESSIONALS

SUPPLIER CONTROLS

Supply chain management has a direct impact on the safety of the final product. For this reason, Grifols has developed a quality system to approve, track and evaluate service providers and manufacturers of materials that are used during the production process. The Hospital Division's quality system is made up of two main departments:

Quality Assurance (QA)

This department registers relevant quality documentation for internal information systems, including GMP and ISO certifications, among others than are always kept updated.

Supplier Quality Committee

The committee holds at least a meeting every six months to verify the quality of suppliers and manufacturers.

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

CONTROL AND SAFETY IN THE PRODUCTION PROCESS

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

Grifols uses a change management system in order to ensure the traceability and security of any change in the product, process or facilities. The impact of every change is analyzed and assessed from several different point of view - regulatory, quality, validations, documentary, normative, health and safety at work. A risk assessment is carried out evaluating the different points that may be affected by the change. After that, the Change Control Committee analyzes and assesses the information and when appropriate, authorizes the change and its implementation.

PRODUCT LICENSES

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

A ROBUST CONTROL SYSTEM UNDERSCORES THE HOSPITAL DIVISION'S COMMITMENT TO QUALITY AND SAFETY

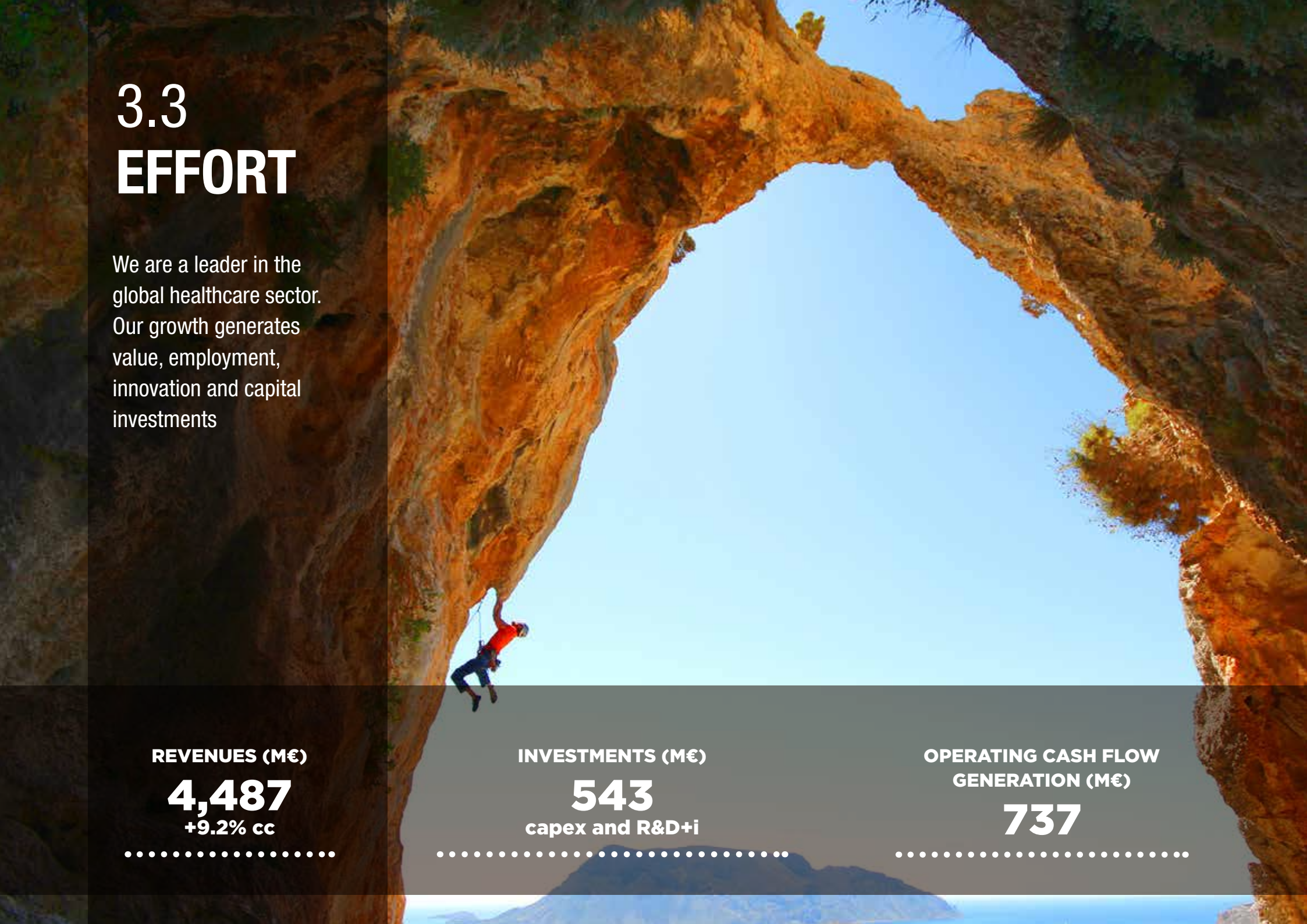
- 13 routine compliance inspections carried out in Grifols' facilities: 9 in-house audits and 4 external audits, with no quality or safety deficiencies detected
- 10 supplier audits conducted with 100% favorable results

ROUTINE INSPECTIONS
13

SUPPLIER AUDITS
10

3.3 EFFORT

We are a leader in the global healthcare sector. Our growth generates value, employment, innovation and capital investments



REVENUES (M€)

4,487

+9.2% cc

INVESTMENTS (M€)

543

capex and R&D+i

OPERATING CASH FLOW GENERATION (M€)

737

REVENUE PERFORMANCE

In 2018, Grifols' financial performance on sales growth, expansion and diversification of its global network of plasma centers, and increased efforts to drive capital investments and innovation.

In millions of euros except % and EPS	2018	2017[1]	% Var
NET REVENUES	**4,486.7**	**4,318.1**	**3.9%**
EBITDA UNDERLYING[2]	**1,218.4**	**1,218.8**	**0.0%**
% Net revenues	27.7%	28.2%	
EBITDA REPORTED	**1,222.7**	**1,218.8**	**0.3%**
% Net revenues	27.3%	28.2%	
GROUP PROFIT	**596.6**	**587.9**	**1.5%**
% Net revenues	13.3%	13.6%	
ADJUSTED[3] GROUP PROFIT	**680.5**	**660.2**	**3.1%**
% Net revenues	**15.2%**	**15.3%**	
CAPEX	**252.2**	**271.1**	**(7.0%)**
R&D NET INVESTMENT	**291.4**	**266.3**	**9.4%**
EARNINGS PER SHARE (EPS) REPORTED	**0.87**	**0.97**	**(10.0%)**

	December 2018	December 2017	% Var
TOTAL ASSETS	**12,477.0**	**10,920.3**	**14.3%**
TOTAL EQUITY	**4,696.6**	**3,634.0**	**29.2%**
CASH & CASH EQUIVALENTS	**1,033.8**	**886.5**	**16.6%**
LEVERAGE RATIO	**4.32/(4.19cc)[4]**	**3.96/(4.34 cc)[4]**	

(1) Figures exclude the non-recurring items related to the Hologic acquisition; the Aradigm assets reassessment; and the U.S. tax reform
(2) Excludes the impact of plasma sold to third parties
(3) Excludes non-recurring items and associated with recent acquisitions; amortization of deferred expenses associated to the refinancing and amortization of intangible assets related to acquisitions
(4) Constant currency (cc) excludes the impact of exchange rate movements

REVENUES INCREASED ACROSS ALL DIVISIONS AND REGIONS WHERE THE COMPANY OPERATES

THE U.S. REMAINS AS A KEY MARKET, GROWING BY 8.7% IN 2018

REVENUES IN EUROPE INCREASED BY 16.7%

GRIFOLS ANNOUNCED A STRATEGIC ALLIANCE IN CHINA

ANALYSIS OF RESULTS BY DIVISIONS

ONE OF THE TOP THREE GLOBAL LEADERS IN THE PRODUCTION OF PLASMA-DERIVED MEDICINES

RESEARCH PIONEERS IN THE SEARCH FOR NEW THERAPIES

BIOSCIENCE DIVISION

- Solid demand for main plasma proteins.
- Increased demand for immunoglobulin in the U.S. and main EU markets, led by Spain, Germany and the United Kingdom. Turkey, Brazil and Australia also reported strong demand.
- Global leader in plasma centers with 256 sites.
- Innovation: launch of a liquid formulation of alpha-1 antitrypsin; new anti-rabies immunoglobulin; and new intramuscular immunoglobulin to treat patients exposed to hepatitis A and measles.
- Presentation of topline results on the efficacy of the AMBAR clinical trial to slow down the progression of Alzheimer's.

REVENUE (M€)

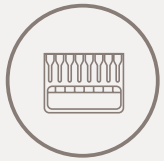
3,517

OPERATING GROWTH

+8.0%

INNOVATION

3 PRODUCT LAUNCHES



LEADERS IN BLOOD AND PLASMA ANALYSIS TECHNOLOGY

DIAGNOSTIC DIVISION

- Upward trend in NAT technology (Procleix® NAT Solutions) donor-screening lines and blood-typing solutions.
- Continued business consolidation of recombinant proteins used to produce immunoassays.
- Expansion of specialty diagnostics portfolio through own products and third-party agreements.
- Ongoing development of new diagnostic tests for personalized medicine.
- Innovation: new FDA-approved reagents to detect HIV and hepatitis B and C (Procleix® Ultrio Elite) and West Nile virus (Procleix® WNV), among others.
- Growing internationalization and expansion in strategic regions: key markets include U.S. and the Middle East, as a main markets.

REVENUE (M€)

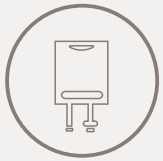
702

OPERATING GROWTH

+0.7%

INNOVATION

6 FDA APPROVALS



COMPREHENSIVE SOLUTIONS THAT OPTIMIZE THE EFFICIENCY OF HOSPITAL PHARMACIES

LEADERS IN INTRAVENOUS SOLUTIONS

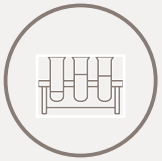
HOSPITAL DIVISION

- Higher sales in all of the division's business lines.
- Notable growth in Pharmatech and intravenous solutions manufactured in the Murcia plant thanks to distribution agreement with Henry Schein.
- Increasing internationalization, with significant growth in the U.S. market.
- The Spanish market remains critical and market penetration increases in Latin America.
- Pharmatech is a main engine for growth: the business line offers integrated solutions for hospital pharmacies, including MedKeeper and Kiro Oncology products and services.
- Greater capital investments to expand production capacity.

REVENUE (M€)
120

OPERATING GROWTH
+16.0%

INNOVATION
MEDKEEPER AND KIRO ONCOLOGY



BIOLOGICAL PRODUCTS FOR NON-THERAPEUTIC USES

BIO SUPPLIES DIVISION

This division oversees three main areas:

- Sales of biological products for non-therapeutic uses.
- Kedrion production agreements.
- Third-party plasma sales channeled through Haema and Biotest.

REVENUE (M€)
167

OPERATING GROWTH
+154.9%

ECONOMIC PERFORMANCE IN 2018

THE COMPANY INTENSIFIED ITS EFFORTS IN SEVERAL AREAS IN 2018 TO REINFORCE ITS LEADERSHIP IN ITS AREAS OF OPERATION AND CREATE VALUE FOR ITS MAIN STAKEHOLDERS

FINANCIAL STRENGTH

SOLVENCY AND LIQUIDITY ENABLE FULFILLING PLANNED INVESTMENTS

The company has historically met its liquidity and capital requirements by using resources generated from its operating activities and long-term external financing. As of December 2018, Grifols' cash position was EUR 1,034 million and its liquidity position was roughly EUR 1,400 million.

Grifols maintains high, sustainable levels of operating cash flow to effectively assume its planned investments amid a context of growth.

In 2018, Grifols allocated EUR 252 million (EUR 271 in 2017) toward CAPEX and EUR 291 million (EUR 266 million in 2017) of net investments toward R&D+i.

The company remains firmly committed to future growth and its long-term strategic vision.

DEBT MANAGEMENT REMAINS A PRIORITY

Grifols' net financial debt was EUR 5,343 million, including EUR 1,034 million (EUR 887 million in 2017) in cash.

The group's net financial debt over EBITDA ratio was 4.32x as of December 2018. This figure drops to 4.19x excluding the impact of exchange rate variations.

Indebtedness management remains among the company's top priorities. To this end, Grifols maintains high, sustainable levels of operational activities and strong cash flow generation, which totaled EUR 737 million in 2018.

In 2018, Grifols signed a new loan for EUR 85 million with the European Investment Bank (EIB) to support its R&D+i investments.

The credit ratings issued by Standard and Poor's and Moody's remained unchanged in 2018.

SUSTAINABLE OPERATING GROWTH

UPWARD SALES TREND IN SALES IN ALL DIVISIONS AND REGIONS

The Bioscience Division fueled corporate growth in 2018, reporting EUR 3,517 million in revenues and 8.0% cc growth (2.5% taking into account exchange rate variations). Robust sales of the main plasma proteins, particularly immunoglobulin, were the primary drivers of revenue growth.

The Diagnostic Division's revenues remained stable at EUR 702 million, denoting 0.7% cc growth and -4.1% considering exchange rate variations. Grifols is the worldwide leader in transfusional diagnostics, the division's main engine for growth in 2018.

The Hospital Division earned EUR 120 million in revenues in 2018, growing 16% cc and 13.1% taking into account exchange rate variations in 2018. Sales of all the division's business lines grew, especially its Pharmatech portfolio in the U.S. market.

GREATER ACCESS TO PLASMA AND PRODUCTIVE CAPACITY

Grifols invested EUR 252 million in 2018 as part of its on-going efforts to expand and enhance its manufacturing facilities. This figure is stipulated in the 2016-2020 Capital Investment Plan, endowed with EUR 1,200 million to ensure the company's long-term sustainable growth.

As outlined in its strategic plan, Grifols made efforts to expand its network of plasma centers. As of December 2018, Grifols leads the market in plasma centers, managing 256 sites worldwide.

As a result of its capital investments, the company increased its total volume of plasma collected to 12 million liters, which is roughly 30% more than 2017.

Grifols also expanded its workforce in all areas of the company. The talent pool grew by 16% in 2018 to 21,230 employees.

IMPULSE OF INNOVATION

BROADER PRODUCT PORTFOLIO

The group advocates an integrated R&D+i strategy that encompasses both in-house initiatives and external projects in investees whose research complements Grifols' core business.

Grifols intensified its net R&D+i investments in 2018 by 9.4% to EUR 292 million, taking into account internal and external research initiatives. This investment represents 6.5% of 2018 revenues.

The company earned FDA approvals in 2018, including:

- FDA approval for a new liquid formulation of alpha-1 antitrypsin (Prolastin®-C Liquid).
- FDA approval for a new intramuscular immunoglobulin formulation (GamaSTAN®) to treat patients exposed to hepatitis A and the measles.
- FDA approval for a new anti-rabies immunoglobulin (HyperRAB®) to treat patients with rabies exposure.
- The Diagnostic Division obtained six FDA approvals, including a test used to detect RNA specific to the Zika virus (Procleix® Zika Virus); a test to detect HIV and hepatitis B and C (Procleix® Ultrio Elite); and another developed for the West Nile virus (Procleix® WNV).

DEVELOPMENT OF CLINICAL TRIALS AIMED AT FINDING NEW THERAPEUTIC INDICATIONS FOR PLASMA PROTEINS

Grifols presented AMBAR (Alzheimer Management by Albumin Replacement) topline results (phase IIb/III) at the "Clinical Trials on Alzheimer's Disease" (CTAD) congress in October 2018.

Results in the pre-specified cohort of moderate AD patients demonstrated a statistically significant reduction of 61% in disease progression from baseline across both primary efficacy endpoints as measured by the Alzheimer's Disease Assessment Scale-Cognitive (ADAS-Cog) and the Alzheimer's Disease Cooperative Study – Activities of Daily Living (ADCS-ADL) scales.

Additional results presented in 2019 support the AMBAR's efficacy in patients with mild AD, who showed improvements in specific secondary variables.

AMBAR is an international, multicenter, randomized blinded and placebo controlled, The study was designed to evaluate the efficacy and safety of plasma exchange (procedures which combines short-term plasma exchange followed by long-term plasmapheresis with infusion of Human Albumin combined with intravenous immunoglobulin) as an efficient treatment to slow down the progression of the disease in mild and moderate AD patients.

For more information on Grifols' 2018 financial performance, please consult the annual statements available on http://www.grifols.com/es/web/international/investor-relations/annual-report-and-annual-audited-account

STRATEGIC ACQUISITION AND CORPORATE TRANSACTIONS

HAEMA AND BIOTEST

Grifols reinforced its leadership position in global plasma supply following the 100% acquisitions of Haema AG, headquartered in Germany, and Biotest US Corporation.

The Haema acquisition has allowed Grifols to operate its first plasma centers outside the U.S. The transaction included 35 centers and three under construction; a 24,000-square-meter building in Leipzig where Haema's corporate headquarters are located; and a central laboratory in Berlin.

For its part, the Biotest US Corporation acquisition included 24 U.S.-based plasma centers and two under construction, as well as diverse assets.

Subsequent to these acquisitions, Grifols sold both companies under the same terms and conditions as a means to strengthen its financial standing. The company holds an exclusive and irrevocable call option to be executed at any time for both Haema and Biotest, and maintains operating control of their plasma centers.

MEDKEEPER

In line with the Hospital Division's strategic growth plan, Grifols acquired a 51% stake in MedKeeper, a U.S. technology firm that develops and markets mobile and web-based software applications designed to optimize the efficiency and safety of hospital pharmacies. The agreement includes a call option to acquire the remaining 49% interest within a three-year timeframe.

KEDRION PLASMA CENTERS

Grifols acquired six plasma centers from Kedplasma in 2018.

SHANGHAI RAAS

Grifols has forged a strategic alliance in China, marking a new milestone in its journey of international expansion.

The company signed an agreement with Shanghai RAAS, a leader in China's plasma derivatives sector, to develop and market plasma-derived products and transfusion diagnostic solutions.

The transaction represents an important growth opportunity for all of the company's divisions. China stands out as one the world's fastest-growing markets, with a notable increase in demand for NAT technology.

The transaction is expected to close during the second half of 2019, pending approval of regulatory authorities.

CAPITAL INVESTMENTS: 2016-2020 PLAN ENDOWED WITH EUR 1,200 MILLION

Project	Started	In progress	Completed
BIOSCIENCE DIVISION			
Collection centers			
Fractionation plant – capacity of 6 million liters/year (Clayton)			
Purification – IVIG (Clayton)			
Purification – new line IVIG (Los Angeles)			
Purification – Albumin (Dublin)			
Purification – Alpha-1 antitrypsin (Barcelona)			
DIAGNOSTIC DIVISION			
Recombinant protein plant (Emeryville)			
Blood bags plant (Brazil)			
NAT products plant (San Diego)			
HOSPITAL DIVISION			
New production line for IV-solution bags (Murcia)			

2018 TAXATION: CONTRIBUTIONS, PRINCIPLES AND BEST PRACTICES

GRIFOLS' BOARD OF DIRECTORS ADHERED TO THE CODE OF GOOD TAX PRACTICES

GRIFOLS' FISCAL POLICY

Grifols adheres to the taxation principles and best practices outlined in its fiscal policy, which is approved by the Board of Directors:

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

TAX CONTRIBUTIONS

GRIFOLS' TOTAL TAX CONTRIBUTION TOTALED MORE THAN EUR 624 MILLION IN 2018

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

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

The company's direct tax contributions for the 2018 fiscal year totaled approximately EUR 372 million. This amount includes direct taxes such as corporate income tax, social security payments and taxes on products and services, as well as environmental taxes paid in Grifols' countries of operation.

Grifols also contributes by collecting taxes generated by its operating activities on behalf of governmental authorities. In 2018, the company withheld EUR 252 million in third-party taxes, which were paid to the corresponding governmental authorities in the U.S. and Spain. These amounts primarily comprise income taxes and dividend taxes. Value added tax (VAT) and other taxes are not included in Grifols' 2018 tax contributions.

The group's tax contributions are a direct reflection of the principles that guide its fiscal strategy.

	2016	2017	2018
Total amount	617.0	578.6	624.3
Direct taxes[1]	396.8	342.7	371.8
Taxes collected for tax authorities[2]	220.2	235.9	252.5

1. Direct tax contributions: Mainly includes corporate income taxes excluding deferred taxes, social security payments and other direct taxes such as property taxes.

2. Taxes collected by Grifols from third parties in Spain and the U.S., including employee income taxes and shareholder dividend taxes.

GENERATING VALUE: CREATING AND DISTRIBUTION

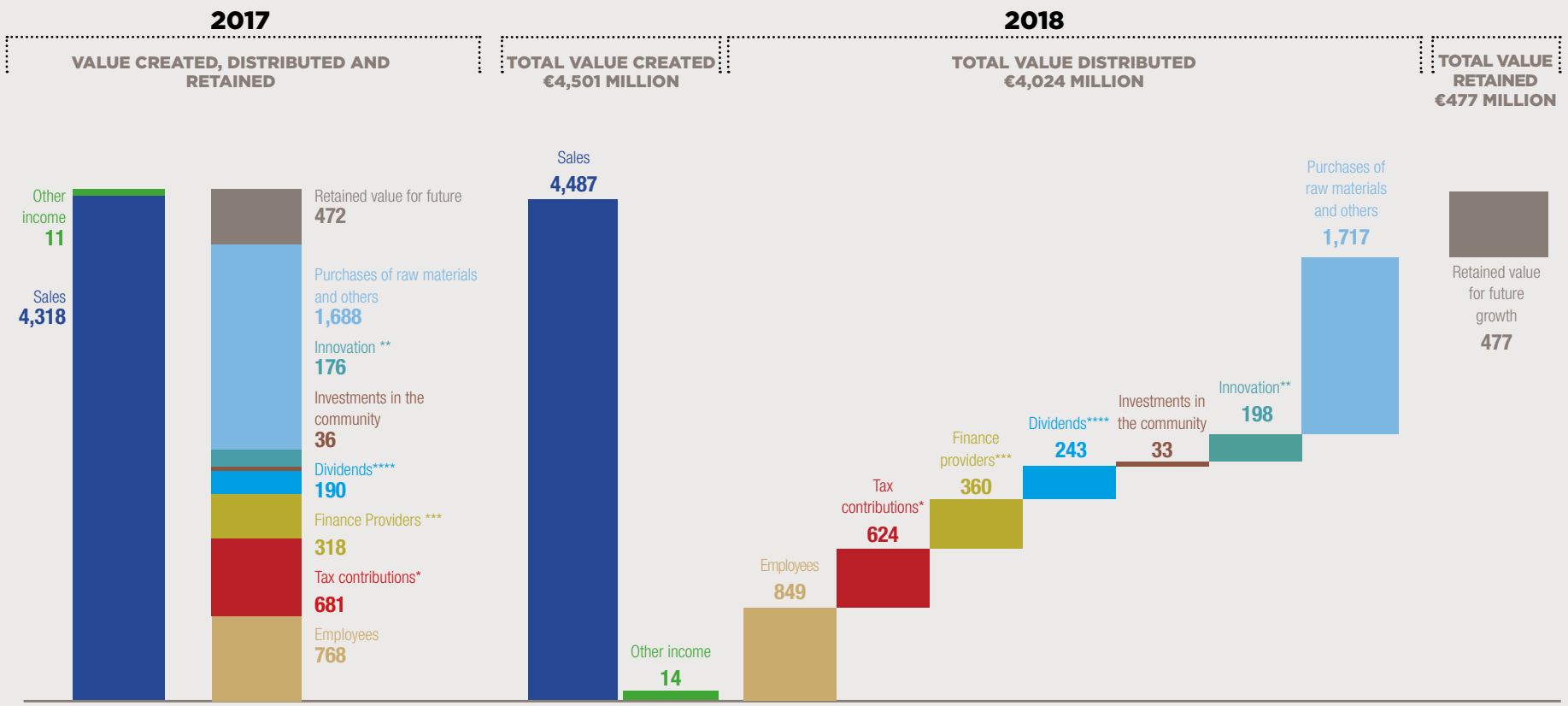
Grifols focuses its strategy on long-term profit and value creation. Toward this end, the company strives to create wealth for its main stakeholder groups by generating stable employment, promoting research, advancing the economic development in regions where it operates, and gaining the trust of stakeholders and investors to guarantee sustainable growth while fulfilling its mission of enhancing the health of patients worldwide.

Grifols' value creation reached EUR 4,501 million in 2018, a 4% increase over the previous year. Nineteen percent (19%) of the value generated was allocated to its global workforce, which grew 16% in 2018 to 21,230 employees. The company channeled EUR 198 million to innovation, which represents 4% of total generated value. Community investments totaled more than EUR 33 million, including research awards, educational programs and scholarships to promote global research; donations to foundations and NGOs; and social outreach activities in benefit of patients and local communities. The company contributed EUR 624 million in taxes, which represents 14% of total value generated.

The following tables offer an overview of Grifols' creation and distribution of economic value. Together they highlight the company's efforts to ethically and responsibly manage its resources in strict compliance with the legislative frameworks in place in its countries of operation.

IN 2018, 90% OF GRIFOLS' VALUE CREATION WAS DISTRIBUTED

CREATING SHARED VALUE (MILLION EUROS)



* Direct and indirect taxes paid and collected on account of third parties in Spain and U.S. Includes employee income taxes and tax on dividends paid to shareholders.

** Innovation excludes personnel costs that are reported under "Employees"

*** Payments to Finance Providers includes interest and principal

**** Dividend paid net of tax

3.4 COMMITMENT

We aspire to make a positive impact on society. We actively collaborate with local communities, research organizations and academic institutions

EUR 33.3 MILLION ALLOCATED TO SOCIAL OUTREACH INITIATIVES

200 MILLION INTERNATIONAL UNITS OF FACTOR VIII DONATED TO THE WORLD FEDERATION OF HEMOPHILIA OVER A 8-YEAR PERIOD

EFFORTS TO REDUCE THE COST OF PLASMA-DERIVED MEDICINES AND OPTIMIZE THE EFFICIENCY OF PUBLIC HEALTHCARE SYSTEMS

GRIFOLS: A BIOETHICAL COMPANY

THE CORE PRINCIPLES OF BIOETHICS GUIDE GRIFOLS' OPERATIONS, WITH THE OBJECTIVE OF PROMOTING THE SAFETY AND DIGNITY OF EVERYONE INVOLVED IN THE PRODUCTION OF MEDICINES

THE UNIVERSAL DECLARATION OF HUMAN RIGHTS INCLUDES THE FUNDAMENTAL PRINCIPLES OF BIOETHICS

The fundamental principles of bioethics guide the research, development, production and marketing of Grifols products. The company makes every effort to guarantee the safety and dignity of everyone involved in its value chain, while approaching scientific advances in the healthcare sector from an ethical vantage point.

A diversity of regulations, declarations and codes govern these core principles, including the Universal Declaration of Human Rights (1948), the Helsinki Declaration (1965) and UNESCO's Universal Declaration on Bioethics and Human Rights (2005).

HUMAN RIGHTS

Respect for human dignity and human rights inherent to Grifols is an indispensable requirement for all its activities. In parallel, the company strives to promote and preserve the welfare in communities where it operates.

Grifols promotes responsibility and commitment to human rights in all of its operations using international frameworks as points of reference, among them, United Nations Global Impact, OECD Guidelines for Multinational Enterprises, UN Human Rights, and ILO Tripartite Declaration of Principles Concerning Multinational Companies.

Grifols Code of Conduct governs the activities of all employees and collaborators, upholding strict adherence to the legislation and regulations in force throughout its value chain. This commitment includes promoting and respecting human rights. The company also offers a communication channel – the Grifols Ethics Helpline – to allow employees and outside collaborators to report any concerns of possible human rights violations or cases of ethical misconduct.

VÍCTOR GRÍFOLS I LUCAS FOUNDATION: COMMITTED TO BIOETHICS

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

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

Further information is available in the "Pride" chapter

FUNDACIÓ VÍCTOR GRÍFOLS i LUCAS

GRIFOLS' SOCIAL COMMITMENT

GRIFOLS HAS BEEN FIRMLY COMMITTED TO ENHANCING THE HEALTH AND WELL-BEING OF PEOPLE AROUND THE WORLD SINCE ITS ORIGINS

THIS COMMITMENT IS GROUNDED ON FOUR MAIN PILLARS, WHICH EXTEND TO ITS VARIOUS STAKEHOLDERS

PRINCIPLES

EDUCATE

ADVOCATE

ENGAGE

SUPPORT

EUR 33.3 million allocated to social outreach initiatives

M€ TO PATIENT ORGANIZATIONS AND LOCAL COMMUNITIES

M€ TO FOUNDATIONS AND NGOs

M€ TO RESEARCH AWARDS AND EDUCATION

M€ SPECIAL PROJECTS AND OTHERS

25 million international units of clotting factors donated to the World Federation of Hemophilia (WFH) Humanitarian Aid Program

COMMITTED TO PATIENTS AND PATIENT ORGANIZATIONS

GRIFOLS OFFERS ONGOING SUPPORT TO PATIENT ORGANIZATIONS, EDUCATING PATIENTS AND THEIR FAMILIES AND SERVING AS A TRUSTED ADVOCATE OF THEIR HEALTH AND WELL-BEING

SUPPORTING PATIENTS' HEALTH AND WELL-BEING

Grifols continues to nurture its relationships with patient organizations through a range of services in alignment with its longstanding commitment to stakeholders.

The research, development and production of life-saving plasma-derived medicines, diagnostic systems and hospital pharmacy solutions that facilitate the work of healthcare professionals illustrate its staunch commitment to patients. Grifols complements these activities with a diversity of educational, awareness and patient advocacy programs and services.

ACTIVITIES DEVELOPED

Grifols organizes a number of social engagement activities in the United States, including Patient Community Open Houses, which invite members of the patient community to learn more about the collection of plasma and production of plasma-derived medicines. These events also offer a meeting point for patients and plasma donors. In 2018, Grifols welcomed 325 visitors in 80 plasma donation centers.

In 2018, Grifols took part in the *Alfas en Camino* (Alphas on the Way), an awareness pilgrimage to Santiago de Compostela, Spain organized by the Spanish association of patients with alpha-1 antitrypsin deficiency (AADT). In total, 80 patients from several different countries trekked more than 115 kilometers together.

For more details, please see the "Pride" chapter

The company supports the core mission of patient advocacy groups (PAGs) by partnering with them on projects, leading product-donation programs and facilitating access to Grifols' treatments. Its collaborations with PAGs always adhere to the principles of transparency and country-specific regulations, which determine the types of information that need to be publicly disclosed.

Grifols has standard operating procedures based on the notions of eligibility, compliance, ethics and transparency that internally regulate its collaboration accords, aid initiatives and donations to patient advocacy organizations.

Grifols monitors and complies with all existing laws and regulations which govern interactions between the pharmaceutical industry and patient organizations. These rules include The Sunshine Act, EFPIA Code of best practice between the pharmaceutical industry and European Patient Organizations, and various legal reporting obligations at the national level. Grifols strongly supports and voluntarily complies with global disclosure practices in all territories where Grifols operates.

LINES OF ACTION

- Grifols actively promotes access to health care and to the most appropriate treatments of its plasma protein therapies.
- Grifols' Charitable donations are designed to promote the mission of patient advocacy groups and not for commercial purposes.

COMMITMENTS

- Serve as a reliable source of knowledge for patients.
- Promote and provide access to Grifols' treatments.
- Maintain and promote the history, passion and pioneering spirit that sets Grifols apart.

THE RESEARCH, DEVELOPMENT AND PRODUCTION OF PLASMA-DERIVED MEDICINES, DIAGNOSTIC SYSTEMS AND INTEGRATED HOSPITAL-PHARMACY SOLUTIONS ARE THE CULMINATION OF GRIFOLS' COMMINTMENT TO PATIENTS

COMMITTED TO TREATMENT ACCESS

The cost and access to treatment is a topmost consideration for patients. Keenly aware of this concern, Grifols employs a pricing approach grounded on two core principles: first, cost should never be a barrier to optimal patient care and treatment, and second, pricing should support the company's long-term sustainability and ongoing commitment to research, development and innovation.

The company actively works to increase access to treatment. Grifols has supported the PatientCare program since 2006, aimed at facilitating treatment for patients with hemophilia or primary immunodeficiency in the United States. The program includes an array of initiatives to address concrete needs:

- Grifols Assurance for Patients (GAP), which covers the cost of Grifols products during gaps in medical insurance coverage.
- Grifols Patient Assistance (GPA), which provides treatments to patients who need help on a temporary basis.
- Emergency Supply System, which supplies immunoglobin to doctors to treat patients in emergency situations.

As part of its commitment to serving global patient communities, Grifols pledged to donate 200 million international units (IU) of clotting factors to the WFH Humanitarian Aid Program over a eight-year period. Donated plasma-medicines are intended for patients in developing countries where access to appropriate treatment is often difficult. According to the WFH, these donations will provide approximately 10,300 doses to treat 6,000 patients a year until 2021.

As part of it's overall pledge, Grifols donated 25 million IU of product in 2018. The company has been a proud supporter of the WFH for more than a decade in its efforts to improve access to hemophilia treatments.

ALFACARE: EMOTIONAL SUPPORT, ASSISTANCE AND EMPOWERMENT PROGRAM FOR PATIENTS WITH ALPHA-1 ANTITRYPSIN DEFICIENCY

In 2018, Grifols launched AlfaCare, the first support program for patients with alpha-1 antitrypsin deficiency in Spain. AlfaCare was developed in collaboration with the Alfa-1 Spain patient association and backed by an interdisciplinary team of professionals, including psychologists and patient mentors.

AlfaCare is a patient-assistance program that complements the standard care and clinical treatment offered by healthcare services. It provides personalized emotional support and psychological care, as well as detailed and easy-to-understand information and motivational activities to help patients better cope with the disease. Grifols has rolled out similar programs in other countries such as the U.S., Germany and Canada.

COMMITTED TO PLASMA DONORS

THEIR GENEROSITY MAKES OUR TREATMENTS POSSIBLE

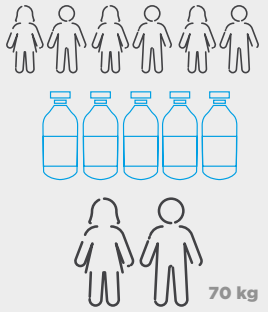
Plasma donors play a pivotal role in the plasma derivatives sector. Plasma can't be artificially manufactured in a lab, which is why the generosity of donors is so critical. Without them, the production of life-saving plasma medicines would not be possible.

Grifols recognizes the generosity of U.S. plasma donors by compensating them for their time and commitment to make regular plasma donations, and only uses plasma from qualified donors to produce its plasma-derived medicines. Donor compensation along with complete health screenings help ensure a sufficient supply of plasma to treat patients in need of plasma treatments. Hundreds of donations are needed to produce enough plasma-derived medicine to treat one patient for one year.

Plasma donors also have the option of waiving part or all of their donor commitment fee to support one of the charity organizations that form part of Grifols' non-profit Plasma Possibilities program. Initiated in 2017, this program offers donors the chance "to give back twice" with their donation and helping a local charity. Since 2017, Grifols donors raised more than USD 12,000 for 22 organizations in the United States.

See "Safety" for more details on donors and the donation process

PLASMA DONATIONS NEEDED TO TREAT ONE PATIENT FOR ONE YEAR



PRIMARY IMMUNODEFICIENCIES	ALPHA-1 ANTITRYPSIN DEFICIENCY	HEMOPHILIA	CIDP*
130	900	1,200	465
DONATIONS	DONATIONS	DONATIONS	DONATIONS

*Chronic inflammatory demyelinating polyneuropathy

COMPENSATING PEOPLE WHO REGULARLY DONATE PLASMA RECOGNIZES THEIR COMMITMENT AND CONTRIBUTION TO PATIENTS IN NEED OF PLASMA-DERIVED MEDICINES

GRIFOLS' PLASMA DONORS HAVE THE OPTION OF WAIVING COMPENSATION IN FAVOR OF NON-PROFIT ORGANIZATIONS

PROMOTING LOCAL COMMUNITIES WHERE GRIFOLS OPERATES

Grifols' commitment to plasma donors also extends to the communities where the plasma donation centers are located. These centers add value to communities by creating employment, contributing taxes and stimulating the local economy. Grifols organizes community engagement events and gives back through charitable donations and volunteer programs.

In 2018, Grifols doubled the number of programs, implementing more than 2,700 initiatives that have had a tangible impact on local communities:

- More than 9,000 kilos of food collected for local food banks, which benefited over 16,000 people
- USD 16,000 worth of school supplies, outfitting 150 students
- Organization of several Open House Days
- USD 330,000 donated to 700 U.S. organizations

In 2018, Grifols also contributed to communities afflicted by Hurricanes Michael and Florence. Grifols employees donated USD 33,000 to the affected communities.

JOSÉ ANTONIO GRÍFOLS LUCAS FOUNDATION: PROMOTING SOCIAL PROGRAMS

Dr. Josep Antoni Grífols i Lucas was a celebrated scientist and pioneer of the plasmapheresis technique. In 2008, a foundation called José Antonio Grífols Lucas, was created in his name to enhance the communities where Grifols operates its plasma donation centers through health, well-being and education programs aimed at enhancing the welfare and social environments of plasma donors who donated plasma in the U.S. plasma donation centers.

The Foundation also backs studies on the plasmapheresis technique and the potential discovery of new applications.

INITIATIVES WITH POSITIVE IMPACT

WE SERVE AS THE BRIDGE BETWEEN PATIENTS AND PLASMA DONORS. THEY ARE THE HEART OF OUR OPERATIONS.

DONATING PLASMA IS A SMALL GESTURE THAT CAN GREATLY IMPROVE SOMEONE'S QUALITY OF LIFE

Victoria, a retired teacher and plasma donor from Bloomington, Illinois who has donated more than 1,000 times.

"I started donating plasma to help the granddaughter of a friend who needed a plasma medicine, but it soon became a regular part of my routine. I believe in the benefits of plasma donations and will continue to donate. Everyone can donate just like me. Grifols' centers do an amazing job to make donating plasma easy."

For 34 years, Victoria supported her community as a physical education teacher. For the last 10 years, she has contributed in another way: donating plasma twice a week. Rain or shine.

EVERY PATIENT COUNTS: LIVING WITH PRIMARY IMMUNODEFICIENCY DISEASE (PIDD)

"I was in and out of the hospital for six months with bronchitis and pneumonia. The doctors couldn't figure out what was wrong. An immunologist finally diagnosed me with primary immunodeficiency. My treatment included monthly infusions of immunoglobulin.

My journey as a patient has included some trying times and several hospitalizations, but I've been able to overcome all of that thanks to my treatment.

Plasma donors are my heroes. They save lives with every donation. I try to let them know how special they are and how thankful I am. Without them, there would be no stories like mine to tell. We're able to move forward with our lives thanks to them!"

Nancy, California

COMMITTED TO PUBLIC HEALTHCARE SYSTEMS

REDUCING HEALTHCARE COSTS

Blood donations provide three main components: red blood cells for transfusions, leukocytes and platelets for oncological treatments, and plasma, the most abundant substance found in blood.

Plasma contains proteins of great therapeutic value that, once separated and purified, can be used to produce plasma-derived medicines. The United States is the only country that collects sufficient plasma to produce the plasma-derived medicines its population requires. No European country is self-sufficient.

As a result, the World Health Organization, the Council of Europe and other institutions promote measures to help European countries achieve self-sufficiency, specifically strategies to encourage blood and plasma donations and leverage surplus plasma. For this reason, donation centers freeze surplus plasma from donations to industrially process it and produce plasma-derived medicines.

As a complement to its core activity, Grifols offers its installations, technology, expertise and technical team at the disposal of public donation centers and health public organizations to process its surplus plasma, purify the proteins and return them in their entirety as plasma-derived medicines. Regulated by fractionation service agreements, these collaborations lead to considerable cost savings for public healthcare systems. The company offers this service in Spain, Slovakia and Canada.

WE PUT OUR EXPERIENCE, EXPERTISE AND SPECIALIZED KNOWLEDGE AT THE SERVICE OF BLOOD-BANK AND TRANSFUSION-CENTER PROFESSIONALS

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

Collaborative solution

Safety in the plasma supply chain

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

VARIOUS PROGRAMS DESIGNED TO COLLABORATE AND HELP MEET THE NEEDS OF BLOOD BANKS

- Transport service and storage of plasma to guarantee the quality of transfusional plasma. This collaboration includes the Contingency Program, to address issues with refrigeration equipment; the IPTH Program, which offers additional viral safety measures: and the Secure Program, which comprises the collection, storage and return of frozen plasma.
- Plasma used for hemoderivatives includes the Apheresis Program, a collaborative effort with blood banks and transfusion centers to encourage plasma donation with plasmapheresis.
- The Biolab Program offers various services including samples analyses, immunohematology tests and quality control of plasma for laboratories.
- The Quality Program offers expert advice on management and quality control systems. Through the Grifols Academy of Plasmapheresis the program includes plasma-related training initiatives, workshops and educational programs.

GRIFOLS SPEARHEADS A RANGE OF COLLABORATIONS AND SERVICES AIMED AT HELPING BLOOD BANKS BECOME SELF-SUFFICIENT

AT GRIFOLS, WE SHARE OUR CLIENTS' CONCERNS. LEARNING FROM THEM HELPS US DESIGN VALUE-ADDING SERVICES AND PRODUCTS THAT RESPOND TO THEIR NEEDS

COMMITTED TO OUR CLIENTS

LISTENING, UNDERSTANDING AND RESPONDING TO THEIR NEEDS BUILDS TRUST

Learning from our customers is part of Grifols' commitment and the foundation of building trust. Listening and understanding their problems, needs and expectations allows us to design and deliver superior services, value-adding products and agile solutions that address concrete needs.

Since its origins, Grifols has worked closely with wholesalers, distributors, group purchasing organizations (GPOs), blood banks, hospitals, healthcare institutions and public health systems to cultivate a climate of trust and joint learning. These collaborations play a pivotal role in helping us advance our mission of enhancing the health and well-being of people.

These alliances have translated into a number of initiatives:

- The PediGri® traceability system, which offers healthcare professionals complete traceability of Grifols' plasma-derived medicines. Grifols is the only company that offers this possibility. In 2018, the system included more than 1,437 registered users.
- Development of diagnostic tests to analyze blood and plasma donations to combat the spread of new virus outbreaks.
- Development of services and programs adapted to the specific needs to global blood banks.

TRUTHFULNESS AND RIGOR IN GRIFOLS MARKETING AND EDUCATIONAL MATERIALS

The company is deeply committed to responsible marketing and sales practices. For this reason, it ensures that all of its promotional and educational collateral comply with applicable laws and regulations; align with the industry policies and codes voluntarily adopted by the company; adequately address the target audience and end users; and contain information that is truthful, accurate, comprehensive, clear and balanced.

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

The approval process for marketing materials includes several review stages involving decision makers from diverse corporate areas, among them, the legal, medical affairs, regulatory and publishing departments. In 2018, 3,788 materials were reviewed and 3,686 materials were approved through the GRP system.

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

CLAIMS SYSTEM

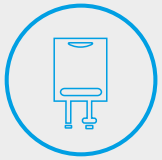
Grifols' three divisions have claims systems that register and review all notifications received from healthcare centers, patients and users with consumer appraisals regarding possible defects in product quality.

In each division, a trained professional or technical director is appointed to evaluate all claims received, including carrying out the appropriate inquiries and implementing corrective and preventative measures, if necessary.

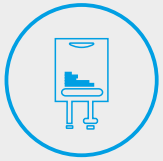
Each division has a Product Recall System to address confirmed critical defects in the quality or safety of products. The trained individual or technical director is responsible for managing the product withdrawal, including relevant communication with healthcare authorities.

The claims and product withdrawal systems, outlined in the Standard Operating Procedures, are internally audited to verify their effectiveness and adaptation to current legislation, as well as by the competent health authorities

BIOSCIENCE DIVISION
(MEDICINES)
1 claim for every 34,592 units distributed



HOSPITAL DIVISION
(MEDICINES)
1 claim for every 1,831,402 units distributed



HOSPITAL DIVISION
(MEDICAL DEVICES)
1 claim for every 84,087 units distributed

Note: This ratio does not apply to the Diagnostic Division based on its product portfolio

GRIFOLS' LOW CLAIMS RATE IS A REFLECTION OF OUR COMMITMENT TO QUALITY AND SAFETY AND HELPS US GAIN OUR CUSTOMERS' TRUST

GRIFOLS' CLINICAL RESEARCH ADHERES TO THE STANDARDS ESTABLISHED BY THE INTERNATIONAL CONFERENCE ON HARMONISATION-GOOD CLINICAL PRACTICE, THE PROTECTION OF HUMAN RIGHTS UNDER THE HELSINKI DECLARATION AND APPLICABLE LOCAL LAWS AND REGULATIONS

COMMITTED TO MEDICAL AND SCIENTIFIC COMMUNITIES

COLLABORATIONS THAT CONTRIBUTE TO SOCIAL PROGRESS

Grifols' interaction with medical and scientific communities plays a key role in its ongoing innovation and corporate success. As explained in the chapter titled "Innovation and improvement", Grifols recognizes the critical value of scientific research to enhance the health and quality of people lives.

GRIFOLS' COMMITMENT TO CLINICAL TRIALS

Grifols is committed to guaranteeing the safety of patients who participate in the clinical trials conducted and sponsored by the company. All clinical research led by Grifols or on its behalf adheres to the standards established by the International Conference on Harmonisation Good Clinical Practice (ICH GCP); the protection of human beings under the Helsinki Declaration; and applicable local laws and regulations. The company is committed to protecting the rights, safety and well-being of people in its clinical trials since it firmly believes that these principles are more important and should prevail over corporate, scientific or social interests.

Every clinical trial follows a detailed protocol to guarantee the safety of participants and the integrity of the collected data. Before the onset of any clinical trial, Grifols sends the protocol to regulatory authorities and an external ethics committee, comprised by healthcare professionals and specialists from other sectors, to ensure it respects the dignity, rights, safety and well-being of trial participants. The clinical trial does not begin until a favorable decision has been handed down. Once approved, it strictly adheres the guidelines established by the Ethics Committee, the institution, ICH GCP and applicable regulatory requirements.

Every participant must give their informed consent, which is written, signed and dated. The Principal Investigator (or assigned healthcare professional) provides appropriate information, answers questions and allows sufficient time for potential clinical-trial subjects to make an informed decision on their participation. The participation agreement is strictly voluntary and subjects can freely withdraw their consent at any time during the clinical trial.

In order to assure quality control, Grifols has standard operating procedures to guarantee that the execution of clinical trials and the collection, documentation and notification of data adhere to protocols, ICH GCP and applicable regulatory requirements. Grifols has also established a procedure to provide a course of action to its clinical personnel to review and document any observations of potential fraud or misconduct during clinical trials.

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

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

Access to ClinicalTrials.gov
Access to EudraCT

COMMITTED TO RESPONSIBLE TESTING IN THE DEVELOPMENT OF NEW TREATMENTS

For decades, biomedical research using animal testing has led to significant medical advances for both human and animal health by validating the effectiveness and safety of pharmaceutical products. Grifols is committed to the responsible use of laboratory animals in cases in which animal testing is indispensable to develop new life-improving therapies.

Whether animal testing is carried out in a university or in a contracted external laboratory, Grifols researchers work closely with regulatory agencies and the Institutional Animal Care and Use Committee (IACUC) to guarantee the safe and humane treatment of research animals.

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

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

See the "Innovation and improvement" chapter for more details.

SCHOLARSHIPS AND AWARDS

In line with Grifols' commitment to research, the company has a scholarship and awards program to promote and advance research in areas associated with its plasma-derived therapies.

MORE THAN EUR 6 MILLION ALLOCATED TO RESEARCH AWARDS AND EDUCATION

COMMITTED TO OUR GLOBAL WORKFORCE

TALENT DEVELOPMENT AND CONTINUOUS LEARNING

THE GRIFOLS ACADEMY

Grifols established "The Grifols Academy" or TGA in 2009 as part of its longstanding dedication to employees and other stakeholders. The academy comprises "The Grifols Professional Development Academy," "The Grifols Academy of Plasmapheresis" and "The Grifols Academy of Immunohematology."

Through the TGA, Grifols offers professional and educational development opportunities to its global talent pool, reinforces the company's philosophy and corporate values, and delivers a range of resources and services to healthcare professionals to enhance patient care.

In addition to its educational focus, The Grifols Academy offers development programs and initiatives designed to build awareness and promote the exchange of knowledge and expertise in the plasma industry. This approach differentiates the TGA from traditional professional development centers.

The Grifols Academy of Plasmapheresis is certified by the U.S. Accrediting Council for Continuing Education and Training (ACCET) for a five-year period. This accreditation recognizes the academy's range of high-quality programs in the U.S. on the sciences of human plasma.

THE GRIFOLS ACADEMY
PROFESSIONAL DEVELOPMENT

THE GRIFOLS PROFESSIONAL DEVELOPMENT ACADEMY

- Training and professional development for Grifols employees.
- Aimed at strengthening specific competencies and fostering Grifols' corporate culture.
- Programs fall into three core areas: scientific-technical knowledge, skills development and leadership competencies.

THE GRIFOLS ACADEMY
PLASMAPHERESIS

THE GRIFOLS ACADEMY OF PLASMAPHERESIS

- Offers advanced training on all plasmapheresis procedures; collection, analysis and control of plasma; manufacture of plasma-derived medicines and other ethical and quality issues framed within the area of human health.
- Allows the company to transmit its knowledge, standardize procedures and increase employee engagement, while fostering its corporate culture in Grifols' U.S.-based facilities.

THE GRIFOLS ACADEMY
IMMUNOHEMATOLOGY

THE GRIFOLS ACADEMY OF IMMUNOHEMATOLOGY

- Offers educational programs on transfusion medicine to global professionals.
- Designed to enhance patient care by contributing to the advancement of knowledge in this field.

GRIFOLS' ACADEMIC ALLIANCES ENCOURAGES ITS EMPLOYEES' PROFESSIONAL DEVELOPMENT BY OFFERING HIGH-IMPACT LEARNING OPPORTUNITIES

EXECUTIVE DEVELOPMENT

In 2018, Grifols continued to build on its executive education program, designed to address the specific needs of Grifols' senior and middle managers. The program emerged from a collaboration with two prestigious institutions: ESADE (Escuela Superior de Administración y Dirección de Empresas) in Barcelona and Georgetown University's McDonough School of Business in Washington D.C.

COLLEGE FOR AMERICA ASSOCIATION

The Grifols Academy partnered with College for America Association in 2015 to offer Grifols employees the opportunity to earn university degrees through a scholarship program.

To date, 67 employees have graduated, while 74 more work toward their degree under this initiative. In 2018, there were 21 graduation and 36 scholarships awarded to new Grifols students. Grifols covered more than USD 193,000 worth of schooling to College for America during the year.

TUITION REIMBURSEMENT PROGRAM

Grifols Tuition Reimbursement Program offers financial aid for full-time employees to enroll in undergraduate or graduate programs related to their current or future professional roles. The program benefitted 117 people in 2018.

OTHER ACADEMIC COLLABORATIONS

Grifols partners with several local universities in Los Angeles to support the continuous education and development of its employees, as well as create job opportunities in the area. So far, more than 100 Grifols employees have earned degrees at California State University-Los Angeles and over 150 people have been hired as a result of this collaboration.

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

COMMITTED TO LOCAL COMMUNITIES AND NGOs

WIDE-RANGING SOCIAL ENVIRONMENT

PROBITAS FOUNDATION

The Probitas Foundation was established in 2008 to leverage Grifols' expertise in the healthcare sector and help improve medical care in areas with limited resources. Grifols shareholders approved an annual allocation of 0.7% of corporate profits before taxes to support this private foundation.

The foundation combines in-house programs – among them, the Global Laboratory Initiative and the Child Nutrition Support Programme – with external collaborations with NGOs renowned for their work in the humanitarian sector. These include Spanish Red Cross, Save the Children, UNRWA (United Nations Relief and Works Agency for Palestine Refugees in the Near East) and the World Food Programme.

To learn more about Probitas and its core programs, please visit http://www.fundacionprobitas.org

DONATIONS TO U.S. SOCIAL OUTREACH PROGRAMS

The Community Realtions Grant Program establishes guidelines to guarantee that all in-kind donations and services not directly linked to healthcare are coordinated and aligned with the corporate mission. Subsidies are typically channeled to civic, social or educational programs to address the needs of the local communities where Grifols operates and build ties among the participating entities.

COLLABORATIONS WITH EDUCATIONAL PROGRAMS

Girls Today, Women Tomorrow: A mentorship and support program that fosters diversity and gender equality by offering leadership and development opportunities to girls living in inner cities. Grifols donated USD 5,000 to the program.

Grifols Summer Science Academy: Grifols employees organize a summer internship program in collaboration with California State University-Los Angeles that allows high school students to gain experience working in the company's laboratories.

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

Discover the Plasma Program: A collaborative effort joining Grifols, Johnston Community College and the Johnston Country Public School System to develop a science module called "Discover the Plasma" for middle-school students. The module would adapt to the county's science program curriculum.

OTHER COLLABORATIONS AND VOLUNTEER ACTIONS

Grifols has been working with **Habitat for Humanity** in the U.S. since 2014. This NGO organizes efforts to build simple yet dignified homes to improve the living conditions of those most in need and strengthen the fabric of local communities. The company donated USD 215,000 toward new homes and materials in several cities of California and in Wake County, North Carolina. More than 250 of Grifols' U.S.-based employees volunteered 4,160 hours of their time during 30 days of construction.

Grifols has collaborated with **Direct Relief**, organization that helps victims of natural disasters, for more than two years. In 2018, Grifols employees in the U.S. made a collective donation for victims of natural disasters, specifically those affected by hurricanes in the U.S. The company committed two separate corporate donations of $10,000 to support relief efforts in each area along with generous contributions from employees across the globe. In total, more than USD $33,000 USD was donated. 100% of donations went towards helping people impacted by these disasters.

Grifols has collaborated with the prestigious **Fullbright Scholarship Program** since 2013. Thanks to Grifols' contributions, Spanish scholarship recipients were able to pursue and finalize master's degrees in molecular medicine at the University of Maryland-Baltimore and in pharmaceutical sciences (Translational Medicine and Drug Discovery) at Boston's Northeastern University. Fulbright scholarships form part of an educational aid program sponsored by the U.S. State Department's Bureau of Educational and Cultural Affairs, governments of other countries and the private sector.

CORPORATE VOLUNTEER INITIATIVES IN SPAIN

A team of 200 Grifols' employees participated in the 5th Magic Line Solidarity Walk, organized by the Obra Social of the Sant Joan de Deu Hospital in Barcelona. Volunteers organized several initiatives that raised EUR 14,000, which were matched by the company. These funds will benefit a number of projects, including laboratory materials for research on childhood diseases, home visits for people at risk of social exclusion, and therapies for people with mental-health conditions or dependency issues.

Meanwhile, another Grifols team participated in the "Santander Cursa de les Empreses," a run held in December 2018 in Barcelona. Including a total of 52 Grifols employees, the experience was shared within the framework of the CORREAMBMI Project, an organization that promotes sports, integration and solidarity.

AIGÜES DE VILAJÜIGA, GRIFOLS' COMITMENT TO PRESERVE THE LEGACY OF MEDICINAL WATER

Aigües de Vilajuïga is a century-old firm with one of Spain's two natural water springs. Grifols' share in Aigües de Vilajuïga allowed the business to move forward and avoid its imminent closure, as well as contributing to the social fabric of the Vilajuïga community.

Preserving an unique heritage

It all started in the small village of Vilajuïga, where a (seemingly) modest well supplied a particularly unique type of water to the villagers. They knew there was something special about this water, and they ascribed it mineral and medicinal properties. On July 15, 1904 Aigües de Vilajuïga was declared a mineral water fit for medicinal purposes.

Thanks to its unique qualities, Aigua de Vilajuïga rapidly became popular. Sales and exports grew exponentially, even reaching as far as the Americas. In 1929, the success of Aigües de Vilajuïga was rewarded with a gold medal at the World's Fair in Barcelona, and in subsequent years the water went on to become an object of exaltation and praise for internationally renowned Catalan artists such as Josep Pla, Salvador Dalí and Ferran Adrià.

When Víctor Grífols heard that Aigües de Vilajuïga was going to close its doors after 114 years of history, his family ties and emotional connection to the region compelled him to do everything possible to protect the water and continue production, so that the people of Vilajuïga – and everyone who loved this unique and remarkable water – could continue to enjoy it for another 114 years (at least).

3.5 EXCELLENCE

We are convinced that our operations must be efficient and respectful of the environment. Long-term growth is impossible without sustainability

EUR 18 MILLION ALLOCATED TO ENVIRONMENTAL INITIATIVES

GRIFOLS AIMS TO SHIFT TOWARD MORE ECO-FRIENDLY REFRIGERANTS

THE MAIN TARGETS OUTLINED IN GRIFOLS' ENVIRONMENTAL PLAN HAVE BEEN REACHED

63% OF RESOURCES WERE ALLOCATED TOWARD WASTE MANAGEMENT; 32% RELATED TO MANAGING THE WATER CYCLE; AND THE REMAINING 5% WERE ALLOCATED TO REDUCING ATMOSPHERIC EMISSIONS, ENERGY AND OTHERS

INVESTMENTS AND EXPENDITURES

Grifols carried out notable investments in 2018 to improve its environmental performance and meet its 2017-2019 Environmental Program targets.

These investments focused primarily on reducing water consumption and emissions from refrigerant gases. Corporate investment in environmental assets reached EUR 2.7 million in 2018. Costs rose to EUR 15.5 million, compared to the EUR 13.6 million reported in 2017.

ENVIRONMENT COSTS

Thousands euros	2016	2017	2018
Waste	9,073.5	9,621.9	11,419.2
Water cycle	3,195.8	3,636.6	3,718.2
Atmospheric emissions and energy	186.1	54.7	74.2
Others	262.5	241.1	290.3
TOTAL	**12,717.9**	**13,554.3**	**15,501.9**

ENVIRONMENT INVESTMENTS

Thousands euros	2016	2017	2018*
Waste	389.2	420.8	52.6
Water cycle	2,064.4	4,002.2	2,084.6
Atmospheric emissions and energy	2,600.3	3,723.6	121.5
Others	96.8	347.9	474.0
TOTAL	**5,150.7**	**8,494.5**	**2,732.7**

* The difference compared to previous years derives from a change in accounting criteria for this type of investment. Previously, only the portion of the project carried out during the year was listed for accounting purposes; starting in 2018, the entire investment is recorded in the year the project is finalized.

GRIFOLS' ENVIRONMENTAL COMMITMENT

ENVIRONMENTAL MANAGEMENT

Grifols has various policies and guidelines that define and articulate its environmental management and guarantee an efficient use of available resources.

ENVIRONMENTAL POLICY

Defines the company-wide principles and commitments common to the entire company aimed at monitoring and improving Grifols' environmental impact.

ENERGY POLICY

Defines the company-wide principles to the entire company to optimize its energy resources.

CORPORATE ENVIRONMENT MANUAL

Reference manual applicable to all ISO-14001-certified manufacturing facilities or in process. It serves as a reference manual for the the company's environmental performance.

ENVIRONMENTAL PLAN

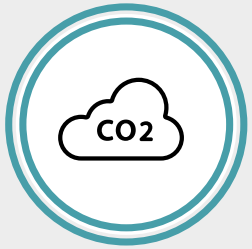
Defines the specific action lines for each business area. The 2017-2019 Environmental Plan is currently in force.

ENVIRONMENTAL COMMITTEES

Monitor the environmental management system of all Grifols' companies. Among other functions, they monitor the progress of environmental objectives, review of follow-up indicators, application of corrective measures and compliance with current legislation and identification of opportunities for improvement.

ENHANCING EFFICIENCY AND MINIMIZING RISK CONSTITUTE THE KEY ASPECTS

Grifols' environmental management seeks to optimize resource utilization and mitigate possible environmental risks generated by its operations, including:



ECO-EFFICIENCY

Integration of environmental criteria in the design system of projects, products and services to incorporate preventative and eco-efficiency measures that minimize the company's environmental impact. The R&D department, Engineering department and Grifols Engineering analyze and apply the most eco-efficient alternatives.

PREVENTION

Regular review of preventative measures in place to minimize adverse effects of each environmental risk identified by the company.

CONCRETE SELF-PROTECTION PLANS FOR EACH FACILITY

Definition of action plans in case of an environmental emergency and designation teams responsible for their implementation.

LEGAL COMPLIANCE

Compliance follow-up systems to ensure the proper identification of legal requirements applicable to each facility and allow evaluate periodic performance assessments.

COMMUNICATION

Promotion of communication channels between the company and stakeholders on environmental issues.

ENVIRONMENTAL CERTIFICATIONS: A GUARANTEE OF COMPLIANCE

Grifols' environmental management system is certified by ISO 14001, which ensures identification and compliance with applicable environmental legislation; knowledge of procedures and products with an environmental impact; and preventative measures to reduce environmental impacts.

Grifols' plants in Spain – except for Araclon, Progenika and Kiro Grifols – have been ISO-14001-certified since 2005, while the Clayton (North Carolina, U.S.) hemoderivatives plant was certified in 2016. In 2018, the company worked to earn certification for the Diagnostic Division's Emeryville plant (obtained in June) and initiated the certification process in the Bioscience Division plant in Los Angeles. All certified plants have adopted the new ISO 14001:2015 standard. To date, 75% of Grifols' total production is manufactured in ISO-14001-certified facilities.

In 2018, the Grifols' office building in Clayton was distinguished with the Leadership in Energy and Environmental (LEED) Award for its sustainable design.

GRIFOLS' 2017-2019 ENVIRONMENTAL PROGRAM OUTLINES THE COMPANY'S ENVIRONMENTAL OBJECTIVES AND SPECIFIC LINES OF ACTION TO BE ROLLED OUT IN THE GROUP'S DIVERSE FACILITIES

2017-2019 ENVIRONMENTAL PLAN

The following table lists the overall objectives of the 2017-2019 Environmental Program. The degree of fulfillment refers to the extent to which the objectives have been implemented.

2017-2019 OBJECTIVES

	ACHIEVEMENT STATUS OF SPECIFIC ACTIONS (2018 SITUATION)
ENERGY	
Reduce electricity consumption by 2.06 million kWh per year in selected existing facilities	15.1%
Reduce electric energy demand in new facilities by 6.2 million kWh per year	44.9%
Decrease thermal energy consumption in selected existing buildings by 19.7 million kWh per year	99.4%
Reduce the demand for natural gas in the construction of new facilities by 0.92 million kWh per year	25.3%
WATER	
Reduce water consumption by 265,000 m^3 per year in selected existing facilities	36.0%
WASTE	
Reduce the volume of waste by 450 metric tons per year in selected facilities	79.5%
Increase the recycling of waste by 270 metric tons per year in selected facilities	100% - COMPLETED
CONSUMPTIONS	
Reduce the consumption of raw materials in selected facilities	16.7%
OTHERS	
Standardization of the Environmental Management System in selected production facilities	78.0%
Reduce gases emissions into the atmosphere in selected facilities	38.0%
Environmental awareness in selected facilities	100% - COMPLETED

NEW OBJECTIVES AND TARGETS FOR 2018

ENERGY	
Continuity on projects aimed to decrease electrical consumption by more than 800,000 kWh per year in current installations	- Increase in number of energy audits in manufacturing centers (Ireland) and subsidiaries (Germany and France) - Decrease electrical consumption in cooling capacity systems in Bioscience Division installations (Barcelona) - Modelling for electrical consumption of air conditioning in headquarters (Barcelona)
Projects to decrease natural gas consumption by 4.1 million kWh per year in existing installations	Enhance efficiency of heaters and condensation recovery systems in the Bioscience Division installations (Barcelona and Clayton)
Optimization of natural gas consumption	Installation of a high-efficiency heater in the Bioscience Division's installations in Ireland. Estimated savings of 1.12 million kWh per year compared to a conventional heater
WATER	
Reduction in water consumption per year by 6,500 m^3	Installation of water and condensation recovery systems in Bioscience Division installations (Clayton)
ATMOSPHERIC EMISSIONS	
Incorporation of new cold gas refrigerant installations with lower GWP or GWP=0 (Global Warming Potential)	
Study on installation of solar-energy plants in Hospital Division (Murcia) and Bioscience Division (Clayton) in facilities	

LIKE THE REST OF THE PROGRAM'S OBJECTIVES, THE NEW GOALS ARE SUPPORTED BY CONCRETE TARGETS, HUMAN AND FINANCIAL RESOURCES, AND DEADLINES

Grifols' Environmental Program describes its targets and objectives in greater detail and is available on its corporate website:
https://www.grifols.com/es/the-environment
https://www.grifols.com/es/corporate-responsibility-report

GRIFOLS FOLLOWS SPECIFIC PROCEDURES IN THE R&D PHASE OF NEW PRODUCTS AND PROCESSES TO IDENTIFY FUTURE ENVIRONMENTAL ASPECTS AND APPLY ECO-EFFICIENCY CRITERIA TO REDUCE THEIR POTENTIAL IMPACT

RAW MATERIALS CONSUMPTION

BIOSCIENCE DIVISION

Absolute value in tons (T)	2018
Sorbitol	1,994
Ethanol	2,781
Polyethylene glycol	2,245
Glass packaging	325
TOTAL (T)	**7,345**

Plasma is the main raw material consumed by the **Bioscience Division**. Ethanol, polyethylene glycol and sorbitol, among others, are used during the fractionation and purification processes of diverse plasma proteins. In 2018, 70.8% (66.7% in 2017) of ethanol consumed was recovered in distillation towers and reutilized in Grifols' installations.

DIAGNOSTIC DIVISION

Absolute value in tons (T)	2018
PP plastic cards	248
Glass containers	20
Plastic reagent containers	23
PVC pellets, flat tubes and sheets	573
TOTAL (T)	**864**

The main raw material to manufacture DG Gel® **diagnostic** cards is plastic. As well as the consumption of circuit boards in the manufacture of machines (31,991 units in 2018) and red cell reagents for diagnostic kits (274,034 liters in 2018). PVC is also used to manufacture storage and collection bags for blood components.

HOSPITAL DIVISION

Absolute value in tons (T)	2018
PP, pellets and flat tubes	618
Glucose	206
Sodium chloride	212
Glass packaging	800
TOTAL (T)	**1,836**

In 2018, **polypropylene** used to manufacture bags for intravenous solutions was the primary raw material consumed by the **Hospital Division**. Its other raw materials are used to produce saline solutions, glucose solutions and packaging.

384 MILLION KWH CONSUMED IN 2018 WERE RELATED TO PRODUCTION INCREASES

ENERGY CONSUMPTION

ELECTRICAL CONSUMPTION

In 2018, Grifols consumed a total of 384 million kWh, compared to 353.6 million kWh in 2017. This increase was driven primarily by an upturn in production.

The Bioscience Division represented 86.8% (86.4% in 2017) of Grifols' total electricity consumption in 2018. This increase in absolute values derives from production increases and the expansion of the plasma donation network.

The Diagnostic Division's share of the total electricity consumption totaled 8.9% (9.3% in 2017). In absolute values, the division's consumption totaled 34.3 million kWh, a 5% year-on-year increase.

The remaining 4.3% corresponds to the Hospital Division (same as in 2017). It consumed 16.4 million kWh in absolute terms (15.3 million in 2017), denoting a 7% increase, yet still lower than its 16% increase in production. The division's decision to relocate most of its operations to a newer, more energy-efficient plant in Murcia, Spain led to this improvement.

In terms of renewable energy, Spain, Ireland and Italy collectively consumed 4.9 million kWh.

BY DIVISION

kWh	2016	2017	2018
Bioscience	303,698,495	305,509,272	333,293,034
Diagnostic	24,020,385	32,816,148	34,367,035
Hospital	14,371,821	15,296,445	16,380,793
TOTAL	**342,090,701**	**353,621,865**	**384,040,862**
Aigües de Vilajuïga	-	-	6,716
TOTAL	**342,090,701**	**353,621,865**	**384,047,578**

CONSUMPTION VALUE RELATIVE TO SALES

kWh/million of euros	2016	2017	2018
Bioscience	94,075	89,076	94,774
Diagnostic	36,176	44,808	48,937
Hospital	145,784	144,786	137,131

CONSUMPTION VALUE RELATIVE TO PRODUCTION

kWh/Production index	2016	2017	2018
Bioscience*	7.54	7.21	7.65
Diagnostic**	36,176.00	44,808.00	48,937.42
Hospital***	0.71	0.71	0.66

Production index: * liters of plasma: fractionted+ equivalent ** sales *** liters dosed and filed

BY COUNTRY

kWh	2016	2017	2018
Spain	79,217,567	86,097,839	89,577,371
U.S.	256,155,247	259,779,306	281,689,624
Rest of the World	6,717,887	7,744,720	12,780,583
TOTAL	**342,090,701**	**353,621,865**	**384,047,578**

NATURAL GAS CONSUMPTION

The Bioscience Division accounts for 86.5% (87.5% in 2017) of Grifols' natural gas consumption. Of this, 25% originates from its cogeneration plant. The division's consumption in absolute values increased by 5% as a result of higher manufacturing and plasma donors centers levels, representing a 1% increase relative to production.

The Diagnostic Division increased its consumption of natural gas by 24% as a result of validations in the new Emeryville plant. The Hospital Division maintained similar consumption levels despite an increase in production after shifting most of its operations to a more energy-efficient plant in Murcia.

By country, Spain and the United States – where most of the Bioscience Division's manufacturing activities are located – accounted for the majority of Grifols' electricity and natural gas consumption.

GRIFOLS' MANUFACTURING OPERATIONS ARE LOCATED PRIMARILY IN THE U.S. AND SPAIN, WHICH ACCOUNT FOR MOST OF THE GROUP'S ENERGY CONSUMPTION

CONSUMPTION VALUE RELATIVE TO SALES

kWh/million of euros	2016	2017	2018
Bioscience	104,295	99,982	102,000
Diagnostic	19,303	38,570	50,051
Hospital	200,459	193,580	174,846

CONSUMPTION VALUE RELATIVE TO PRODUCTION

kWh/Production index	2016	2017	2018
Bioscience*	8.4	8.1	8.2
Diagnostic**	20,101.9	38,570.1	50,051.4
Hospital***	1.0	1.0	0.8

Production index: * liters of plasma: fractionted+ equivalent ** sales *** liters dosed and filed

BY DIVISION

kWh	2016	2017	2018
Bioscience	336,692,316	342,916,221	358,704,138
Diagnostic	13,347,316	28,247,569	35,149,360
Hospital	19,761,841	20,451,580	20,886,079
TOTAL	**369,801,473**	**391,615,370**	**414,739,577**

BY COUNTRY

kWh	2016	2017	2018
Spain	156,748,478	154,056,817	158,062,145
U.S.	212,497,122	237,076,751	256,257,930
Rest of the World	555,873	481,802	419,502
TOTAL	**369,801,473**	**391,615,370**	**414,739,577**

CONSUMPTION OF OTHER FUELS

The Bioscience Division also consumes other fuels such as diesel, gasoline and propane for its power generators, equipment and own vehicles, although to a lesser extent than natural gas. The division consumed 8,306 MWh in 2018, a 6% increase compared to 2017 due primarily to higher diesel consumption.

COGENERATION PLANT

The Bioscience Division's installations in Barcelona are equipped with a 6.1 MW cogeneration plant. It generates electricity that is sold back to the grid and useful heat is utilized in Grifols installations. In 2018, the cogeneration plant contributed a Primary Energy Saving (PES) of 17.6% and a reduction in CO_2 emissions of 3,492 tons compared to emissions generated by conventional plants.

COGENERATION PLANT FIGURES

kWh	2016	2017	2018
Natural gas consumed (kwh)	101,044,947	85,979,380	89,417,050
Total electricity generated (kwh)	37,802,940	35,024,990	32,984,680
Useful heat recovered (kwh)	27,335,440	23,134,790	25,266,980
Global output	71.5%	68.0%	71.6%
Primary Energy Saving (PES)	18.9%	17.0%	16.2%
CO_2 emissions (t)	18,101	15,612	16,315
CO_2 emissions savings (t)	3,416	3,277	3,158

Energy data were verified by TÜV. Emissions savings have been calculated following the basis of the European Union Emission Trading Scheme EU ETS.

REDUCING WATER CONSUMPTION IN THE EXISTING FACILITIES BY 265,000 M³ PER YEAR IS ONE OF THE OBJECTIVES OF GRIFOLS ENVIRONMENTAL PLAN

WATER CYCLE

WATER CONSUMPTION

Grifols reported 3,320,383 m³ in total water consumption in 2018, 1.8% upturn compared to 2017. The Bioscience Division increased its water consumption proportionate to production increases, as the indicators reflect. The Diagnostic Division decreased its consumption by 12% in 2018. The Hospital Division's water consumption remained stable despite a significant production increase thanks to its decision to relocate a large share of its operations to a more resource-efficient plant in Murcia.

Grifols operates in three geographic areas prone to water shortages. As a result, the company applies preventive measures when designing new facilities and modifies existing facilities to reduce water consumption. These measures include recovering water used in production processes for auxiliary purposes, automating processes to ensure water conservation, and reducing the amount of water used to clean reactors through automated CIP cleaning systems. Approximately 21% of the water consumed takes places in hydric stress regions, corresponding to 17% of reported installations. In addition, the company invested EUR 2 million in R&D projects that contribute to reduce water consumption and therefore mitigate the risk of hydric stress in these facilities.

Within the framework of its Environmental Plan, Grifols aimed to reduce its water consumption in the existing facilities by 265,000 m³ per year. As part of this objective, the company has to decrease its water consumption in hydric stress[1] regions by 29,070 m³.

1. Defined by the World Resources Institute as high-risk and extremely high-risk regions.

BY DIVISION

m³	2016	2017	2018
Bioscience	2,647,999	2,893,576	3,059,184
Diagnostic	85,405	202,039	177,106
Hospital	178,135	167,401	84,093
TOTAL	**2,911,539**	**3,263,016**	**3,320,383**
Aigües de Vilajuïga	-	-	1,186
TOTAL	**2,911,539**	**3,263,016**	**3,321,569**

In terms of water sources, 92% of the water consumed came from water mains and 8% from wells located in the Barcelona production facilities.

There were no reported economic sanctions of non-compliance regarding permits, rules or regulations on the quality or quantity of water.

CONSUMPTION VALUE RELATIVE TO SALES

m³/million of euros	2016	2017	2018
Bioscience	820	844	846
Diagnostic	129	276	252
Hospital	1,807	1,585	1,411

CONSUMPTION VALUE RELATIVE TO PRODUCTION

m³/production index	2016	2017	2018
Bioscience*	0.066	0.068	0.068
Diagnostic**	128.6	275.8	252.2
Hospital***	0.009	0.008	0.007

Production index: * liters of plasma: fractionted+ equivalent ** sales *** liters dosed and filed

BY COUNTRY

m³	2016	2017	2018
Spain	868,780	814,584	861,075
U.S.	2,024,097	2,411,806	2,434,000
Rest of the World	18,662	36,626	26,494
TOTAL	**2,911,539**	**3,263,016**	**3,321,569**

WASTEWATER

Wastewater is purified in proprietary or municipal treatment systems and discharged into the public sewage system.

In 2018, 2,647,969 m^3 of wastewater was discharged into the public sewage system. Of the water consumed, 79.9% became wastewater and the remaining 20.3% was used in auxiliary processes that do not generate industrial discharge, such as the cooling towers, or incorporated into the product during the manufacturing process.

The Bioscience Division's facilities in Barcelona and Clayton treat wastewater in-house with biological systems prior to discharge.

WASTEWATER TREATED IN THE BARCELONA AND CLAYTON FACILITIES

m^3	2016	2017	2018
Treated wastewater	803,128	954,625	993,245

MITIGATING CLIMATE CHANGE

EMISSIONS

Grifols calculated its carbon footprint to identify the greenhouse gas emissions generated by its operations and their impact on the climate change.

Calculations follow the Greenhouse Gas Protocol (GHG Protocol) methodology, international standard used to measure and report greenhouse gas emissions. In accordance with this methodology, emissions are categorized into three distinct scopes:

SCOPE 1

Direct emissions generated by the activity itself, mainly through consumption of natural gas and other fuels and emissions from the leakage of refrigerants.

SCOPE 2

Indirect emissions from electricity consumption.

SCOPE 3

Other indirect emissions: business travel, employee commuting, container transportation, waste management and container transportation.

TOTAL EMISSIONS BY ORIGIN

T CO_2e	2016	2017	2018	Variation
Scope 1	92,644	103,045	98,043	-4.9%
Natural Gas	67,369	71,344	75,556	5.9%
Fugitive Emissions	24,744	29,513	19,975	-32.3%
Other Fuel (Gasoline, diesel and propane)	531	2,188	2,512	14.8%
Scope 2	122,508	112,481	120,493	7.1%
Electricity	122,508	112,481	120,493	7.1%
Scope 3	70,653	79,155	77,388	-2.2%
Employee Commuting	33,547	40,070	40,076	0.0%
Business Travel	16,054	16,788	12,535	-25.3%
Waste Management	13,827	15,338	16,112	5.0%
Container Transportation	7,225	6,959	8,665	24.5%
Total	**285,805**	**294,681**	**295,924**	**0.42%**

TOTAL EMISSIONS (%)

	Spain	U.S.	ROW
Scope 1	32%	65%	3%
Scope 2	13%	84%	3%
Scope 3	19%	73%	8%

THE COMPANY'S EFFORTS OVER THE LAST YEARS HAVE LED TO A 26% REDUCTION IN REFRIGERANT GAS LEAKS

Refrigerant gas leaks fell by 26% compared to 2017. The company has dedicated significant resources in recent years to reduce refrigerant gas leaks, especially in its U.S. Bioscience Division facilities. The 2017-2019 Environmental Program also includes several objectives for the Bioscience Division's facilities in Spain aimed at replacing refrigerant installations for others whose refrigerant gas has lower or zero GWP, depending on the equipment.

Atmospheric emissions of other contaminants like NOx, CO and SO_2 are generated by natural gas combustion in production-center boilers and by fuel used in electric generators.

Total emissions of these compounds generated in Grifols' production plants are below the limits established by the relevant environmental authorities.

ATMOSPHERIC EMISSIONS

T (absolute value)	2016	2017	2018
NOx (t)	68.0	68.3	66.5
CO (t)	11.5	58.5	58.5
SO_2 (t)	1.0	1.2	1.4

REFRIGERANT GAS LEAKS

T (absolute value)	2016	2017	2018
HCFC (t)	1.68	0.28	0.34
HFC (t)	6.18	7.93	5.75
Others (t)	0.01	0.01	0.01

CO_2 EMISSIONS INTENSITY

T/CO_2 e/millions of euros	2016	2017	2018
Total Grifols	72.4	69.3	66.6

CLIMATE RISKS AND OPPORTUNITIES

Every year, Grifols participates in the Carbon Disclosure Project (CDP), earning a "B" rating in the 2018 Climate Change Report. In accordance with the recommendations made by the Task Force on Climate-Related Financial Disclosure (TCFD), the company considers climate risks and opportunities in several different realms:

GOVERNANCE

At Grifols, the governance of matters relating to managing risks and opportunities (including those derived from climate change) is led by the Board of Directors. In addition, the Environmental Committee meets twice a year to monitor the company's performance on environmental issues, including those concerning climate change.

STRATEGY

Grifols integrates climate-related considerations in its business strategy. As outlined in the section "Grifols' Commitment with the Environment," the company focuses its efforts on the efficient use of resources and minimizing potential environmental impacts resulting from its operations.

RISK MANAGEMENT

Climate risk management is integrated into the company's multidisciplinary risk management systems.

Grifols has a standard operating procedure to identify, evaluate and prioritize diverse environmental risks, including climate-related risks. This procedure assesses the probability and severity of potential risks, taking into account the current preventative measures established by the company.

Based on the results of this analysis, Grifols defines improvement actions, necessary actions or urgent actions in order to mitigate associated risks.

METRICS AND TARGETS

In accordance with its corporate strategy, Grifols has developed the aforementioned 2017-2019 Environmental Program, which includes specific emissions-reduction targets and their corresponding monitoring indicators. These objectives are communicated to employees to raise awareness and promote organization-wide involvement.

WASTE

Grifols' waste management strategy prioritizes preventing and reducing waste and encourages recovery whenever possible as alternatives to landfills or incineration. Grifols reinforced its commitment to waste management treatments in 2017 by leading initiatives such as recycling, anaerobic digestion and energy recovery.

Grifols generated a total of 41,223 metric tons of waste in 2018, a 9% increase over 2017. The Bioscience Division noted the greatest increase as a result of higher production levels and waste generated from the construction of two new plants in its North Carolina complex. The expansion of the plasma donation network also contributed to higher waste volumes. The volume of recovered waste in 2018 totaled 17,265 metric tons, which represents 41.2% of the total waste generated.

Grifols participates in various waste management programs. In Spain, it takes part in the SIGRE program, which manages packaging and waste of household medicines, as well as in ECOASIMELEC, which oversees the appropriate handling and recycling of waste from electric and electronic equipment. Other European Grifols subsidiaries follow the waste management systems authorized in their respective countries. In Chile, Grifols collaborates with Recycla to collect and recycle electric and electronic equipment. In North Carolina, the Bioscience Division collaborates with suppliers to recycle the products they provide.

WASTE GENERATED BY CATEGORY AND TREATMENT (ABSOLUTE VALUE)

T	TREATMENT	2016	2017	2018
Total weight of hazardous waste (t)	Energy recovery and by-products	1,476	1,707	2,093
	Reused and recycled	2,440	2,706	2,963
	Disposed of	3,935	4,275	5,007
Total weight of non-hazardous waste (t)	Energy recovery and by-products	3,971	5,138	4,762
	Composted	394	29	50
	Reused and recycled	4,407	5,494	7,402
	Others	869	0*	0*
	Disposed of	14,258	15,974	18,947
Others (non-hazardous/hazardous waste) (t)	Disposed of	2,135	2,648	0*
Total		**33,885**	**37,971**	**41,224**

* Waste classed as "Others" in prior years has been allocated to other categories.

TOTAL RELATIVE VALUE

T/millions of euros	2016	2017	2018
TOTAL	**8.37**	**8.79**	**9.27**

ABSOLUTE VALUE BY DIVISION

T	2016	2017	2018
Bioscience	32,152	36,233	38,909
Diagnostic	745	762	810
Hospital	988	976	1,505
TOTAL	**33,885**	**37,971**	**41,224**

BY COUNTRY

T	2016	2017	2018
Spain	5,363	5,180	6,237
U.S.	28,142	32,313	34,148
Rest of the World	380	478	839
TOTAL	**33,885**	**37,971**	**41,224**

3.6

TEAMWORK

We create a great team and explorate a new ways for those who work at Grifols having the opportunity for personal and professional growth

TALENT POOL

21,230

59% women

TRAINING

2.5

million hours

GRIFOLS IS GRADUALLY REDUCING ITS GENDER PAY GAP

GRIFOLS' TALENT POOL

Grifols has been able to balance growth and internationalization, while staying true to its fundamental values. The company's recognition of the importance of its workforce as a primary driver of corporate success illustrates this core tenet.

The company advocates an equal-opportunity policy in its selection processes, training initiatives, remunerations, promotions and professional development efforts, while at the same time fostering an environment of diversity, inclusion, equal opportunity and non-discrimination. This approach allows Grifols to attract and retain high-caliber professionals who are committed to the research, development, production and commercialization of products that enhance the health and well-being of patients worldwide.

POLICIES AND GUIDELINES

SELECTION PROCESSES

Selection processes follow Grifols Recruiting Policy to guarantee systematic hiring procedures that comply with current legal frameworks and support corporate values. Grifols bases its talent search on criteria including professional profile, functional profile, motivation and growth potential.

REMUNERATION PHILOSOPHY

Remuneration philosophy is a competitive pay packages and compensates employees who support the company's ongoing development and demonstrate solid individual and professional performance. As established in its corporate policies, each country offers remuneration and benefit systems adapted to its specific region.

PROFESSIONAL DEVELOPMENT

Grifols Performance System or GPS is a **professional development tool.** Employees are invited to carry out an annual performance review using this systematic process, which assesses their attitudes, performance and behaviors within the framework of Grifols' corporate values. The GPS allows employees to examine their strengths and areas for growth and co-create individual growth tracks and professional development plans.

EMPLOYEE EDUCATION

Employee education is an essential part of Grifols' professional development efforts. Grifols strives to continuously train its talent pool with the skills and competencies they need to successfully perform their jobs and prepare for roles of greater responsibility in the future. The company established "The Grifols Academy" in 2009 to enhance the skillset and leadership potential of its talent pool and cultivate dynamic forums for learning and knowledge-sharing.

AN EVER-EXPANDING TEAM

In 2018, Grifols' workforce comprised 21,230 employees, growing more than 16% over the previous year (18,296 employees in 2017).

The number of women increased across all professional categories, especially in professional positions (+37%), to 1,379 women; management (+25%) to 590 women; and top management (+24%) to 172 women.

THE CONTINUOUS GROWTH AND DEVELOPMENT OF OUR WORKFORCES DRIVES OUR CORPORATE SUCCESS

GRIFOLS' TALENT POOL AT A GLANCE IN 2018

TOTAL TALENT POOL
21,230
+16%

WOMEN
59%

MEN
41%

PERMANENT CONTRACTS
98.3%

AGE 30-50 YEARS
51.7%

WORK FULL TIME
93.8%

GRIFOLS MAKES NO DISTINCTION BETWEEN MEN AND WOMEN

WOMEN/ PERM. CONTRACTS
98.7%

WOMEN/ FULL TIME
92.4%

WOMEN/ PROFESSIONALS
1,379
+37%

WOMEN/ MANAGEMENT
590
+25%

WOMEN/ TOP MANAGEMENT
172
+24%

WORKFORCE DISTRIBUTION BY COUNTRY

	2018
Spain	3,858
U.S.	15,299
Rest of the World	2,073
Total	**21,230**

WORKFORCE DISTRIBUTION BY GENDER AND TYPE OF CONTRACT

	2017			2018		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Women	10,329	186	10,515	12,402	164	12,566
Men	7,548	233	7,781	8,464	200	8,664
Total	**17,877**	**419**	**18,296**	**20,866**	**364**	**21,230**
%	97.7	2.3	100	98.3	1.7	100

WORKFORCE DISTRIBUTION BY AGE

	2018
<30	6,528
30-50	10,988
>50	3,714
Total	**21,230**

WORKFORCE DISTRIBUTION BY GENDER AND PROFESSIONAL CATEGORY

	2017			2018		
	Women (%)	Men (%)	Total	Women (%)	Men (%)	Total
Top management	29	71	472	32	68	542
Senior management	40	60	490	41	59	495
Management	44	56	1,074	48	52	1,224
Senior Professionals	45	55	1,631	47	53	1,816
Professionals	51	49	1,978	56	44	2,474
Administrative staff/ Manufacturing operators	63	37	12,651	64	36	14,679
Total	**57**	**43**	**18,296**	**59**	**41**	**21,230**

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE, AGE AND GENDER

	<30	30-50	>50	Women	Men
Top management	1%	40%	59%	32%	68%
Senior management	0%	59%	41%	41%	59%
Management	2%	63%	35%	48%	52%
Senior professional	6%	69%	25%	47%	53%
Professional	15%	67%	18%	56%	44%
Administrative staff/Manufacturing operators	41%	46%	13%	64%	36%
Total	**31%**	**52%**	**17%**	**59%**	**41%**

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE AND GENDER

	2017			2018		
	Full time	Part time	Total	Full time	Part time	Total
Women	9,861	654	10,515	11,610	956	12,566
Men	7,571	210	7,781	8,306	358	8,664
Total	**17,432**	**864**	**18,296**	**19,916**	**1,314**	**21,230**
%	95.3	4.7	100	93.8	6.2	100

DIVERSITY, INCLUSION, EQUAL OPPORTUNITIES AND NON-DISCRIMINATION: CORE ASPECTS

GENUINE INCLUSIVENESS VALUES DIVERSITY. AT GRIFOLS, THE UNIQUE QUALITIES AND ABILITIES OF EACH EMPLOYEE ENRICH OUR CORPORATE CULTURE AND ENHANCE OUR PERFORMANCE

The diversity reflected in Grifols' workforce is grounded on respect for individual characteristics including ethnicity, race, gender, age, physical appearance and ability/disability, as well as other issues like attitudes, religion, beliefs, education, nationality and background. Diversity also encompasses sexual orientation, marriage and civil unions, gender identity and/or expression and other personal aspects.

Grifols is proud of the diverse talents and abilities reflected in its global talent pool. The sum of employees' individual differences, life experiences, knowledge, singular abilities and talents undoubtedly enrich Grifols' corporate culture and boost organizational outcomes.

The company's efforts to maintain a discrimination-free workplace resulted in only 33 incidents of discrimination in 2018 out of a total of 21,230 employees. In 2017, there were 48 incidents out of 18,296 employees.

These claims were thoroughly reviewed and analyzed. Although none was deemed discriminatory in legal terms, measures were taken to ensure a discrimination-free environment, including warnings, counseling, training and good practices.

DIVERSITY AT A GLANCE IN 2018

RACIAL DIVERSITY IN THE U.S.

CAUCASIAN: 43.3%
HISPANIC: 22.0%
AFRICAN-AMERICAN: 21.5%
ASIAN: 5.8%
HAWAIIAN/PACIFIC ISLANDERS: 0.4%
NATIVE AMERICAN/ALASKA NATIVE: 0.6%
TWO OR MORE RACES: 4.4%
UNSPECIFIED: 2.0%

GENDER DIVERSITY

59% OF GRIFOLS' WORKFORCE ARE WOMEN
32% OF SENIOR MANAGEMENT ROLES ARE WOMEN AND
31% OF THE BOARD OF DIRECTORS' MEMBERSHIP ARE WOMEN.

DIVERSITY BY AGE REPRESENTATION

31% WERE YOUNGER THAN 30 YEARS OLD
52% WERE BETWEEN 30 AND 50 AND 18% WERE OLDER THAN 50.

DIVERSITY INCLUDES HIRING PEOPLE WITH DISABILITIES

The company is committed to hiring individuals with disabilities and adopts alternative measures only when their hiring is not feasible for technical or organizational reasons, as established in the General Disability Law applicable to Spanish public and private companies.

Grifols promotes universal access to people with disabilities, including the removal of architectural barriers. The company's new buildings and installations comply with current legislation and necessary structural reforms are carried out whenever necessary to guarantee access to people with reduced mobility.

In 2018, 461 people with some type of disability formed part of Grifols' workforce (61 in Spain and 400 in the U.S.[1]).

1. Biotest US and Goetech are not included in this indicator.

EQUAL OPPORTUNITIES

GRIFOLS' EQUALITY PLAN PROMOTES ACTIVITIES THAT SUPPORT THE FUNDAMENTAL PRINCIPLES OUTLINED IN THE CODE OF CONDUCT AND CODE OF ETHICS FOR EXECUTIVES

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

The company has equal-opportunity programs in alignment with its policy of non-discrimination and equal opportunity.

As outlined in Grifols' Equality Program, the Equality Committee is responsible for monitoring the system, including periodical and objective evaluations. Launched in 2014, the program entails the following:

- Dissemination of the Equal Treatment and Opportunities Program.
- Incorporation of training activities on equality issues in Grifols' Professional Development Plans.
- Consolidation of the positive action measures by which preference is given to candidates of the under-represented sex in the professional area or segment in question, all other issues being equal, i.e. competencies, skill and suitability.
- Dissemination of actions aimed at increasing awareness to prevent sexual and gender-based harassment throughout the organization and roll-out of a harassment prevention protocol.
- Flexible working conditions and work-life balance initiatives.
- Training initiatives to raise awareness and encourage the use of inclusive language.

These actions align with the core principles established in Grifols Code of Conduct and Code of Ethics for Executives.

Currently, the company continues to focus on a range of areas of intervention. These include actions to advance equalitarian organizational management; increase female representation in management bodies; contribute to eliminating wage gaps in positions of equal value; promote flexible work and work-life balance policies; and ensure internal and external communications use inclusive language and convey a gender-neutral approach, as established in the company's official information channels on equal opportunities and the importance of language.

LABOR ORGANIZATION AND WORK-LIFE BALANCE

Effective equality is promoted through work-life balance measures that allow employees to reconcile their professional and personal commitments. Grifols continues to integrate work-life balance policies in the organization. In 2018, the company rolled out two important measures: A Friday workday of 8 a.m.-3 p.m. in Grifols' centers in Spain for employees with standard business hours; and the option of dividing up one vacation day per year. In the U.S., all vacation days may be divided into half-day allotments. Grifols does not dispose of "right to disconnect" policies.

GRIFOLS' EFFORTS HAVE LED TO A GRADUAL DECREASE IN THE WAGE GAP, WHICH IS BELOW INTERNATIONAL BENCHMARKS IN EVERY PROFESSIONAL CATEGORY

GENDER PAY GAP

The gender pay gap refers to the salary differential between men and women, calculated as the difference between the average salaries of both genders divided by the average salary of men.

Grifols provides gender-gap information per professional category of its workforce in Spain and the United States, which together account for more than 90% of its workforce.

The last report published by the World Economic Forum (WEF) recorded a gender pay gap index of 68% globally. This means that, on average, there is still a gap of 32% to close. To date, no country has reached parity and only seven countries have closed at least 80% of the gap. In Spain, the latest available data from the EU statistics agency Eurostat[1] places the gender gap adjusted per hour at 14.2%.

In the United States, the U.S. Census Bureau reported that full-time female employees receive, on average, 80% of salaries paid to male employees. The OECD[2], on the other hand, data places the gender gap at 18.2%.

Grifols is committed to effective equality, defined as equal pay for work of equal value. The data reported in 2018 highlight the company's efforts to gradually reduce the gap across all professional categories.

GENDER PAY GAP BY PROFESSIONAL CATEGORY IN SPAIN

Job Category	2017	2018
Top management	27.1%	13.8%
Senior management	9.3%	5.4%
Management	12.3%	9.7%
Senior professional	9.7%	9.0%
Professional	8.5%	6.3%
Admin./Manuf. Operators	3.3%	2.8%

GENDER PAY GAP BY PROFESSIONAL CATEGORY IN THE U.S

DONORS CENTERS	2017	2018
Top management	11.6%	3.0%
Senior management	3.9%	1.2%
Management	1.1%	9.5%
Senior professional	1.5%	3.3%
Professional	6.0%	6.8%
Admin./Manuf. Operators	-1.5%	0.0%

OTHERS ACTIVITIES	2017	2018
Top management	15.8%	11.3%
Senior management	2.9%	1.6%
Management	4.7%	4.5%
Senior professional	2.2%	2.6%
Professional	3.1%	5.2%
Admin./Manuf. Operators	4.2%	4.7%

1. Source: Eurostat 2016. https://ec.europa.eu/eurostat/web/equality/overview.
2. Source: *Organisation for Economic Co-operation and Development.* Gender Wage Gap OECD, 2017

Salary differences between men and women are often indicative of the company's organizational structure. In the case of Grifols, there are proportionately more women than men in plasma collection centers and, proportionately, more men than women in senior management roles. The gender pay gap is largely attributable to this organizational profile.

The company is committed to gradually closing the gap, starting with plans in 2019 to better understand its root causes. Based on this analysis, the company will update its action plan and implement solutions that are practical and beneficial for Grifols' talent pool.

SALARY GAPS BETWEEN MEN AND WOMEN REFLECT THE ORGANIZATIONAL STRUCTURE OF COMPANY, WHICH CONTINUES ITS EFFORTS TO ACHIEVE PAY EQUALITY

U.S. ANTI-DISCRIMINATION POLICY

The company complies with the Office of Federal Contract Compliance Programs (OFCCP) of the U.S. Department of Labor, which requires employers like Grifols to take active steps to ensure equal-opportunity employment and prevent discrimination based on race, gender and disability, among other aspects. These Affirmative Action Plans (AAPs) apply to companies with more than 50 employees with the objective of promoting employment opportunities for women and legally protected minority groups.

In 2018, Grifols' AAPs led to 96 concrete action plans, a 40% increase compared to 2017 (57 action plans).

BUILDING CLOSE CONNECTIONS WITH UNIVERSITIES AND EDUCATIONAL CENTERS AND OFFERING COMPETITIVE SALARY PACKAGES ARE CORE ELEMENTS OF GRIFOLS' RECRUITMENT AND TALENT RETENTION

TALENT MANAGEMENT

TALENT RECRUITMENT AND RETENTION

Grifols' success depends on its ability to attract and retain qualified professionals who align with the corporate culture and contribute their expertise to address current challenges.

The company's global expansion, growth and generational renewal all underscore the vital need of a solid human resources strategy capable of attracting, retaining and developing talent.

Grifols' presence on university campuses is crucial to attracting exceptional talent. One of the most important components of this strategy is the Graduate Talent Program, an endeavor that allows the company to deepen its connections with schools and universities. In 2018, the program expanded its efforts in Spain, the United States and Ireland.

The company's remuneration approach and the Grifols Performance System (GPS) promote talent retention. In 2018, Grifols implemented a business performance calibration and succession plan through the SuccessFactors platform, designed to enable Managers to develop talent more efficiently and easily.

In 2018, Grifols' Human Resources and Corporate Communications finalized the design of the Employee Value Proposition (EVP). This innovative initiative reinforces Grifols' branding and market position as an outstanding employer.

TRAINING AND DEVELOPMENT INITIATIVES

Grifols recognizes the critical importance of professional development to remain competitive in today's dynamic international environment. For this reason, it makes a concerted effort to continually develop its global talent and equip employees with the skills they need to excel today and in the future.

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

Grifols employees collectively received 2.5 million training hours in 2018 reflecting an average of 137.76 hours per employee[1]. These figures showcase the company's continuous efforts and dedication to cultivating its talent pool.

1. In 2018, total training hours in the U.S. plasma centers has been reported for the first time. For this reason, this figure is not comparable with previous years.

GRIFOLS' PROFESSIONAL DEVELOPMENT AT A GLANCE IN 2018

TOTAL TRAINING HOURS

2,542,464

138 HOURS PER PERSON[1]
52 HOURS PER PERSON[2]

GENDER DIVERSITY

WOMEN 66% OF TOTAL TRAINING HOURS

MEN 34% OF TOTAL TRAINING HOURS

CATEGORY

TOP MANAGEMENT
17,000+ HOURS PER YEAR

SENIOR MANAGEMENT
20,000+ HOURS PER YEAR

MANAGEMENT
40,000+ HOURS PER YEAR

SENIOR PROFESSIONAL
100,000+ HOURS PER YEAR

PROFESSIONAL
~ 100,000 HOURS PER YEAR

ADMINISTRATIVE STAFF/ MANUFACTURING OPERATORS
2+ MILLION HOURS PER YEAR

GEOGRAPHY

EUROPE
210,068 HOURS

NORTH AMERICA
2,314,253 HOURS

REST OF THE WORLD
18,143 HOURS

1. In 2018, total training hours in the U.S. plasma centers has been reported for the first time. For this reason, this figure is not comparable with previous years.
2. Excluding total training hours carried out in the U.S. plasma centers.

PROFESSIONAL DEVELOPMENT: CORE ELEMENTS

During 2018, The Grifols Professional Development Academy and The Grifols Academy of Immunohematology focused their efforts on the following areas.

LEADERSHIP DEVELOPMENT

In 2018, roughly half of Grifols managers took part in at least one leadership development offering. The company also offered the second edition of a unique executive development program co-developed with ESADE (Barcelona) and Georgetown University's McDonough School of Business (Washington). The program enables Grifols employees to enhance their strategic thinking, better anticipate change and inspirational leadership potential.

PROFESSIONAL DEVELOPMENT

Grifols offers employees programs centered on building core leadership competencies and skillsets, including emotional intelligence, problem resolution, decision-making and influencing others. To date, more than 1,400 people have benefited from these courses.

ON-BOARDING INITIATIVES

Grifols organizes a series of onboarding activities to share its corporate vision, values and culture among new hires, as well as to foster networking. These initiatives ensure a smooth process of integration for new employees and a positive start of their careers at the company.

THE ACTIVE INVOLVEMENT OF ALL GRIFOLS' EMPLOYEES ENSURES THE SUCCESS OF OUR OCCUPATIONAL HEALTH AND SAFETY SYSTEMS

OCCUPATIONAL HEALTH AND SAFETY

Grifols' Health and Safety Policy advocates a rigorous system of occupational health, safety and risk-prevention in the workplace. The policy guarantees that all of the group's companies, as well as collaborating companies, act in accordance with country-specific regulations, rules, provisions and legislation, as well as with Grifols' corporate health and safety standards.

The Occupational Health and Safety Department establishes corporate objectives every year and each center determines its annual safety and health targets. The department also monitors the Occupational Health and Safety Systems of Grifols subsidiaries through a program of regular corporate audits. International subsidiaries employ their own individual systems in line with their specific markets and corporate policies.

Grifols employees actively participate in the company's occupational health and safety teams and committees to help identify and control risks, and promote new ideas surrounding the issue.

Grifols' centers in Spain are OHSAS 18.001:2007-certified. International subsidiaries employ their own systems in accordance with their corporate policies and specific countries.

The company's risk-prevention department provides services to the entire group. The safety and health program is monitored on three distinct levels:

- Monthly monitoring of key performance indicators.
- Advisory visits in all companies and follow-up of preventive plans.
- Corporate audits.

COMPREHENSIVE HEALTH AND SAFETY MANAGEMENT

IDENTIFICATION OF RISKS

Integrated during the design phase of new facilities, modification of production processes and acquisition of new equipment.

TRAINING AND AWARENESS PROGRAMS ON OCCUPATIONAL HEALTH AND SAFETY

Designed to guarantee that all employees receive adequate information and training on risk prevention. Offered to new hires and employees with new job responsibilities, and upon the introduction of new technologies and operational changes. In 2018, Grifols' employees dedicated 100,437 training hours (94,293 hours in 2017) to occupational health, safety and environmental issues, representing an average of 5.44 training hours per person (5.98 hours in 2017).

EMPLOYEE HEALTH AND WELLNESS INITIATIVES

Grifols offers various programs to promote the well-being of its employees in its main countries of operation. In the U.S., the program includes a personal health advisor and biometrics monitoring, among other services.

In Spain, the company's employee health program includes medical and physiotherapist teams. Every year, Grifols also celebrates a weeklong health-and-safety program with diverse athletic events.

OCCUPATIONAL HEALTH AND SAFETY: PROGRESS IN 2018

BEHAVIORIAL BASED SAFETY WAS LAUNCHED IN 2018 TO PROMOTE SAFE BEHAVIORS AMONG TEAMS IN GRIFOLS' MANUFACTURING PLANTS

IN 2018, EMPLOYEES COLLECTIVELY DEDICATED MORE THAN 100,000 TRAINING HOURS ON OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENTAL ISSUES, REPRESENTING AN AVERAGE OF 5+ PER PERSON

Grifols' employees in Spain and the U.S. represent 90% of its workforce. The accident rate in 2018 is as follows:

ACCIDENT RATE

	U.S. 2018		Spain 2018		Fórmula
	Women	Men	Women	Men	
No. of work accidents with sick leave* (LTI), without sick leave (NLTI) and first aids (FA)	532	232	96	143	Total no. of work-related accidents with sick leave (non itinere); without sick leave and first aids
Total number of work-related accidents resulting in sick leave* (LTI)	39	27	28	51	No. of work accidents with sick leave (non itinere)
Accident frequency rate	2.75	2.50	10.70	15.10	No. of work accidents with sick leave (non itinere)/no. total hours of real hours worked *10^6
Degree of severity	0.08		0.36	0.40	No. of days not worked for work accidents with sick leave (non itinere)/no. Total real hours worked *10^3 No. of lost days is calculated as the difference between calendar days (not including weekends and holidays) between the leaving date and the entry date

* Within the accidents calculation, occupational diseases occurring in Spain are included: 1 for men and 1 for women

Grifols investigates all accidents, both with and without sick leave, first aids and accidents on work commutes in countries where it is regulated as part of its on-going efforts to improve its prevention systems.

In 2018, Grifols launched Behavioral Based Safety (BBS), a corporate program that encourages managers to observe their team members and reinforce safety by correcting any unsafe behaviors. This program has been implemented in manufacturing companies and its implementation is planned in Ireland and Spain in 2019.

Plasma-related processes follow strict protocols in Grifols' manufacturing facilities. Technical, organizational and personal prevention measures are adhered to at all times, resulting in a low frequency of occupational disease. Plasma centers pose a potential risk of contagion from contact with blood at the time of extraction. For this reason, Grifols has implemented an exposure control program to foresee and efficiently act in case of an incident.

OTHER INDICATORS

PERSONNEL TURNOVER

	2017			2018		
	Women	Men	Total	Women	Men	Total
Total number of employees	10,515	7,781	18,296	12,566	8,664	21,230
Leavers	3,212	1,482	4,694	4,205	1,843	6,048
Ratio (Leavers/total number of employees)	31%	19%	26%	33%	21%	28%

RATIO OF NEW JOINERS

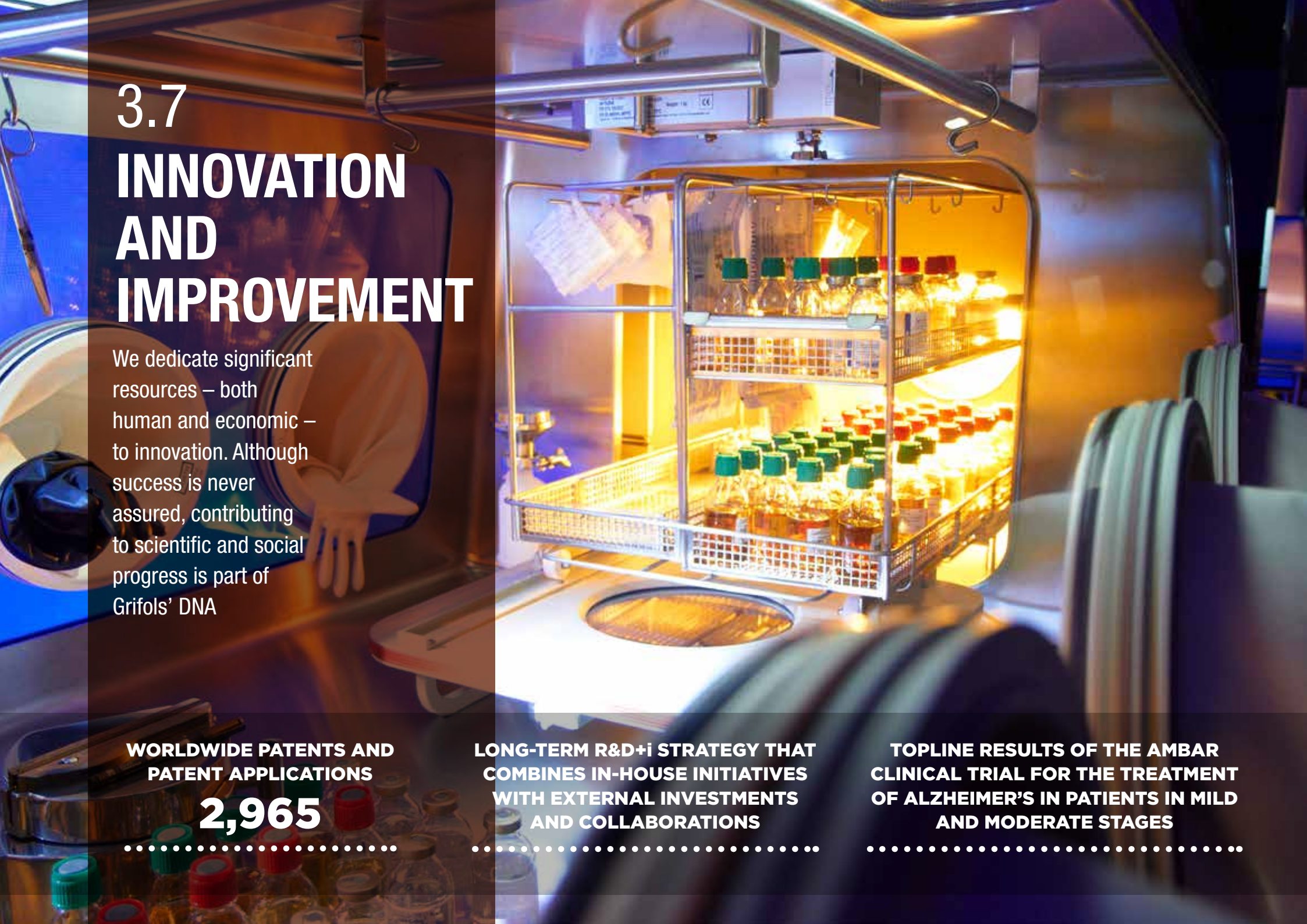
	2017			2018		
	Women	Men	Total	Women	Men	Total
Total number of employees	10,515	7,781	18,296	12,566	8,664	21,230
Joiners	5,510	2,419	7,929	5,036	2,199	7,235
Ratio (Joiners/total number of employees)	52%	31%	43%	40%	25%	34%

WORKFORCE DISTRIBUTION BY REGION AND TYPE OF CONTRACT

	2017			2018		
	Permanent	Temporary	Total	Permanent	Temporary	Total
U.S.	13,670	1	13,671	15,330	0	15,330
Europe	3,829	386	4,215	5,119	348	5,467
Rest of the world	378	32	410	417	16	433
Total	**17,877**	**419**	**18,296**	**20,866**	**364**	**21,230**

3.7 INNOVATION AND IMPROVEMENT

We dedicate significant resources – both human and economic – to innovation. Although success is never assured, contributing to scientific and social progress is part of Grifols' DNA



WORLDWIDE PATENTS AND PATENT APPLICATIONS

2,965

LONG-TERM R&D+i STRATEGY THAT COMBINES IN-HOUSE INITIATIVES WITH EXTERNAL INVESTMENTS AND COLLABORATIONS

TOPLINE RESULTS OF THE AMBAR CLINICAL TRIAL FOR THE TREATMENT OF ALZHEIMER'S IN PATIENTS IN MILD AND MODERATE STAGES

COMMITTED TO A DIVERSIFIED AND LONG-TERM R&D+i APPROACH

Grifols has been firmly committed to innovation. The company allocated EUR 291 million in R&D+i in 2018, denoting a 9.4% increase over the previous year.

The company continues to bolster its innovation strategy through the Grifols Innovation Office and reinforce its portfolio of research projects via diverse acquisitions. Of note is the 51% stake acquired in MedKeeper, a U.S. technology supplier of IT solutions designed to optimize the efficiency and safety of hospital pharmacy systems. The agreement includes a call option to purchase the remaining 49% within a three-year timeframe.

One of the company's most significant milestones in 2018 was the October release of the topline results of the AMBAR (Alzheimer Management by Albumin Replacement) clinical trial. The findings indicated a significant slowdown in the progression of Alzheimer's in patients in moderate stages of the disease, symbolizing a capstone moment in Grifols' 15 years of AD research.

GRIFOLS' R&D+i AT A GLANCE

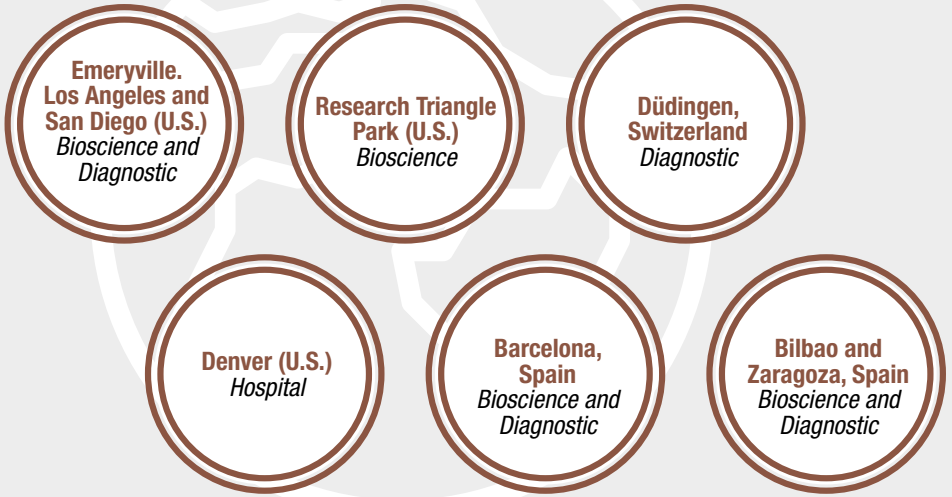
TOTAL INVESTMENT (M€)
291
+9.4%

% OF REVENUES
6.5%

TALENT POOL
~1,000
employees dedicated to R&D+i

EXTERNAL RESEARCHERS
100+
people complement Grifols' R&D+i efforts

RESEARCH CENTERS



INTEGRATED APPROACH AND EFFECTIVE R&D+i MANAGEMENT

GRIFOLS' INNOVATION IN HEALTH AND HEALTHCARE TECHNOLOGY ALLOWS IT TO IMPROVE THE HEALTH AND WELL-BEING OF PEOPLE

At the forefront of innovation, Grifols has been shaping and contributing to the plasma derivatives sector for more than 75 years. The company's path-breaking fractionation system and nano-filtration method surpass the highest standards of compliance in the production of plasma-derived medicines. Grifols also stands out for its sterile filling method – now an industry standard – and as one of the first companies to implement double viral inactivation processes in the manufacture of factor VIII.

Grifols' integrated R&D+i strategy merges in-house initiatives with projects in investee companies that whosed research projects complement its own.

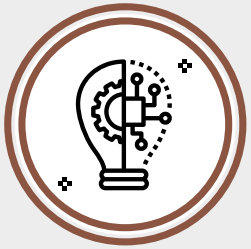
The integrated strategy and the long-term vision of Grifols' R&D+i led to it distinction in "2018 Global Innovation 1000" among the top 1,000 global companies that most invest in research and innovation. The report is published annually by Strategy&, a global consulting subsidiary of PwC.

GRIFOLS' MAIN INNOVATION OBJECTIVES

MEET MARKET NEEDS AND PROMOTE COMPETITIVENESS

DEVELOP NEW THERAPIES, MEDICINES AND SERVICES OR IMPROVE UPON EXISTING ONES

IMPROVE PRODUCTIVE PROCESSES



DRIVE LONG-TERM GROWTH AND PROFIT BY EXPANDING THE PRODUCT PORTFOLIO

A ROBUST STRATEGY THAT COMBINES INTERNAL AND EXTERNAL INVESTMENTS

GROUNDED ON A SUSTAINABLE AND LONG-TERM VIEW, GRIFOLS' COMMITMENT TO R&D+i IS AN INTRINSIC PART OF ITS PIONEERING SPIRIT

THE CREATION OF VÍCTOR GRÍFOLS I LUCAS FOUNDATION BIOETHICS CHAIR UNDERSCORES THE IMPORTANCE THE COMPANY GIVES TO THE ETHICAL IMPACT OF ITS PROJECTS

Grifols promotes a comprehensive R&D+i strategy by investing in internal and external projects. Third-party investments and collaborations represent an extension of its internal R&D+i efforts.

This holistic approach is articulated through the Grifols Innovation Office, responsible for evaluating and expediting the research, development and commercialization of innovative treatments, products and services. It also promotes the ongoing improvement of existing products and operations, as well as promotes collaborations with key innovation players in academic and research fields.

Grifols Innovation Office coordinates the initiatives of the group's various functional areas. In this role, it prepares and presents projects before interdisciplinary committees comprised by members of Grifols senior management. These committees conduct thorough and rigorous analyses to identify, evaluate and prioritize new opportunities.

Grifols established the Scientific Review Board in 2018 in order to bolster its innovation efforts. The Board supervises and assesses the progress of internal research projects from a technical vantage point, as well as analyzes the potential value-added of research opportunities in Grifols' investees. This cross-functional committee comprised by senior executives of the Grifols Innovation Office, corporate divisions and clinical R&D areas.

This committee reflects the effort of Grifols not only in the review, supervision and coordination of in-house and external research project, but also in the collaboration and promotion of synergies among the main research areas and divisions group's divisions.

The analyses and recommendations made by the interdisciplinary committees and Scientific Review Board are presented to the Board of Directors, which is the ultimate decision-making body with regard to innovation investments.

The Grifols Innovation Office includes Grifols Innovation and New Technology (GIANT), responsible for channeling the group's investments in R&D+i companies and related projects; the Scientific and Medical Affairs area; and the Department of Patents and Trademarks.

INTEGRATED STRATEGY

IN-HOUSE R&D+i

BIOSCIENCE DIVISION

New proteins and indications
Discovery of novel proteins with therapeutic uses and new indications for existing proteins
Production methods
Improvements and innovations to increase efficiency

DIAGNOSTIC DIVISION

Instruments and reagents
New reagents and analyzers for transfusion medicine and specialized diagnostics
Systems and technologies
New systems and technologies that contribute to blood and plasma safety

HOSPITAL DIVISION

Hospital focus
Innovative solutions that help ensure hospital quality, safety and efficiency

EXTERNAL R&D+i

NEW RESEARCH FIELDS

GIANT investments
Araclon
Alkahest
Singulex
Albajuna Therapeutics
GigaGen

GRIFOLS ENGINEERING

GRIFOLS INNOVATION OFFICE

LONG-TERM VISION: CORE PROJECTS IN A WIDE AND DIVERSIFIED R&D+i PORTFOLIO

	NEAR-TERM (<2 YEARS)		MID-TERM (2-4 YEARS)		LONG-TERM (4-10 YEARS)	
	Bioscience	**Diagnostic**	**Bioscience**	**Diagnostic**	**Bioscience**	**Diagnostic**
NEW FORMULATIONS/ TECHNOLOGY	SCIG (Subcutaneous) Albumin in bags Reduced volume pdFVIII IGIM Hyperimmunes	Enhanced blood collection systems Use of red cell recombinant proteins to manufacture red cell reagents Promonitor Quick (lateral flow) for anti-IFX	Flexible dosing (subcutaneous) IVIG in bags	Next-generation donor screening - Single Molecule Counting	New administration routes -Transdermal -Inhaled	Next-generation donor screening - single molecule counting Next-generation sequencing
NEW INDICATIONS/ INSTRUMENTATION	Neurologic disease modulation Alzheimer's (AMBAR) Myasthenia Gravis (crisis)	High-throughput hemostasis instrumentation NAT automation Immunohematology gel card reader	Age-related diseases associated with aging (cognitive and motor function) Albumin -Liver failure -Cirrhosis	Middleware solutions IH Multicard® automation	Myasthenia Gravis (maintenance) Biosurgery Multifocal Motor Neuropathy (MMN)	Next-generation immunoassay instrumentation
NEW PRODUCTS	Fibrin sealant Thrombin	Development of NAT tests for new viruses IH Blood genotyping (D) kit New kits to monitor biological treatments	Plasma youth factors for disease modulation	New assays for emerging pathogens Multiple target testing (multiplexed)	Aging inhibitors and youth factors	Reagents: D-Dimer Hemostasis kits Next-generational sequencing for pathogen detection

AMBAR'S RESULTS ARE VERY ENCOURAGING AND INSPIRE GRIFOLS TO PURSUE THIS LINE OF RESEARCH

THE AMBAR STUDY

AMBAR is an international and multicenter clinical trial designed by Grifols in collaboration with the Fundació ACE in Barcelona and Alzheimer's Disease Research Center at the University of Pittsburgh (United States). After a successful pre-clinical trial and completion of phases I and II, the research team commenced the phase II/IIIb phase to determine whether plasma exchange could slow down the progression of the disease.

The clinical trial lasted 14 months and had two different phases: an initial phase for all patients and an another phase in which patients received differing levels of albumin. In some cases, patients received albumin modified with IGIV to compensate for a possible decrease in endogenous immunoglobulins. The placebo arm received a simulation of plasma exchange in both phases.

The analysis of the results obtained in the clinical trial was performed on the total study population and included the assessment of the differences to placebo in the primary outcomes of the following study arms: a) three combinations of plasma exchange with albumin and IGIV replacement that shared the same volume of plasma removed (plasmapheresis) regardless of the arm, b) an arm with all patients treated with plasma exchange, and c) an arm that included all patients treated with plasma.

Grifols plans to offer updates for the remainder of 2019, specifically at the AAIC (Alzheimer's Association International Conference) in Los Angeles (USA) in July and at the CTAD (Clinical Trials on Alzheimer's Disease) in San Diego (USA). In December, all the analyses mentioned in the study will be available.

alzheimer management by albumin replacement

ambar

GRIFOLS: AT THE CUTTING EDGE OF ALZHEIMER'S RESEARCH SINCE 2004

2004
Grifols starts its first lines of research in Alzheimer's in collaboration with the Fundació ACE in Barcelona (Spain) and Alzheimer Disease Research Center of the University of Pittsburgh (U.S.).

2012
AMBAR clinical trial begins based on the combination of plasma exchange with blood products (albumin and IVIG) as a possible treatment for Alzheimer's.

2015
The intermediate results showed the tolerability and safety of the treatment, consequently the necessary conditions are met for the AMBAR clinical trial to continue.

03/2018
The experimental phase of the AMBAR clinical trial ends.

10/2018
AMBAR clinical trial results (phase IIb/III) demonstrated a significant reduction in the progression of the disease in the patients with moderate AD.

2019
The analysis of new AMBAR variables continues and new results confirm its efficiency in patients with mild to moderate AD. Grifols also continues to support AD research through Araclon and Progenika.

AMBAR IS AN INNOVATIVE TREATMENT APPROACH AIMED AT REDUCING THE PROGRESSION OF ALZHEIMER'S DISEASE THROUGH REGULAR PLASMA EXCHANGES

For more information on the AMBAR study visit: https://www.grifols.com/en/ambar

CLINICAL TRIAL DESIGN

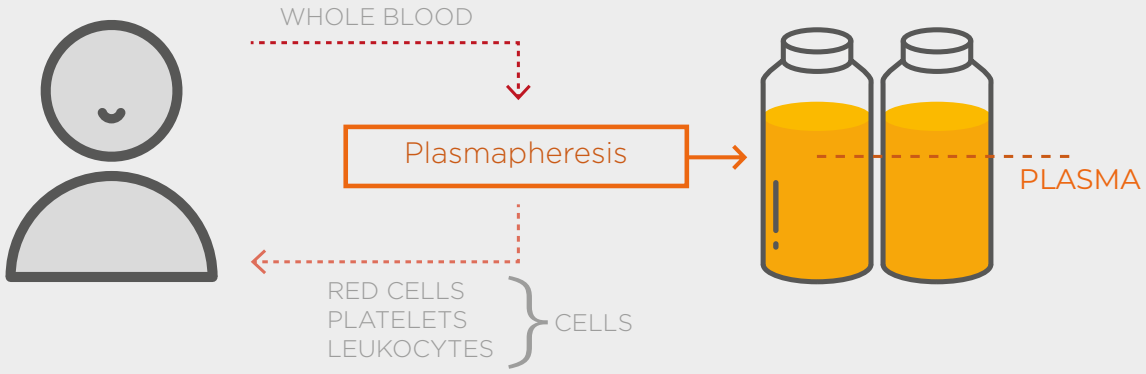
- **International, multicenter and double-blind**
- **41 hospitals** 19 in Spain, 22 in the U.S.
- **496 patients** 55-85 years, with mild to moderate Alzheimer's
- Assessment of **plasma exchange** with different volumes and concentrations of **albumin**
- Patients randomized in **three treatment groups** and **one control** group

PLASMA EXCHANGE WITH ALBUMIN AS A THERAPY

The AD patients who took part in the AMBAR clinical trial were treated with regular plasma exchanges, a safe and proven therapy based on the plasmapheresis technique.

Plasma exchange consists of extracting blood from the patient and fractionating the cellular components of plasma in a plasmapheresis machine. Following fractionation, the plasma is replaced by albumin (in most cases) and reintroduced into the patient along with the other cellular components.

Requiring no anesthesia, the treatment is generally administered in hospitals or outpatient centers to treat a variety of blood, neurological and autoimmune diseases.



CONGRESS CTAD - OCTOBER 2018 – BARCELONA

TOPLINE RESULTS DEMOSTRATED EFFICACY OF AMBAR IN SLOWING DOWN THE PROGRESSION IN MODERATE AD PATIENTS

Grifols presented AMBAR (Alzheimer Management by Albumin Replacement) topline results (phase IIb/III) at the "Clinical Trials on Alzheimer's Disease" (CTAD) congress.

Results in the pre-specified cohort of moderate AD patients demonstrated a statistically significant reduction of 61% in disease progression from baseline across both primary efficacy endpoints as measured by the Alzheimer's Disease Assessment Scale-cognitive (ADAS-Cog) and the Alzheimer's Disease Cooperative Study – Activities of Daily Living (ADCS-ADL) scales.

While a consistent delay in the progression of disease was observed in the treatment arms for the pre-specified mild cohort (the placebo arm presented a similar pattern), and the difference did not reach statistical significance.

In the three-combination arms, the differences to placebo showed between 50 and 75% less decline for the ADAS-Cog scale in the treated patients and between 42 and 70% less decline for the ADCS-ADL scale. In the arm with all patients treated with plasma exchange, the difference to placebo achieved a 66% less decline for the ADAS-Cog scale in the treated patients with a statistical significance and a 52% less decline for the ADCS-ADL scale with a statistical significance.

CONGRESS AD/PD - MARCH 2019 – LISBON

NEW DATA EXTENDS THE EFFICACY OF AMBAR TO PATIENTS WITH MILD AD

The latest results presented at the 14th International Congress on Alzheimer's and Parkinson's (AD/PD) indicate AMBAR's efficacy extends to both patients with moderate AD, as well as those in the mild stages.

These additional results complement and confirm those presented in October and from these results we can deduce a relationship between the response of patients and the dose of albumin and immunoglobulin used in protein replacement after the plasmapheresis treatment.

Of the three different treatment arms, and in view of the analyzed data, it appears that the most effective treatment is the one combining the highest doses of albumin and intravenous immunoglobulin.

A positive effect of the treatment is observed in all the cognitive aspects analyzed so far in the clinical trial, for all patients, both mild and moderate, treated as a whole. In addition, in some relevant areas, such as language and processing speed, not only is a slowdown in disease progression demonstrated, but there is a statistically significant improvement compared to patients in the placebo group, who exhibit the impairment of the disease itself. Also, in patients with moderate phases of the disease who were analyzed separately, the area that presents more positive results is memory. Patients with mild phases of the disease show clear improvements in language and processing speed.

AMBAR IS BASED ON A DUAL-ACTION MECHANISM: BETA-AMYLOID CIRCULATES IN PLASMA BOUND TO ALBUMIN. PLASMAPHERESIS FLUSHES OUT BETA-AMYLOID AND REPLACES IT WITH ALBUMIN, A WIDELY USED PROTEIN WITH BINDING, ANTIOXIDANT AND IMMUNODULATORY PROPERTIES

R&D+i BY DIVISION

BIOSCIENCE DIVISION

Grifols' leadership in the plasma proteins sectors is driven by a robust R&D+i program that promotes research on new therapeutic indications for plasma-derived products and continuous development of innovative production methods that enhance the efficiency and safety of Grifols products.

MAIN MILESTONES IN 2018

- Completion of the clinical research phase of a new 20% subcutaneous immunoglobulin to treat patients with primary immunodeficiencies. The product has been submitted to the FDA for marketing authorization.
- Development of a predictive model for population pharmacokinetics (PopPK) to administer subcutaneous immunoglobulin in patients with primary immunodeficiencies, which would inform the proper dosing of this plasma-derived product and guide its treatment usage.
- Development of Gamunex® studies as maintenance therapy for myasthenia gravis (MG). The company plans to submit the application for EMA marketing authorization in 2019.
- Development of the phase III PRECIOSA trial on the potential benefits of albumin to treat liver cirrhosis, as well as the phase III APACHE trial to treat acute-on-chronic liver failure (ACLF) with albumin.
- Albumin's new flexible packaging format is currently in the registration stage.
- Approval and launches of new formulations that expand Grifols' product portfolio and treatment alternatives for patients and healthcare professionals:
  - FDA approval of a new alpha-1 antitrypsin liquid formulation (Prolastin®-C Liquid).
  - FDA approval of a new intramuscular immunoglobulin formulation (GamaSTAN®) for immediate protection against hepatitis A and measles.
  - FDA approval of a new anti-rabies immunoglobulin formulation (HyperRAB®) to treat patients exposed to the rabies virus.

The following table summarizes Grifols' R&D+i projects over the last three years and their development phase:

NUMBER OF R&D+i PROJECTS ACCORDING TO DEVELOPMENT PHASE

	2018	2017	2016
Discovery	12	14	16
Pre-clinical	12	12	14
Clinical	28	26	27
Post-marketing studies	9	10	9
Other projects	16	18	20
Total Bioscience R&D projects	77	80	86

GRIFOLS AND THE REPUBLIC OF LIBERIA, IMPORTANT INROADS ON THE DEVELOPMENT OF ANTI-EBOLA IMMUNOGLOBULINS

In 2014, Grifols launched a non-profit initiative to produce anti-Ebola immunoglobulin to treat affected populations in West African countries. The project's research forms part of a long-term clinical trial to evaluate whether plasma from healthy Ebola survivors can boost the immune response in afflicted patients and help them overcome the disease.

Grifols fully financed the project, which included the collaboration of the Liberian government, the FDA, the World Health Organization (WHO) and various NGOs.

DIAGNOSTIC DIVISION

AS A RESULT OF ITS STRATEGIC R&D+i APPROACH, GRIFOLS IS THE ONLY COMPANY POSITIONED IN THE THREE TECHNOLOGIES WITH THE POTENTIAL TO LEAD THE TRANSFUSION DIAGNOSTICS MARKET, WHICH WOULD PROVIDE A KEY DIFFERENTIATING FACTOR AND UNIQUE STANDING IN THE FIELD

The Diagnostic Division's R&D+i initiatives aim to enhance the safety of blood transfusions through the development of comprehensive solutions that add value throughout the value chain, from donations to transfusions. Their efforts primarily focus on offering new systems and technologies, including new reagents and analyzers.

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

MAIN MILESTONES IN 2018

- The division efforts to innovate and expand its product portfolio led to six FDA approvals, including a test used to detect RNA specific for the Zika virus (Procleix® Zika Virus); a test to detect HIV and hepatitis B and C (Procleix® Ultrio Elite); and a West Nile virus detection test (Procleix® WNV). In the blood-typing line, of note is the FDA approval for the conventional antiserums line and the diagnostic ID CORE XT, used to genotype blood groups.
- FDA submission of the blood test to detect the babesiosis parasite (Procleix® Babesia). Approval is expected in the first quarter of 2019 although the test is currently available as an IND (Investigational New Drug).
- Clinical trials on the Procleix® Ultrio Elite line continue in China.
- In specialty diagnostics, clinical trials continue in the U.S. to expand the portfolio of coagulation products and instruments, as well as those in the Promonitor® line to monitor biologic drugs.
- In the last quarter of the year, the FDA also approved the new mid-sized and totally automated analyzer, Erytra Eflexis®.
- The company continues to expand its portfolio of recombinant proteins.

HOSPITAL DIVISION

GRIFOLS PROMOTES THE DEVELOPMENT OF SOLUTIONS TO AUTOMATE HOSPITAL PHARMACY SERVICES

The Hospital Division's R&D projects aim to expand the range of hospital logistics systems and compounding processes for hospital pharmacies, as well as provide hospitals with intravenous solutions.

MAIN MILESTONES IN 2018

- Grifols' Pharmatech line, which includes hospital logistics, continues to focus its efforts on developing new prototypes in its Gri-fill® line, specifically those used in the preparation of intravenous mixtures; improvements in the Kiro-Oncology robot; and the initial stages of development of a totally automated robot used to prepare non-hazardous compounds.

- The acquisition of MedKeeper reinforces the Pharmatech line and development of solutions to automate hospital pharmacy services.

- Two new products were submitted for FDA approval: a physiological saline solution in a needle-free Fleboflex® container, which, in addition to enhancing the product portfolio, can be utilized in Kiro-Grifols robotics; and an anticoagulant in a bag format that will be used in Grifols' plasma centers and expand the third-party product portfolio.

GRIFOLS ENGINEERING

Grifols Engineering offers services and internal support to develop and build the group's manufacturing plants. It represents a clear differentiating factor and source of added value by helping the group maximize its productivity.

The company also develops innovative engineering projects and custom solutions for third parties. Its portfolio of services includes consulting, engineering processes, feasibility studies, construction of start-up services and machinery design, and construction of specialized equipment for fractionation, purification and sterile filling lines.

RESEARCH IN GRIFOLS' INVESTEES

Grifols considers its alliances and investments in investees and external research projects as extensions of its internal R+D+i efforts, allowing the company to foster and share knowledge with renowed global researchers.

AlbaJuna Therapeutics (Spain): Development of a new treatment strategy based on monoclonal antibodies to neutralize HIV. Their efforts in 2018 centered on identifying a candidate that would allow them to commence pre-clinical regulatory development in 2019.

Alkahest (United States): Research on the benefits of plasma proteins to treat age-related cognitive impairment. In 2018, the company initiated two clinical trials on patients with moderate and severe Alzheimer's disease using a fraction of plasma.

Araclon (Spain): Specialized in the research, treatment development and diagnostic tests for Alzheimer's disease and other neurodegenerative diseases. It began its phase II clinical trial on an Alzheimer's vaccine in 2018.

GigaGen (United States): Research and development of new recombinant immunoglobulins using immune system cells. In 2018, the company began development on a hyperimmune polyclonal immunoglobulin using human biological samples to treat an infectious disease.

Singulex (United States): Development of an innovative ultrasensitive technology SMC™ (Simple Molecular Counting), with broad clinical diagnostic and transfusion applications. This technology enables high-value assays using rare biomarkers.

SUPPORTING GLOBAL RESEARCH

RESEARCH AWARDS: GRIFOLS SCIENTIFIC AWARDS

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

Award	Objectives	Funding
Martin Villar Haemostasis Awards	Awards for young investigators whose clinical or basic research focuses on hemostasis, hemophilia and Von Willebrand disease	Two separate EUR 50,000 awards to finance up to 12 months of research. One is for clinical research projects and the other is for basic research
SPIN, Scientific Progress Immunoglobulins In Neurology Award	Awarded to research projects that develop new immunoglobin applications for neurological conditions	EUR 50,000 award for the proposal that best reflects the program's objectives, as assessed by an independent review committee. Funding is intended to support a 12-month project
ALTA, Alpha-1 Antitrypsin Laurell's Training Award	Identify and support innovative clinical and basic research focused on gaining awareness of the biologic roles of alpha-1 antitrypsin	Two EUR 50,000 scholarships. Funding is intended to support a 12-month project
Albus, Albumin Awards Program	Recognize research that broadens knowledge on the therapeutic applications of albumin	Two annual EUR 50,000 awards. Funding is intended to support a 12-month project
GATRA*, Grifols AntiThrombin Research Awards	Identify and support research projects on new and existing uses of antithrombin	Two annual EUR 50,000 awards. Funding is intended to support a 12-month project

* There were no GATRAs granted in 2018.

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

GRIFOLS OFFERS AWARDS AND SCHOLARSHIPS IN SUPPORT AND RECOGNITION OF THE SCIENTIFIC COMMUNITY AND ITS RESEARCH

GRIFOLS CHAIR FOR THE STUDY OF CIRRHOSIS

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

SPONSORING RESEARCH INITIATIVES: THE ISR PROGRAM

Grifols supports and promotes research that broadens the body of scientific knowledge on plasma proteins through the Investor-Sponsored Research Program, or ISR.

MEDICAL SCHOLARSHIPS: ENHANCING THE PROFESSIONAL DEVELOPMENT OF HEALTHCARE PROVIDERS

The Grifols North America Medical Education Grants program supports independent medical-education activities designed to advance the professional development of healthcare providers.

RESEARCH PUBLICATIONS

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

Product	Title in English	Original Title	Author(s)	Publication
Fibrin Sealant	A prospective, randomized, phase III study to evaluate the efficacy and safety of fibrin sealant as a complement to hemostasis as compared to cellulose sheets in hepatic surgery resections	Ensayo clínico prospectivo. aleatorizado. de fase III sobre la eficacia y seguridad del sellador de fibrina Grifols como complemento de la hemostasia en la cirugía hepática en comparación con las hojas de celulosa.	Bjelović M, Ayguasanosa J, Kim R , Stojanović M, Vereczkei A, Nikolić, Winslow E, Emre S, Xiao G, Navarro-Puerto J, Courtney K, CLadis B.	J Gastrointest Surg 2018; 22(11):1939-1949
Fibrin Sealant	A prospective, single-blind, randomized phase III study to evaluate the safety and efficacy of fibrin sealant as a complement to hemostasis during soft-tissue open surgery	Ensayo clínico prospectivo. simple ciego. aleatorizado. de fase III sobre la seguridad y eficacia del sellador de fibrina Grifols como complemento de la hemostasia durante la cirugía abierta de tejido blando.	Lakshman S, Aqua K, Stefanovic 3, Djurdjevic S, Nyirády P, Osváth P, Davis R, Bullock A, Chen J, Ibañez J, Barrera G, Navarro-Puerto J.	J Invest Surg 2018 Oct 10: 1-13 (Epub ahead of print)
Immunoglobulins	Safety and neutralization of rabies antibodies in healthy subjects administered a single dose of anti-rabies immunoglobulin (caprylic acid purified by chromatography)	Seguridad y neutralización de anticuerpos contra la rabia en sujetos sanos tras una sola dosis de inmunoglobulina antirrábica (ácido caprílico purificado por cromatografía).	Hanna K, Cruz MC, Mondou E, Corsi E, Vandeberg P	Clinical Pharmacology: Advances and Applications 2018; 10: 79-88. DOI: 10.2147/CPAA.S166454
Alpha-1-Antitrypsin	Role of human alpha 1-antitrypsin in protecting neurons and glial cells against oxygen and glucose deprivation through inhibition of interleukins expression	Papel de la alfa-1 antitripsina humana en la protección de neuronas y células gliales contra la carencia de oxígeno y glucosa a través de la inhibición de la expresión de interleucinas.	Cabezas-Llobeta N, Camprubí S, García B, Alberch J, Xifró X.	Biochim Biophys Acta 2018; 1862(9): 1852-1861.
Immunoglobulins	Minimum anti-body levels against the measles following treatment with immunoglobulin and predicted levels assuming a smaller presence	Niveles mínimos de anticuerpos contra el sarampión tras el tratamiento con inmunoglobulina y niveles esperados asumiendo su menor presencia.	Vandeberg P, Cruz MC, Griffin R	TRANSFUSION 58 (2018) 3072–3077. doi:10.1111/trf.15024
Flebogamma DIF	Safety and efficacy of intravenous immunoglobulin (Flebogamma® 10% DIF) in patients with immune thrombocytopenic purpura	Seguridad y eficacia de la inmunoglobulina intravenosa (Flebogamma® 10% DIF) en pacientes con púrpura trombocitopénica inmune.	Apte S, Navarro-Puerto J, Damodar S, Ramanan V, John MJ, Kato G, Ross C, Shah C, Torres M, Fu CL, Rucker K, Pinciaro P, Barrera G, Aragonés ME, Ayguasanosa J	Immunotherapy (Epub ahead of print) 10.2217/imt-2018-0165
Albumin	Longitudinal neuroimaging analysis in patients with mild-moderate AD treated with plasma exchange with 5% human albumin	Análisis longitudinal de neuroimagen en pacientes con enfermedad de Alzhéimer leve o moderada tratados con plasmaféresis con albúmina humana al 5%,	Cuberas-Borrós G., Roca I., Boada M., Tárraga L., Hernández I, Buendia M., Rubio L., Torres G., Bittini A., Guzmán-de-Villoria J.A. , Pujadas F., Torres M, Núñez L, Castell J, Páez A.	Journal of Alzheimer's Disease 61 (2018) 321–332 DOI 10.3233/JAD-170693
Prolastin®-C (Alpha-1 MP)	Safety and pharmacokinetics of Alpha-1MP (Prolastin®-C) in Japanese patients with alpha1-antitrypsin (AAT) deficiency	Seguridad y farmacocinética de Alfa-1MP (Prolastina®-C) en pacientes japoneses con déficit de alfa-1 antitripsina (AAT).	Kuniaki Seyama, Toshihiro Nukiwa, Tadashi Sato, Masaru Suzuki, Satoshi Konno, Kazuhisa Takahashi, Masaharu Nishimura, Kimberly Steinmann, Susan Sorrells, Junliang Chen, Ken-ichi Hayashi	Respiratory Investigation(2018), https://doi.org/10.1016/j.resinv.2018.09.006

PATENTS AND TRADEMARKS

GRIFOLS PROTECTS THE INTELLECTUAL PROPERTY OF ITS MAIN PRODUCTS THROUGH PATENT OWNERSHIP, CO-OWNERSHIP AND LICENSING

U.S. PATENTS	U.S. TRADEMARKS	EUROPE PATENTS	EUROPE TRADEMARKS	PATENTS IN ROW	TRADEMARKS IN ROW
258	162	1,615	1,029	1,092	1,997

TOTAL NUMBER OF PATENTS AND APPLICATIONS

2,965

PATENTS IN PROCESS OF FINAL APPROVAL

600

PATENTS THAT WILL EXPIRE OVER THE NEXT 10 YEARS

1,128

AN INTERNATIONAL TEAM OF EMPLOYEES FROM SPAIN, IRELAND AND THE UNITED STATES IS RESPONSIBLE FOR MANAGING PATENT AND TRADEMARKS APPROVALS, OVERSEEING THEIR IMPLEMENTATION AND MONITORING POSSIBLE VIOLATIONS

4

ABOUT THIS REPORT

ABOUT THIS REPORT

WE FOLLOW GRI STANDARDS

REPORT PREPARED IN ADHERENCE TO THE GLOBAL REPORTING INITIATIVE (GRI) SUSTAINABILITY REPORTING STANDARDS

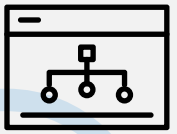
ANALYSIS OF MATERIALITY STUDY

RECOGNITION OF GRIFOLS' ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACT AND ITS EFFECT ON STAKEHOLDERS

GLOBAL REACH: OPERATIONS AND SUBSIDIARIES

OPERATIONS RANGE FROM PROCUREMENT OF RAW MATERIALS TO THE MARKETING AND DISTRIBUTION OF FINISHED PRODUCTS BY SUBSIDIARIES

ALL SUBSIDIARIES INCLUDED



THIS REPORT INCLUDES INFORMATION ON ALL SUBSIDIARIES

GRIFOLS' CORPORATE RESPONSIBILITY REPORT FORMS PART OF OUR COMMITMENT TO TRANSPARENCY

PUBLISHED EVERY YEAR, IT HIGHLIGHTS THE COMPANY'S EFFORTS TO MAKE FURTHER STRIDES

THE INFORMATION CONTAINED HEREIN HAS BEEN VERIFIED BY AN INDEPENDENT AUDITOR

ABOUT THIS REPORT

2018 ANNUAL REPORT PREPARED IN ACCORDANCE WITH GRI PRINCIPLES AND TAKING INTO ACCOUNT CRITERIA SUCH AS STAKEHOLDERS INCLUSIVENESS, CONTEXT OF SUSTAINABILITY, MATERIALITY AND COMPLETENESS

SCOPE OF THIS REPORT

This annual report covers the period from January 1 to December 31, 2018, corresponding with Grifols' fiscal year. In sections with historical data, figures appear from the last three years (2016-2018), classified by Grifols' three main divisions (Bioscience, Hospital and Diagnostics) and regions.

For the purposes of this report, Grifols S.A. and its subsidiaries will be considered "Grifols". The information contained herein includes all subsidiaries. A list of Grifols subsidiaries is available in Appendix I in the Consolidated Financial Statements.

Financial information included in this report comes from the Consolidated Financial Statements of the fiscal year ending on December 31, 2018.

The report addresses the entirety of Grifols' operations, ranging from procurement (plasma collection and manufacturing processes) to commercial subsidiaries, taking into consideration the following points:

- Due to the complexity and global reach of Grifols' operations, the scope of certain quantitative indicators differs from established standards. All exceptions are duly specified.
- The indicators contained herein were compiled by Grifols. The procedure used to obtain information ensures methodological rigor and historical comparisons.

Chapter 3: Excellence

- The data provided by Grifols in this section represents its manufacturing activities. All commercial operations are included with the exception of subsidiaries with fewer than 10 employees.
- Since most of Grifols' manufacturing facilities are based in the U.S. and Spain, the environmental information included in this section is classified by division and region: U.S., Spain and Rest of the World (ROW).

Chapter 3: Teamwork

- Grifols has included figures from the past two years and classified them by gender (male, female), age and region (North America, Europe and ROW) in all cases where historical figures are available. North America includes the U.S. and Canada, while Europe includes the Czech Republic, France, Germany, Ireland, Italy, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom.
- With regard to personnel data, Grifols changed its reporting criteria in 2017, consolidating all U.S.-based employees on leave, including cases of unpaid leave. (In 2016, workforce data does not include employees on leave at Grifols' U.S. manufacturing facilities).
- The calculation of the accident rates includes the most significant facilities, excluding investees dedicated to research initiatives.

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PRINCIPLES

This report has been prepared in accordance with the GRI Standards: Core option.

Grifols defined the content of this report using GRI standards:

Stakeholder inclusiveness: Grifols maintains an ongoing dialogue with its stakeholders. The group is able to effectively address their expectations and interests by anticipating their needs.

Context of sustainability: Grifols aspire to contribute to economic, environmental and social progress on local, regional and global levels. Its 2018 performance is contextualized within its countries of operation.

Materiality: This report features the corporate issues that had the greatest economic, environmental and social impact, as well as those that could significantly shape stakeholder decisions and opinions.

Completeness: The topics highlighted in this report adequately reflect the group's most significant social, economic and environmental impacts, and allow stakeholders to assess their effectiveness throughout the 2018 fiscal year.

STAKEHOLDER RELATIONS

Deeply aware of the vital role that stakeholders play in its success, Grifols has several communication channels in place in order to ensure an open and fluid dialogue and stay abreast of their needs and expectations. This report serves as yet another platform to offer information to stakeholders in a clear, concise and ethical manner.

Grifols uses a variety of communication channels to interact with its stakeholder groups, including its corporate website. The following table resumes the main platforms.

102-42, 102-43

The company is also a member of various trade associations, which allows it to stay up to date on the latest trends, best practices and market demands:

GRIFOLS IS MEMBER IN THE FOLLOWING INDUSTRY ASSOCIATIONS

- FENIN: Federación Española de Empresas de Tecnología Sanitaria
- MedTech Europe: European Trade Association representing the medical technology industries, Diagnosis and Medical Devices manufacturers.
- EURORDIS: non-profit alliance of 851 rare disease patient organisations from 70 countries that work together to improve the lives of the 30 million people living with a rare disease in Europe.
- The United States-Spain Council: an organization in which the US and Spanish leaders promote stronger ties between two countries
- EUCOPE: Trade Association representing Small to Medium-Sized Companies Active in Pharmaceuticals & Medical Technologies in Europe
- PPTA: Plasma Protein Therapeutics Association
- ASEBIO: Asociación Española de Bioempresas
- American Chamber of Commerce in Spain
- AEF: Asociación Española de Farmacología
- AES: Asociación de la Economía de la Salud
- SESPAS: Sociedad Española de Salud Pública y Administración Sanitaria
- SEFH: Sociedad Española de Farmacia Hospitalaria
- SIGRE: Sistema Integrado de Gestión de Residuos de la Industria Farmacéutica
- ISPE: International Society for Pharmaceutical Engineering
- WHC: Wildlife Habitat Council
- ESI: Environmental Stewardship Initiative of the North Carolina Department of Environmental and Natural Resources
- ACS: American Chemical Society
- Farmafluid: Asociación Española de Laboratorios Farmacéuticos de Fluidoterapia y Nutrición Parenteral
- National Health Council (EEUU)
- Biotechnology Innovation Organization (BIO)
- AENE: Asociación Española de Fabricantes y Distribuidores de Productos de Nutrición Enteral
- SENPE: Sociedad Española de Nutrición Parenteral y Enteral

	Stakeholders	Communication Channels
	**Patients, patient organizations**	Grifols has open lines for on-going communications (email, phone calls). It organizes monthly calls with patient organizations to discuss key updates, topics and events.
	**Plasma donors**	Grifols provides information to plasma donors through its website, educational videos and other communication channels. Donors can communicate with Grifols through plasma collection centers and the website.
	**Customers**	Grifols engages with customers (public and private; wholesalers, distributors, group purchasing organizations (GPOs), blood banks, hospitals and care institutions, National Health Systems) to provide clear and honest information about all of our products.
	**Regulatory bodies**	Grifols uses formal channels when engaging with regulatory bodies such as the FDA, EMA and AEMPS and others, for matters related to clinical trials, plasma donation center authorizations, validation of production facilities and other authorizations regarding the commercialization of therapeutic treatments, including new drugs, indications.
	**Suppliers (non-plasma materials)**	Formal communication channels are used during certification processes, assessments and audits. For daily operations, informal channels are also used.
	**Financial community**	As appropriate, Grifols discloses material information in compliance with regulations of stock exchanges where the company is listed (CNMV, SEC, NASDAQ, ISE, etc.) and uses the suitable channel for each case. Grifols communicates with all of its shareholders, investors, analysts and other stakeholders by organizing and attending meetings, including General Shareholders Meetings, work meetings, conference calls and roadshows. Furthermore, Grifols publishes an annual report and quarterly earnings releases, and press releases on the Grifols corporate website and makes them available through distribution lists when necessary. Grifols hosts an annual capital-markets day designed specifically for investors and analysts that features more in-depth management presentations.
	**Employees**	Grifols maintains a continuously updated intranet site for employees, and has a screen system in their facilities that displays information of general interest for its employees. It also publishes an in-house magazine (Revista GO) and organizes biannual meetings, as well as engaging in informal day-to-day communications with employees. Meetings with the employees' legal representatives are also regularly held.
	**Local community & NGOs**	Grifols works collaboratively and in partnership with numerous NGOs through its foundations and directly and supports a range of community initiatives in locations where the company operates.
	**Media**	Grifols maintains clear and transparent communications with journalists and other media representatives. The company publishes press releases to announce important events like quarterly and annual results, organizes regular visits to manufacturing facilities and hosts an annual meeting with journalists (Annual Press Day).
	**Scientific community, research partners**	Collaboration with research partners and other scientific institutions is essential to the ongoing innovation of Grifols products and processes. Activities with the scientific community include involvement in R&D projects, investments and partnerships.
	**Institutional bodies**	Institutional bodies, trade groups and other professional organizations are engaged in both formal and informal channels to organize forums, congresses and other business-related meetings.

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MATERIALITY

In accordance with the principles established in the GRI 101 Standard, the basis of this report stems from a materiality analysis developed with the guidance of an independent outside firm. It aims to identify the economic, environmental and social impacts of Grifols' value chain and their influence on stakeholder decisions.

IDENTIFICATION

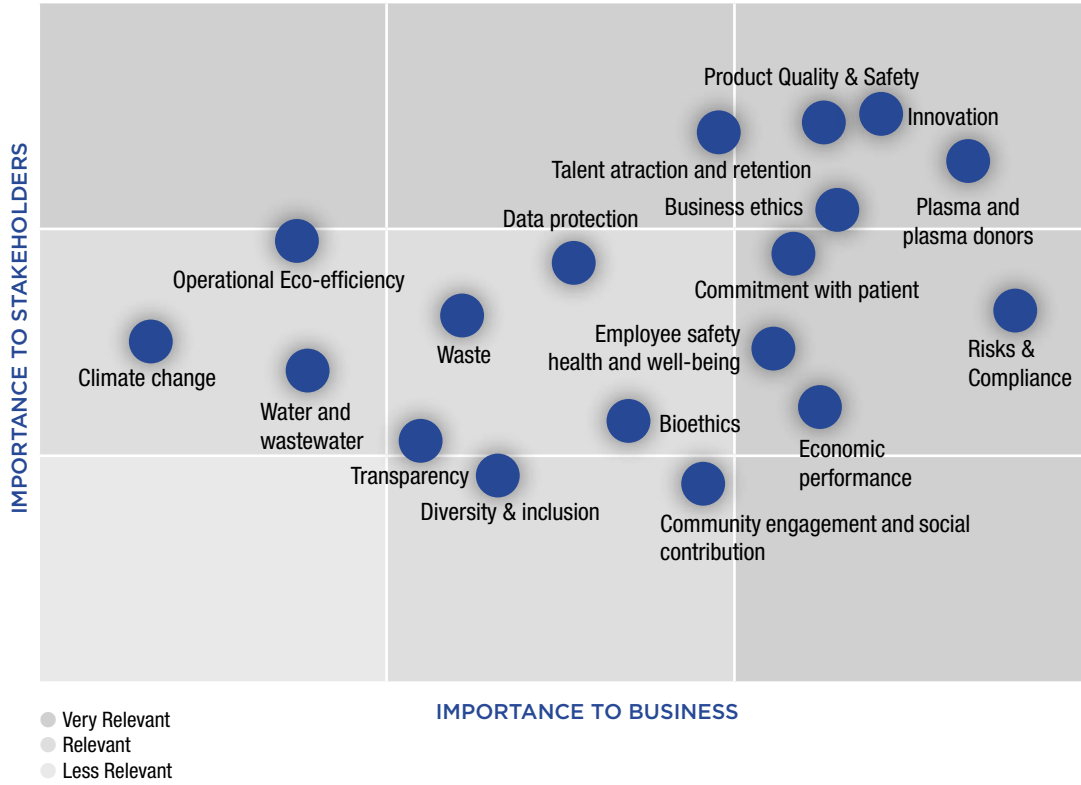
The process of identifying material topics includes the analysis of industry trends and key pressures, as well as the analysis of issues considered relevant by stakeholders.

PRIORITIZATION AND VALIDATION

After identifying the material issues, these were prioritized using several different sources:

- Identification of sustainability issues that are critical to other groups and companies whose activities are similar to Grifols.
- Analysis of industry-specific media outlets, social networks and press releases.
- Industry publications created by analysts and opinion leaders.
- Interview with senior decision-makers to understand the group's priorities and validate core initiatives.

As a result of this process, Grifols identified 18 material issues that form the basis of this report, which are represented in the following table:



Highly material issues	Main issues included
Innovation	Ethical codes and policies Anti-corruption and bribery Issues reporting channel Responsible marketing R&D projects
Ethics	Ethics codes and policies Anti-corruption, bribery and money laundering Issues reporting channel Responsible marketing
Product safety and quality	Product quality and safety Procurement quality and policies applicable to the supply chain Security standards Traceability Product recall management
Talent attraction and retention	Recruiting Training and development Performance review Benefits and Compensation
Commitment with patients	Education and treatment awareness Patients organizations support Public and private joint collaboration to improve access to treatments Accessibility
Health, safety and well-being	Health & Safety performance Risk prevention measures Well-being programs Training and awareness
Economic performance	Economic results Investments and Acquisitions Tax strategy Global expansion
Risks and compliance	Compliance Risk Management
Plasma and plasma donors	Commitment with donors Ethical standards in the plasma donation process Donor eligibility Plasma donation Commitment with donor communities

Material issues	Main issues included
Bioethics	Research ethical standards and practices across the development of medicines and therapies
Waste	Waste management Hazardous waste management
Eco-efficiency	Environmental programs and policies Efficient use of resources: Materials and energy
Commintment with communities and social engagement	Social contribution and philanthropy Commitment with local communities Foundations Scholarships, sponsorships and distinctions in technological research
Data protection	Data protection in donors, patients, workforce, healthcare professionals, suppliers and customers
Transparency	Reporting practices Transparency and value transfers Transparency in clinical trials
Water and wastewater	Water consumption management Efficiency measure Wastewater management local limitations and hydric stress
Climate change	Carbon footprint Strategy to reduce greenhouse gas emissions Risk management and climate opportunities Use of renewable energy
Diversity and inclusion	Equal opportunities: gender pay gap, work-life balance and disabilities Diversity: promotion and awareness Non-discrimination policies Formal complaint mechanisms

102-44, 102-46, 102-47

INDEPENDENT REVIEW REPORT

KPMG Asesores, S.L.
Torre Realia
Plaça d'Europa, 41-43
08908 L'Hospitalet de Llobregat
Barcelona

Independent Assurance Report to the Management of Grifols, S.A.

To the Management of Grifols, S.A.

In accordance with our engagement letter, we performed a limited assurance review on the non-financial information contained in the Corporate Responsibility Report of Grifols, S.A. (hereinafter GRIFOLS) for the year ended 31 December 2018 (hereinafter "the Report"). The information reviewed corresponds to the indicators referred in the GRI Index.

Management responsibilities

GRIFOLS management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) in its core option as described in section 102-54 of the GRI Content index of the Report. It is also responsible for compliance with Materiality Disclosure Service, obtaining confirmation from the Global Reporting Initiative on the proper application of these. Management is also responsible for the information and assertions contained within the Report; for determining GRIFOLS's objectives in respect of the selection and presentation of sustainable development performance, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

These responsibilities include the establishment of appropriate controls that GRIFOLS management consider necessary to enable that the preparation of indicators with a limited assurance review would be free of material errors due to fraud or errors.

Our responsibility

Our responsibility is to carry out a limited assurance review and to express a conclusion based on the work performed, referring exclusively to the information corresponding to 2018. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with International Standard ISAE 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board (IAASB) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement.

INDEPENDENT REVIEW REPORT

KPMG

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KPMG applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Internal Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Procedures performed

Our limited assurance engagement consisted of making enquiries of management and persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures. These procedures included:

- Verification of GRIFOLS's processes for determining the material issues, and the participation of stakeholder groups therein.
- Interviews with management and relevant staff at group level and selected business unit level concerning sustainability strategy and policies and corporate responsibility for material issues, and the implementation of these across the business of GRIFOLS.
- Evaluation through interviews concerning the consistency of the description of the application of GRIFOLS's policies and strategy on sustainability, governance, ethics and integrity.
- Risk analysis, including searching the media to identify material issues during the year covered by the Report.
- Review of the consistency of information comparing General Standard Disclosures with internal systems and documentation.
- Analysis of the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Visit to the production facilities in Parets (Barcelona) site selected based on a risk analysis considering quantitative and qualitative criteria.
- Review of the application of the Global Reporting Initiative's Standards requirements for the preparation of reports in accordance with core option.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of GRIFOLS.
- Verification that the financial information reflected in the Report was audited by independent third parties.

Our multidisciplinary team included specialists in social, environmental and economic business performance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is lower than that of a reasonable assurance engagement. This report may not be taken as an auditor's report.

KPMG

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Conclusions

Our conclusion has been formed on the basis of, and is subject to, the matters outlined Independent Review Report. We believe that the evidence we have obtained is suffici appropriate to provide a basis for our conclusions.

Based on the limited assurance procedures performed and the evidence obtained, as describe nothing has come to our attention that causes us to believe that the Corporate Responsibility of Grifols, S.A. for the year ended 31 December 2018, has not in all material respects, been p and presented in accordance with the Sustainability Reporting Standards of the Global R Initiative as described in section 102-54 of the GRI Index, including the reliability of data, ade the information presented and the absence of significant deviations and omissions.

Under separate cover, we will provide GRIFOLS management with an internal report outli complete findings and areas for improvement.

Purpose of our report

In accordance with the terms of our engagement, this Independent Assurance Report h prepared for GRIFOLS in relation to its 2018 Corporate Responsibility Report and for no other or in any other context.

KPMG Asesores, S.L.

Patricia Reverter Guillot

8 May 2019

GRI CONTENT INDEX

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. This service was performed on the English version of the report.

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
GRI 101: Foundation 2016 General Disclosures					
GRI 102: General Disclosures 2016	Organizational profile				
	102-1	Name of the organization	Grifols S.A.		Yes, pages 151 to 152
	102-2	Activities, brands, products and services	14-25		Yes, pages 151 to 152
	102-3	Location of headquarters	25		Yes, pages 151 to 152
	102-4	Location of operations	24-25		Yes, pages 151 to 152
	102-5	Ownership and legal form	Details available in the Annual Corporate Governance Report https://www.grifols.com/en/annual-corporate-governance-report		Yes, pages 151 to 152
	102-6	Markets served	16-18, 24-25		Yes, pages 151 to 152
	102-7	Scale of the organization	8-9, 69, 77		Yes, pages 151 to 152
	102-8	Information on employees and other workers	114-128		Yes, pages 151 to 152
	102-9	Supply chain	53-63		Yes, pages 151 to 152
	102-10	Significant changes to the organization and its supply chain	14-15, 66-68		Yes, pages 151 to 152
	102-11	Precautionary Principle or approach	37, 39-40		Yes, pages 151 to 152
	102-12	External initiatives	Grifols has not adopted any externally-developed economic, environmental or social projects or principles		Yes, pages 151 to 152
	102-13	Membership of associations	147		Yes, pages 151 to 152
	Strategy				
	102-14	Statement from senior decision-maker	5-7		Yes, pages 151 to 152
	Ethics and integrity				
	102-16	Values, principles, standards, and norms of behavior	33, 41, 43-47		Yes, pages 151 to 152
	102-17	Mechanisms for advice and concerns about ethics	44-45		Yes, pages 151 to 152
	Governance				
	102-18	Governance structure	31-23		Yes, pages 151 to 152
	Stakeholder engagement				
	102-40	List of stakeholder groups	148		Yes, pages 151 to 152
	102-41	Collective bargaining agreements	The employees of some of our subsidiaries in Spain, Germany, Italy, France, Argentina and Brazil are covered by collective bargaining agreements. In 2018, 4.246 employees, representing 20% of group employees, were covered by these agreements.		Yes, pages 151 to 152

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
GRI 102: General Disclosures 2016	102-42	Identifying and selecting stakeholders	147-148		Yes, pages 151 to 152
	102-43	Approach to stakeholder engagement	146-147		Yes, pages 151 to 152
	102-44	Key topics and concerns raised	150		Yes, pages 151 to 152
	Reporting practice				
	102-45	Entities included in the consolidated financial statements	A list of Grifols subsidiaries is disclosed in the Annex I of the Consolidated Financial Statements on the following link: https://www.grifols.com/en/annual-accounts		Yes, pages 151 to 152
	102-46	Defining report content and topic Boundaries	145-146, 149-150		Yes, pages 151 to 152
	102-47	List of material topics	150		Yes, pages 151 to 152
	102-48	Restatements of information	No significant changes have occurred requiring the restatement of information. Information included with a different organizational or time scope to the one used in 2017, has been explained and disclosed.		Yes, pages 151 to 152
	102-49	Changes in reporting	146 No significant changes have occurred in cut off periods or coverage, however the materiality study included in this year's report is more detailed and includes more in-depth descriptions in the list of the material topics included.		Yes, pages 151 to 152
	102-50	Reporting period	146		Yes, pages 151 to 152
	102-51	Date of the most recent report	2017 Corporate Responsibility Report was published on May 2018.		Yes, pages 151 to 152
	102-52	Reporting cycle	Annual		Yes, pages 151 to 152
	102-53	Contact point for questions regarding the report	GRIFOLS S.A. - Investor Relations Avinguda de la Generalitat, 152 Parc empresarial Can Sant Joan 08174 Sant Cugat del Vallès, Barcelona - España Contact information: Tel. (+34) 935 710 221 Fax: (+34)34 935 712 201 inversores@grifols.com		Yes, pages 151 to 152
	102-54	Claims of reporting in accordance with the GRI Standards	147 This report has been prepared in accordance with the GRI Standards: Core option		Yes, pages 151 to 152
	102-55	GRI content index	153		Yes, pages 151 to 152
	102-56	External assurance	151-152		Yes, pages 151 to 152

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
Material topics					
Innovation					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	130-143		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 131		Yes, pages 151 to 152
Business ethics (GRI 205: Anti-corruption 2016, GRI 206: Anti-competitive Behavior 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	30, 33, 43-51		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 44-45		Yes, pages 151 to 152
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	46-47		Yes, pages 151 to 152
	205-2	Communication and training about anti-corruption policies and procedures	46-47	Breakdown by category is not available for publication in this report. Specific measures are being taken in the collection of information and the process to treat the data to be able to give this detail in the next five years	Yes, pages 151 to 152
	205-3	Confirmed incidents of corruption and actions taken	47		Yes, pages 151 to 152
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Detailed content available on page 103 of Grifols document 20F, via the following link: https://www.sec.gov/Archives/edgar/data/1438569/000110465919023085/a19-3375_120fa.htm		Yes, pages 151 to 152
Safety & Quality within the Supply Chain (GRI 416: Customer Health and Safety 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization is linked to the impact through its business relations.		Yes, pages 151 to 152
	103-2	The management approach and its components	53-63		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 58, 62-63		Yes, pages 151 to 152

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	53		Yes, pages 151 to 152
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	53		Yes, pages 151 to 152
Talent attraction and retention (GRI 401: Employment 2016, GRI 402: Labor/Management Relations 2016, GRI 404: Training and Education 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	121		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 121		Yes, pages 151 to 152
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	127 New hires by region: North America : 6.173 employees, 40% over total employees Europe: 983 employees, 18% over total employees Rest of the world: 79 employees, 18% over total employees New hires by age group: <30: 3.842 employees, 59% over total employees 30-50: 2.926 employees, 27% over total employees >50: 467 employees, 13% over total employees Total number of terminations and turnover rate by region: North America: 5.370 employees, turnover 35% Europe: 632 employees, turnover 11% Rest of the world:: 55 employees, turnover 13% Total number of terminations and turnover rate by age group: <30: 2.718 employees, turnover 42% 30-50: 2.727 employees, turnover 25% >50: 603 employees, turnover 16%		Yes, pages 151 to 152

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	121 All employees at the main locations, except from the U.S., are eligible to all the work benefits available to their work category regardless of their employment type (full time or part time). In the U.S., all regular full-time employees working an average of 30 hours or more per week, are eligible for several insurance policies (Basic Life Insurance, Accidental Death & Dismemberment, Core Short-Term Disability, Long-Term Disability and Business Travel accident, medical and drug coverage insurance, dental and vision insurance). They also have access to a Health Reimbursement Account (for EHP participants only), and participate in a Employee Assistance Program, LiveWell Wellness Incentive Program, , 401k match, Tuition Reimbursement, PTO Pay & Holiday Pay as well as Adoption Assistance. Part-time employees are eligible to 401k benefits, Business travel accident in insurance and Employee Assistance Program		Yes, pages 151 to 152
	401-3	Parental leave	100% of Grifols employees are entitled to maternity / paternity leave as long as it is contemplated by state, federal, regional or local laws; in 2018, 498 women and 195 men have taken parental leave. During the reporting period, 604 people (411 women and 193 men) have returned to work after their parental leave, which represents a 93% return to work rate (90% in women, 99% in men).		Yes, pages 151 to 152
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Significant operational changes in the organization that may substantially affect employees, are communicated in advance according to the requirements of the applicable law and the collective agreements.		Yes, pages 151 to 152
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Average training hours per employee by gender: Women 158h; Men 110h. Average training hours per employee are based on the accumulated average number of employees (FTE average).	Breakdown by category is not available for publication in this report. Specific measures are being taken in the collection of information and the process to treat the data to be able to give this detail in the next three years	Yes, pages 151 to 152
	404-2	Programs for upgrading employee skills and transition assistance programs	92, 122-124		Yes, pages 151 to 152
	404-3	Percentage of employees receiving regular performance and career development reviews	121 During 2018, 57,9% of all employees have participated in the performance and development review		Yes, pages 151 to 152

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
Commitment with Patients					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside of the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	81-82		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 81		Yes, pages 151 to 152
Occupational Health, Safety and Welfare 2016 (GRI 403: Occupational Health and Safety 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	125-126		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 125		Yes, pages 151 to 152
GRI 403: Occupational Health and Safety 2016	403-1	Occupational health and safety management system	In Spain, Chile and Germany, where there are legally established work committees, Grifols' has occupational health and safety risks prevention workers represented at the committees. In these countries, there are regular communications through OHS meetings. In 2018, 66% of employees in Spain were represented by formal joint management-worker health and safety committees, while in Chile and Germany 100% of employees were represented. There are no formal committees at the other subsidiaries but Grifols undertakes surveys and communicates regularly with its workforce. Employees create committees were all can participate or send suggestions. Each subsidiary defines the frequency of meetings and sets the plans, actions or specific measures for these committees		Yes, pages 151 to 152
GRI 403: Occupational Health and Safety 2016	403-2	Hazard identification, risk assessment, and incident investigation	126 Total hours of absenteesm in Spain by gender, which includes the following typologies: Sickness; sickness hospitalisation; accident in the workplace; maternity/paternity leave; paid leave permit; and not-paid leave permit Women: 221.720 hours Men: 165.598 hours	Due to regulatory differences among countries, the absenteesm rate is reported only for Spain where it conforms a material topic. Specific measures are being taken in the collection of information and the processing of data to be able to provide this detail in the next three years.	Yes, pages 151 to 152
	403-3	Occupational health services	126		Yes, pages 151 to 152

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
Economic performance (GRI 201: Economic Performance 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	69-72		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 72		Yes, pages 151 to 152
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	77		Yes, pages 151 to 152
Risks and Compliance					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	37, 43, 49		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32		Yes, pages 151 to 152
Plasma and plasma donors					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	56, 60-61, 86-87		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	30, 86		Yes, pages 151 to 152
Bioethics					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	79, 90-91		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 45, 90-91		Yes, pages 151 to 152
Waste (GRI 306: Effluents and Waste 2016, GRI 307: Environmental Compliance 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	98-100, 111		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 98		Yes, pages 151 to 152
GRI 306: Effluents and Waste 2016	306-2	Waste by type and disposal method	111		Yes, pages 151 to 152

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	99		Yes, pages 151 to 152
Eco efficiency (GRI 301: Materials 2016, GRI 302: Energy 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	98-100, 102-105		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 98		Yes, pages 151 to 152
GRI 301: Materials 2016	301-1	Materials used by weight or volume	102	Due to the nature of the materials used by Grifols, disclosure by renewable and not renewable is not applicable	Yes, pages 151 to 152
GRI 302: Energy 2016	302-1	Energy consumption within the organization	103-105		Yes, pages 151 to 152
	302-3	Energy intensity	103, 104 All rates are reported using energy consumption within the organization		Yes, pages 151 to 152
	302-4	Reduction of energy consumption	100, 102-105		Yes, pages 151 to 152
Commitment with the Community and Social Contribution (GRI 203: Indirect Economic Impacts 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	80-94		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 80-94		Yes, pages 151 to 152
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	78-94		Yes, pages 151 to 152
Data protection (GRI 418: Customer Privacy 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	51		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	51		Yes, pages 151 to 152
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	There has not been any claim regarding privacy violations and client's data loss		Yes, pages 151 to 152
Transparency					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	49-51, 146-147		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 50		Yes, pages 151 to 152

GRI Standard	Disclosure		Page number / Direct response	Identified omission(s)	External assurance
Water and waste waters (GRI 303: Water and Effluents 2018, GRI 306: Effluents and Waste 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	98-100, 106-107		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 98		Yes, pages 151 to 152
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	100, 106-107		Yes, pages 151 to 152
	303-2	Management of water discharge related impacts	106-107		Yes, pages 151 to 152
	303-3	Water withdrawal	106		Yes, pages 151 to 152
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	107		Yes, pages 151 to 152
Climate Strategy (GRI 305: Emissions)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside and outside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	98-100, 108		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 98		Yes, pages 151 to 152
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	108		Yes, pages 151 to 152
	305-2	Energy indirect (Scope 2) GHG emissions	108		Yes, pages 151 to 152
	305-3	Other indirect (Scope 3) GHG emissions	108		Yes, pages 151 to 152
	305-4	GHG emissions intensity	109		Yes, pages 151 to 152
	305-6	Emissions of ozone-depleting substances (ODS)	108-109		Yes, pages 151 to 152
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	108-109		Yes, pages 151 to 152
Diversity and Inclusion (GRI 405: Diversity and Equal Opportunity 2016, GRI 406: Non-discrimination 2016)					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	149-150 Coverage: Inside the organization. The organization contributes directly to the impact		Yes, pages 151 to 152
	103-2	The management approach and its components	116-117		Yes, pages 151 to 152
	103-3	Evaluation of the management approach	32, 44-45		Yes, pages 151 to 152
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	35, 116-117		Yes, pages 151 to 152
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	116-117		Yes, pages 151 to 152

GLOSSARY AND ABBREVIATIONS

- **AATD/Alpha-1 antitrypsin deficiency:** Inherited disease characterized by low levels of, or no,alpha-1 antitrypsin (AAT) in the blood. This protein made in the liver, reaches other organs (such as the lungs), after being released into the blood stream, enabling its normal function.
- **Albumin:** The most abundant protein found in plasma (approximately 60% of human plasma). Produced in the liver, it is important in regulating blood volume by maintaining the oncotic pressure of the blood compartment.
- **Alzheimer's disease:** This is the most common form of dementia. This incurable, degenerative,and terminal disease was first described by German psychiatrist and neuropathologist Alois Alzheimer in 1906 and was named after him.
- **Babesiosis/Babesia virus:** disease caused by microscopic parasites that infect red blood cells.
- **Beta-amyloid:** Protein strongly implicated in Alzheimer's diseases. Beta-amyloid is the maincomponent of certain deposits found in the brains of patients of Alzheimer's disease.
- **CIDP:** Chronic Inflammatory Demyelinating Polyneuropathy. Neurological disorder which causes gradual weakness, numbness, pain in arms and legs and difficulty in walking.
- **Cirrhosis:** Medical condition which is a result of advanced liver disease. It is characterized by thereplacement of liver tissue by fibrosis (scar tissue) and regenerative nodules (lumps that occurdue to attempted repair of damaged tissue).
- **ELISA:** Enzyme-linked immunosorbent assay.
- **EMA:** European Medicines Agency.
- **Factor VIII or FVIII:** This is an essential blood clotting factor also known as anti-hemophilic factor(AHF). In humans, Factor VIII is encoded by the F8 gene. Defects in this gene results in hemophiliaA, a sex-linked disease that occurs predominantly in males. FVIII concentrated from donated blood plasma, or alternatively recombinant FVIII, or rFVIII can be given to hemophiliacs to restore hemostasis.
- **Factor IX:** This is an important blood clotting factor also known as Christmas factor or plasmathromboplastin component (PTC). It is one of the serine proteases of the coagulation system andbelongs to the peptidase family S1. In humans, a deficiency of this protein causes hemophilia B,a sex-linked disease that occurs predominantly in males.
- **FDA:** Food and Drug Administration. U.S.Health Authority.
- **Fibrin sealant:** Surgical adhesive material derived from plasma.
- **Fractionation:** Process of separating plasma into its component parts, such as albumin, immunoglobulin, alpha-1 antitrypsin and coagulation factors.
- **GPO:** Group Purchasing Organization.
- **HBV:** Hepatitis B Virus.
- **HCV:** Hepatitis C Virus.
- **Hematology:** The study of blood, blood-forming organs, and blood diseases.
- **Hemoderivative:** proteins obtained by fractionation of human blood plasma. See plasma derived proteins.

- **Hemophilia:** Genetic deficiency characterized by the lack of one of the clotting factors. It has two main variants:.

  - Hemophilia A: genetic deficiency of coagulation Factor VIII, which causes increased bleeding (usually affects males).

  - Hemofilia B: genetic deficiency of coagulation Factor IX.

- **Hemotherapy**: Treatment of a disease using blood, blood components and its derivatives.

- **HIV:** Human Immunodeficiency Virus.

- **IA:** Immunoassays. These are systems available in several formats that may be used to detectantibodies, recombinant proteins or a combination of the two.

- **Immunoglobulins:** also known as antibodies, are proteins derived from plasma. They control de body's immune response. They have multiple indications and some of their main uses are to treat: (i) immune deficiencies, (ii) inflammatory and autoimmune diseases and (iii) acute infections. IVIG is an immunoglobulin administered intravenously that contains IgG (immunoglobulin (antibody) G).

- **Intravenous:** administration of drugs or fluids directly into a vein.

- **Immunohematology:** A branch of hematology related to the study of recombinant proteins and antibodiesand their effects on blood and the relationships between blood disorders and the immunesystem. Also referred to as Transfusional Medicine - blood bank, its main activities include blood typing, compatibility tests and crossmatching and antibody identification.

- **Immunology:** This is a branch of biomedical science that covers the study of all aspectsof the immune system in organisms. It deals with the physiological functioning of the immunesystem in states of both health and disease; malfunctions (autoimmune diseases, hypersensitivities, immune deficiency, transplant rejection) and the physical, chemical and physiological characteristics of the components of the immune system in vitro, in situ, and in vivo.

- **IVD:** In vitro Diagnostic.

- **IV solutions/Intravenous solution:** Medicine or homogeneous mixture of a substance in liquid,enabling it to be infused into the circulatory system through a needle.

- **Molecular Diagnostics:** Discipline that studies genomic (DNA) and proteomic (proteins)expression patterns and uses the information to distinguish between normal, precancerous, andcancerous tissues at the molecular level.

- **MRB:** Market Research Bureau.

- **NAT:** Nucleic Acid Amplification Testing.

- **pdFVIII:** Plasma-derived Factor VIII.

- **Plasma:** Liquid part of the blood, consisting of a mix of a large number of proteins in solution.

- **Plasma-derived proteins:** Purified plasma proteins with therapeutic properties that areobtained through the fractionation of human plasma. Albumin, immunoglobulins, factor VIIIand alpha-1 antitrypsin are the main plasma proteins.

- **Plasmapheresis:** Plasmapheresis is a technique which separates plasma from other bloodcomponents, such as red blood cells, platelets and other cells. These unused blood componentsare suspended in saline solution and immediately re-injected back into the donor.

  Because the donor is only providing plasma and not whole blood, the recovery process is faster and better tolerated, and the donor is able to make donations more frequently.

  Plasmapheresis was developed by Jose Antonio Grifols Lucas in the year 1951. It is the only procedure that is capable of obtaining sufficient quantities of plasma to cover the manufacturing needs for the different plasma protein therapies.

- **Prolastin®/Prolastin® -C:** This is a concentrated form of alpha-1 antitrypsin (AAT), derived from human plasma and approved only for chronic, or ongoing, replacement therapy in people with genetic AAT deficiency. Given as prescribed, Prolastin raises the levels of AAT in the blood and lungs. Raising the AAT level may help reduce the damage to the lungs caused by destructive enzymes.

- **rFVIII:** Recombinant Factor VIII is the anti-hemophilic factor A, obtained using recombinant DNAtechnology. With this technology, pure factor is synthesized in the laboratory instead of beingextracted from blood plasma.

- **Rh (Rhesus) blood group system:** Most important blood group system after ABO. The Rh bloodgroup system consists of 50 defined blood-group recombinant proteins, among which the five recombinant proteins D,C, c, E and e are the most important.

  The commonly used terms Rh factor, Rh positive and Rhnegative refer to the D antigen only.

- **SubQ:** Sub-cutaneous.

- **Transfusion medicine:** Branch of medicine that encompasses among others, immunohematology, blood and plasma screening and blood typing.

- **WNV:** West Nile Virus. Virus that is transmitted by mosquitoes. Humans are mainly infectedthrough mosquito bites, but infection can occur through organ transplantation and blood.

- **Von Willebrand Disease (vWD):** This is the most common hereditary coagulation abnormalitydescribed in humans, although it can also be acquired as a result of other medical conditions. Itarises from a qualitative or quantitative deficiency of von Willebrand factor (vWF), a multimericprotein that is required for platelet adhesion.

- **Zika virus:** infectious disease spread by the bite of an infected Aedes species mosquito.