3

Sustainable growth

We drive a sustainable, resilient, and long-term growth model that, in addition to generating economic benefits, has a positive impact on society. Our business practices create shared value directly and through fiscal compliance, thus contributing to equitable and viable development.

APPROACH

Financial performance

We move forward with determination in a pivotal year, fulfilling commitments and achieving historic revenues.

Shared value creation

We amplify the reach and value generated for our donors, in the communities where we operate, and for our patients through our investments.

Tax contributions

Legal compliance serves as the foundation to contribute to the economic and social development of the countries in which we operate

Financial performance

We boast strong fundamentals and a clear growth strategy focused on profitability. Through ongoing efforts to enhance our operations and financial performance, we strive to create value, leverage our strengths in order to fulfill our objectives, priorities and commitments.

OUR ROADMAP

- Profitable operational growth
- Progress on our commitment: debt ratio of 4x
- Financial discipline and cost control
- Continued efforts to explore and capture opportunities in China and with Biotest
- Promote impactful and differential R&D projects

5 STRATEGIC DRIVERS

- Focusing on core activities
- Improving the donor's experience
- Driving forces and creators of the global market
- Continuous optimization
- Accelerating innovation

MILESTONES IN 2023

Robust and sustainable income growth

+10.9%

CC[1]

Increase in plasma supply

+10%

Reduced cost per liter of plasma

-22%[2]

Debt ratio

6.3x

Announcement of Haier alliance

$1,800 M

Sale of 20% SRAAS while maintaining a relevant presence in China

Operational cash flow[3]

€+300M

(1) Operating or constant exchange rate (cc) excludes exchange rate variations for the year.
(2) In relation to the peak recorded in July 2022.
(3) Excluding extraordinary items.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

A commitment to value creation

For Grifols, 2023 was a year of growth and transformation. The company closed a decisive year that will accelerate its growth in 2024, delivering on its commitments and making strides across the board as evidenced by its positive operating and financial results. Grifols also advanced on its deleveraging path by forming a strategic alliance with Haier Group in China.

Grifols recorded significant savings in 2023 thanks to notable progress on its operational improvement plan, announced at the end of 2022. In parallel, it continues to progress on its strategic roadmap, developed in 2022 to increase its capacity to detect and address new challenges. Financial performance and shareholder value creation remain core commitments.

Our priorities	Levers
Stronger leadership and a more efficient organization A more effective, performance-driven and agile company	• Best talent in strategic positions • + Planning • + Focus on execution • Continue to drive operational performance
Equipped to meet debt maturities	• Support from leading banks and a clear Roadmap • Confirmation from the principal rating agencies
Debt reduction Balance sheet deleveraging	• Haier Group alliance under way • Profitable growth • Alternatives under consideration to optimize global assets / Other alternatives under consideration
Improved cash flow and expense Profile Financial discipline and cost control	• + Plasma and lower cost per liter • + Organizational and operational efficiencies • Focus on working capital and CAPEX
Capture sales opportunities Unlock value of product portfolio	• Robust innovation pipeline to expand the commercial portfolio in the medium term
Biotest Solid value plan	• Approvals and launches of planned new proteins • Opportunities to capture synergies to expand margins
China: bolster our market position	• Exploring synergies with Haier in the Chinese diagnostics market. • Collaboration roadmap between Grifols and Biotest to leverage opportunities in China at all levels.

Solid execution

Open communication: transparency and clarity

Proven Resilience

Guided by our core values while promoting sustainability

Significant revenue growth

	Grifols	Biotest	Combined [1]
Revenue	**6,089**	**503**	**6,592**
% variation	+6.8%	+39.3%	+8.7%
% variation cc	+9.1%	+39.4%	+10.9%
Gross margin	**2,396**	**98**	**2,495**
% margin	39.4%	19.5%	37.8%
Operational expenses	1,585	177	1,762
% variation cc	+10.3%	+83.3%	+14.9%
EBITDA	**1,265**	**(14)**	**1,251**
% margin	20.8%	(2.7%)	19.0%
EBITDA adjusted	**1,455**	**19**	**1,474**
% margin	24.0%	3.9%	22.4%
Group profit	**113**	**(54)**	**59**
% variation	(49.6%)	-	(71.5%)

Strong revenue growth to year-on-year highs. Biopharma's main plasma proteins recorded strong performance, driven by higher plasma supply, robust underlying demand for key proteins, the price factor, a favorable product mix, and notable contribution from Biotest.

Higher gross margin following a significant decline in cost per liter (CPL) of plasma. Grifols optimized its plasma center network as part of its operational improvement plan, while plasma supply continued to sustainably grow. Donor compensation also moderated, further contributing to greater margins.

Enhanced operating performance increases EBITDA. Grifols' operational improvement plan, now fully implemented, has led to significant margin expansion. The company achieved EUR 450 million in annualized cash cost savings thanks to the positive results of diverse actions to optimize its plasma operations.

Group profit were affected by high financial expenses.

For more information, please refer to the Management Report and Consolidated Financial Statements for 2023.

Performance by business unit

Biopharma

POSITIVE EVOLUTION OF BIOPHARMA

Total revenues

€5,558 M
+11.0%
+13.3% cc

GRIFOLS	BIOTEST
€5,055 M +8.9% +11.3% cc	€503 M

IMMUNOGLOBULINS

+17.2% cc

55-60% of revenues

- Continued strong demand for intravenous immunoglobulins (IVIg)
- Subcutaneous (IgSC) Xembify® grows thanks to higher penetration the U.S. and other key markets
- Objectives to bolster franchising in the U.S. and accelerate Xembify® adoption in other countries

ALBUMIN

+20.1% cc

10-15% of revenues

- China drives demand in the Asia-Pacific region
- Grifols' innovative sales strategy under the SRAAS agreement leads to greater supply in the Chinese market
- Solid evolution in the main European countries

ALPHA-1 & SPECIALTY PROTEINS

+2.4% cc

25-30% of revenues

- Gradual recovery of alpha-1 in European countries has led to a growth of +2.4% year-on-year in the last quarter
- U.S. market launch of AlphaID™ At Home text
- Positive evolution of hyperimmune immunoglobulins (Ig) in the U.S.

Includes Biotest

Biopharma

COMMERCIAL MILESTONES IN 2023

We continue to strengthen our immunoglobulin franchise by focusing on the fastest-growing immunodeficiency markets such as primary and secondary immunodeficiencies, while maintaining our leadership in neurology and intensive care.

Launch of subcutaneous immunoglobulin XEMBIFY® in Europe and Australia

Spain and the United Kingdom (Wales) were the first European markets to introduce this plasma-based medicine after its approval by several European health authorities in 2022. Approved indications include primary immunodeficiencies (PIDs) and secondary immunodeficiencies (SDIs). In 2023, Xembify® was also launched in Australia.

XEMBIFY® has held a patent in the United States since 2019. Grifols is currently working to obtain clearance for its indication to treat hypogammaglobulinemia and recurrent or severe infections associated with B-cell chronic lymphocytic leukemia (CLL), among the indications with the greatest growth potential in the SID field.

First exports to China of Biotest albumin

The collaboration among Grifols, Shanghai RAAS and Biotest led to a higher supply of albumin in China. Grifols has six albumin product licenses in China and distribution rights for Biotest's albumin as of January 2023. Grifols supplies albumin under the Shanghai RAAS framework, an exclusive 10-year distribution agreement (extendable for another 10 years).

TAVLESSE® market expansion in Europe

TAVLESSE® (fostamatinib), indicated to treat immune thrombocytopenia (ITP) in adult patients refractory to other treatments, was introduced in Norway and the Czech Republic. It also received a recommendation from the United Kingdom's National Institute for Health and Care Excellence (NICE). TAVLESSE® represents Grifols' first non-plasma therapy.

Expansion of the biological sealant VISTASEAL™ to new markets

Used to control surgical bleeding, the biological sealant VISTASEAL™ was launched in Canada, Italy, Switzerland, Estonia, Lithuania, Latvia and Australia. The product combines two plasma proteins (fibrinogen and human thrombin) and is administered with Ethicon's innovative applicator technology.

Plasma is a priority: supply and cost per liter continue to improve

Higher Plasma Volumes

+10%

vs 2022

Lower Cost

-22%

COST PER LITER OF PLASMA*

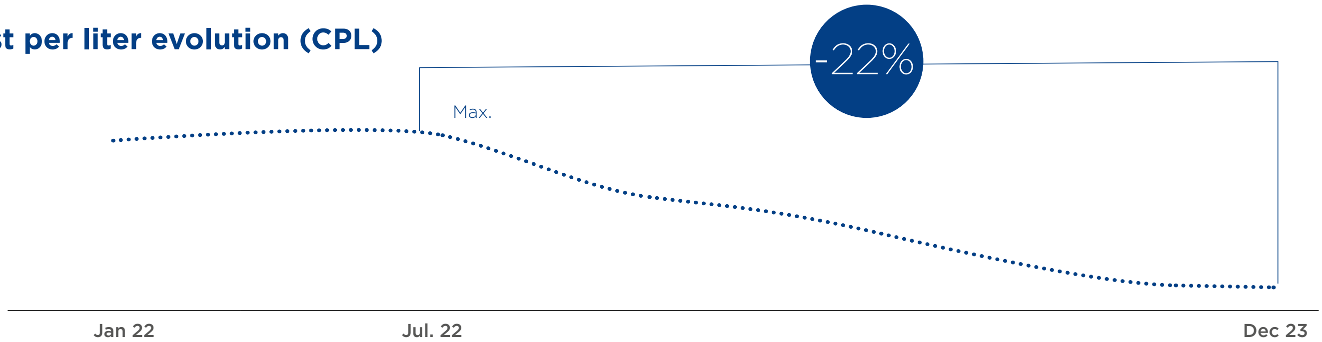
-5%

MANUFACTURING COST

Plasma Centers

390+

Cost per liter evolution (CPL)



Note: Base 100: 1Q-22; a 22% decline by December '23 compared to the peak in July '22 (U.S. information excluding Biotest)

Higher plasma volumes and plasma-center optimization

- Upturn in number of unique donors to 920,000 people
- Greater donation frequency
- Implementation of new more efficient plasmapheresis machines

Several measures improve plasma CPL

- Moderation of donor compensation
- Rationalization of plasma center network
- Greater process efficiencies
- Optimized cost structure
- Enhanced donor experience

Diagnostic

DIAGNOSTIC

Total Revenues

€670 M

-0.2%
+2.3% cc

Recovery driven by the growth of blood typing solutions and positive trend in China

NAT TECHNOLOGY

+0.4%

50-55% of sales

- Extension of agreement with CTS to 20 years in the U.S.
- Higher instrument sales in Japan and Indonesia

BLOOD TYPING

+8.9%

25-30% of sales

- Notable growth in most countries, especially in the U.S., Argentina, Brasil and Saudi Arabia

RECOMBINANT PROTEINS

+2.3%

15-20% of sales

- Strong revenues in main regions, especially in the U.S.
- Important 10-year supply agreement with a leading partner

Pre-transfusion compatibility testing in multiple myeloma patients

Grifols sCD38 solution received the CE mark. Designed to block anti-CD38 antibodies, it is the first soluble recombinant protein to facilitate pre-transfusion compatibility testing in patients with multiple myeloma. This solution designed to block anti-CD38 antibodies demonstrates Grifols' ongoing commitment to innovation and patient safety.

AlphaID™ At Home is now available in the U.S.

Available in the U.S. as of May 2023, this free screening program allows people to easily discover their genetic risk of alpha-1 antitrypsin deficiency (AADT) through a saliva sample. Many COPD patients are unaware of its genetic component, which is why the WHO, COPD Foundation and other health organizations recommend detection tests, as low levels of the alpha-1 antitrypsin protein can cause severe lung and liver diseases. AlphaID™ At Home received FDA clearance in 2022, becoming Grifols' first FDA-approved product for direct consumer use.

Bio Supplies

BIO SUPPLIES

TOTAL REVENUES

€160 M

+9.5%
+11.3% cc

Grifols continues to maximize the value of its Bio Supplies product portfolio after integrating Access Biologicals, which continues to contribute significantly. The unit also benefited from strong sales of hyperimmune plasma to third parties

BIO SUPPLIES BIOPHARMA

+5.1%

55-55% of sales

- Increase due to the growth of traditional activity driven by new customers and higher demand from existing clients
- Reduced revenue contribution from cell culture media due to lower market demand

BIO SUPPLIES DIAGNOSTIC

+29.4%

25-30% of sales

- Increased demand for plasma for diagnosis and contributions resulting from the acquisition of Access Biologicals.
- Improved margins for blood derivatives due to the operational optimization plan.

PLASMA HIPERINMUNE SALES

+4.8%

20-25% of sales

- Boost from new contracts

First leukopak donations in the U.S.

In 2023, the first leukopak donations began at Bio Supplies' Specialty Plasma Center in Indianapolis, Indiana. Primarily used in cell-therapy research, leukopaks are obtained through apheresis whereby a specific blood component is extracted. In this case, leukocytes or white blood cells are procured from the donor (leukapheresis).

Bio Supplies has a broad portfolio of products for cell therapy, including human AB male serum and albumin. Grifols is the market leader in their supply.

Until now, Grifols leukopaks have only been marketed in Europe. Following its positive experience in its German centers, the company quickly implemented leukopak donations in the U.S., where it plans on bringing this type of apheresis to more plasma centers to bolster its cell-therapy business.

Reinforcing the balance sheet

Proven commitment to sustainable growth

A solid balance sheet with investments already made

EUR 21,441 million as of December 31, 2023, compared to EUR 21,534 million in December 2022. The strategic investments made in recent years to boost plasma acquisition and reinforce innovation projects have been highly relevant factors in strengthening Grifols' growth.

Enhanced management of working capital

Better working-capital management continues to optimize Grifols' financial structure. As of December 31, 2023, the company's liquidity position stood at a robust EUR 1,145 million, including EUR 530 million in cash.

Inventory control, collection and payment periods

The inventories remain stable, amounting to EUR 3,459 million, with a turnover of 308 days (296 days as of December 2022). This stability is attributed to the gradual impact of improved cost per liter of plasma in a context of increased supply. The average collection and payment periods have remained steady at 36 days (36 days in 2022) and 59 days (53 days in 2022), respectively. The average payment period to suppliers of the Spanish companies comprising the group has been 72 days, mirroring the same average period as the previous year, which stood at 69 days.

Operational Improvement and cost savings plan

Fully executed in 2023 to reduce the cost base, the plan has elevated Grifols' operating cash flow and financial performance, leading to over EUR 450 million in annualized cost savings. Due to the approximately nine-month lag in inventory accounting applied in the plasma industry, most of the savings will be recognized in the income statement in 2024.

Total Assets

€21,441 M

Liquidity Position

€1,145 M

Cash Position And Other Liquid Resources

€530 M

*Data including Biotest except for average payment period

Noteworthy progress on our commitment to deleverage

Deleveraging remains a core priority for Grifols on its pursuit to reduce debt.

At the close of 2023, Grifols' debt ratio fell to 6.3x (7.1x at December 2022) following an improvement in EBITDA and operating cash flow generation, which stood at EUR 208 million in 2023 (EUR 351 million excluding exceptionals), driven by dynamic business momentum and optimization of working capital.

Including the SRAAS divestment, the ratio would stand at 5.4x (pro forma). Grifols continues to progress toward its goal of reaching 4.0x.

Leverage ratio at closing 2023

6.3x

Proforma considering divestment in SRAAS

5.4x

Equity

€7,972 M

Equity

On December 31, 2023, shareholder equity totaled EUR 7,972 million. Grifols share capital is represented by 426,129,798 ordinary shares (Class A), with a nominal value of EUR 0.25 per share, and 261,425,110 non-voting shares (Class B), with a nominal value of EUR 0.05 per share.

Grifols ordinary shares (Class A) are listed on the Spanish stock market and form part of the IBEX-35 (GRF), and non-voting shares (Class B) are listed on the Spanish stock market (GRF.P). Grifols Class A and B shares are also listed on NASDAQ (GRFS) through ADRs (American Depositary Receipts).

As announced following its 2021 acquisition of Biotest, the company will suspend the distribution of cash dividend payments until attaining a debt ratio below 4x/ EBITDA.

Grants

The grants received mainly correspond to initiatives related to the training of workers and the creation of jobs.

Thousand of Euros	Grants
Spain	468
United States	1,305

Liquidity and capital resources

The leverage ratio dropped to 6.3x (5.4x pro forma considering the SRAAS divestment). Grifols is making important progress toward its goal of reaching 4x. The liquidity position totaled EUR 1,145 million, including a cash position of EUR 530 million.

Cash flow from operating activities

In 2023, net cash flows from operating activities continued on their positive trend, fueled by solid business performance and the effective 100% implementation of the operational improvement plan, and the engine for over EUR 450 million in cost savings. Operating cash flows reached EUR 208 million (EUR 351 million excluding exceptionals), compared to the EUR -11 million reported in 2022.

Cash flow from investment activities

The net cash flows allocated to investment activities have amounted to EUR 398 million, with the most significant portion attributed to capital investments (CAPEX), totaling EUR 210 million. These investments have primarily focused on new Biopharma production facilities, including the upgrade of plasma fractionation, immunoglobulin purification, and albumin plants in Montreal (Canada), as well as the establishment of a new albumin plant in Dublin. Additionally, funds were allocated to various IT and digitization projects.

Cash flow from financing activities

The cash flow from financing activities amounts to EUR 186 million.

Capital resources and credit ratings

As of December 31, 2023, Grifols' net financial debt stands at EUR 9,416 million, excluding the impact of IFRS 16*.

In 2023, the company continued to decrease its debt ratio both organically and inorganically through divestitures of specific assets. As part of its quest to reduce inorganic debt, Grifols announced a strategic alliance with Haier Group on December 29, 2023, which includes the sale of 20% of SRAAS capital for USD 1,800 million.

In December 2023, the company's net financial debt to EBITDA ratio stood at 6.3x and 5.4x pro forma considering the SRAAS divestment. The company is making steady progress on its goal of reaching 4x.

Grifols also made important strides in optimizing its financial structure. At the time of writing, 59% of Grifols' debt was referenced at fixed interest rates. While there are no significant debt maturities before 2025 and no financial covenants, this financial structure lessens the impact of interest rate hikes.

Grifols expects to meet its 2025 debt maturities in the first half of 2024 by using proceeds from its SRAAS divestiture. With the support of its main banks, the company has marked a clear path to fulfill its expected maturities on time, while remaining steadfast in its pledge to meet its debt reduction targets.

*As of December 31, 2023, the impact of IFRS 16 on debt amounted to EUR 997 million.

"We are making steady progress in our commitment to achieve a leverage ratio of 4x.

"We have defined a clear plan to meet debt maturity payments promptly.

Current Credit Ratings	Fitch[1]	Standard &Poor's[2]	Moody's[3]
Corporate Rating	BB-	B+	B2
Senior secured debt	BB+	BB-	Ba3
Senior unsecured debt	B+	B-	Caa1
Outlook	Stable	Stable	Negative

1. Last review in september 2023 / 2. Last review in january 2024 / 3. Last review in march 2023

"We maintain our credit ratings.

CAPEX and industrial activity

Grifols advanced on its capital investment plan to expand and enhance the production facilities of its business units. The company improved its CAPEX structure, taking into consideration investments made in recent years and maintaining strict discipline in resource allocations. In 2023, capital expenditures stood at EUR 210 million, denoting a slight decrease from the EUR 266* million allotted in 2022.

U.S.: FDA approves new purification and filling plant in Clayton, NC

The immunoglobulin (Gamunex-C®.) purification and filling plant in Clayton, North Carolina, received FDA clearance, allowing the company to expand operations when additional capacity is required. Following this approval, the Clayton plant increases its Gamunex production capacity by up to 16 million grams, representing an upturn in production capacity of intravenous immunoglobulin (IVIg) of more than 70%.

U.S.: New fractionation plant is operational. +6 M liters of plasma/year

The new plasma fractionation plant in North Carolina is now operational, giving Grifols additional fractionation capacity of six million liters of plasma equivalent.

*For comparison purposes, figure reported in 2022 (EUR 297m) differs following a change of criteria in 2023 as software is not considered CAPEX anymore.

Spain: construction under way of a fibrin and topical thrombin plant

Construction continued in 2023 on a fibrin adhesive and topical thrombin production plant. Located in Barcelona, it will expand production capacity up to 3.3 million liters of equivalent plasma annually for fibrin adhesive production and 6.4 million liters of equivalent plasma annually for topical thrombin production.

Ireland: new albumin purification plant

Grifols inaugurated its new sterile albumin purification, dosing and filling plant in Dublin in flexible packaging, tripling its capacity for filling albumin in this format. The installation incorporates the latest eco-efficiency technologies to save energy and water, testament to Grifols' leadership in industrial design and engineering.

Canada: upgrades to Quebec fractionation and purification facilities

Upgrades continue on Grifols' industrial installations in Quebec, Canada, which include a fractionation plant with a capacity of 1.5 million liters of plasma per year, and two purification plants.

More details on agreements with Egypt and Canada: "Donors and Patients" chapter.

> **We optimize the resources allocated to CAPEX with an investment of €210 M.**

Corporate transaction and acquisitions

Strategic alliance with Haier Group

As part of its efforts to strengthen and enhance China's healthcare system, Grifols will sell a 20% stake in SRAAS to Haier for USD 1,800 million in cash, which will be used in its entirety to reduce debt. Grifols will retain a stake of ~6.58% in SRAAS and a member on its board of directors.

On December 29, 2023, Grifols announced a strategic alliance with Haier Group to further develop the Chinese plasma market. Together, the companies will explore synergies and opportunities to merge Grifols' excellence in pharmaceuticals and diagnostics with Haier's impressive portfolio of healthcare solutions.

Through a share purchase agreement, Grifols will sell approximately 20% of its stake in SRAAS to Haier for RMB 12,500 million (USD 1,800 million) in cash at RMB 9.405 RMB per share. This share price represents a 14.96% premium over the volume-weighted average price of SRAAS shares over the previous 20 trading days (RMB 8.181).

Grifols will allocate the proceeds from this transaction, subject to regulatory approvals and other standard closing conditions, to reduce its debt levels.

The company will continue to hold a significant stake of ~6.58% in SRAAS and have a member on its board of directors.

Grifols Diagnostic Solutions (GDS) will maintain 45% of the economic rights and 40% of the voting rights of SRAAS, as agreed upon in 2020.

Since joining forces three years ago, Grifols and SRAAS have positively collaborated to develop the plasma-based medicines market in China.

Under the share purchase agreement, Grifols and SRAAS will extend their exclusive albumin distribution agreement for at least the next ten years (with the possibility of extending for a further ten years), with guaranteed minimum supply volumes for the next five years (2024-2028). China currently accounts for over 50% of global albumin consumption, with demand expected to continue growing in the coming years.

"With this transaction, Grifols maintains its presence in China, maintains its SRAAS commercial agreements and fulfills its commitment to deleverage.

The transaction by the numbers:

Sale of 20% stake in SRAAS

$ 1,800 M to reduce debt

Grifols maintains ~6.58% share capital and 1 member on the board

Biotest: progress on the integration process

The acquisition of Biotest AG is a strategic transaction which will increase and diversify Grifols' supply of plasma; reinforce its operations and revenues in Europe, the Middle East and Africa; and elevates its economic performance as the development of plasma proteins in their pipeline becomes evident.

On April 25, 2022, Grifols announced the closing of the 100% share acquisition of Tiancheng (Germany) Pharmaceutical Holdings AG, a German company that controlled 89.88% of Biotest AG ordinary shares and 1.08% of its preferred shares. After closing the transaction, which included a takeover bid for the outstanding capital, Grifols controls 97.13% of Biotest AG's voting rights and holds 70.18% of its share capital.

Since the operation, Grifols and Biotest have collaborated in several areas, especially R&D+i. In 2023, progress was also made in the sales function, especially in key markets such as Germany, Brazil, Spain, Italy and the United Kingdom.

Through these collaborations, Grifols fosters the exchange of knowledge and helps expand portfolios of life-sustaining products and their geographic scope in benefit of healthcare professionals and patients.

In this regard, in February 2024, Grifols announced positive topline results from Biotest's phase 3 clinical trial for the fibrinogen concentrate, BT524. The next steps include initiating regulatory processes in Europe and the United States, where it is set to become the first approved fibrinogen concentrate for acquired fibrinogen deficiency (AFD), with an estimated market potential of up to $800 million.

Biotest's advancements, including other innovations like Yimmugo and Trimodulin, reinforce Grifols' position in plasma-derived medicines and underscore the company's commitment to addressing unmet medical needs through innovative solutions.

For more information on Biotest's progress and new product development, see the "Innovation" chapter.

For more information on the results of Biotest's phase 3 clinical trial with fibrinogen, consult the press release.

"

Grifols announces positive topline results from Biotest's phase 3 clinical trial of its fibrinogen concentrate.


GRIFOLS

Grifols' Value Creation

We aspire to continue creating shared value that goes beyond profit maximization and drives sustainable development and social progress.

WE MEASURE OUR SHARED VALUE CREATION

Grifols uses the SROI methodology to determine the impact generated for donors, local communities and patients, estimating the overall cost-benefit of their treatments.

SROI METHODOLOGY

- **Donors**
- **Patients**
- **Local Communities**

Analysis and monetary valuation of the produced change

SOCIAL
ECONOMY
HEALTH

- **SROI Impact**
- **SROI Ratio**

Value generated in relation to the investment

MAIN INDICATORS

Total value created in 2023

$32,427 M

Value created for donors and local communities

$5,057 M

Value created for patients

$27,370 M

Value creation beyond the bottom line

Analyzing and measuring our created value

In 2020, Grifols began analyzing and measuring the value created by its plasma donation centers in the U.S. and Europe, as well as the value generated by its main plasma medicines on patients, with an emphasis on the principal diseases for which they are indicated. These include alpha-1 antitrypsin deficiency (AADT); immunoglobulins for primary immunodeficiencies (PID), secondary immunodeficiencies (SID), chronic inflammatory demyelinating polyneuropathy (CIDP), primary immune thrombocytopenia (ITP), Guillain Barré syndrome and myasthenia gravis (MG); coagulation factor VIII; and albumin for the treatment of acute liver disease, hepatorenal syndrome and spontaneous bacterial peritonitis (SBP).

Grifols follows the SROI (Social Return on Investment) methodology, which allows users to discern the value created for donors, local communities and patients, and estimate the overall cost-benefit of their treatments.

*More information on the SROI methodology: "About This Report" chapter.

Total value created in 2023

$32,427 M

Total SROI: 1.87**

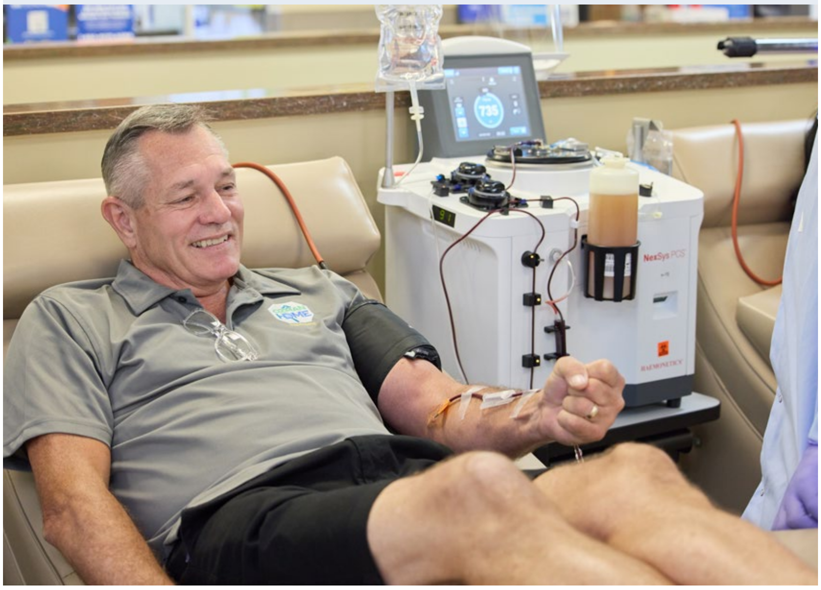
For every $1 Grifols invests, it generates $0.87 in social ROI

*Total SROI refers to both investments and social value created.
**Using the highest QALY value from the sensitivity table as a proxy.

SROI: social return on investment

The social return on investment (SROI) methodology aims to measure Grifols' impact in monetary terms on the various stakeholders with which it interacts. The methodology is based on both cost-benefit analysis and social accounting.

The SROI uses individual assessments to measure the change in stakeholders' lives as a result of Grifols' activities. The evaluations are quantified and recorded on an impact map, and monetary value is then assigned to the resulting social, environmental and economic impacts.



Impact analysis for donors and local communities

As of 2023, Grifols has 286 plasma centers in the U.S., 94 in Europe and 11 in the rest of the world, all in areas with a strong dedication to community development.

Grifols plasma donation centers are based in communities with dynamic chambers of commerce, a vocation for social progress, and ongoing community action. Plasma-center employees also take an active role and participate an array of initiatives in their communities.

In 2023, Grifols' value creation for donors and communities was similar to 2022 levels (USD 2,600 million for donors and USD 2,550 million for local communities) despite the decrease in the number of plasma centers as stipulated in Grifols' operational improvement plan. With this shift, the value created per donation center has increased.

The 2023 SROI analysis has given Grifols a detailed understanding of how it contributes to donors and local communities that house its plasma centers, with insights based on the interviews conducted.

Total impact on donors and communities in 2023

$5,057 M

Donors

$2,579 M

Local communities

$2,478M

Positive impacts for Grifols donors

- **FINANCIAL STABILITY:** Donors have more income to cover their day-to-day needs and monthly living expenses.
- **HEALTHIER LIVES:** Donors' health improves since they are able to better afford higher-quality food and exercise more frequently.
- **PHYSICAL AND PSYCHOLOGICAL WELL-BEING:** Donors feel better about themselves, enjoy a better social life and more leisure and travel time.
- **EDUCATIONAL EXPENSES:** Donors are more confident about their future since they can better afford tuition and pay for other university expenses.
- **PERSONAL SATISFACTION AND MORAL WELL-BEING**: Donors feel better about themselves by performing a good deed, since donating plasma helps thousands of patients live healthier lives thanks to the medicines produced with donated plasma.

Positive impacts for local communities

- **HEALTHCARE ACCESS:** Healthier communities since plasma donations require donors to be in good health, leading to a greater number of people who benefit from plasma-derived proteins.
- **ECONOMIC IMPACT IN DONOR COMMUNITIES:** A sizeable amount of money reverts back to the community, with around 87% of compensations injected within a 20-mile radius.

More information on donors and plasma centers: "Donors and Patients" chapter.
More information on Grifols' social outreach: "Social Impact" chapter.

Impact analysis for patients

In 2023, Grifols continued its efforts to assess the impact of its main plasma medicines on the patient population treated. In this regard, it commissioned an independent expert specialized in the SROI methodology to analyze the value created by the Plasma Procurement and Biopharma units, which oversee the manufacture and distribution of plasma proteins.

The data obtained (USD 27,370 million) show a clear increase in the value generated for patients compared to 2022 (USD 23,810 million), due to a broader population of treated patients, regardless of increases and/or decreases recorded in each pathology.

In 2023, new scientific literature led to a better demarcation and assessment of quality of life (QOL) indicators, the most reliable metric to evaluate and quantify patients' progress. One QALY equals one year in perfect health. If an individual's health falls below this maximum, QALYs accumulate at a rate of less than one per year.

The formula for monetarily calculating the improvement in the patient's quality of life because of treatment considers the value of living one year in perfect health (1 QALY), weighted by the percentage increase of the patient's improvement.

Next is a summary of the different economic valuations used to measure the impact on patients according to the changes noted in their quality of life (QALY), taking into account three sources and their respective methods:

- Institute for Clinical and Economic Review (ICER)[1] in Boston, whose latest review set the median value per QALY at USD 100,000, the lowest range at USD 50,000 and the highest at USD 150,000 per QALY. This indicator captures the heterogeneity of patients treated and their geographic dispersion.
- Proposal by Braithwaite et al.[2], which assigns the QALY a value of USD 297,000 in its high range. This indicator mainly reflects the reality of the United States.
- The approach values one year of life between 1 and 3 times the per capita[3] GDP in the United States. Considering the estimated per capita[4] GDP in the U.S. for 2023 (USD 80,412), a range of USD 80,412 to USD 241,237 would be assigned to the QALY.

It is worth noting that Grifols' SROI analysis adhered to the principle of prudence, so its social impact is probably greater than that reported.

Total Impact 2023

$27,370 M

Equivalent to 6 quality-of-life improvement in relation to the cost of the plasma-based medicine

Positive impact of Grifols' 4 main plasma proteins on patients treated*:

$793 M
Alpha-1 antitrypsin

$122 M
Factor VIII

$11,505 M
Immunoglobulins

$14,950 M
Albumin

* For the diseases for which they are indicated.

1. ICER Institute for Clinical and Economic Review website, icerreview.org.
2. Braithwaite, R. Scott, Meltzer, David, King Jr., Joseph, John, Leslie, Douglas, and Roberts, Mark S. Medical Care, Vol. 46, No. 4 (April 2008), pp. 349-356.
3. http://www.idsihealth.org/wp-content/uploads/2015/01/CE-Thresholds-iDSI-Working-Group-Final-Report.pdf (website visited in January 2024)
4. https://www.statista.com/statistics/263601/gross-domestic-product-gdp-per-capita-in-the-united-states/ (website visited in January 2024)

Taxation

Grifols' tax policy is based on strict compliance with all tax obligations in all of its markets of operation. We view good tax practices as an extension of our commitment to sustainability and an integral component of our efforts to create value.

GRIFOLS' APPROACH

- We believe taxes are essential to promoting social impact.
- Our corporate structures are based on commercial and industrial rationale and aligned with our business activity.
- Grifols has no presence in territories qualified as tax havens.

3 CORE LEVERS

Tax Policy

Governance

Legal Compliance

TAX CONTRIBUTION IN 2023

€695 M

Total Tax Contribution

€328 M

Taxes borne

€367 M

Taxes collected

€395 M	€190 M	€55 M	€49 M	€5 M
United States	Spain	Ireland	Germany	United Kingdom

Principles and good practices

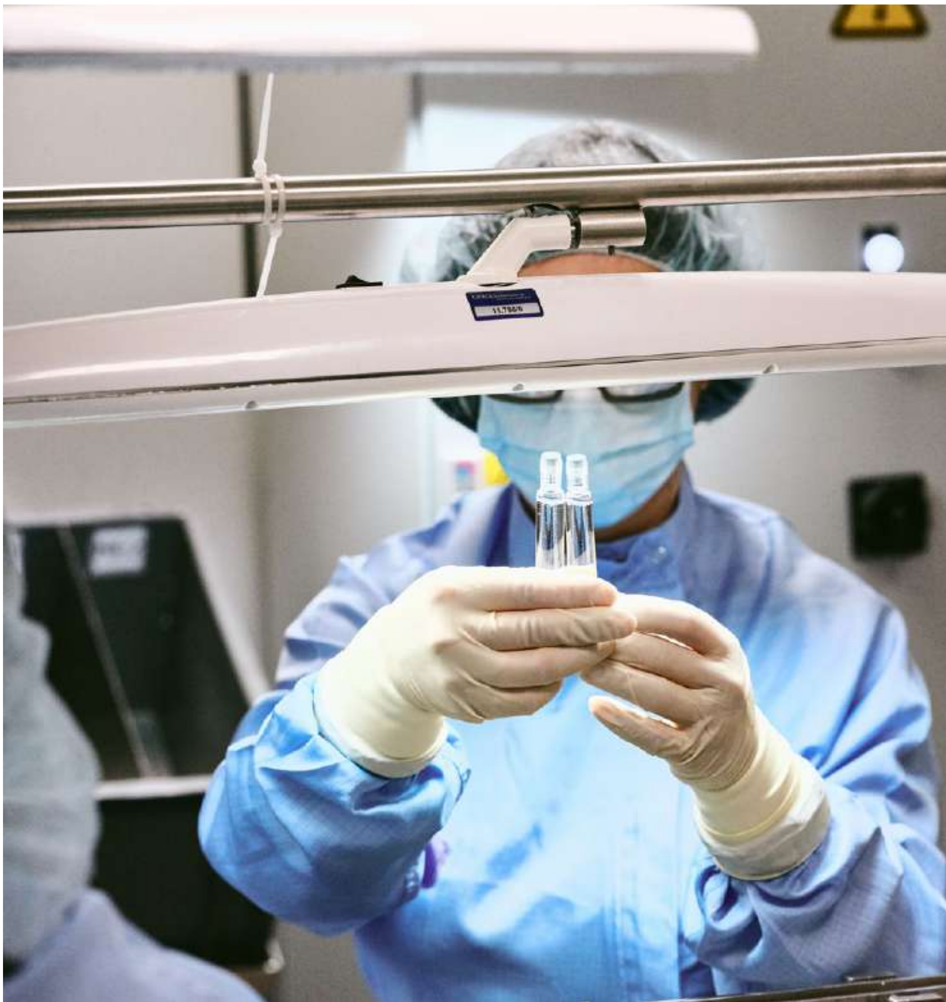
Fiscal commitment

Grifols aspires to promote economic, social and industrial development by complying with the tax laws in its countries of operation and paying its fair share in jurisdictions where it creates value. The company's corporate structures are based on commercial and industrial bases and aligned with its business activity. The company does not operate in territories qualified as tax havens.

As a core function of Grifols' corporate responsibility, taxation issues are under the oversight of the Board of Directors, which approves and regularly monitors the group's tax policy to ensure alignment with its current business context and commitment to sustainability. Grifols' senior management is responsible for developing the tax strategy and tax compliance framework under the supervision of the Board of Directors. Nonetheless, its implementation may entail other corporate areas involved in routine and non-routine tasks.

The company does its utmost to develop cooperative relationships with tax authorities grounded in respect, transparency and mutual trust. To this end, on October 26, 2018, Grifols' Board of Directors adhered to Spain's Code of Good Tax Practices, evidence of its unequivocal commitment to transparency, good faith and cooperation. As part of its commitment to transparency, Grifols regularly reports on its tax strategy and taxes paid. The company also reports and details controversies and possible litigation in tax matters, if any, in the Consolidated Annual Accounts and in information to market regulators.

"Grifols contributes to economic, social, and industrial development by complying with the tax legislation of the countries where it operates.



Governance

Grifols' Board of Directors, mainly composed of independent directors, approves the Risk Management Policy, which summarizes the basic principles and framework to identify, evaluate, control and manage all types of risks, including tax risks, faced by the company and its subsidiaries.

The Audit Committee supervises the efficiency of the company's internal control, internal audit and risk management systems, including tax risks, and periodically reviews the internal control and risk management systems to ensure that the main risks are adequately identified, managed and reported.

The Internal Audit Department assists the Audit Committee by:

- Guaranteeing adequate risk-management processes and risk assessment.
- Evaluating risk-management processes, including oversight of controls and procedures.

The Corporate Risk Committee oversees the responsibilities of Grifols' leadership team to assess, manage and control risks, and integrate robust risk-management processes within the established system.

Legal compliance

Grifols strictly complies with current tax legislation in its countries of operation and the OECD Guidelines for Multinational Enterprises. In the U.S., the company complies with, subscribes to and reports on the Tax Control Framework Questionnaire (2019), prepared by the U.S. Internal Revenue Service (IRS).

This initiative complements the OECD Model Control of Tax Risks standard by including a self-assessment mechanism to cover the essential elements in the tax risk management and control system. The principles of Grifols' risk management and control system are subject to tax risks, which fall under the category of legal and regulatory risks.

Grifols Tax Policy

- **Tax compliance is a pillar of Grifols' economic contribution and social commitment.** Its policy on compliance and good practices in fiscal matters is publicly available on its website. The payment of required taxes fully aligns with the economic activities in all jurisdictions where the Group operates.

- **Grifols has no operations in territories classified as tax havens**, and its business transactions with third parties based in these or any other territories form part of its ordinary industrial and commercial activity.

- **Grifols rejects artificially shifting results to these territories** or taking advantage of the information opacity that these territories may offer in line with the taxation principles and recommendations of the OECD's Committee on Fiscal Affairs on international taxation matters. Transparency in tax-related matters is a core principle of Grifols' tax policy.

- **Grifols avoids significant tax risks** through internal information and control systems that ensure tax matters are efficiently and expertly managed.

- **Grifols' tax policy is guided by the reasonable and careful interpretation** of the tax regulations in force in each jurisdiction.

- **Grifols consults with reputable independent tax advisors** before making any business decision that may have fiscal repercussions.

- **Grifols has a transfer pricing policy for all transactions** with related parties in line with the principles of the main competent organizational bodies. This policy is reviewed annually to avoid any deviation from these principles.

- **Grifols understands and supports taxation that adequately correlates** with the structure and location of its activities, resources, and human resources and the business risks assumed.

- **Grifols does not use artificial structures** unrelated to its activity to reduce its tax burden or profit sharing.

- **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 seek solutions to achieve certainty and stability in the tax criteria applied by public administrations and to prioritize non-litigious means of resolving disputes.

- **Grifols is committed to transparency**, doing its utmost to provide complete information and documentation requested by tax administrations in the shortest timeframe possible.

- On October 26, 2018, Grifols' Board of Directors adhered to the **Code of Good Tax Practices.**

> **"The Fiscal Policy of Grifols establishes the principles that govern fiscal management.**

Tax contribution

Grifols reports its tax contribution in three different areas–contribution by tax, distributed tax value and contribution by geographical area–in reflection of its pledge to transparency. To this end, Grifols has adopted PwC's Total Tax Contribution (hereinafter referred to as CTT) methodology, designed to measure the total impact of a company's tax payments.

This methodology aligns with the OECD's approach, which emphasizes the importance of the role of businesses in the global tax system, both as taxpayers (taxes borne) and as collectors of taxes on behalf of third parties (taxes collected). The scope of this analysis was carried out in Grifols' main countries of operation: Spain, the United States, Ireland, Germany and the United Kingdom. These taxes include:

- **Profit taxes:** taxes borne on profits earned by companies such as corporate income tax, business tax and taxes levied as withholding taxes on payments to third parties.
- **Property taxes:** taxes on the ownership, sale, transfer or occupancy of property.
- **People (or employment taxes):** employment-related taxes borne and collected, which include employee income tax withholdings or social security payments payable by both the employee and the company.
- **Taxes on products and services:** indirect taxes on the production and consumption of goods and services, including VAT and customs duties, among others.
- **Planet (environmental taxes):** taxes on the supply, use or consumption of products and services that are considered to impact the environment.

€695M

Total tax contribution

€328M

Representing **47%**
Taxes borne have increased by **50%** in the last two years

€367M

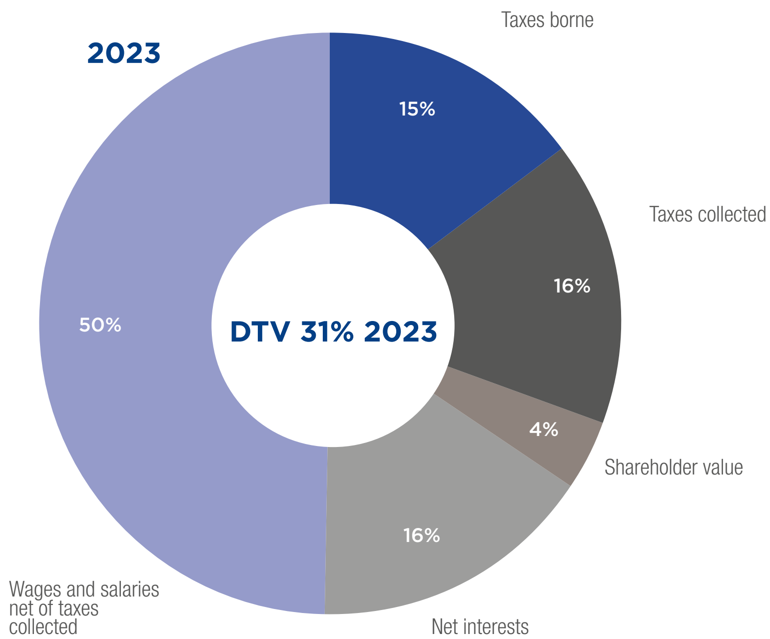
Representing **53%**
Tax collections increase by **9%**

Taxes borne on profits account for **43%** of the total taxes borne.
70% of the taxes* are associated with employment:
49% are borne, and **88%** are collected.

Tax value distribution

Grifols' diverse activities generate direct and collected taxes, which are paid to global tax authorities. In general terms, these highly integrated activities can be classified into net interest, wages and salaries, taxes (borne and collected) and shareholder value.

The distributed tax value (DTV) ratio shows the percentage of the total value generated by Grifols allocated to pay taxes borne and collected from Public Administrations.



The DTV ratio stands at 31% globally for Grifols.

This signifies that 31% of the value generated by Grifols has been contributed to the public treasury through taxes paid (15%) and taxes collected (16%).

In other words, out of every €100 of value generated in 2023, Grifols has allocated €31 toward tax payments.

Contribution by geographic area

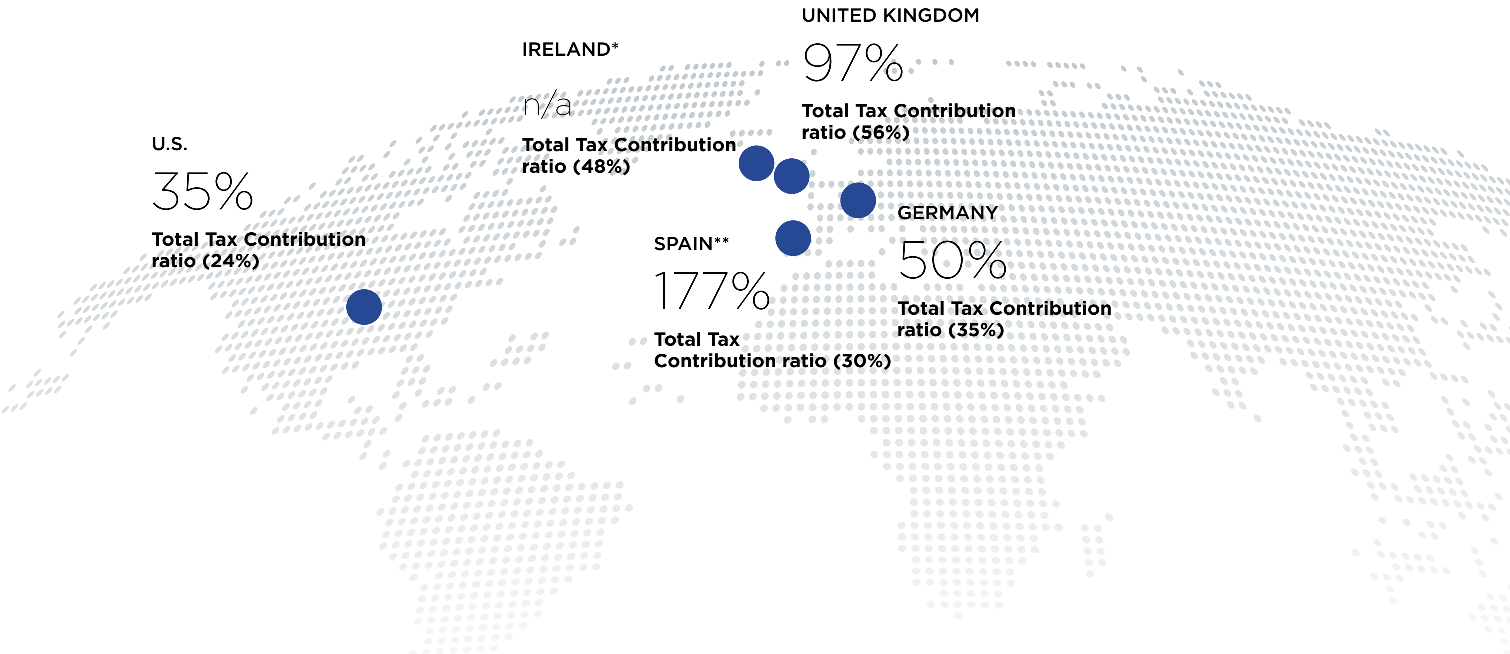
Grifols' tax policy reflects a responsible approach to ensure good tax practices, embracing principles consistent with those set forth in OECD Guidelines for Multinational Enterprises (2011). It expressly states that Grifols has no presence in territories classified as tax havens, and that its business transactions with third parties in these territories or any other territories form part of its ordinary manufacturing and commercial activity.

Grifols is taxed on the profits generated in each of its countries of operation. Spain, the United States, Ireland, Germany and United Kingdom account for more than 70% of the group's global revenue, and its main industrial and R&D+i facilities are primarily located in these countries.

Million euros	Profit*	Taxes paid**	Total tax contribution***	%
U.S.	325.7	99.8	395.0	57%
Spain	(0.3)	31.3	190.0	27%
Ireland	(110.8)	1.8	55.0	8%
Germany	123.1	9.3	49.0	7%
Rest of the world	37.8	11.7	n/a	-

* Profit after tax in 2023, excluding dividends and impairments or disposals in Group Companies.
** Net tax payable for 2023.
*** For the Total Tax Contribution (CTT) in the United States, a exchange rate of 1.07898 euros per dollar has been used. In the U.S., the total contribution has decreased compared to the previous year due to adjustments made as part of the operational improvement plan. The calculation of the Total Tax Contribution excludes Biotest and other entities from the Rest of the World.

Tax contribution according to Grifols' operations



*In Ireland, it is not possible to calculate the total tax contribution ratio for 2023 due to a negative result in the 2023 fiscal year. Despite the losses incurred in 2023, Ireland has significantly increased its total tax contribution (+11% compared to 2022).
**In Spain, the tax contribution ratio is distorted (above 100%) as a consequence of pre-tax losses in 2023. While this accounting situation results in a negative outcome, it does not impact tax payments. The impairment caused by this negative result is considered non-deductible for tax purposes, thus not affecting the taxable income of the Group in Spain.