

GRIFOLS PROCUREMENT POLICY

INTRODUCTION

Grifols engages in global operations across highly competitive markets, sourcing goods and services for its value chain through commercial relationships and partnerships with suppliers and other stakeholders in an open and competitive process that is fair and transparent.

Procurement activities are aimed to ensure that, in support of business needs, Grifols obtains the best value for money, acquiring high quality goods, and services at optimal value, where and when required, with the ultimate goal of ensuring the sustainability and continuity of the business in accordance with its plans. At the same time, we aim to integrate environmental, social and governance (ESG) factors into purchasing decisions and be in compliance with applicable laws. By doing so, we strive to create value and benefits not only for Grifols and our stakeholders, but also for society, the economy, and the environment

PURPOSE

The purpose of the Grifols' Global Procurement Policy ("the Policy") is to establish clear guidelines and procedures to govern the procurement of goods and services to third-party suppliers of all Business Units, Functional Areas and Purchasing Units, ensuring all procurement activities are conducted in an ethical, transparent, and cost-effective manner. This Policy contributes to more structured, consistent, and homogeneous purchasing processes, enabling enhanced risk management and strict compliance with all policies, procedures, and internal and external controls.

Key objective is to ensure that Grifols acquires high quality goods, and services at optimal value, where and when required. To achieve this objective, it is imperative that the procedures and guidelines contained in the Policy are followed by all Grifols' employees involved in the procurement process and third parties, if applicable.

It is the responsibility of all Grifols employees to adhere to the Global Procurement Policy. The Global Procurement Policy is a framework for all Grifols companies, however more restrictive local or regional Policies/SOP's may apply.

Global Procurement should efficiently manage categories at the global, regional, and local levels, operating with clear responsibilities, and work as one team with operations and business functions. A collaborative global effort that truly involves countries and businesses to obtain a solution that is fact based.

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SCOPE

This Policy applies to all directors, employees, contractors, and agents/consultants of Grifols S.A., its subsidiaries, and of any companies managed, directed, or operated by Grifols S.A. or its subsidiaries ("Grifols", "the Company"), who are involved in the procurement of goods and services on behalf of Grifols. Throughout this document, the terms supplier and vendor are used interchangeably.

In companies where Grifols has financial interest but does not have management control, Grifols will recommend adoption and compliance of the principles and guidelines set forth in this Policy. Furthermore, the Company will promote the observation of the principles and guidelines set forth herein to its third-party partners throughout the supply chain, in accordance with Grifols' Human Rights and Sustainability Policies.

The procurement of the following goods and services are not included under the scope of this Policy:

- Purchases of goods and services between Grifols companies (intercompany transactions)
- Fees for regulatory or governmental mandatory requirements (e.g. product release fees)
- Bank services
- Grants, donations, sponsorships and hiring services of healthcare professionals and healthcare organizations, must follow the appropriate Compliance, Medical Affairs, Government & Public Affairs or Corporate Communications standard operating procedures.
- Industry associations memberships
- Legal services
- Corporate strategic purchases approved by the Senior Executive Leadership Team (SELT) and/or by the Board of Directors of Grifols, S.A.

However, even if the rest of the purchasing process is outside the scope of the policy, there are tools such as the supplier request module in the Grifols Procurement Platform that will be used for suppliers as well .

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PRINCIPLES

Ethical compliance and respect for human rights is one of Grifols' fundamental pillars, which is why everyone involved in the procurement process, whether employees or external collaborators, must maintain and enhance the image and reputation of Grifols, and shall conduct their activities ethically, courteously and professionally, by adhering to the following principles:

- a. **Ethical Conduct:** all procurement activities will be conducted with the highest ethical standards, with a focus on transparency, fairness, and impartiality. Employees, contractors and agents involved in procurement activities must act with integrity, avoiding conflicts of interest and biases, and ensuring that all procurement decisions are made solely on the basis of merit and value for money, taking into account safety and quality, price, delivery time, and other relevant factors.

Therefore, the following practices are strictly prohibited:

- solicitation of gifts or favors from suppliers;
- acceptance of gifts or favors from suppliers;
- engagement in any activity that could create a conflict of interest;
- engagement in any activity that could be perceived as an attempt to influence purchasing decisions.

Any conflict of interest detected should be reported to the Corporate Global Procurement responsible.

- b. **Supplier Selection:** suppliers will be selected based on their ability to meet the requirements of the procurement, including quality, safety, price, and delivery time. Suppliers will be evaluated on their past performance, ESG performance, financial stability, and compliance with all applicable laws and regulations.
- c. **Fair Competition:** Grifols will promote fair competition among suppliers by ensuring that all suppliers have an equal opportunity to participate in the procurement process. Any individual involved in the procurement process must avoid any action that could give an unfair advantage to any supplier, including preferential treatment or collusion.
- d. **Sustainable Procurement:** Grifols will promote sustainable procurement practices by considering environmental, social, and economic factors in all procurement decisions, where possible; this includes considering the environmental impact of goods and services, promoting ethical labor practices, and supporting local suppliers.

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- e. **Confidentiality:** any employee and external collaborator involved in the procurement process must maintain the confidentiality of all procurement-related information, including supplier proposals, contracts, and pricing information. This information will be kept secure and shared only with those who have a legitimate need to know.
- f. **Supplier Performance Management:** the performance of suppliers will be monitored on an ongoing basis and appropriate action to address any issues that arise will be taken, as appropriate. This includes conducting regular supplier evaluations and ensuring that suppliers are meeting the requirements of their contracts.
- g. **Compliance with Laws and Regulations:** Grifols is committed to comply with any applicable laws, regulations, and industry standards related to procurement activities. This includes, but is not limited to, laws related to competition, anti-corruption, environmental protection, and labor practices.
- h. **Contract Management:** all contracts with suppliers will be clearly defined, with terms and conditions that protect the interests of Grifols. Contracts will include provisions related to quality, safety, delivery, pricing, and compliance with all applicable laws and regulations. All contracts will be reviewed by Legal and approved by the appropriate level of management before they are executed. Quality agreement requirements are managed by the Business Unit Quality or Corporate Quality.
- i. **Point of contact:** Any commercial interaction with Suppliers shall be coordinated by Global Procurement as the primary channel through which all requests of purchases of goods and services are managed. When technical exchanges of information concerning such purchases are necessary, the corresponding department (e.g., Finance, Quality, Engineering, etc.) of each subsidiary may contact directly with Suppliers. In such cases, the department shall coordinate and ensure Procurement is informed and aware of the communication(s). The Grifols Procurement Department and/or it designates are responsible for making the final determination of pricing and business terms of the service or supply agreement.

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GLOBAL PROCUREMENT GOVERNANCE

Corporate Global Procurement is responsible for designing and selecting the tools and software related to the purchasing process, as well as coordinating with the various corporate functions required for implementation, such as IT, or for design, such as Accounting. No tools that may have an impact on the procurement process will be contracted without prior approval from Corporate Global Procurement. In addition, Corporate Global Procurement is in-charge of the procedures corresponding to the purchasing area within the units that are functionally dependent on Global Procurement and of Grifols' global purchasing policy.

Procurement involvement needs to actively support the supplier set-up, the price negotiations, the contract and the commercial terms and conditions of a qualified supplier. Regardless of the spend, Global Procurement teams can request to be involved in any purchase of indirect and direct goods and services.

Global Procurement have the responsibility defining preferred suppliers, pricing, and delivery terms for all recurring purchase references.

GRIFOLS PROCUREMENT PROCESS

Procurement process refers to the systematic series of steps to be followed in the process of acquiring goods and services. It involves identifying the requirements, sourcing suppliers, soliciting bids or proposals, evaluating them, negotiating contracts, and managing the supplier relationship through performance monitoring and continuous improvement.

A robust procurement process is essential to achieve transparency, fairness, accountability, and efficiency in the procurement of goods and services.

a. Identification of needs

The procurement process begins with a Requester defining his/her need to purchase business related goods or services. In defining the requirements, the Requester should clearly understand the corresponding purchase or performance objectives and utilize technical specifications, purchase specifications, service obligations, and other pertinent performance requirements to detail expectations concerning the quality, performance, delivery, and total cost.

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b. Supplier Onboarding and Validations

Authorized applicants will be able to request by filling out a form on the Global Procurement Platform-Supplier Lifecycle & Performance (SLP) the onboarding of a new supplier for Grifols or the modification of their data. Requesters will receive a first notification by email when the Supplier request is submitted. Suppliers must undergo a qualification process to be awarded in our purchasing processes.

The procurement team is responsible for the approval of new supplier requests. The purpose of this approval is to assess the need of the new supplier, and to inform in case there is an existing supplier that can provide the required necessity.

Global Procurement is responsible for the assessment of supplier risk management related to identifying and mitigating risks that could be caused by the actions of a supplier. As part of the process, Global Procurement requires all suppliers to complete a questionnaire to gather information about their financial solvency, technical capabilities, IT security, health, safety, and environment management systems implemented, ethics, human rights or supply chain management, among others. All these topics are then validated by different subject matter experts within the Company (e.g., Finance, Compliance, Information Security Office) to verify the information provided.

Control of the Vendor master file is done by the Master Data Specialist in the Global Procurement area to minimize the number of people that can modify key information. **All Suppliers/Vendors need to be classified in a procurement category according their key activity for Grifols.**

Vendor Master Data department (VMD) (as a part of Global Procurement) will fill in the required fields in the supplier profile and invite the supplier to answer the registration and qualification questions. VMD will validate the data answered by the supplier. If the request has been submitted with payment method or payment terms outside the standard ones, the system will automatically request the approval of the Treasury Team. Payment terms is key data based on the approved terms and cannot be modified directly. Any deviation from the Grifols standard payment terms must be approved by Corporate Treasury Department.

Checks with external databases for matters such as corruption and bribery, money laundering, terrorist financing, and other ESG requirements are also performed during the validation process. Additionally, to complete the validation process, the supplier must accept the Grifols Suppliers' Code of Conduct.

Qualification process is managed by the corresponding Quality team based on the goods and the Business Unit.

Suppliers that pass the validation and qualification process become approved suppliers, thus are granted approval to provide their goods and services to Grifols. Suppliers will be reevaluated based on major changes in their activity.

The supplier needs to be qualified and validated and active in the SAP before to request the good or service.

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c. Spend-Category Strategy

Category Management is a strategic approach where spend is segmented into areas which contain similar or related products enabling focus opportunities for consolidation and efficiency. Global Procurement should define the spend analysis method that will be based on Procurement Categories, where each vendor and good and service will have a category assigned. Categories definitions must be approved by the Corporate Global Procurement team.

d. Preferred Suppliers

All the vendors with a catalog approved by the Global Procurement team should be considered as preferred. Global Procurement will be responsible for assessing preferred suppliers.

e. Negotiation and awarding

In the absence of a preferred vendor, negotiations should take place between Procurement the requester and the supplier. Procurement may include other Company subject matter experts as requested. The factors to be considered when defining the objectives of a negotiation with a supplier include but are not limited to: price, payment terms, delivery times, after-care and maintenance terms, quality standards, lifetime costs of each product/service, ESG considerations or vendor performance indicators.

i. Competitive Bidding

Competitive bidding is a procurement practice that involves inviting multiple vendors or service providers to submit offers for any good or service. It is utilized to ensure that the total cost of ownership for goods and services purchased on behalf of Grifols are fair and reasonable. Competitive bidding allows transparency, equality of opportunity and the ability to demonstrate that the outcomes represent the best value.

All Purchase Orders (PO) for goods or services or business projects that exceed a specific annual spend are subjected to competitive bidding, which requires obtaining at least three bids from different vendors. The contact with vendors must be done using request for proposals (RFP), request for quotations (RFQ) or equivalent methods to assure data reliability (upstream and downstream), and to facilitate the comparison between different alternatives.

For annual purchase volumes of goods or services above a specific amount, Global Procurement must be involved in the tender process:

- For annual purchases between two specific amounts, Global Procurement will provide support in the selection of suppliers.
- For annual purchases above a specific amount Global Procurement will be responsible to lead the tender process, as well as be part of the team in charge of defining the technical specifications.

Direct contracting is admissible when only one supplier is available (refer to exception to the bidding process).

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ii. Exceptions to the bidding process

In case it is not possible to obtain the required number of competitive quotations a completed and approved Competitive Bidding Exception Form is required. This justification form must be approved by the individual who has signature authority for that level of expenditure within the Requisitioning department and must be reviewed and approved by Global Procurement to validate compliance with exception requirements.

Global Procurement will assess the justification provided, evaluate the potential impact on the procurement process, and determine the appropriate course of action. The review will consider factors such as urgency, cost implications, risk management, and alignment with organizational goals. The approval will specify the scope, duration, and any conditions or restrictions associated with the exception.

Any approved exception will be subjected to monitoring by Global Procurement, to ensure compliance with the approved terms and conditions.

The following purchasing of goods and services are exempted of Competitive Bidding Exception Form:

- Controlled raw materials;
- Goods or services to be acquired as a part of a project which has already undergone a completed competitive bidding process (evidence required).
- Proprietary software licenses;
- When compatibility or consistency with existing or past contractual goods, services, software, or equipment is required/essential (e.g., vendor equipment replacement parts, vendor providing preventative maintenance on their specific equipment).

This is exception form also required for urgent requirements, unforeseen events, or situations where strict adherence to the procurement policy may not be feasible (e.g. critical shortages or emergencies).

In any case Global Procurement always can require a Bidding Process.

iii. Bid Award

Bids must be evaluated based on predetermined criteria, such as technical capabilities, price, quality, delivery time, financial stability, and compliance with legal and contractual requirements. Bid evaluation must be documented using the Competitive Bid Evaluation Form to determine the award of business to a supplier. In general, business shall be awarded to the responsible bidder whose conforms to all the requirements as defined by the business need and the bid is most competitive in cost.

Additionally, for bids above a specific amount, the decision must be made jointly between Global Procurement and the requester area.

For the Global Procurement approval, the workflow will be as:

- For bids between two specific amounts, the Category lead or Senior Director is responsible for approval.
- For bids above a specific amount the Global Procurement VP is responsible for approval.

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f. Contracts

Once the supplier has been selected, the Procurement teams or the requester must work to execute a written supply and/or services agreement with the awarded supplier that includes all applicable terms and conditions (e.g., invoicing and payment terms, delivery terms, handling of claims, confidentiality and data protection, use of Grifols brand, etc.). Please note that the terms and conditions of a formal purchase order are considered as contract.

The contract responsible is obligated to inform the legal advisors.

Procurement teams must work to execute a written supply and/or services agreement with a Vendor when the Vendor's yearly invoiced amount or estimated for next year across all Affiliates is above a specific amount or contingency or penalty in a contract that exceeds the specific amount.

All contracts under the responsibility of the procurement area with a supplier volume that can exceed a specific amount must be reviewed by the Corporate Global Procurement. Global Procurement responsible (VP Global Procurement) and the internal partner should approve the contract before signature.

Contract signature should be done in accordance with the Power of Attorney granted in the corresponding Affiliate. Any deviation from the Grifols standard payment terms must be approved by Corporate Treasury Department **prior to the contract signature.**

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g. Request and Order management

GRIFOLS PROCUREMENT MODEL

The Grifols Procurement Model (GPM) document contains detailed explanations of the steps to be followed for each procurement process. Procurement Departments must ensure that the approval in accordance current policy is documented prior to issuance of a Purchase Order to a Supplier.

As a standard the Requestor must create a Purchase Requisition (PR) including all relevant information such as material/service description, material category, delivery date, quantity, price, and responsible cost center.

All goods and services **not managed by automatic planning systems or planning teams** should be approved at the purchase request level. In the exceptional case of non- purchase order operations, the approval will be at the invoice level. The creation of Retrospective Purchase Orders is not allowed.

If approved, the PR is forwarded to the Procurement Department that verifies that the PR has been properly created and approved before creating the Purchase Order (PO) and releasing it to the awarded supplier. It is not permissible to split a request that is related in terms of content among several purchase requisitions.

In the case requested goods or services are included in a catalogue, PR out of the catalogue need to be justified or they can be rejected by the procurement teams.

Non-PO operations are only acceptable for the Corporate strategic purchases approved by the Senior Executive Leadership Team (SELT).

For urgent goods or services are required and a Supplier is authorized to proceed, the resulting compliant invoice is sent to accounts payable where required data is added, and the invoice is then routed to the Approver with the appropriate authority.

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h. Reception of goods and services

Good receipt is a requirement for all the goods (inventory or not) and for the services related on countable units. Annual request based on a contract with regular amounts will be managed with a global request and without a good receipt requirement.

Upon delivery of the goods or completion of services, the Requestor should evaluate the products or check services to monitor the supplier performance. Quantity, quality, delivery times and other parameters specified in the PO must comply with the contract terms for the goods receipt to be monitored by the Requestor.

Goods receipts should be posted in the ERP/system no later than 24 hours after the goods are received or the service is performed or before the end of the month; whatever comes earlier. Complaints/returns due to differences to the agreement with the vendor, incorrect deliveries (quantity, quality, product-type, wrong product, damaged packaging) should be processed immediately. Upon delivery, Procurement function will be responsible of clarify any price discrepancy and requester or warehouse function will be responsible of clarify quantity or performance discrepancies.

i. Invoice processing and payment

All invoices are routed to the Accounts Payable (AP) Department through the Vendor Invoice Management system (VIM) for processing. PO invoices are matched against goods receipts. Upon delivery, Procurement function will be responsible of clarify any price discrepancy and requester or warehouse function will be responsible of clarify quantity or performance discrepancies.

Payment will be made in accordance with the terms of the PO and any applicable laws and regulations. Governance of payment terms and conditions is under the Treasury area and defined in the Finance Manual.

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j. Supplier Performance Evaluation

Suppliers will be managed in a manner that promotes long-term relationships and ensures ongoing compliance with ethical standards. Global Procurement is responsible to ensure that the following practices are implemented:

- Regular supplier evaluation: suppliers are evaluated on a regular basis to ensure that goods and services are delivered on time, within budget, and in compliance with all contractual terms and conditions.
- Supplier performance metrics: key performance metrics are established for each supplier to measure their performance against agreed-upon standards.

Global Procurement is responsible for screening the active suppliers to determine which ones are considered significant and, consequently, prioritize ESG analysis on them. For this task, a methodology based on category and annual spend with the supplier is used.

Supplier relationship management (SRM) is a systematic approach to evaluating vendors that supply your organization with goods and services. It's one of the pieces that fall under the larger umbrella of supply chain management and is a key component to business success. It is under the Global Procurement responsibility.

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DOCUMENTATION AND RECORD KEEPING

All procurement activities will be documented and recorded in accordance with applicable laws and regulations, and with the Records Retention Policy and the Records Retention Schedule.

Records will include any relevant documentation supporting the purchasing of a good or a service, such as (i) requisition documents (e.g., PR, PO, exception forms); (ii) bidding documents; (iii) contracts; (iv) invoices and payment records; (v) correspondence, (vi) scorecards, (vii) single source exception forms, and other relevant documents (e.g., annual reports, pricing studies, business cases, purchasing projects, RFx). If maintained electronically as part of the system database (e.g., SAP) storage and back up must be executed in accordance with approved information systems procedures.

In compliance with the Contracts Policy, all contracts must be filed in the document management system (RM). Additionally, the original contracts signed on paper must be physically filed in the Document Management Department or in US Legal, as appropriate.

POLICY VALIDITY, REVIEW AND UPDATE

This policy was approved by Global Procurement and is effective from the date of approval.

The policy will be subject to review and continuous improvement, particularly as business circumstances require. In any event, the Policy will be reviewed annually as a matter of regular practice and updated as appropriate.

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ANNEX

DEFINITIONS, ABBREVIATIONS AND ACRONYMS

- a. **Approved supplier:** A vendor who has already been validated and qualified and is registered in the system.
- b. **Procurement Category:** Groups of suppliers (vendor category), goods or services (material category) that share demand and supply conditions.
- c. **Corporate Global Procurement team:** Vice-President of Global Procurement and all the direct reporting managers.
- d. **Critical Supplier:** A Supplier that has a strategic contract, negotiated by Grifols, in which there are clearly defined mutual benefits such as cost, service, delivery, warranty, or a Supplier that is deemed mandatory for manufacturing or manufacturing supported goods and services.
- e. **Global Procurement:** The industry service unit in charge of sourcing activities. It involves all the coordination and integration of the network of procurement teams, technologies, strategy, and procedures to ensure efficiency and risk mitigation in the sourcing activity.
- f. **Goods Receipt:** shall mean the acknowledgment of receipt of Goods and/or Services. NOTE: To ensure transparency and accountability, the Requestor, Receiver and Authorizer should never be the same person.
- g. **Goods** shall mean a tangible item, including but not limited to Controlled Raw Materials (as defined below), that is useful for business purposes. The term "Goods" expressly excludes capital purchases, such as equipment and software.
- h. **Grifols Procurement Platform (GPP)** is the set of applications and software to digitally manage procurement operations process. Key tools are **Commerce Automation** (contact with vendors) **Supplier Lifecycle & Performance (SLP)** (onboarding and performance), **Source to Contract Process** (manage tenders and contracts) and **Guided buying** (friendly request tool and catalogs).
- i. **Internal Customers:** The employees who require the good or service in order to perform their responsibilities; who define or help define the "Need"; and who have the knowledge required to determine whether what was delivered conforms to the requirements of the PO or controlling document.
- j. **Non-PO operations:** When urgent or unanticipated goods or services are required and a Supplier is authorized to proceed, the resulting compliant invoice is sent to AP where GL, cost center, etc are added, and the invoice is then routed to the Approver with the appropriate authority. Documentation of the original authorization (typically an e-mail) should be attached and filed for easy future reference to identify duplicate or additional charges.

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- k. **Preferred vendor:** A preferred supplier based on several factors, including quality, price and customer service, as determined by Global Procurement and the requestors.
- l. **Purchase Order (PO):** A commercial and legal document created by procurement and sent to the vendor as a request to supply goods or services that typically includes the quantity and description of items needed, Supplier part number, name and address of Supplier, shipping/delivery information, total cost, issue date, payment terms, and accounts payable address.
- m. **Qualification** is related to all the regulatory procedures required by a quality approach and is managed by the Quality Area.
- n. **Single Source Supplier** means a supplier who is preferred either because he is the sole agent for a particular good or service, or is the sole supplier of a particular good/service that meets required specifications of a product of manufacturing site.
- o. **Requestor:** The requestor is the department or authorized representative that requests, requires and/or will use the procurement of the goods or services.
- p. **Third-Party Supplier (“Supplier(s)”):** A third-party supplier is any person, company, or legal entity from whom Grifols acquires goods or services and that is not a Grifols company.
- q. **Validation:** Supplier validations process refers to all the procurement requirements such as ESG, financial or specific questionnaires or audits depending on the supplier category (spend, strategy, etc).
- r. **Vendor Master Database:** The vendor master database contains information about the vendors that supply an enterprise. The vendor master record contains the vendor’s name and address, as well as data such as the currency used, terms of payment, contact persons, or tax requirement.