

# GRIFOLS

## QUESTIONS FROM GOVERNMENT OF CANADA – FORCED LABOUR IN CANADIAN SUPPLY CHAINS WEBSITE

Questions marked with an asterisk (\*) are mandatory.  
Responses/answers are noted in blue font.

### Identifying Information

1. \*This report is for which of the following? (Required)

- Entity
- Government institution

2. \*Legal name of reporting entity or government institution (Required)

Grifols Canada Therapeutics Inc.

3. \*Financial reporting year (Required)

2023

4. \*Is this a revised version of a report already submitted this reporting year? (Required)

- Yes
- No

4.1 \*If yes, identify the date the original report was submitted. (Required)

Not applicable

4.2 \*Describe the changes made to the original report, including by listing the questions or sections that were revised (1,500 character limit). (Required)

Not applicable

5. For entities only: Business number(s) (if applicable):

Grifols Canada Therapeutics Inc. (BN: 827385774)

6. For entities only: \*Is this a joint report? (Required)

- Yes
- No

6.1 \*If yes, identify the legal name of each entity covered by this report. (Required)

- Grifols Canada Plasma Inc.
- Grifols Canada Plasma – Ontario Inc.

6.2 Identify the business number(s) of each entity covered by this report (if applicable).

- Grifols Canada Plasma Inc. (BN: 802686394)
- Grifols Canada Plasma – Ontario Inc. (BN: 720966746)

7. For entities only: \*Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction? (Required)

- Yes
- No

7.1 \*If yes, indicate the applicable law(s). Select all that apply. (Required)

- The United Kingdom's *Modern Slavery Act 2015*
- Australia's *Modern Slavery Act 2018*

- [California's Transparency in Supply Chains Act](#)
- Other, please specify:

**8. For entities only: \*Which of the following categorizations applies to the entity? Select all that apply. (Required)**

- Listed on a stock exchange in Canada
- Canadian business presence (select all that apply):
  - [Has a place of business in Canada](#)
  - [Does business in Canada](#)
  - [Has assets in Canada](#)
- Meets size-related thresholds (select all that apply):
  - [Has at least \\$20 million in assets for at least one of its two most recent financial years](#)
  - Has generated at least \$40 million in revenue for at least one of its two most recent financial years
  - Employs an average of at least 250 employees for at least one of its two most recent financial years

**9. For entities only: \*Which of the following sectors or industries does the entity operate in? Select all that apply. (Required)**

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- [Other, please specify: plasma procurement, manufacturing of plasma-derived medicines, diagnostic equipment and supplies for blood analyses, and specialized hospital equipment](#)

**10. For entities only: \*In which country is the entity headquartered or principally located? (Required)**

[Canada](#)

**10.1 If in Canada: \*In which province or territory is the entity headquartered or principally located? (Required)**

- [Quebec](#)

**11. For government institutions only: \*Is this a report for a federal Crown corporation or a subsidiary of a federal Crown corporation? (Required)**

- Yes

- No  
(not applicable)

**11.1 \*If yes, which of the following sectors or industries does the Crown corporation or subsidiary operate in? Select all that apply. (Required)**

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- Other, please specify:  
(not applicable)

**11.2 \*If yes, in which province or territory is the Crown corporation or subsidiary headquartered or principally located? (Required)**

(not applicable)

**Annual Report**

**Reporting for entities**

**1. \*What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply. (Required)**

- Mapping activities
- Mapping supply chains
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing an action plan for addressing forced labour and/or child labour
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains

- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- Developing and implementing child protection policies and processes
- Developing and implementing anti-forced labour and/or -child labour contractual clauses
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
- Auditing suppliers
- Monitoring suppliers
- Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour
- Developing and implementing grievance mechanisms
- Developing and implementing training and awareness materials on forced labour and/or child labour
- Developing and implementing procedures to track performance in addressing forced labour and/or child labour
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour
- Engaging directly with workers and families potentially affected by forced labour and/or child labour to assess and address risks
- Information not available for this reporting period
- Other, please specify:  
Grifols entities also took steps to ensure a decent living wage for our employees, in line with Canada's economic context. To this end, Grifols performs annual reviews to assess country-specific costs of living and market wages, periodically updating compensation levels as needed. Further Grifols entities promote internal accountability: Grifols' Code of Conduct requires all employees to "comply with all applicable laws, rules and regulations" and failure to comply can result in discipline or termination. Engaging in, or promoting, slavery and/or human trafficking are contrary to all applicable laws, and such conduct would be met with appropriate consequences. No such behavior was identified during the Reporting Period.

**2. Please provide additional information describing the steps taken (if applicable) (1,500 character limit).**

**3. \*Which of the following accurately describes the entity's structure? (Required)**

- Corporation
- Trust
- Partnership
- Other unincorporated organization

**4. \*Which of the following accurately describes the entity's activities? Select all that apply. (Required)**

- Producing goods (including manufacturing, extracting, growing and processing)
  - in Canada
  - outside Canada
- Selling goods
  - in Canada
  - outside Canada
- Distributing goods

- in Canada
- outside Canada
- Importing into Canada goods produced outside Canada
- Controlling an entity engaged in producing goods in Canada or outside Canada, or importing into Canada goods produced outside Canada

**5. \*Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Required)**

- Yes, we have identified risks to the best of our knowledge and will continue to strive to identify emerging risks.
- Yes, we have started the process of identifying risks, but there are still gaps in our assessments.
- No, we have not started the process of identifying risks.

**5.1. Please provide additional information on the entity's structure, activities and supply chains (1,500 character limit).**

- Grifols Canada Ltd was established in 2011. Based in Mississauga, Ontario, the entity covers the Canadian market supporting the import, distribution and sale of biopharmaceutical products, namely plasma-derived medicines
- Grifols Canada Therapeutics Inc. was acquired in 2020. Based in Montreal, Quebec, it conducts business in the Pharmaceuticals and Medicines Industry. Its subsidiary Grifols Canada Plasma, Inc. and its subsidiary Grifols Canada Plasma Ontario Inc. are headquartered in Quebec supporting plasma collection efforts in Canada for domestic manufacturing of plasma-derived medicines.

**6. \*Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour? (Required)**

- Yes (as per corporate policies)
- No

**6.1 \*If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply. (Required)**

- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Ceasing, preventing or mitigating adverse impacts
- Tracking implementation and results
- Communicating how impacts are addressed
- Providing for or cooperating in remediation when appropriate

**7. Please provide additional information on the entity's policies and due diligence processes in relation to forced labour and child labour (if applicable) (1,500 character limit).**

Grifols is committed to ensuring that we conduct our business worldwide and in Grifols Canada entities with respect for human rights and in compliance with all applicable laws and fair labor practices. Grifols' support and respect for fundamental human rights is reflected in its corporate strategy, policies and codes, including among others: Human Rights Policy, Code of Conduct, Diversity and Inclusion Policy, Ethics Line Policy, Procurement Policy, Sustainability Policy, Policy on Directors Diversity, and Plasma Donor Policy. All of these policies were in place throughout, or implemented during, the Reporting Period.

**8. \*If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply.**

**(Required)**

- The sector or industry it operates in
- The types of products it produces, purchases or distributes
- The locations of its activities, operations or factories
- The types of products it sources
- [The raw materials or commodities used in its supply chains](#)
- Tier one (direct) suppliers
- Tier two suppliers
- Tier three suppliers
- Suppliers further down the supply chain than tier three
- The use of outsourced, contracted or subcontracted labour
- The use of migrant labour
- The use of forced labour
- The use of child labour
- None of the above
- Other, please specify

**9. \*Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply. (Required)**

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- [Utilities](#)
- Construction
- [Manufacturing](#)
- Wholesale trade
- Retail trade
- [Transportation and warehousing](#)
- [Information and cultural industries](#)
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- [Accommodation and food services](#)
- Other services (except public administration)
- Public administration
- None of the above
- Other, please specify

**10. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the entity has taken to assess and manage that risk (if applicable) (1,500 character limit).**

[Our greatest risk of being connected to modern slavery comes from our supply chain. Unlike our direct workforce, Grifols has limited oversight and control over external workers who are not directly supervised by our managers. These individuals may have a lower awareness of their rights, making them more vulnerable to modern slavery. Our assessment concluded that risks exist regarding certain human rights issues, including modern slavery. We are aware of inherent modern slavery risks in the following sectors that are present in](#)

our supply chain: manufacturing (including chemicals), information technology (IT), personal protective equipment (PPE), textiles, packaging and plastics, logistics (including shipping), cleaners, hospitality and utilities. At times, Grifols also purchases goods that originate from jurisdictions with a higher inherent risk of modern slavery according to the Global Slavery Index. Grifols therefore acknowledges that, with a supplier base spanning thousands of entities across various industries and regions, there is a potential risk of modern slavery. Our commitment to continuous improvement and proactive risk mitigation is unwavering. Moving forward, Grifols is working to enhance its risk assessments to obtain more detailed insights into these risks and strengthen our control measures.

**11. \*Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Required)**

- Yes, we have taken remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- [Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.](#)

**11.1 \*If yes, which remediation measures has the entity taken? Select all that apply. (Required) (not applicable)**

- Actions to support victims of forced labour or child labour and/or their families, such as workforce reintegration and psychosocial support
- Compensation for victims of forced labour or child labour and/or their families
- Actions to prevent forced labour or child labour and associated harms from reoccurring
- Grievance mechanisms
- Formal apologies
- Other, please specify.

**12. Please provide additional information on any measures the entity has taken to remediate any forced labour or child labour (if applicable) (1,500 character limit).**

[Not applicable](#)

**13. \*Has the entity taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains? (Required)**

- Yes, we have taken substantial remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- [Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.](#)

**14. Please provide additional information on any measures the entity has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains (if applicable) (1,500 character limit).**

[\(not applicable\)](#)

**15. \*Does the entity currently provide training to employees on forced labour and/or child labour? (Required)**

- Yes
- No

**15.1 \*If yes, is the training mandatory? (Required)**

- Yes, the training is mandatory for all employees.
- Yes, the training is mandatory for employees making contracting or purchasing decisions.
- Yes, the training is mandatory for some employees.
- No, the training is voluntary.

**16. Please provide additional information on the training the entity provides to employees on forced labour and child labour (if applicable). (1,500 character limit).**

Grifols promotes a culture of understanding and respect for human rights. Training in relation to the following key policies and procedures is mandatory for all staff: Code of Conduct, Human Rights Policy, Environmental Management and Diversity Awareness Program. We have in place a process to identify and follow up individuals that have not completed mandatory training. We plan to develop specific training for employees in relation to modern slavery.

**17. \*Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Required)**

- Yes
- No

**17.1 \*If yes, what method does the entity use to assess its effectiveness? Select all that apply. (Required)**

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour
- Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and -child labour clauses
- Partnering with an external organization to conduct an independent review or audit of the organization's actions
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators
- Other, please specify.

**18. Please provide additional information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains (if applicable). (1,500 character limit).**

Grifols is committed to taking steps to ensure that modern slavery, child labor or human trafficking is not taking place in any part of its supply chain or in any part of its business. Grifols expects and requires all vendors to respect internationally recognized human rights in their business activities and in their respective supply chains and requires all contracted suppliers and business partners to adopt the requisite measures to ensure the absence of these practices in their organizations and supply chains. Furthermore, Grifols uses international references as a starting point to foster corporate responsibility and protect human rights in all its activities, including its value chain. Grifols' efforts to guarantee human rights are guided by the following covenants: The International Bill of Human Rights, comprising the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights, The fundamental rights in the eight International Labor Organization (ILO) core conventions as established in the Declaration on Fundamental Principles and Rights at Work, The European Charter of Fundamental Rights, The World Medical Association's



Declaration of Helsinki, and UNESCO's Universal Declaration on Bioethics and Human Rights. In parallel, Grifols observes all applicable laws, regulations and international human rights conventions, including: The UN Guiding Principles on Business and Human Rights, The Organization for Economic Co-operation and Development (OECD), The UN Global Compact, of which Grifols is a signatory, and The ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy.

**Reporting for Government institutions (section not applicable)**

**1. \*What steps has the government institution taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased or distributed by the government institution? Select all that apply. (Required)**

- Mapping activities
- Mapping supply chains
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Contracting an external assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing an action plan for addressing forced labour and/or child labour
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- Developing and implementing child protection policies and processes
- Developing and implementing anti-forced labour and/or -child labour contractual clauses
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
- Auditing suppliers
- Monitoring suppliers
- Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour
- Developing and implementing grievance mechanisms
- Developing and implementing training and awareness materials on forced labour and/or child labour
- Developing and implementing procedures to track performance in addressing forced labour and/or child labour
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour
- Engaging directly with workers and families potentially affected by forced labour and/or child labour to assess and address risks
- Information not available for this reporting period
- Other, please specify

**2. Please provide additional information describing the steps taken (if applicable) (1,500 character limit) (not applicable)**

**3. \*Which of the following accurately describes the government institution's activities? Select all that apply. (Required)**

- Producing goods (including manufacturing, extracting, growing and processing)
  - in Canada
  - outside Canada
- Purchasing goods
  - in Canada
  - outside Canada
- Distributing goods
  - in Canada
  - outside Canada

(not applicable)

**4. Please provide additional information on the government institution's structure, activities and supply chains (1,500 character limit). (not applicable)**

**5. \*Does the government institution currently have policies and due diligence processes in place related to forced labour and/or child labour? (Required)**

- Yes
- No

(not applicable)

**5.1 \*If yes, which of the following elements of the due diligence process has the government institution implemented in relation to forced labour and/or child labour? Select all that apply. (Required) (not applicable)**

- Embedding responsible business conduct into policies and management systems
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Ceasing, preventing or mitigating adverse impacts
- Tracking implementation and results
- Communicating how impacts are addressed
- Providing for or cooperating in remediation when appropriate

**6. Please provide additional information on the government institution's policies and due diligence processes in relation to forced labour and child labour (if applicable) (1,500 character limit). (not applicable)**

**7. \*Has the government institution identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Required)**

- Yes, we have identified risks to the best of our knowledge and will continue to strive to identify emerging risks.
- Yes, we have started the process of identifying risks, but there are still gaps in our assessments.
- No, we have not started the process of identifying risks.

(not applicable)

**7.1 \*If yes, has the government institution identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply. (Required) (not applicable)**

- The sector or industry it operates in
- The types of products it produces, purchases or distributes
- The locations of its activities, operations or factories

- The types of products it sources
- The raw materials or commodities used in its supply chains
- Tier one (direct) suppliers
- Tier two suppliers
- Tier three suppliers
- Suppliers further down the supply chain than tier three
- The use of outsourced, contracted or subcontracted labour
- The use of migrant labour
- The use of forced labour
- The use of child labour
- None of the above
- Other, please specify:

**8. \*Has the government institution identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries?**

**Select all that apply. (Required) (not applicable)**

- Agriculture, forestry, fishing and hunting
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- None of the above
- Other, please specify:

**9. Please provide additional information on the parts of the government institution's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the government institution has taken to assess and manage that risk (if applicable) (1,500 character limit). (not applicable)**

**10. \*Has the government institution taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Required)**

- Yes, we have taken remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.

**(not applicable)**

**10.1 \*If yes, which remediation measures has the government institution taken?**

**Select all that apply. (Required) (not applicable)**

- Actions to support victims of forced labour or child labour and/or their families, such as workforce reintegration and psychosocial support
- Compensation for victims of forced labour or child labour and/or their families
- Actions to prevent forced labour or child labour and associated harms from reoccurring
- Grievance mechanisms
- Formal apologies
- Other, please specify:

**11. Please provide additional information on any measures the government institution has taken to remediate any forced labour or child labour (if applicable) (1,500 character limit). (not applicable)**

**12. \*Has the government institution taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains? (Required) (not applicable)**

- Yes, we have taken substantial remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

**13. Please provide additional information on any measures the government institution has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains (if applicable) (1,500 character limit). (not applicable)**

**14. \*Does the government institution currently provide training to employees on forced labour and/or child labour? (Required)**

- Yes
  - No
- (not applicable)

**14.1 \*If yes, is the training mandatory? (Required)**

- Yes, the training is mandatory for all employees.
  - Yes, the training is mandatory for employees making contracting or purchasing decisions.
  - Yes, the training is mandatory for some employees.
  - No, the training is voluntary.
- (not applicable)

**15. Please provide additional information on the training the government institution provides to employees on forced labour and child labour (if applicable). (1,500 character limit). (not applicable)**

**16. \*Does the government institution currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Required) (not applicable)**

- Yes
- No

**16.1 \*If yes, what method does the government institution use to assess its effectiveness? Select all that apply. (Required) (not applicable)**

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour
- Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and -child labour clauses
- Partnering with an external organization to conduct an independent review or audit of the organization's actions
- Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators
- Other, please specify:

**17. Please provide additional information on how the government institution assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains (if applicable). (1,500 character limit). (not applicable)**

-----END OF MEMO-----

## Attestation Statement

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Grifols Canada Therapeutics Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year of 2023.

I have the authority to bind Grifols Canada Therapeutics Inc.

Signature:



Frederic Esrailian  
Corporate Secretary

May 30, 2024

# MODERN SLAVERY & SUPPLY CHAIN TRANSPARENCY STATEMENT

FOR THE FINANCIAL YEAR ENDING  
31 DECEMBER 2023

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This document outlines the measures we have implemented, in the last financial year ("Reporting Period"), to ensure that slavery, child labor and human trafficking are not occurring within the operations and supply chains of Grifols, S.A. and its subsidiaries (together "Grifols", "we" or "our"). Legislation enacted in various jurisdictions, including certain U.S. states, U.K., Australia and most recently Canada, mandates that specific businesses disclose their efforts in this area. These laws encompass the California Transparency in Supply Chains Act of 2010, the United Kingdom Modern Slavery Act of 2015, the Australian Modern Slavery Act of 2018, alongside Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canadian Act). In Australia, our reporting entity is Grifols Australia Pty Ltd, in the UK, Grifols UK Ltd and in Canada, Grifols Canada Ltd., Grifols Canada Therapeutics Inc., Grifols Canada Plasma, Inc., and Grifols Canada Plasma – Ontario Inc. Where this Statement refers to just those entities that report pursuant to the legislation outlined above, they are referred to as "Reporting Entities".

Through this annual disclosure, we aim to equip our stakeholders with the necessary insights to make informed choices regarding our products. Additionally, in alignment with recognized reporting standards and applicable regulations, Grifols ensures the inclusion of comprehensive details related to our supply chain management in the Integrated and Sustainability Annual Report; publicly available on Grifols' website ([grifols.com](http://grifols.com)).

## 1. GRIFOLS: COMPANY STRUCTURE AND SUPPLY CHAIN

Grifols is a leading global healthcare company. Our trusted and innovative plasma-derived medicines, other biopharmaceuticals and solutions in transfusion medicine enable millions of patients around the world to lead more productive lives.

### Since 1909

We have strived to promote innovation and advance plasma science and diagnostic solutions to make a positive social impact. Guided by our longstanding solid values and ethical principles, we integrate responsible and sustainable business practices into all our operations.

The company has more than 23,000 employees, based in more than 30 countries and regions, who work to provide our products and services in more than 110 markets. More than 60% of our workforce have administrative roles or work as manufacturing operators; the rest of the workforce are distributed among professionals, senior professionals, management, senior management, directors and executives. Globally, over 50% of our staff are women. There is more detail on our global presence in our *Integrated and Sustainability Annual Report* (grifols.com).

### Grifols entities with reporting pursuant to this Statement are:

- **Grifols SA** is the parent company of the Grifols Group. It is domiciled in Barcelona, Spain.
- **Grifols Australia Pty Ltd** (ACN 050 104 875) was established in 2011 and is based in Melbourne – Victoria, Australia. This entity manufactures diagnostic products and supports the distribution and sale of Biopharma products in the Australian and New Zealand markets.
- **Grifols UK Ltd** was established in 1979. Based in Cambridge, the company covers the UK markets supporting the distribution and sale of therapeutic and other pharmaceutical products, especially hemoderivatives. Biotest (UK) Ltd merged with Grifols UK, Ltd in 2023.
- **Grifols Canada Ltd** was established in 2011. Based in Mississauga, the entity covers the Canadian market supporting the distribution and sale of biopharmaceutical products.
- **Grifols Canada Therapeutics Inc.** was acquired in 2020. Based in Montreal, Quebec, it conducts business in the Pharmaceuticals and Medicines Industry. Its subsidiary **Grifols Canada Plasma, Inc.**, and its subsidiary **Grifols Canada Plasma – Ontario Inc.** are headquartered in Quebec supporting plasma collection efforts in Canada.

### Business units:

#### Plasma Procurement and Biopharma:

Plasma procurement, production and commercialization of plasma and non-plasma products (85% of revenues).

#### Bio supplies:

High-quality biological products for non-therapeutic use (2% of revenues).

#### Diagnostic:

Leading-edge diagnostic solutions for blood and plasma analyses (10% of revenues).

#### Others:

Specialty pharmaceuticals and hospital management solutions (3% of revenues).

### Grifols' Supply Chain:

Grifols' supply chain, characterized by its global scope and complexity, engages thousands of suppliers across the globe. It includes providers of goods and services essential for plasma collection, medicines and diagnostic device production, storage, and distribution, including raw materials, finished products and logistics. This includes chemicals such as sorbitol and ethanol, plastics such as PP or PVC, glass, machinery, and electronics, among others.

Our supply chain also includes goods and services for supporting our research and development efforts, encompassing clinical research organizations, lab services, equipment, personal protective equipment, uniforms, and necessary materials, and the operational aspects of our company, like IT infrastructure, utilities, professional consulting, sales and marketing, and facilities management.



The Grifols Global Procurement Department, headquartered in Barcelona, Spain, oversees the governance of both direct and indirect procurement areas, including the transactional process and category management, in addition to establishing policies and processes. On a local level, each Grifols site maintains its own purchasing infrastructure, tailored to manage the specific site needs.

## 2. ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAIN

In general terms, we took the following steps during the Reporting Period to prevent and reduce the risk of modern slavery in our business and supply chains:

- Complied with Grifols' Human Rights Policy;
- Undertook a human rights risk assessment with external experts to reinforce due diligence processes.

Details on the foregoing are set out in further detail in this Statement.

## 3. MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

Where we use the term "modern slavery," we refer to situations of exploitation such as forced labor, human trafficking, debt bondage, slavery and slavery-like practices, and child labor<sup>1</sup> (including the worst forms of child labor).

### **In our operations:**

There is a low risk of modern slavery in our operations because of our policies and procedures (as outlined below) and wages provided to employees, including their entitlement to resign in accordance with local laws. Grifols' Human Rights Policy clearly states our commitments on employee's rights, including respect for freedom of association and collective bargaining.

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### **In our Plasma Donation Centers:**

There is a low risk of modern slavery on our plasma donation centers because of our policies and procedures. As stated in our Plasma Donor Policy, Grifols' interactions with its stakeholders, including donors, are founded on a deep-seated respect for human dignity and human rights. This fundamental respect underpins Grifols' Human Rights Policy and Code of Conduct, which applies to all Grifols' employees. The safety, health and well-being of Donors is always Grifols' first priority.

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### **In our supply chains:**

Our greatest risk of being connected to modern slavery comes from our supply chain. Unlike our direct workforce, Grifols has limited oversight and control over external workers who are not directly supervised by our managers. These individuals may have a lower awareness of their rights, making them more vulnerable to modern slavery. Our assessment concluded that risks exist regarding certain human rights issues, including modern slavery. We are aware of inherent modern slavery risks in the following sectors that are present in our supply chain: manufacturing (including chemicals), information technology (IT), personal protective equipment (PPE), textiles, packaging and plastics, logistics (including shipping), cleaners, hospitality and utilities. At times, Grifols also purchases goods that originate from jurisdictions with a higher inherent risk of modern slavery according to the Global Slavery Index<sup>2</sup>. Grifols therefore acknowledges that, with a supplier base spanning thousands of entities across various industries and regions, there is a potential risk of modern slavery. Our commitment to continuous improvement and proactive risk mitigation is unwavering. Moving forward, Grifols is working to enhance its risk assessments to obtain more detailed insights into these risks and strengthen our control measures.

We consider that this risk assessment is reflective of the risks in the operations and supply chains of the Group, including each of the Reporting Entities.

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<sup>1</sup> As defined in the Canadian Act to include labor or services provided or offered to be provided by a person under the age of 18 years and that: (a) are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada; (b) are provided or offered to be provided under circumstances that are mentally, physically, socially or morally dangerous to them; (c) interferes with the person's schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or (d) constitutes the worst forms of child labor as defined in article 3 of the Worst Forms of Child Labor Convention, 1999.

<sup>2</sup> The Global Slavery Index 2023. Minderoo Foundation Pty Ltd

## 4. HUMAN RIGHTS AND MODERN SLAVERY

As formally stated in our Human Rights Policy, Grifols is committed to taking steps to ensure that modern slavery, child labor or human trafficking is not taking place in any part of its supply chain or in any part of its business. In line with our Human Rights Policy, Grifols expects and requires all vendors to respect internationally recognized human rights in their business activities and in their respective supply chains.

Grifols unequivocally rejects any form of child, forced or compulsory labor and human trafficking. Grifols expects and requires all contracted suppliers and business partners to adopt the requisite measures to ensure the absence of these practices in their organizations and supply chains. Furthermore, Grifols is committed to promoting and protecting the welfare of all communities in which it operates. Grifols uses international references as a starting point to foster corporate responsibility and protect human rights in all its activities, including its value chain. Grifols' efforts to guarantee human rights are guided by the following covenants:

- A The International Bill of Human Rights, comprising the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights
- B The fundamental rights in the eight International Labor Organization (ILO) core conventions as established in the Declaration on Fundamental Principles and Rights at Work
- C The European Charter of Fundamental Rights
- D The World Medical Association's Declaration of Helsinki
- E UNESCO's Universal Declaration on Bioethics and Human Rights

### In parallel

Grifols also respects and observes all applicable laws, regulations and international human rights conventions, including:

- The UN Guiding Principles on Business and Human Rights
- The Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- The UN Global Compact, of which Grifols is a signatory and supporter of its 10 principles
- The ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy

## 5. GRIFOLS' POLICIES IN RELATION TO HUMAN RIGHTS

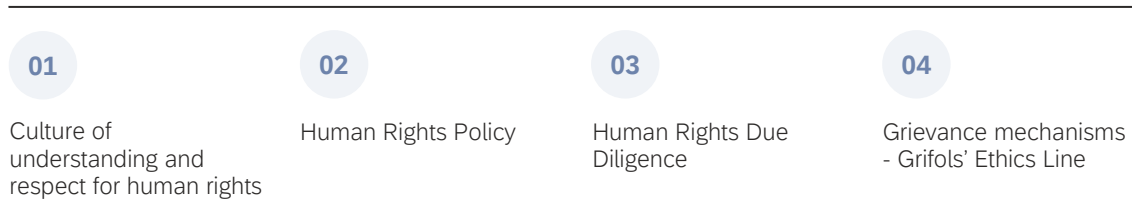
Grifols is committed to ensuring that we conduct our business worldwide with respect for human rights and in compliance with all applicable laws and fair labor practices. Grifols' support and respect for fundamental human rights is reflected in its corporate strategy, policies and codes, including among others:

Human Rights Policy	Code of Conduct	Diversity and Inclusion Policy	Ethics Line Policy
Procurement Policy	Sustainability Policy	Policy on Directors Diversity	Plasma Donor Policy

All of these policies were in place throughout, or implemented during, the Reporting Period.

## 6. PROCESSES IN PLACE IN RELATION TO HUMAN RIGHTS

Grifols' four main areas of action:



**In 2023 Grifols took the following steps to manage the risk of modern slavery in its operations and supply chain:**

### Operations

- Gathering information on employees' recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily.
- Identifying employee training opportunities in relation to modern slavery (we did not provide any formal training to employees during the Reporting Period specifically dedicated to modern slavery; however, we plan to develop such programs in the near future).
- Contracting an external expert to support an evaluation of risks of human rights (including forced labor and/or child labor) in the organization's activities and supply chains.
- Complying, adopting and/or implementing the policies listed in section 5 above.
- Ensuring a decent living wage for our employees, in line with their country's economic context. To this end, Grifols performs annual reviews to assess country-specific costs of living and market wages, periodically updating compensation levels as needed.
- Maintain grievance mechanisms: more detail is provided below.
- Promoting internal accountability: Grifols' Code of Conduct requires all employees to "comply with all applicable laws, rules and regulations" and failure to comply can result in discipline or termination. Engaging in, or promoting, slavery and/or human trafficking are contrary to all applicable laws, and such conduct would be met with appropriate consequences. No such behavior was identified during the Reporting Period.

### Supply Chains

- Mapping supply chains: Grifols has undertaken a comprehensive mapping of our supply chain in order to segment supplier portfolio based on category and country to enhance oversight and control.
- Contracting an external expert to support an evaluation of risks of human rights (including forced labor and/or child labor) in the organization's activities and supply chains.
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe human rights' risks (including forced and child labor).
- Maintaining compliance with our corporate Human Rights Policy (including child protection);
- Auditing selected suppliers to evaluate aspects such as quality management, the presence of training programs, organizational structure documentation, company function definitions, and document management systems, among others.
- Monitoring key suppliers: Grifols ensures the application of supplier management practices and performance metrics, as well as defines which are significant and, in turn, subject to greater ESG scrutiny. For this segmentation, Grifols bases its analysis on their category and the annual expenditure generated with the supplier.
- Maintaining grievance mechanisms open to all workers and third parties.
- Verifying Product Supply Chains: Grifols' standard supplier terms require all of its suppliers to comply with all applicable laws in the jurisdictions in which they operate.

Grifols bolstered its human rights due-diligence processes in 2022 and 2023 by performing a thorough analysis to identify, prevent and mitigate related impacts and main risks integrating industry best practices. The main findings were published in the 2023 [Integrated and Sustainability Annual Report](#) and [Human Rights Due Diligence Report](#), which takes the value chain into consideration. This due diligence process and resultant reporting follows the Human Rights Based Approach (HRBA), UN and OECD guidelines.

**In line with these frameworks, Grifols carried out the following actions in 2023 in its due diligence process:**

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**I.** Considered in the analysis not only the geographies where the company is most active but also those regions where the risk of human rights violations are inherently greater. This approach aligned with OECD recommendations and served to enhance Grifols' commitment to responsible business practices.

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**II.** Assessed the adverse impacts of Grifols on the rightsholders across its value chain of the company, including tier I suppliers, joint ventures, and others. This focus extended to the most vulnerable groups, including employees, third-party employees, local communities and other relevant rightsholders.

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**III.** Identified mitigation and remediation measures related to the adverse impacts on human rights to understand Grifols' ability to address and avoid those risks and support the disclosure of how they are managed.

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**IV.** Transparently reported results, main risks and focus areas in its 2023 Integrated and Sustainability Annual Report ([grifols.com](https://www.grifols.com)).

Grifols offers remediation mechanisms to help affected parties voice their concerns and seek solutions. The company recognizes this responsibility by establishing clear channels for filing complaints and resolving human rights-related disputes.

As outlined in the Code of Conduct, Human Rights Policy and Ethics Line Policy, the Grifols Ethics Line is available to all employees and third parties to anonymously and confidentially report any issues or risks of non-compliance or misconduct in relation to human rights. To guarantee its successful operation, Grifols has assigned an ombudsperson to study all allegations received and ensure they are properly processed and investigated, including that appropriate measures are implemented in the event of misconduct or non-compliance.

Additionally, Grifols promotes a culture of understanding and respect for human rights. Training in relation to the following key policies and procedures is mandatory for all staff: Code of Conduct, Human Rights Policy, Environmental Management and Diversity Awareness Program. We have in place a process to identify and follow up individuals that have not completed mandatory training. We plan to develop specific training for employees in relation to modern slavery.

Among the main Key Performance Indicators that the company tracks are: number of concerns or reports received through the Ethics Line related to human rights violations (including modern slavery), number of employees trained yearly on Code of Conduct, and number of employees that sign the corporate Human Rights Policy yearly. Most relevant KPIs are disclosed annually in our Integrated and Sustainability Annual Report in accordance with recognized and comparable reporting standards.

There is nothing to report with respect to measures taken during the Reporting Period to (i) remediate any forced labor or child labor, or (ii) remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labor or child labor in the activities and supply chains of the Canadian Reporting Entities or any other entity included in this Statement.



## 7. CONTINUOUS IMPROVEMENT, MONITORING AND EFFECTIVENESS

The promotion and protection of human rights is supervised by our board of directors, specifically via its Sustainability Committee. As stated in Grifols' Human Rights Policy, Grifols' Board of Directors entrusts the Sustainability Committee to monitor and ensure the compliance of the Policy, as well as its management and associated risks, under Article 3 of the Committee's regulations. They are ultimately responsible for assessing the effectiveness of our actions in relation to modern slavery.

Grifols, through its office of Internal Audit, conducts regular audits of various departments and operations. As part of these audits, and on an as-needed basis, Internal Audit may review and monitor compliance with the Human Rights Policy, which encompasses specific modern slavery commitments, as well as any relevant procedures, including by identifying any appropriate enhancements to those policies and procedures or in business processes.

In collaboration with other departments and external experts, the Investor Relations and Sustainability Department support the integration of respect for human rights into Grifols' processes and activities in its markets of operation.



**Grifols is committed to continuous improvement in our fight against modern slavery, child labor and human trafficking.**

In 2023, we effectively addressed many of the risks identified in our human rights due diligence, demonstrating significant progress in our due diligence processes. Grifols will continue to conduct due diligence to actively prioritize risks, monitor and implement best practices to enhance the effectiveness of our efforts across our operations and supply chains. In 2024 we plan to progress on supply chain management enhancing internal processes and controls over ESG risks, including modern slavery.

## 8. CONSULTATION

Supervision of modern slavery risk management activities is undertaken by our Board. This statement was drafted by representatives from Grifols S.A., who have responsibility for each of the Reporting Entities and their owned or controlled entities described in section 1 of this Statement.

As a result, consultation with each of the Reporting Entities covered by the Statement and their owned or controlled entities was undertaken at a leadership or functional level in the process of preparing this Statement. This included local legal teams. A copy of this Statement was provided to each Reporting Entity before it was approved.

## 9. ABOUT THIS STATEMENT



This Statement is for the period from 1 January 2023 to 31 December 2023 and has been prepared for the Reporting Entities, covering Grifols S.A. and its subsidiaries pursuant the following acts:

- The United Kingdom's Modern Slavery Act 2015
- Australia's Modern Slavery Act 2018
- California's Transparency in Supply Chains Act (S.B. 657) 2010
- Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023



This Statement has been formally approved by the Board of Directors of Grifols S.A, as the higher entity of the Grifols Group on behalf of each of the Reporting Entities on May 3, 2024.

**Nacho Abia**

Chief Executive Officer (CEO) and Board Member of Grifols S.A.

Date: May 2024



## Annexure A MANDATORY REPORTING CRITERIA FOR AUSTRALIA

Mandatory criteria		Page number(s)
a)	Identify the reporting entity	1 - 2
b)	Describe the reporting entity's structure, operations and supply chains.	2
c)	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	3
d)	Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	3 - 6
e)	Describe how the reporting entity assesses the effectiveness of these actions.	6 - 7
f)	Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	7

## Annexure B APPROVAL AND ATESTATION FOR CANADA

- This Statement is the joint report pursuant to subparagraph 11(2)(b) of the Canadian Act by Grifols SA which controls the Canadian Reporting Entities listed in Section 1 of this Statement, for the financial year ending 31 December 2023.
- This Statement was approved pursuant to subparagraph 11(4)(b) (ii) of the Canadian Act by the Board of directors of Grifols S.A., which controls each of the Canadian Reporting Entities.