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NON-FINANCIAL GROUP REPORT

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NON-FINANCIAL GROUP REPORT

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SUSTAINABILITY MANAGEMENT

We successfully completed our three-year Global Sustainability Program, which led our efforts to further embed sustainability in our operations. We have developed new global targets to guide our activities in the years to come.

BUSINESS MODEL

Fresenius Medical Care is the world's leading provider of products and services for individuals with renal diseases based on publicly reported revenue and the number of patients treated. We provide dialysis and related services, as well as other health care services. We also develop, manufacture, and distribute a wide variety of health care products, which we sell to customers in around 150 countries in addition to using them in our own health care service operations.

In our more than 4,000 proprietary dialysis clinics in around 50 countries worldwide, we provide care for over 344,000 dialysis patients. We manage the world's largest network of dialysis clinics in terms of the number of people treated to accommodate an ever-rising number of patients. In addition, we operate 42 production sites in around 20 countries ([SEE CHART 3.1](#)).

Further information on our business model is provided in the "Business Model" section of the Group Management Report starting on [PAGE 16](#).

STRATEGY

At Fresenius Medical Care, we focus on serving patients. This approach shapes how we manage sustainability: We place emphasis on our contribution to global health care challenges and on activities with the biggest impact for our company vision. Our commitment to sustainability is also incorporated in our company mission: We provide the best possible care. Sustainably in diverse health care systems. For a growing number of patients around the world.

Managing sustainability successfully means creating lasting economic, ecological, and social value. For us, it also means driving the integration of sustainability into our business operations. Our three-year Global Sustainability Program, which was successfully completed at the end of 2022, has supported our efforts in this respect. The program's overall objective was to establish global standards, processes, and measures to help us continually improve our performance. It also provided us with a foundation for continued analysis of our global impact and the capacity to leverage sustainability-related opportunities. Throughout the duration of the Global Sustainability Program, we developed 30 global standards. We also defined four global governance structures for sustainability topics and disclosed more than 300 data points in our sustainability reporting ([SEE CHART 3.2 ON PAGE 84](#)).

We aim to continuously incorporate sustainability aspects in relevant business processes. This includes our corporate strategy, operations, corporate risk management, and finances, as well as internal controls and our compensation system. For example, in 2022, we mandated an independent external tax auditor to review our Tax Compliance Management System (Tax CMS) in Germany based on an auditing standard (IDW PS 980) and OECD standards. The audit report confirmed that we appropriately mitigate tax-related risks.

C 3.1 COMPANY OVERVIEW



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As part of efforts to embed sustainability in our internal controls, we also put our non-financial reporting processes at the center of one of our global internal audits. More than 60% of internal audits in 2022 included an environmental, social, or governance (ESG) aspect. As a focus activity for 2023, we are planning to further integrate sustainability-related objectives in our corporate planning processes. Moreover, we are planning to further enhance our existing sustainability-related set of internal controls ([SEE CHART 3.3](#)).

Our business activities touch upon various aspects of the UN Sustainable Development Goals (SDGs). In line with our corporate vision, we particularly support SDG 3, which deals with good health and well-being. In addition, we seek to make further meaningful contributions to SDG 4 (Quality Education),

C 3.2 GLOBAL SUSTAINABILITY PROGRAM

Achievements during three-year program

30
Global standards developed

4
Global governance structures defined for sustainability topics

>300
Data points disclosed in sustainability reporting

C 3.3 SUSTAINABILITY IMPACT

Environment	We reduced our total Scope 1 and Scope 2 emissions by 10.5% compared with 2021.
	Energy management systems were installed in more than 400 of our U.S. locations.
	38% of the dialysis machines we sold belong to an eco-friendly machine generation.
Social	We provided treatments to more than 344,000 patients and home therapy to around 58,000 patients.
	78% of our patients would highly recommend our services.
	69% of our employees feel a sense of belonging at work.
Governance	More than 60% of our internal audits included an environmental, social, or governance aspect.
	We approved 10 new global sustainability policies and other standards.
	Almost 95% of employees completed compliance training.

SDG 8 (Decent Work and Economic Growth), and SDG 12 (Responsible Consumption and Production).

More information on our strategy can be found in the "Corporate strategy and objectives" section of the Group Management Report starting on [PAGE 21](#).

GLOBAL TARGETS

At the end of 2022, we successfully concluded our Global Sustainability Program, having achieved all targets set out in our implementation roadmap. The program was created as a response to increasing requirements for sustainability management, as well as our commitment to continuously improve our sustainability performance. It defined global targets for eight focus areas between 2020 and 2022: responsibility towards our patients as well as our employees, anti-bribery and anti-corrup-

tion, data protection and privacy, human and labor rights, sustainable supply, environment, and occupational health and safety. We highlight key targets for our focus areas in this report.

The success of our global sustainability efforts depends on cooperation between all regions and global functions and the exchange of best practices. We strive to leverage our scale and expertise and take regional needs into account in our activities. In 2022, we established ten new global policies and other standards, for example in the areas of diversity, employee engagement, and data protection. We also defined new global performance indicators for various areas of the sustainability program, including a quality index for patient treatments. The success of our Global Sustainability Program was measured using a control and calculation model that evaluates more than 50 aspects. Throughout the duration of the program, progress was linked with Management Board compensation via a sustainability target.

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C 3.4 GLOBAL SUSTAINABILITY TARGETS

Strategic focus areas	Targets		Progress in 2022	Read more	
Enhance quality of care and access to health care	Patient experience	Achieve a patient Net Promoter Score of at least 70 (annual target)	Net Promoter Score of 71	P. 91	
	Product safety and quality	Keep global key performance indicator for critical and major audit findings below 1.0 (annual target)	Audit score of 0.3	P. 95	
	Access to treatments	Perform 25% of dialysis treatments in the U.S. in a home setting by 2025	15% of treatments in the U.S. performed in a home setting	P. 92	
Build the best team to serve patients	Employee engagement	Achieve an Employee Engagement Score of at least 63% by 2027	Employee Engagement Score of 55%	P. 97	
	Diversity, equity, and inclusion	Achieve proportion of women in leadership positions by 2027: › 35% in the first level below the Management Board › 45% in the second level below the Management Board	At the end of 2022: › 26% in the first level below the Management Board › 31% in the second level below the Management Board	P. 98	
		Increase the representation of ethnically diverse managers in the U.S. year over year by 2030	At the end of 2022, 31% of U.S. managers were ethnically diverse	P. 98	
	Integrity	Train at least 90% of employees on our Code of Ethics and Business Conduct (annual target)	Almost 95% of employees trained on our Code of Ethics and Business Conduct	P. 106	
Reduce our environmental footprint	Emissions reduction	By 2030, reduce our Scope 1 and Scope 2 emissions by 50% as compared with 2020	Achieve climate neutrality for Scope 1 and Scope 2 emissions by 2040	Global project team set up to drive the implementation of our climate action roadmap Scope 1 and Scope 2 emissions footprint reduction of 10.5% compared with 2021	P. 102
	Resource efficiency	Develop sustainable water plans for sites in extreme water stress areas by 2026		Water stress scenario analysis continued to identify sites likely to be in areas of extreme water stress in the future	P. 104
	Sustainable portfolio	Implement sustainability performance assessment of our relevant product and services portfolio by 2026	Implementation plan developed for 2023	P. 86	

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Based on the results of the Global Sustainability Program, in 2022, we developed a new set of global targets for the coming years ([SEE CHART 3.4 ON PAGE 85](#)). The Supervisory Board also decided on new sustainability goals for Management Board compensation in 2023. They are linked to progress of the Company's sustainability targets in the areas of patient satisfaction, employee satisfaction, and sustainable products and services.

Achievement of the patient and employee targets shall be measured based on the quantitative metrics obtained from the patient Net Promoter Score (NPS) and the Employee Engagement Survey (Employee Engagement Index). To achieve the target relating to sustainable products and services, specific deliverables were established. These activities are intended to set the groundwork necessary for us to perform a measurable assessment of our portfolio against sustainability criteria in the coming years.

More information on sustainability in the compensation system can be found in the Compensation Report starting on [PAGE 144](#). For further information on sustainability-related policies and commitments, please see our website at www.freseniusmedicalcare.com/en/about-us/policies-and-standards.

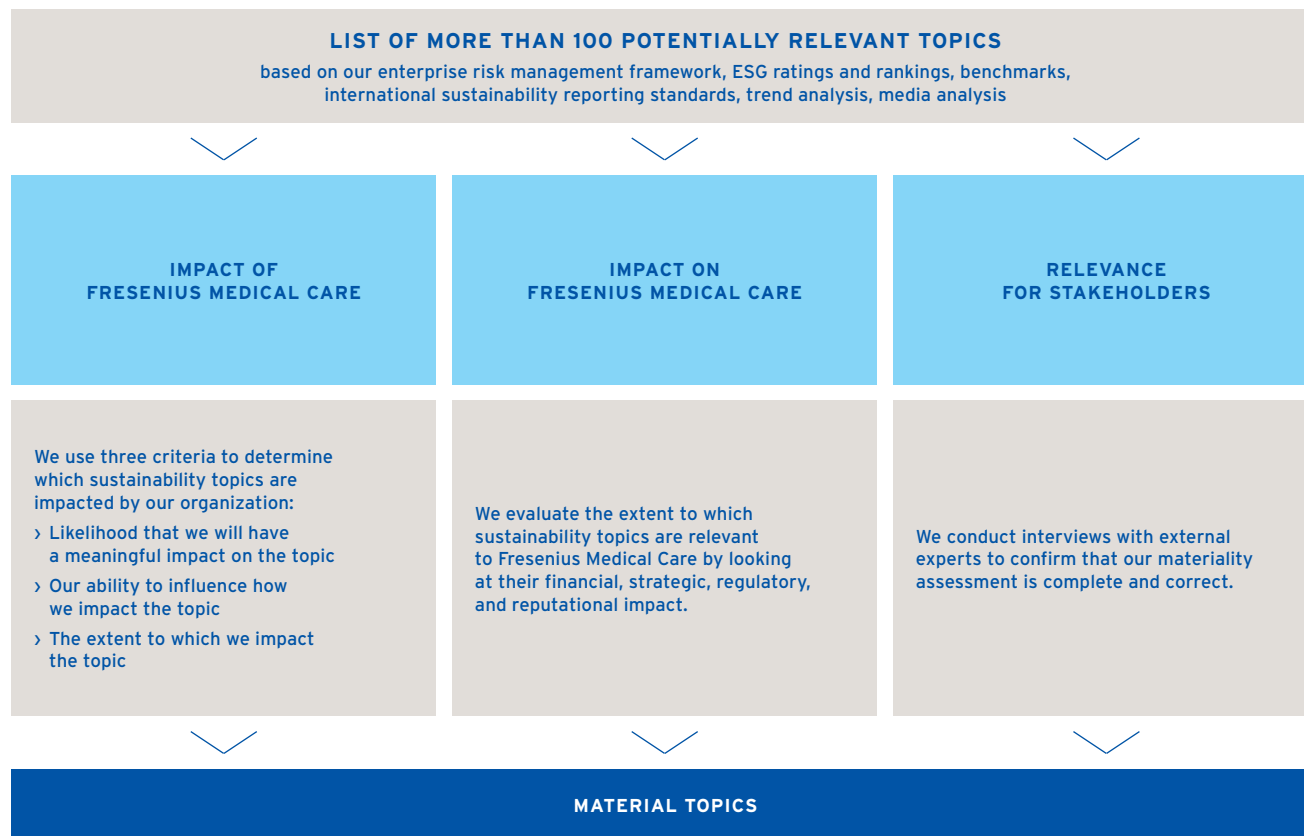
MATERIAL TOPICS

We aim to carry out a comprehensive materiality analysis at least every five years. We have extended the analysis cycle due to considerations such as the transformation of our global operating model and upcoming sustainability reporting regulations. Our materiality analysis identifies and prioritizes the sustainability topics that have the biggest impact on our business, and those that are affected most by our business. In the years in-between, we review and reevaluate the results of the previous analysis. In our most recent comprehensive materiality analysis in 2019, we selected and grouped topics from a list of

more than 100. In building this list, we used various sources as a guide. These included our enterprise risk management framework, ESG ratings and rankings, and competitor benchmarks. Further sources were international sustainability reporting standards like those of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), as well as the results of our trend and media analysis. To help us define

the materiality of the different topics and prioritize them, we involved internal stakeholders from different regions and functions and reviewed the outcomes with external experts. Our latest review in 2022 confirmed that the topics identified in our 2019 analysis are still the most relevant for our business. We continuously monitor and evaluate upcoming topics and areas of interest for our stakeholders ([SEE CHART 3.5](#)).

C 3.5 MATERIALITY ANALYSIS



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SUSTAINABILITY GOVERNANCE

The highest governing body for our sustainability activities is our Sustainability Decision Board. Headed by the CEO, it is responsible for integrating sustainability into our strategy and business. Together with the Sustainability Decision Board, the Management Board decides on strategic initiatives ([SEE CHART 3.6](#)). In 2022, for example, the Sustainability Decision Board approved several global policies and company positions that are relevant for our sustainability performance. The Management Board and the Supervisory Board review the progress of our sustainability management, which is then published in the separate Non-Financial Group Report.

Two further committees support our decision-making processes for sustainability initiatives. The Corporate Sustainability Committee is an advisory committee for global sustainability activities. It comprises senior representatives nominated by the Management Board to represent the interests of our business and corporate functions. The Corporate Risk Committee analyzes and discusses sustainability risks as part of our enterprise risk management. The results are compiled twice a year and communicated to the Management Board.

The Global Sustainability department drives our strategic sustainability activities. It also managed the Global Sustainability Program in close cooperation with the relevant teams across our regions and other functions. The Global Head of Sustainability regularly informs the Management Board about sustainability progress and the status of target achievement.

Our Lead Independent Director is a member of the Supervisory Board. Her responsibilities include addressing matters relating to ESG aspects of the Company.

More information on the Lead Independent Director can be found in the "Lead Independent Director" section of the Corporate Governance Declaration starting on [PAGE 131](#).

RISK MANAGEMENT

We monitor and assess sustainability risks as part of our enterprise risk management. Our assessment is based on a list of potential non-financial risks, which is reviewed regularly. In accordance with the German Commercial Code, we report on known significant risks associated with our own operations, business relationships, products, or services that are very likely to occur and would have a severe negative impact on material sustainability-related topics. We did not identify any material non-financial risks of this kind in 2022.

One element of our sustainability risk management approach involves assessing the impact of our business activities on affected rightsholder groups, as well as on the environment. To identify potential risks from this perspective, we performed detailed human rights risk assessments in 2022 covering our

workforce, our patients, local communities surrounding our business sites, and our supply chain. With the help of external platforms and interviews with subject-matter experts, we looked at country and industry-specific risks pertaining to the rightsholder groups in question. We have also started to define focus areas for risk prevention and mitigation activities.

We also assessed environmental risks from this angle. In 2022, we developed a new methodology for this purpose. We used external and internal data to evaluate our impact on climate change, water stress, wastewater, and waste management. The results of this assessment were aligned with environmental experts across the Company. We are continuously monitoring and increasing the granularity of our risk assessment to better understand how our business operations impact the environment.

We additionally performed further assessments to determine how environmental factors such as water stress, climate change vulnerability, and waste management can represent risks to our business. We updated our global environmental risk management process and catalog based on the results of these assess-

C 3.6 SUSTAINABILITY GOVERNANCE



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ments to increase awareness but did not identify any significant new risks. In 2022, we also continued to integrate the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) into our enterprise risk management approach. We review climate-related risks and opportunities on a yearly basis.

More information on our enterprise risk management system can be found in the "Risk management system" section of the Group Management Report starting on [PAGE 59](#). More information on our risk assessment on human and labor rights can be found in the "Human rights" section starting on [PAGE 110](#), and the "Supplier management" section starting on [PAGE 109](#).

STAKEHOLDER INCLUSION

As a company with global operations, our business activities affect many stakeholder groups. These include our patients, employees, shareholders, suppliers, and the communities in which we work. Representatives from academia, politics, media, and international organizations are also important interest groups. Communicating with relevant stakeholders is essential to understand their expectations of our company. It is also part of building trust and reliable partnerships and helps us to share knowledge and promote scientific progress.

In the reporting year, we continued to participate in several expert groups such as the Kidney Care Partners and the Dialysis Patient Citizens in the U.S. We also took part in technical expert panels for the Centers for Medicare and Medicaid Services, the national federal public health care authority in the U.S. In 2022, sustainability-related topics were again discussed in investor meetings. Labor topics, including questions relating to clinic staffing, employee retention, recruitment, and wages, came up in around 780 conversations. More than 50 exchanges

addressed topics such as climate impact, sustainability progress, and governance matters.

We are subject to a wide range of legislative and regulatory processes that affect our business. Therefore, we periodically engage in policy discussions and collaborate with third parties as part of our lobbying efforts. Our principles in relation to these activities are stated in our Code of Ethics and Business Conduct. They provide the basis for our political dialogue in compliance with applicable laws and regulations. These principles also apply to our interactions with associations. We published a position paper on political engagement and advocacy. In the U.S. we have a Political Action Committee in place which gives eligible U.S. employees the opportunity to participate voluntarily in public policy advocacy that impacts our business and patients.

More information on our collaboration with research and innovation partners can be found in the "Research and development" section of the Group Management Report starting on [PAGE 30](#). For information about our dialogue with employee representatives, see the "Employees" section starting on [PAGE 96](#). For information on how we collaborate to improve health care, see our "Patients" section starting on [PAGE 90](#).

COVID-19

Since the beginning of the COVID-19 pandemic, we have faced extraordinary challenges. These have been exacerbated by the facts that acute kidney injury is common in critically ill COVID-19 patients, and that our patients have a high risk of complications should they contract the virus. We continuously monitor the COVID-19 situation and hold global meetings to discuss developments on a bi-weekly basis.

To help improve the level of protection for our patients and staff, safety protocols were established in our dialysis clinics at the start of the pandemic to maintain the provision of essential treatments. We provided guidance on measures to mitigate the spread of COVID-19 through interventions such as masks and other personal protective equipment. Furthermore, we provided our patients and staff with information about the effects of long COVID and how the vaccination can mitigate the risk of severe illness. We have also encouraged our patients to get vaccinated. Between 2020 and the end of 2022, we treated close to 155,000 patients infected with COVID-19.

During the pandemic, we were able to continue producing and delivering life-saving products, even when our operations and supply chains were hampered by global restrictions. Throughout the course of the pandemic, we have also continuously looked at ways to improve our care. Our ongoing COVID-19 research focuses on vaccination and treatment effectiveness and response.

Further information on the impact of COVID-19 on our company can be found in the "Overall business development" section of the Group Management Report starting on [PAGE 39](#). For more information on our ongoing research activities, please see the "Advancing health care" section starting on [PAGE 93](#).

EU TAXONOMY

We report on our economic activities in accordance with the EU Taxonomy Regulation for sustainable activities (referred to hereinafter as "EU Taxonomy"). In our 2021 Non-Financial Group Report, we reported on the Taxonomy-eligible shares of economic activities that potentially make a substantial contribution to at least one of two environmental objectives defined in the regulation's Climate Delegated Act: "Climate change mitigation" and "Climate change adaptation".

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In 2022, in line with EU Taxonomy reporting requirements, we broadened the scope of our reporting to additionally analyze the Taxonomy-alignment of economic activities that make a substantial contribution to the two environmental objectives mentioned above.

Our core business activities are not covered by the EU Taxonomy in its current design. As a result, the revenues and operating expenses (Opex) associated with our products and services are not considered Taxonomy-eligible. While some of our capital expenditures (Capex) related to construction and real estate activities fit the requirements for Taxonomy eligibility, our analysis determined that they are not Taxonomy-aligned.

Methodology

To comply with EU Taxonomy reporting requirements, we set up an interdisciplinary project team comprising sustainability, accounting, and reporting experts. This team performed analyses to determine whether our economic activities are Taxonomy-eligible or Taxonomy-aligned.

To ascertain whether our economic activities are Taxonomy-eligible, we conducted an impact analysis of our operations. As part of this analysis, we compared our business activities with the EU Taxonomy's descriptions of economic activities that potentially make a substantial contribution to the objectives "Climate change mitigation" or "Climate change adaptation". We also conducted interviews with internal experts across our regions and business areas to verify our conclusions. This analysis revealed that Capex related to our construction and real estate activities can be classified as Taxonomy-eligible.

In 2022, we additionally assessed whether our Taxonomy-eligible activities are Taxonomy-aligned. To do this, we conducted workshops with experts across our regions to assess whether our activities meet the technical screening criteria for Taxonomy alignment. Furthermore, in internal workshops, we analyzed whether our building-related economic activities meet the EU Taxonomy's minimum safeguard requirements. We determined that our activities related to construction and real estate do not fulfil technical screening criteria set out in the regulation. Our economic activities are therefore not Taxonomy-aligned.

Key performance indicators

The EU Taxonomy defines three key performance indicators (KPIs) that must be disclosed: revenue, Capex, and Opex. We summarize key information pertaining to each KPI below. For the full tables, [SEE PAGE 113](#) of the Non-Financial Group Report. We calculated the EU Taxonomy's three KPIs based on the figures in our financial reporting system, which ensures reconciliation with the corresponding items in the consolidated financial statements ([SEE TABLE 3.7](#)). With respect to the eligibility share of Capex, we identified all relevant expenditures and allocated them to their respective economic activities. This way, we ensure that no Capex is considered more than once.

Revenue

Our product and service revenues are not covered within the regulatory scope of the EU Taxonomy in its current design. Total revenue includes all product and service revenues. Please refer to the consolidated statements of income under "Revenue" in [TABLE 5.1 ON PAGE 183](#).

Capex

The EU Taxonomy differentiates between different forms of Capex. Our Taxonomy-eligible Capex relates to investments in acquisition and ownership of buildings (7.7), construction of new buildings (7.1), and renovation of existing buildings (7.2), such as clinics or production facilities (Climate Delegated Act, Annex I, economic activities listed within sector 7). The eligible amounts in activities 7.1 and 7.2 consist of additions to buildings and their improvements as well as buildings that are considered construction in progress. The eligible shares of activity 7.7 consist of additions to buildings and right-of-use assets for buildings and fixtures. 0.3% thereof result from business combinations.

T 3.7 CONTRIBUTION OF TAXONOMY ALIGNED, ELIGIBLE BUT NOT ALIGNED, AND NON-ELIGIBLE ECONOMIC ACTIVITIES TO TOTAL REVENUE, CAPEX AND OPEX
IN %

KPI	Taxonomy-aligned	Taxonomy-eligible but not aligned	Taxonomy non-eligible
Revenue	0	0	100
Capex	0	46	54
Construction of new buildings		3	
Renovation of existing buildings		7	
Acquisition and ownership of buildings		36	
Opex	0	0	100

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The Capex KPI is defined as Taxonomy-eligible and Taxonomy-aligned Capex divided by total Capex for the reporting year. Total Capex covers additions to tangible (IAS 16) and intangible assets (IAS 38) as well as right-of-use assets (IFRS 16) during the fiscal year before depreciation, amortization, and any re-measurements. This includes those additions resulting from revaluations and impairments, for the relevant fiscal year and excluding fair value changes. It also encompasses additions resulting from business combinations. It does not include goodwill. For total Capex please refer to the sections "Property, plant and equipment" on [PAGE 225](#), "Intangible assets and goodwill" on [PAGE 228](#) and "Leases" on [PAGE 255](#) in the notes to the consolidated financial statements, under the columns "Additions" and "Changes in consolidation group". Please note that the column "Changes in consolidation group" also includes disposals of business in the amount of €41.6 M.

Opex

Our operating expenditures in connection with buildings represent less than one percent of total Opex, as all material building-related measures are capitalized and thus part of our Capex. Opex linked to our products and services is, like the products and services themselves, not covered within the regulatory scope of the EU Taxonomy in its current design.

The Opex KPI is defined as Taxonomy-eligible and Taxonomy-aligned Opex divided by total Opex for the reporting year. Total Opex consists of direct non-capitalized costs that relate to research and development, building renovation measures, short-term leases, as well as maintenance and repair.

For more information regarding research and development expenses, please refer to the section "Notes to the consolidated statements of income" in the notes to the consolidated financial statements on [PAGE 213](#). Short-term leases were determined in accordance with IFRS 16 (see "Leases" in the notes to the consolidated financial statements on [PAGE 255](#)). Maintenance and repair expenses include staff costs, costs for services, and material costs for daily servicing, as well as for regular and unplanned maintenance and repairs that can be found in the following areas of the income statement: costs of revenue, selling, general and administrative expenses as well as research and development expenses.

Outlook

Moving forward, reporting requirements are expected to be extended to economic activities that potentially make a substantial contribution to one of four further environmental objectives defined in the EU Taxonomy Regulation. These objectives are: "Sustainable use and protection of water and marine resources", "Transition to a circular economy", "Pollution prevention and control" and "Protection and restoration of biodiversity and ecosystems". Our core activities may be covered in future delegated acts.

PATIENTS

We defined a new global quality index to track and improve quality of care. Our new global Health Equity Position Statement reflects our ongoing commitment to advancing equity in health care.

Our patients' well-being is our top priority. As part of our commitment to delivering safe, high-quality care to patients with chronic kidney disease, we continually monitor the performance of our products and services. In doing so, we focus on quality, safety, accessibility, and patient experience. We strive to make improvements wherever necessary, keeping in mind our goal to expand access to high-quality health care. To this end, we invest in innovations and new technologies, and leverage insights from scientific research and collaboration with partners.

The Global Medical Office drives our medical strategy and coordinates activities that contribute to the advancement of medical science and patient care. The Global Medical Office is led by our Global Chief Medical Officer, who is a member of the Management Board. Key findings produced by the Global Medical Office are reviewed by multiple stakeholders across the Company. These findings are published on a regular basis and shared with the medical community.

QUALITY OF CARE

Our commitment to continuously improve the quality of our care is included in our Code of Ethics and Business Conduct. Additionally, our Global Patient Care Policy outlines the principles, responsibilities, and processes in connection with our medical strategy and quality management, patient experience surveys, and patient grievance mechanisms. Responsibility for integrating the policy into our business operations lies with our senior medical leadership and interdisciplinary patient care teams across the globe.

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We continually measure and assess the quality of the care we provide in our dialysis clinics based on internationally recognized quality standards. These include those of the global non-profit Kidney Disease: Improving Global Outcomes (KDIGO) initiative, the U.S. National Kidney Foundation's Disease Outcomes Quality Initiative (KDOQI), and the European Renal Best Practice guidelines. We also consider industry-specific clinical benchmarks and our own quality targets.

Additionally, we evaluate medical indicators on an ongoing basis to measure the quality of care provided in our dialysis clinics. For example, the global hospitalization rate measures the length of time a patient spends in hospital. This is an important indicator, given that hospitalization has a significant impact on a patient's clinical outcomes and quality of life. In 2022, the global hospitalization rate was 10.6 days per patient, compared to 10.7 in 2021.

c 3.8 GLOBAL INDICATORS - QUALITY OF CARE

Hospitalization Rate	<p>Days spent in hospital per patient per year</p>
Quality Index	<p>Dialysis effectiveness: Measures how well the body is cleaned of waste substances</p>
	<p>Vascular access: Measures the share of patients who do not receive dialysis via a dialysis catheter</p>
	<p>Anemia management: Measures hemoglobin levels and specific medications given during dialysis</p>

In the reporting year, we implemented a new global measurement to track quality of care: the quality index (SEE CHART 3.8). This index reflects the combined results of three equally weighted quality indicators:

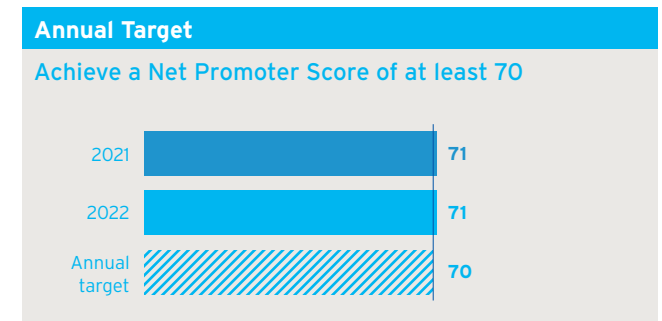
- › Dialysis effectiveness, which measures how sufficiently the body is cleansed of waste substances,
- › vascular access, which measures the share of patients who do not receive dialysis via a dialysis catheter but rather via safer vascular access alternatives that reduce risk of infection and improve outcomes,
- › anemia management, which measures hemoglobin levels and specific medications given during dialysis to achieve optimum clinical outcomes, such as overall health and well-being.

In 2022, our quality index score was 81%. The index provides a harmonized global overview of different key quality indicators that we have reported on individually in past years. We plan to use the indicator to continuously measure and improve our quality of care on a global level. By the end of 2024, we aim to develop and pilot a new global training program to further educate our medical community on quality improvement.

It is important to us that our patients feel comfortable and are satisfied with the care they receive. As part of our global patient experience program, we aim to conduct patient experience surveys at least every two years. We use the information collected to evaluate the services provided by our dialysis clinics and implement global improvement plans. Over time, we have strengthened our efforts to improve patient education, individualized patient care, and service excellence. For example, we have used feedback from the surveys to develop educational materials that help clinic staff inform their patients more comprehensively about health-related topics.

We measure patient experience in our dialysis clinics using the Net Promoter Score (NPS). The NPS reflects patients' overall satisfaction with our services and to what extent they feel well cared for and supported. We have set the global target of achieving an NPS score of at least 70 each year. In 2022, we attained an NPS score of 71, the same value as in 2021. Our NPS threshold target of at least 70 reflects our aim to continuously obtain excellent scores and improve patient experience despite challenges such as staffing shortages and the ongoing impacts of the COVID-19 pandemic. As part of our NPS calculations, we measure the share of patients that would recommend Fresenius Medical Care. In the reporting year, 78% of our patients answered in our survey that they would highly recommend our services. In addition to the NPS, we also track survey coverage and response rates. In 2022, we achieved a global coverage rate of 92% in line with our target of 75% or above. We also attained a response rate of 69%.

In addition to experience surveys, we provide patients and their representatives with other feedback channels. Patients can report grievances, make suggestions, or raise concerns anonymously if they wish. Our feedback channels include dedicated hotlines and email addresses, complaint and suggestion boxes, and a feedback form on our website. In 2022, we received 23,011 reports (2021: 24,449). We are committed to resolving issues in





a timely manner. Our policies allow patients to file reports without fear of reprisal. We also provide training at the local level to support staff in following patient grievance guidelines.

ACCESS TO HEALTH CARE

As an international health care company, we recognize the importance of improving access to health care and are working to provide affordable treatment to a growing number of patients worldwide. We focus on improving both access to care and level-of-care outcomes. For example, we consider barriers to access such as cost and ease of travel to our dialysis clinics and a lack of education on kidney disease and treatment options. We aim to increase the number of patients who receive home dialysis as well as those who receive kidney transplants. Additionally, we have improved our digital offering to make it easier for patients to access their clinical information and our services. We also have crisis preparedness processes in place so that patients have continued access to treatment during disaster and emergency situations.

Health equity

We prioritize health equity in our efforts to increase access to care worldwide and to support the development of sustainable health care systems. We believe that every patient, regardless of their ethnic origin or race, nationality, age, ability, gender identity, sexual orientation, religion, or socioeconomic status, should be given equal opportunities and support to maintain and improve their health. This also means striving to make treatment and kidney health education available to those in need. As part of our efforts to promote health equity, we are currently analyzing care opportunities and health outcomes in the countries in which we operate. For instance, in the U.S. we have developed digital dashboards to identify inequities that arise in the home dialysis and kidney transplant settings. These

include, for example, inequities relating to age, race, language, and gender. In 2023, we intend to set health equity targets and track their progress.

In 2022, we developed a Global Health Equity Statement that outlines our commitment to expand our knowledge and services in ways that advance equity in care. We have also created a Health Equity Committee in the U.S. This committee is dedicated to sharing best practices and accelerating our progress in addressing health care inequities. We plan to start expanding these activities outside of the U.S. in 2023 as we develop our global health equity roadmap.

Supporting patients in underserved communities

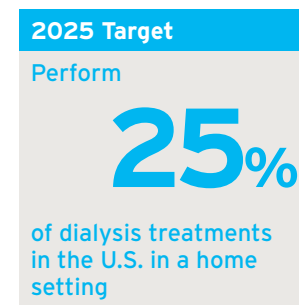
Demand for affordable health care products and services is increasing in emerging markets. To facilitate access to dialysis treatment, we developed the 4008A dialysis machine series. These machines meet high therapy standards while reducing costs for health care systems. They are designed to be easy to handle and combine high-quality hemodialysis treatment with proven reliability and operational efficiency. Since 2019, the 4008A series has been successfully launched in nine emerging markets in Asia.

Treatment options

We treat patients across the full spectrum of chronic kidney disease. Our aim is to empower them to make informed decisions about the treatment options that best fit their unique circumstances. Home dialysis can provide patients with the opportunity for greater independence and control over their time and health outcomes. It also allows us to expand our health care capacity, increasing the number of patients that can receive dialysis treatment. In addition, by facilitating access to treatment for patients living in more remote regions, we aim to

widen our geographical reach and reduce patient travel. In 2022, we provided home therapy to around 58,000 peritoneal and hemodialysis patients worldwide, or 14% of our total patient base. Globally, the number of our home dialysis patients increased by 7.5% in 2022 compared with 2021. In the reporting year, 15% of treatments in the U.S. were performed in a home setting. We have set ourselves the aspirational target of increasing this value to 25% by 2025.

In the U.S. alone, we informed about 57,000 people living with chronic kidney disease or end-stage kidney disease about home dialysis options in 2022. We did this with the support of more than 190 internal kidney care experts.



More information about home dialysis can be found in the "Research and development" section of the Group Management Report starting on [PAGE 30](#).

Crisis and emergency response

We consider it our responsibility to provide access to health care even under difficult circumstances, for example in the case of a health crisis or natural disaster. We have dialysis clinics in many regions of the world with diverse geographic, social, and economic conditions. These clinics serve a vulnerable population of patients who need dialysis treatment multiple times a week. To allow us to continue treating our patients in extreme conditions, we have developed an emergency response system comprising disaster response teams at the local level.

Before the onset of Hurricane Ian in fall 2022, local disaster response team members from facilities in Florida were dis-



patched to provide patients with emergency kits and instructions on how to touch base with their care teams. Of the roughly 100 facilities that were closed on the day before the storm hit, all but one were fully operational within three days and all affected patients were accounted for.

In 2022, crisis response measures were also activated as a reaction to the war in the Ukraine. For example, when it became impossible for our patients to safely travel to our dialysis clinic in Chernihiv, patients and their family members were invited to move into the clinic. During this period, clinic staff provided patients with food and medicine. We regularly test our emergency response procedures to assess service safety. Furthermore, we continue to donate dialysis machines and medical supplies to organizations that require support.

ADVANCING HEALTH CARE

We strive to continuously improve the care that we provide to patients. This includes facilitating clinical trials, which are a crucial step in developing new treatments. We are also further exploring data-based methods that allow us to advance care by means of mathematic modelling and virtual clinical trial simulations. Our research and development activities follow regulatory guidance for clinical research practices. They are conducted in compliance with ethical standards. In a global company position paper made available on our website in 2022, we outlined our bioethics principles. These include our commitment to upholding ethical standards while advancing health care and managing related risk, as well as advocating patient rights and animal welfare. It is important to us that our research partners follow guidelines that are similar to our own.

Scientific research

We strive to make the results of our research activities available to the broader public. In 2022, we published 169 scientific documents worldwide. These publications covered topics such as eco-friendly dialysis equipment, health literacy, and the provision of lifesaving care for patients with kidney failure during the war in Ukraine. In the reporting year, we also completed four clinical trials.

Our Frenova Renal Research division provides research services to third parties. Currently, we are working on a project aimed at developing the largest renal-focused genomic registry in the world. The goal is to enroll over 100,000 patients by 2025. This new registry will contain genetic data from chronic kidney disease patients worldwide, which will help researchers improve their understanding of kidney disease and treatments.

More information about the Frenova Renal Research division can be found in the "Opportunities management" section of the Group Management Report starting on [PAGE 75](#).

Innovation and digitalization

Innovation and digitalization are important strategic elements that contribute to our success. We aim to develop innovative, safe, and user-friendly digital products and systems that meet high quality standards. Our goal is to further improve the quality and efficiency of treatments. To this end, we are continuously developing digital products and services designed to improve access to and advance health care. This has become more critical during the COVID-19 pandemic.

We have defined our commitment to continuous innovation in our Code of Ethics and Business Conduct. Our Care Enablement segment, which was officially implemented on January 1, 2023, oversees the development of our products. The Global Medical

Office is responsible for our clinical digitalization strategies and the use of digital clinical data for research and operations.

To access the latest innovative technologies, we invest in research and development and collaborate with external partners, including academic institutions. We also invest in startups that develop products, technologies, and therapies in the health care sector. In 2021, we initiated a process to further integrate specific environmental criteria in our research and development activities. In 2022, we launched a global event aimed at fostering innovation in our product business. As part of this activity, employees were encouraged to develop new ideas that focused on the topics of sustainability and efficiency.

In 2022, we continued to develop digital options with the aim of improving access to information for the patients under our care. Our digital platforms enable virtual contact, which helped to reduce the risk of infection for patients and staff during the pandemic, for example. Keeping patients and care teams connected and giving them access to recent treatment data is vital for us to be able to continuously monitor and improve medical outcomes, user experience, and the effectiveness of care. Currently, we provide two patient engagement platforms that are accessible via digital apps. Our PatientHub app is used predominantly in the U.S. and our MyCompanion app is available in 23 countries in Europe, Africa, Asia-Pacific, and Latin America. Combined, these apps had more than 25,000 active users in December 2022. In the U.S. alone, we recorded almost 250,000 remote telehealth visits between patients, care teams, and physicians by the end of 2022 via the PatientHub app. The app also enables home dialysis patients to communicate any concerns to their clinicians and care teams in between scheduled visits. As a result of these interactions, they can resolve treatment issues earlier and prevent hospitalizations.

We also use virtual reality (VR) and gamification technologies to support health care professionals in training their patients in

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home dialysis procedures. In 2022, we rolled out our new VR training tool in France and the Netherlands. The tool, which is also available in Germany, is expected to be rolled out to further countries globally in 2023.

For more information about research and development, please see the “Research and development” section of the Group Management Report starting on [PAGE 30](#).

Collaborating to improve health care

We also work with external organizations to facilitate scientific progress and explore new ways of improving quality of care. In 2022, we were involved in 67 key partnerships with academia, research institutes, and peers. Our focus areas included cardio-protection, personalized and precise medicine, public health, and the impact of COVID-19 on vulnerable patient populations.

In the reporting year, we continued in our efforts to share best practices relating to dialysis treatment. Worldwide, more than 3,000 people attended external workshops that we hosted on topics such as in-center therapies, home dialysis, and critical care. We also organized webinars on various dialysis product- and care-related topics and developed an openly accessible global e-learning course on best practices in dialysis care. The webinars were viewed by more than 20,000 attendees in 2022, and the e-learning course was attended by close to 75,000 participants.

We also strive to increase access to health care with our partnerships. For example, we invest in the biotechnology company Humacyte, which is working on a project to develop bioengineered blood vessels for vascular repair and replacement. Humacyte has provided these blood vessels to surgeons across the Ukraine, who use them to repair traumatic blood vessel injuries suffered during the war.

A further focus area is expanding access to and improving transplant medicine processes. Our Head of Transplant Medicine leads our worldwide efforts to achieve these goals. The Fresenius Medical Care Foundation collaborates with several leading organizations to raise awareness and provide support to people living with kidney disease.

More information on our collaboration with research and innovation partners can be found in the “Research and development” section of the Group Management Report starting on [PAGE 30](#).

PRODUCT STEWARDSHIP

We aim to develop safe, high-quality products that meet the needs of patients and their caregivers. Thanks to our global network of production sites, we control the procurement, production, distribution, and supply of renal and multi-organ therapy products. We manage quality and safety in our product business over the entire product life cycle, from design and development to operation and application.

We are subject to governmental regulation in nearly every country in which we operate. This includes, for example, EU legislation on the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and the Restriction of Hazardous Substances (RoHS). Further relevant regulations are the Medical Device Directive (MDD) as well as the Medical Device Regulation (MDR). In addition, we comply with the Code of Federal Regulations (CFR) of the U.S. Food and Drug Administration (FDA).

Product safety and quality

When it comes to the safety and quality of our products and services, we are guided by our Global Quality Policy. This policy also covers our obligation to comply with relevant regulations

and maintain environmentally sound and efficient operations. It is the basis for regional quality manuals and further policies covering responsibilities, training, risk assessments, and audits. Product safety and quality are overseen by our newly established Care Enablement segment, which was implemented on January 1, 2023. The Management Board is regularly informed about our global quality and safety performance.

Products must comply with safety and quality standards concerning product development, manufacturing, their use in clinics, customer training, and complaint handling. Our safety and quality processes are embedded in quality management systems, in line with legal and regulatory requirements. Over the past few years, we have merged our quality management systems in Europe, Middle East, and Africa, as well as in Latin America and Asia-Pacific. We aim to implement a global quality management system by 2024. We also plan to introduce a global electronic training system by 2024.

Certification and audits

We regularly carry out internal audits following a risk-based approach. We assess our quality management systems against internal and regulatory standards. Internal quality audits at our local sites help us determine the effectiveness of these systems.

T 3.9 CERTIFICATION OF OUR PRODUCTION SITES
IN %

Certification	Production sites certified ¹	
	2022	2021
ISO 9001/13485	77	74
GMP / cGMP	46	49
MDSAP	29	29

¹ Production sites managed by the Manufacturing and Supply Chain division.

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Our consolidated quality management system is certified according to ISO 9001 and ISO 13485 ([SEE TABLE 3.9 ON PAGE 94](#)). In addition, we completed the Medical Device Single Audit Program (MDSAP) for this system. Our production sites are also subject to regular external quality audits and reviews in accordance with local requirements. Audits are carried out according to local regulations, the Good Manufacturing Practice (GMP), the current Good Manufacturing Practice (cGMP), ISO 9001, ISO 13485, or MDSAP.

T 3.10 AUDIT SCORE

Year	2022	2021
Audit score ¹	0.3	0.1

¹ Production sites managed by the Manufacturing and Supply Chain division.

We have defined KPIs to monitor our quality objectives and prevent adverse events. In 2022, more than 50 certification audits were performed at our production sites. We achieved an audit score of 0.3 ([SEE TABLE 3.10](#)). This score indicates the ratio of major and critical findings to the number of external audits. We have set the target of an average global audit score not exceeding 1.0 to maintain the effectiveness of our quality management systems and certifications. All audit findings are documented and escalated depending on their criticality, and used to determine and implement appropriate corrective and preventive measures.

Annual Target

Keep global key performance indicator for critical and major audit findings below

1.0

Post-market surveillance

Post-market surveillance, or the act of monitoring the products that have been released to the market, is an integral part of our quality management. It is essential that our products and services are effective and reliable, and that they pose as little risk as possible to patients. Our standards for planning, conducting, and monitoring clinical studies help us enhance the quality and safety of our products. Should any issue arise concerning the safety of our products, we take corrective action. This could include publishing further information and data on the product after market introduction or recalling the product. We strive to comply with legal and regulatory requirements in monitoring the adverse effects of drugs – also called pharmacovigilance – and medical devices. In this context, we collect and review information relating to adverse events and product complaints. The topic of transparently reporting adverse events and product complaints is incorporated in our Code of Ethics and Business Conduct.

Product improvements

We continuously strive to enhance the quality and safety of our products. The number of product improvements is an indicator of our performance. Improvements are defined as changes that focus on at least one of the following aspects: patient safety and quality, product performance and delivery capability, environmental performance, or customer service. This could involve process improvements in production, for example, as well as improvements already made by our suppliers to the items we purchase from them. In 2022, we implemented more than 2,400 improvements to our dialysis machines, dialyzers, filters, and solution products.

More information on quality management at our production sites can be found in the “Quality management at our production sites” section of the Group Management Report starting on [PAGE 33](#). For more information about the regulatory environment in which we operate for our product business, please see the “Regulatory environment, product quality” section of the Group Management Report starting on [PAGE 63](#).

Progress

- Global quality index developed with 3 KPIs
- 78% of our patients would highly recommend our services
- 169 scientific documents published as part of our research activities



EMPLOYEES

We continued in our efforts to foster an inclusive and welcoming environment for our employees. Our activities included updating our global diversity targets and implementing new global policies and standards on topics such as engagement, talent review, and fair pay.

Our people have always been key to our success. It is important that we continue to hire and retain the best people for the job, inspire them to stay with us long term, and support their development. We aim to cultivate a workplace where every employee feels valued and part of a winning team.

Our Global Human Resources (HR) function, which reports to the CEO, is responsible for coordinating our employment-related processes worldwide. We continually develop and improve the HR standards that govern our global activities. In 2022, we updated or newly developed a total of ten global employee policies on relevant topics such as talent management practices and diversity, equity, and inclusion. For example, we implemented a policy stipulating that we support the creation of global Employee Resource Groups (ERGs) to foster inclusion in the workplace. We also developed new global targets to drive improvement in strategic focus areas, such as employee engagement and diversity.

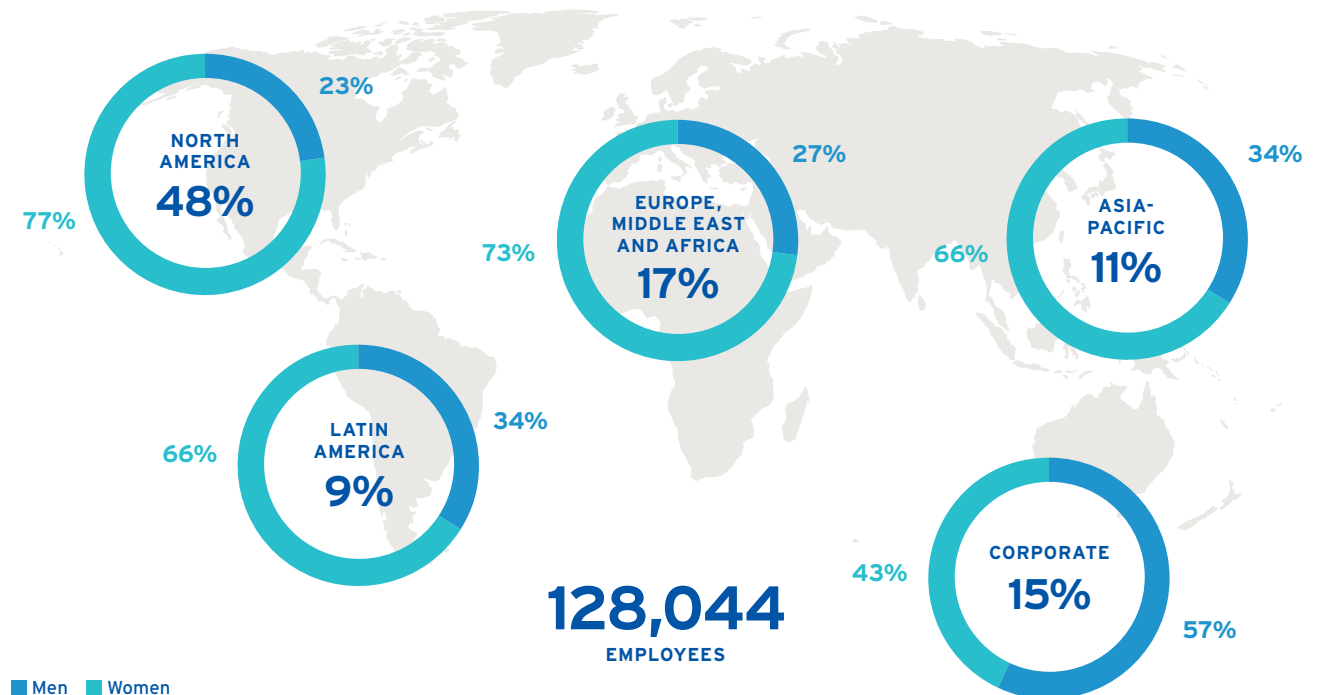
In 2022, one of our employee-related priorities was to successfully transform our global operating model through the Company's FME25 Program. This included, for example, identifying leaders to fill top positions in the new organizational structure and managing workforce migration processes.

EMPLOYEES WORLDWIDE

At the end of 2022, the number of employees at Fresenius Medical Care worldwide had decreased to 128,044 from 130,251 in 2021 ([SEE CHART 3.11](#)). Most of our employees work in production and services (86%), followed by administrative functions (9%). The region with the largest number of employees is North America (48%), followed by Europe, the Middle East, and Africa (17%). In the year under review, we hired more than 33,000 new employees. The average tenure of our employees increased from 7.6 years in 2021 to 7.9 years in 2022. [TABLE 3.12 ON PAGE 99](#) provides an overview of key employee figures.

Our voluntary turnover rate was 19.9% in 2022. This reflects a highly competitive labor market, especially in the clinic and manufacturing sectors. It also reflects a shortage of health care workers and the challenging environment created by the COVID-19 pandemic. To address this, we implemented various measures to help managers improve employee retention. In the U.S., we started a retention project targeting more than 500 dialysis clinics with above-average attrition rates in 2022. This project involved conducting interviews with employees and supporting clinic managers with action planning.

C 3.11 EMPLOYEES ACROSS REGIONS



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To gain an even better overview of our workforce and to support the development of future performance indicators, we are implementing a global HR digital information system. This system is already in place in Asia-Pacific, Latin America, and North America and covers roughly 70% of our total workforce. We expect to complete the global rollout of the system with the Europe, Middle East, and Africa region in 2023.

ATTRACTING AND DEVELOPING TALENT

We aim to remain an attractive employer and continue to recruit, engage, and retain excellent employees. To strengthen our competitive position, we have various targets, such as reducing our voluntary turnover rate in the coming years. In 2022, we issued a global Employee Value Proposition Policy outlining the core benefits that we want to offer our employees as well as underlying processes, roles, and responsibilities.

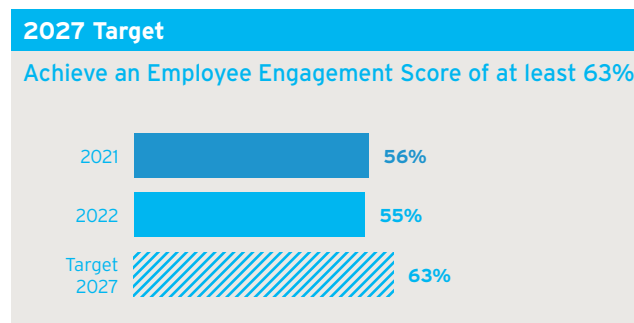
We are committed to providing all employees with learning and development opportunities. In doing so, we want to enable them to build capabilities that allow us to respond effectively to ongoing changes in our business environment. As a company operating in a regulated environment, it is also critical that we continuously build on our employees' skills and knowledge to maintain operational and regulatory compliance.

We have introduced online learning platforms that allow employees to pursue their career goals and interests in a self-directed manner. For example, our Advanced Renal Education Program provides employees with access to courses on topics such as chronic kidney disease and home dialysis. We aim to continuously increase participation in our digital learning schemes. In this context, we have developed a global learning measurement strategy that aims to improve learner

experience and drive employee engagement. In 2022, more than 16,000 employees participated in self-directed courses on our digital platforms. Furthermore, through our learning management system, some 156,000 users worldwide participated in training courses on topics such as compliance, leadership, and health and safety. In addition, we provided certain employee groups with specific training. In the U.S. alone, 9,500 leaders have completed our regional leadership development program since 2014.

We identify individual learning needs through development and career conversations. In 2023, we intend to roll out a globally harmonized performance management process to over 50% of our employees via our global performance and development platform. We plan to offer access to this process to the remainder of employees in early 2024.

In 2022, we were named one of *Newsweek's* Most Loved Workplaces in the U.S. for the second year in a row, putting us among the top-100 companies recognized for employee happiness and satisfaction at work.



EMPLOYEE ENGAGEMENT

We strive to give every employee the opportunity to provide feedback and engage openly and directly with the Company. In 2022, we developed a global policy that lays out our approach for regularly conducting engagement surveys and responding to the results. We also set a global target of achieving an employee engagement score that is in line with the health care industry benchmark of 63% by 2027. In the reporting year, we conducted our third global engagement survey. We use these surveys to identify strengths, as well as opportunities to improve our working environment. Our employee engagement score is based on three aspects: how many employees would speak positively about Fresenius Medical Care, how many intend to stay with Fresenius Medical Care, and how many feel motivated to perform at Fresenius Medical Care.

Almost 82,000 employees worldwide responded to our employee engagement survey in 2022, reflecting a participation rate of 71% – down slightly from 74% in the last full survey from 2021. The survey revealed that 55% of employees who participated are actively engaged – a decrease of one percentage point compared to the previous year. We achieved this result despite the challenging environment created by the COVID-19 pandemic and our ongoing organizational transformation. Furthermore, in 2022 69% of our employees felt a sense of belonging at work (2021: 71%). In addition to the employee engagement score, we reflect the results of our engagement survey with a global employee engagement index. This index rates the same three questions that make up our engagement score on a scale that ranges from 1 (I fully disagree) to 6 (I fully agree). In 2022, our employee engagement index was 4.4 (2021: 4.5).

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COMPENSATION AND BENEFITS

We are committed to providing fair compensation and benefits to our employees. We strive to develop compensation and benefit packages that attract and retain motivated staff. We offer employees total rewards packages that are designed to reflect the relative value of each job and support career progression in line with market trends and local requirements. In 2022, we started a review of our global rewards strategy, including our existing approaches and ongoing activities. From 2023, we aim to further define these activities, harmonize programs and processes, and set global standards on topics such as salary structures. The development of a global job architecture will increase the transparency and comparability of positions. It will also serve as a basis for making decisions on career development, compensation and benefits offers, and strategic workforce planning.

In 2022, we developed a Fair Pay Statement. This global position statement outlines our commitment to applying fair pay and compensation principles to employees. We focus on developing pay structures that are market competitive and internally equitable. Our pay structures are also designed to support career progression and reward and incentivize measurable performance.

Our long-term incentive plan (LTIP) aims to help enable leaders and key talents to participate in our company's long-term value creation. More than 1,200 employees participated in the LTIP in 2022.

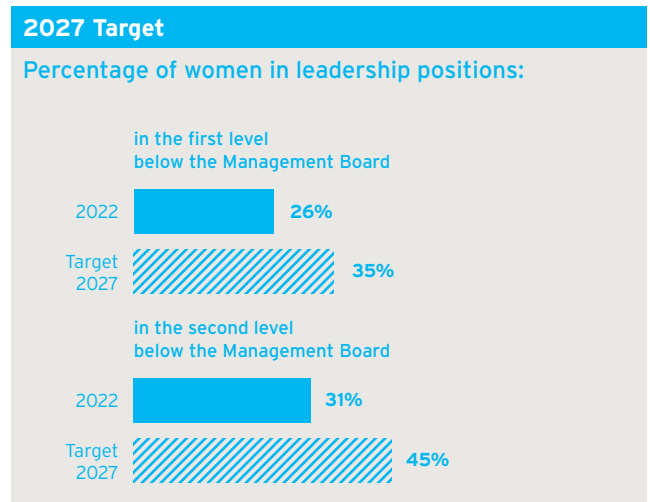
Information on personnel expenses can be found in the "Employees" section of the Group Management Report starting on [PAGE 33](#).

DIVERSITY, EQUITY, AND INCLUSION

We believe that promoting diversity, equity, and inclusion benefits all employees. It is our ambition to make everyone in the Company feel safe, welcome, and appreciated, and to cultivate a sense of belonging. This commitment is also incorporated in our Code of Ethics and Business Conduct.

In 2022, we issued three global policies aimed at advancing these areas: the Diversity, Equity, and Inclusion Policy, the Employee Resource Group Policy, and the Diverse Candidate Slate Policy. We also educated our leaders on how to model inclusive behaviors. In the U.S. alone, we conducted ten training sessions with more than 2,500 leaders and employees to foster understanding about the value of inclusion in the workplace.

Gender diversity in our main governance bodies and at management level increased in the reporting year. As of December 31, 2022, women accounted for 69% of our total workforce.



The proportion of women in the first two levels below the Management Board was 30%.

In 2020, we defined gender diversity targets to be achieved in 2025. We reached these targets in 2022 in the context of our organizational transformation. As a result, the Management Board has set new diversity goals. By the end of 2027, we aim to increase the share of women in the first level below

the Management Board to 35%, and the share of women in the second level to 45%. The first management level below the Management Board includes all managers worldwide who directly report to a member of the Management Board and participate in the LTIP. The second management level includes all managers worldwide who directly report to a manager of the first management level and participate in the LTIP.

We also set ourselves the goal of increasing the representation of women in management positions to reflect the percentage of women in the global employee population by 2030. Annual reporting on our progress towards this target, which we intend to disclose as of 2023, will be based on the Company's updated global operating model. Furthermore, we aim to grow the number of ethnically diverse managers in the U.S. year over year by 2030. At the end of 2022, 31% of managers in the U.S. were ethnically diverse.

We have additionally developed objectives for specific focus areas. For example, we aim to increase the global number of ERGs at our company. These groups refer to employees who build a network based on shared common interests. They are designed to increase participating employees' sense of inclusion

2030 Targets

Increase the representation of women in management positions to reflect the percentage of women in the global employee population

Increase the representation of ethnically diverse managers in the U.S. year over year

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and belonging in the workplace. ERGs also provide a platform for employees to engage with various elements of the Company's mission, values, business objectives, and sustainability efforts. By end-2022, we had 16 ERGs. Going forward, we expect this number as well as the number of employees engaged in such groups to grow.

More information on gender diversity in the Management Board, the Supervisory Board, and at the two levels below the Management Board can be found in the "Diversity concept and targets" section of the Corporate Governance Declaration starting on [PAGE 136](#).

DIALOGUE WITH EMPLOYEES AND THEIR REPRESENTATIVES

We believe the best way to interact with our employees is through open and direct communication. We are committed to responding promptly and fairly to questions, concerns, or issues, and we encourage all employees to speak directly with their supervisors, managers, or the HR department regarding concerns. They can also use any other available channels, such as our Compliance Action Line, to raise issues.

We are committed to sharing information and consulting with elected or established collective bodies that represent our workforce. These include our works councils, recognized unions, or other established employee representatives. In cases where our employees choose to be represented by one of these organizations, we cooperate in good faith and in accordance with applicable laws and practices. Collective bargaining agreements apply to different groups of employees within Fresenius Medical Care, depending on local laws and practices. In Europe, these apply to 56% of our employees, and worldwide to 23%.

T 3.12 EMPLOYEE OVERVIEW AS OF DECEMBER 31, 2022

Employment overview	2022	2021	Employee retention	2022	2021
Employees ¹	128,044	130,251	Voluntary turnover rate (%) ³	19.9	16.5
Employees (FTE)	120,216	122,909	External hire rate (%) ⁴	26.0	23.7
Staff costs in € M	7,939	6,962	Average service length in years	7.9	7.6
Average staff costs per employee (€/FTE)	64,975	56,262			
Employees per region (%)	2022	2021	Demographic	2022	2021
EMEA (incl. Germany)	17	17	Average age in years	44	42
Germany	6	6	Share of employees under 30 (%)	15	16
North America	48	48	Share of employees between 30 and 50 (%)	55	58
Asia-Pacific	11	11	Share of employees 50+ (%)	30	26
Latin America	9	9			
Corporate ²	15	15	Women overall and at different leadership levels (%)	2022	2021
Employees per functional area (%)	2022	2021	Company overall	69	69
Production and services	86	85	Supervisory Board	33	33
Administration	9	10	Management Board	40	25
Sales and marketing	4	4	First management level ⁵	26	27
Research and development	1	1	Second management level ⁶	31	31
			Employee engagement (%)	2022	2021
			Engagement score ⁷	55	56
			Participation rate	71	74

¹ Calculation based on headcount if not otherwise stated. 2021 figures have been adjusted from full-time equivalents to total headcount to conform with the current year's presentation. We believe this information provides a more accurate assessment of the number of our employees and provides additional insight regarding the composition of our personnel expenses incurred for the years presented.

² Including the Global Manufacturing, Quality, and Supply and Global Research and Development divisions, and the Global Medical Office.

³ Calculated as the number of employees who left the organization voluntarily in relation to the number of employees at the end of the year.

⁴ Calculated as the number of employees who joined the organization in relation to the number of employees at the end of the year.

⁵ Updated definition: Includes all managers worldwide who directly report to a member of the Management Board and participate in the Long Term Incentive Plan. Figures for 2021 have been calculated based on this updated definition.

⁶ Updated definition: Includes all managers worldwide who directly report to a manager in the first level below the Management Board and participate in the Long Term Incentive Plan. Figures for 2021 have been calculated based on this updated definition.

⁷ Calculated based on the percentage of affirmative responses to three questions in the engagement survey (see above) in 2022.

In Germany, throughout 2022, management was in regular exchange with the works council and its committees on various workplace-related topics. For example, discussions were held

about a program on flexible working conditions at the Company's head office in Bad Homburg, Germany. Other key focus points in information exchanges included the implementation



of our new global operating model, and aspects pertaining to our FME25 Program.

Fresenius Medical Care employees in Europe are also represented by the Fresenius SE European Works Council. This Council and its operating committee convened several times in 2022. Our management representatives also attended the annual meeting with representatives of three global unions. Our business units and entities at country or site level are responsible for working with local workplace representative bodies and trade unions. Discussions with these representatives focus on local matters and initiatives.

More information on employee grievance mechanisms can be found in the "Compliance" section starting on [PAGE 105](#). For more information on our labor standards and human rights principles, see the "Human rights" section starting on [PAGE 110](#).

OCCUPATIONAL HEALTH AND SAFETY

We are committed to providing a safe and healthy work environment for our employees and contractors. In 2022, we rolled out our Global Occupational Health and Safety (OHS) Policy. This policy outlines our key principles in this area. In the reporting year, we also established an Occupational Health and Safety function within the Global Legal department. This function drives the Company's global OHS strategy and manages related activities including setting and monitoring global goals, targets, and KPIs. In the reporting year, we agreed on several short-, mid- and long-term OHS targets that will form the basis of our global OHS strategy.

We strive to prevent work-related accidents and hazards to protect our employees and contractors. We track and analyze accidents at local and regional levels, identify their root causes, and

take corrective action. In 2021, we began collecting and reporting on work-related fatalities on a global level. No work-related fatalities were recorded between 2020 and 2022. In the year under review, we also began reporting on a new global indicator: the Total Recordable Injury Frequency Rate (TRIFR). This indicator is defined as the total number of recordable work-related injuries per 200,000 hours worked. In 2022, our TRIFR was equal to 2.55. Beginning in 2023, we plan to include a further global indicator, the Lost Time Injury Frequency Rate (LTIFR) in our reporting.

To help us track and monitor accidents more efficiently, we started to develop a global OHS IT management tool in 2022. The tool will initially be rolled out to our locations in North America and Latin America as well as all global production sites. We have set ourselves the target of using this tool for reporting in 80% of those locations by the end of 2023.

In 2022, we continued with our global OHS risk assessment. A preliminary analysis identified injuries from needlesticks, slips, trips, and falls as the biggest risks for our operations. Based on these findings, we performed a global analysis on the risks derived from:

- > Insufficient safety standards in the provision and maintenance of the workplace, workstation, and work equipment,
- > the absence of appropriate protective measures to avoid exposure to chemical, physical, or biological substances,
- > the lack of training and instruction for employees.

As agreed in our project roadmap, we intend to further identify and prioritize high-risk areas and to develop specific risk mitigation measures. For example, in the Asia-Pacific region, we have designed training courses to educate front-line clinicians on how to manage and de-escalate volatile situations in clinics.

Some of our production sites and dialysis clinics are certified according to international health and safety standards. These

include ISO 45001 in Europe, Middle East and Africa, as well as Latin America, and the Australian Council of Health Care Standards (ACHS) in Asia-Pacific. In addition to external audits by relevant authorities, we conduct internal reviews and audits to monitor our compliance with corresponding regulations, policies, and procedures. In recognition of the success of our safety programs and initiatives, we were presented with the national CNA Safety in Excellence Award in North America for the 21st time. In the reporting year, we were also named as one of the 100 healthiest workplaces in America by the awards program Healthiest Employers in the U.S.

To prevent incidents and increase awareness, we provide health and safety training to all employees. Employee training courses in our dialysis clinics cover, for example, the safe use of sharps and disposables, hand hygiene, infection prevention, and emergency management. Training at our production sites focuses on the safe handling of work equipment and chemicals, and emergency prevention and response, among other topics. In the U.S. alone, more than 48,000 employees completed health and safety training in 2022.

Progress

- Women in leadership positions increased to 26% at the first level below the Management Board and 31% at the second level below the Management Board
- New global targets set for employee engagement and diversity
- 16 Employee Resource Groups established by end-2022



ENVIRONMENTAL PROTECTION

We continued with our efforts to reduce the impact of our business activities on the environment. Furthermore, we set up a project team to work on our climate target implementation roadmap and developed new processes for managing waste and wastewater.

We strive to continually improve our environmental performance and are dedicated to developing, producing, and providing our products and services in an environmentally sustainable way. In our business practices, we are committed to reducing our environmental impact.

ENVIRONMENTAL MANAGEMENT

In 2022, we set up a governance function responsible for global environmental management in the Global Sustainability department. Responsibility for environmental management in our dialysis clinics lies with the respective management in our global Care Delivery segment, which was implemented on January 1, 2023 as part of our new operating model. Our global Care Enablement segment, which also came into effect in 2023, is accountable for environmentally sustainable manufacturing, product development, supply chain, and sales operations for our product business. Updates on our environmental protection activities are provided to top management as needed.

In the reporting year, our global network of environmental experts continued to exchange regularly on best practices related to topics such as energy and waste management, decarbonization, and water. These experts, which include representatives from the Company's new global structures, provide input

on the implementation of our global environmental management strategy and goals.

Our Global Environmental Policy provides a framework for environmental management. It addresses how we manage and monitor our environmental impact and forms the basis of other policies and manuals. In 2022, we stepped up our communication activities in connection with this policy. This included internal articles, emails, presentations, and Q&A sessions, targeting all levels of the organization.

We also have various guidelines that help us manage global data and correctly report on environmental indicators relating to energy, greenhouse gas emissions, and water. In 2023, we plan to extend these guidelines to other indicators such as waste and wastewater in line with internal and external reporting requirements. In preparation for this step, in 2022 we began setting up new global management procedures for waste and wastewater. We also trained employees involved in the respective reporting processes.

Part of our environmental management involves monitoring national and international regulations concerning the environment so that our internal policies and manuals are up to date. We have established internal environmental standards, which we complement with external certifications where it adds value. Our production sites, distribution centers, laboratories, and dialysis clinics are subject to internal and external audits ([SEE TABLE 3.13](#)). This involves checking their compliance with environmental laws and regulations, certification requirements, and internal guidelines. Due to the COVID-19 pandemic, some audits in 2022 took place virtually.

T 3.13 COVERAGE OF CERTIFIED PRODUCTION SITES IN %

Certification	2022	2021
ISO 14001	25	25
ISO 50001	5	5

We track and analyze data on the environmental impact of our dialysis clinics and production sites worldwide and work to continuously improve data availability and quality. This also helps us manage resources more effectively. We use digital tools to support environmental reporting across our regions and functions.

C 3.14 GREEN & LEAN INITIATIVE

With our **>110** environmental projects, we expect to:

<p>>18,000 MWh</p> <p>Save energy</p>	<p>>88,000 m³</p> <p>Save water</p>
<p>≈4,400 t CO₂e</p> <p>Prevent emissions</p>	<p>>270 tons</p> <p>Recycle or reuse waste</p>

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At our production sites, we are involved in local environmental projects that we report on as part of our global Green & Lean initiative ([SEE CHART 3.14 ON PAGE 101](#)). Each production site is responsible for defining, planning, and implementing these projects. The Green & Lean initiative enables best practices to be shared across the organization. Its objective is to reduce emissions, promote the efficient use of natural resources, and increase recycling rates. By the end of 2022, more than 110 projects were reported as part of the initiative. They were aimed at, for example, using efficient equipment to reduce energy consumption and improving processes to save water. As a result of these projects, per year we expect to save more than 18,000 MWh of energy (0.7% of our total energy consumption), prevent 4,400 tons of CO₂ equivalent emissions (0.6% of our total Scope 1 and 2 emissions), save more than 88,000 m³ of water (0.2% of our total water consumption), and recycle or reuse more than 270 tons of waste.

We also include environmental considerations in our scientific activities. For example, in 2022, we collaborated with other institutions to research the impact of climate change on dialysis patients.

C 3.15 CLIMATE TARGETS

-50% CO₂e emissions by 2030

By 2030 we aim to halve Scope 1 and Scope 2 emissions compared with reported emission levels in 2020

Climate neutral by 2040

We commit to become climate neutral for both Scope 1 and Scope 2 emissions by 2040

Information on our risk management, including environment-related risks, can be found in the "Risk management" section starting on [PAGE 87](#) and the "ESG requirements" section of the Group Management Report starting on [PAGE 73](#).

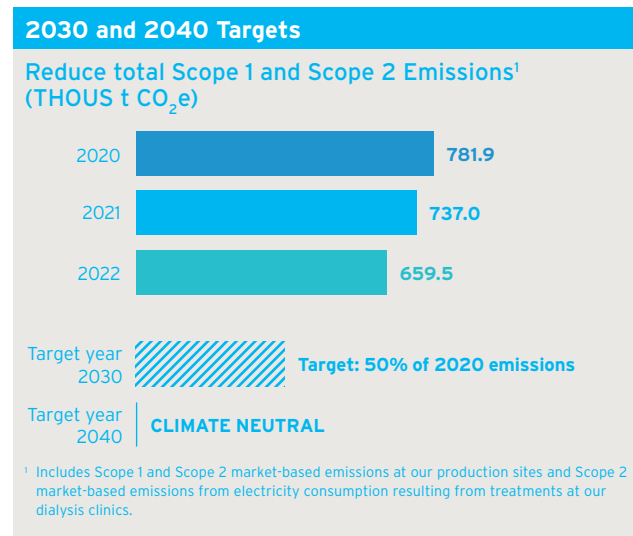
ENERGY AND CLIMATE PROTECTION

Energy efficiency and climate protection are integral aspects of our global environmental strategy. We are committed to developing measures to reduce our energy consumption and greenhouse gas (GHG) emissions across our business. At the same time, we continue to give top priority to the safety and quality of our products and services.

Reducing our footprint

In 2022, we defined global climate targets. We plan to be climate neutral in our operations by 2040. By 2030, we aim to reduce Scope 1 (direct) and Scope 2 (indirect) emissions by 50% compared with those reported in the base year 2020 ([SEE CHART 3.15](#)). Our GHG emissions are calculated based on energy data reported by our production sites and electricity data reported by our dialysis clinics.

In the reporting year, we set up a project team to drive the implementation of our climate roadmap. To achieve our targets, we currently focus on renewable energy sourcing, which includes the purchase of renewable energy certificates, and energy efficiency measures. Moving forward, we also intend to evaluate other measures for reducing our emissions such as process optimization, renewable energy generation, and technology assessments.



One of the primary activities we engage in to decrease our overall emissions footprint is the procurement of renewable electricity. In 2022, we purchased 250,000 MWh of renewable emission free electricity via Green-e certified Renewable Energy Certificates (RECs). The purchased renewable electricity accounts for 19% of our total electricity consumption. This represents 21% of our global Scope 2 market-based emissions ([SEE TABLE 3.16 ON PAGE 103](#)).

We are also currently assessing Scope 3 emissions that arise from activities or assets that we do not own or control along our value chain. With this information, we intend to evaluate the possible inclusion of Scope 3 emissions in our climate target roadmap. In our Scope 3 assessment, we place particular focus on five categories that we consider especially relevant to our business: purchased goods and services, upstream transportation and distribution, waste generated in operations, use of sold products, and end-of-life treatment of sold products.

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THOUS TONS

	2022		2021		2020 (Target baseline year)	
	Location-based	Market-based	Location-based	Market-based	Location-based	Market-based
Total Scope 1 + 2 CO₂ equivalents^{1, 2, 3}	731.3	659.5	765.5	737.0	769.5	781.9
Scope 1 CO₂ equivalents	258.4	258.4	262.6	262.6	242.2	242.2
Natural gas	244.3	244.3	248.1	248.1	228.0	228.0
Liquid gas	13.4	13.4	13.6	13.6	13.6	13.6
Fuel oil	0.2	0.2	0.2	0.2	0.3	0.3
Diesel ⁴	0.5	0.5	0.6	0.6	0.3	0.3
Scope 2 CO₂ equivalents	472.9	401.1	502.9	474.4	527.2	539.6
Electricity	472.4	400.6	502.4	473.8	526.8	539.3
District heating	0.5	0.5	0.6	0.6	0.4	0.4

¹ Including the Scope 1 and 2 emissions of our production sites and Scope 2 emissions from electricity consumption resulting from in-center treatments at our dialysis clinics.

² Subject in part to extrapolations.

³ We use both location-based and market-based methods based on the residual mix that quantify emissions based on emission factors per country. We calculate our Scope 1 and Scope 2 emissions following the methodology of the Greenhouse Gas Protocol. For the calculation of Scope 1 emissions, we use the UK Department for Environment, Food and Rural Affairs' (DEFRA's) latest version of this guidance. We use International Energy Agency (IEA) emission factors, Reliable disclosure systems for Europe (RE-DISS) Residual European Mix as well as US Residual Mix (Green-e Energy Emissions Rates) for electricity consumption to calculate indirect emissions from electricity.

⁴ Excluding mobile assets.

We aim to disclose information on our Scope 3 emissions in our reporting for the financial year 2024 at the latest.

Tracking our progress

Compared with 2021, our Scope 1 and Scope 2 emissions decreased by a total of 10.5% in 2022. A large part of this decrease can be accounted for by our purchase of RECs. Our reported Scope 1 emissions decreased by 1.6%. This decrease can be explained by an overall reduction in energy usage resulting from reduced production activities, the shutdown of a production line in the U.S., and a maintenance project that required gas turbines to be temporarily shut off at our St. Wendel produc-

tion site. Our reported Scope 2 emissions decreased by around 15%, primarily due to the REC procurement mentioned above.

In 2022, we enhanced our reporting processes for indirect greenhouse gas emissions to additionally include market-based emissions, which are calculated using residual mix factors. The location-based emissions that we disclosed in past reporting take into account the average emission factors for the electrical grids that power our operations. The market-based approach reflects energy generated as part of contractual arrangements such as the purchase of renewable energy. Adding market-based emissions to our reporting will enable us to demonstrate our emission reduction activities more transparently going forward.

We continuously monitor the energy consumption at our production sites, as well as electricity usage in our dialysis clinics ([SEE TABLE 3.17 ON PAGE 104](#)). At our plant in St. Wendel (Germany), one of our biggest production sites, we operate our own gas power plant with heat recovery steam generators. This allows us to generate close to 100% of the electricity used at this site. For this reason, in 2022, we were able to avoid approximately 11,000 tons of CO₂ equivalents compared with buying the average German electricity mix from the grid. As a result, we prevented CO₂ emissions corresponding to 1.5% of our total global location-based emissions. By the end of 2022, we had installed energy management systems in more than 400 U.S. locations.

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Additionally, in 2022, we installed LED fixtures in more than 30 dialysis clinics and one production site.

T 3.17 ENERGY CONSUMPTION
M MWH

	2022	2021
Energy^{1, 2}	2.6	2.6
Electricity	1.3	1.3
Natural gas	1.2	1.2
Others ³	<0.1	<0.1

¹ Including the energy consumption of our production sites and the electricity consumption of in-center treatments in our dialysis clinics.

² Subject in part to extrapolations.

³ Including fuel oil, diesel, liquid gas, and district heating. Excluding mobile assets.

WATER

Large volumes of water are required in both our production sites and in our dialysis clinics, as the dialysis process requires a significant quantity to provide life-sustaining care for patients. It is critical that the water we use for dialysis is of high quality, which is why we generally use municipal water that is treated further in our dialysis clinics.

In 2022, we continued to build on the water stress-related assessments that we have been performing since 2020 with the support of the World Resource Institute's Aqueduct tool. Our most recent water stress analysis in 2021 confirmed that 12% of our dialysis clinics and 7% of our production sites are situated in locations identified by the tool as having an extremely high risk of water stress. The assessment covered 77% of our dialysis clinics and all our production sites. By 2023, we aim to expand the coverage of this analysis to include additional dialysis clinics.

We also focused on further developing our water stress scenario analysis, which we initiated in 2021. The aim of this analysis is to identify areas around the world where water stress levels will increase most by 2030 and 2040. We determined that a considerable number of our existing sites are in locations that are expected to have high or extreme water stress levels by these dates. Most of them are situated in North America, which accounts for the largest share of our business. Sites in Europe, Middle East and Africa, Latin America, and Asia-Pacific are also likely to be affected by increasing water stress. We are incorporating insights from this analysis into our Group-wide risk management systems to identify, monitor, and mitigate possible risks as early as possible.

2026 Target

Develop sustainable water plan for sites in extreme water stress areas

In 2022, we also defined a global water-related target to supplement those we already have at a regional level. We aim to develop sustainable water plans for production sites and dialysis clinics in extremely high water stress areas by 2026. These plans are intended to lay out optimization and improvement measures for the sites in question.

In the year under review, our reported water withdrawal decreased by 2% compared with 2021 ([SEE TABLE 3.18](#)). This was mainly due to a decrease in the number of treatments we provided. At our production sites, we generate water savings thanks to efficiency initiatives focused on preserving resources, including water. For example, we are working on projects that aim to reuse water in our production activities. Furthermore, we are re-evaluating existing procedures so as to consume less resources in water-intensive processes such as cleaning cycles.

T 3.18 WATER WITHDRAWAL
M M³

	2022	2021
Water¹	40.5	41.4
Municipal water ²	40.1	41.0
Ground water	0.4	0.5

¹ Including the water consumption of our production sites and in-center treatments at our dialysis clinics.

² Subject in part to extrapolations.

WASTE

We are committed to reducing waste and aim to continually improve waste management. We strive to manage and dispose of waste in a safe manner that does not pose a danger to patients, employees, neighboring communities, or the environment.

In 2022, we continued to analyze the waste streams of our production sites and dialysis clinics in all regions. As part of this process, we implemented waste reporting processes at our production sites. Furthermore, we are working to consolidate the data on waste generation gathered in our dialysis clinics by identifying data sources and improving reporting methodologies. We plan to disclose waste data in our non-financial reporting for 2023.

We have ongoing initiatives to help us reduce the waste produced by our business operations. For example, in the U.S. we diverted roughly 90 net tons of plastics and metals from landfills by reusing or recycling parts from more than 1,000 machines in 2022. We also strive to reduce the waste associated with product packaging. Our U.S. business has replaced the containers that were previously used to transport Mircera, an agent used in the dialysis process. New packaging for this product consists of reusable containers that can be emptied,



returned, cleaned, and put back into circulation. In 2022, almost 25,000 containers were reused in this way.

ECO-PERFORMANCE OF PRODUCTS AND SERVICES

Our efforts to continually improve our environmental performance include performing lifecycle assessments to develop and manufacture our products and services in an environmentally sustainable way.

For example, our latest dialysis machine generations, the 5008 and 6008 series, both take environmental considerations into account. These machines automatically adjust the dialysate flow to the patient's blood flow, which allows us to save significant amounts of dialysate, water, and energy while maintaining a consistently high dialysis quality. The 2008T BlueStar software is another example of our ongoing efforts to limit the environmental footprint of dialysis. This software, unlike that in similar devices, enables the dialysis machine to switch to idle mode. Using idle mode reduces dialysate and water flow rates by up to two thirds, saving additional costs. It also enables low power mode, which only directs power to the machine's electronics when dialysis is not taking place. Pumps, valves, and modules are then turned off. In 2022, 38% of our total hemodialysis machines sold belonged to these resource-friendly machine generations.

To help us understand the environmental impact of our products, we conduct simplified product life-cycle assessments (screening-LCAs) for selected products. These assessments identify the life-cycle phase with the highest impact and the processes and materials we need to focus on to improve the eco-performance of our products and services. We use screening-LCAs to assess most of our active medical device product lines and are gradually extending them to disposables. In addition, we have conducted detailed comparative product life-cycle assessments for important disposables.

Progress

- Scope 1 and Scope 2 emissions footprint reduced by 10.5% as part of our climate action roadmap
- More than 110 environmental projects reported as part of our Green & Lean initiative
- 38% of hemodialysis machines sold belong to an eco-friendly machine generation

COMPLIANCE

We updated our global reporting channels and processes to increase transparency and make it easier for individuals to report their concerns.

Our global compliance program helps us operate our business in accordance with the law and our employees adhere to internal guidelines. The program is based on our Code of Ethics and Business Conduct, which is a binding framework that governs how our employees interact with patients, colleagues, business partners, officials, and other stakeholders. The Code of Ethics and Business Conduct covers topics that are relevant for our business. These include, for example, patient care, product and service quality, anti-corruption and anti-bribery, health and safety, data privacy, supplier selection, and human rights. All employees must follow the guidelines set out in this Code. Additionally, these guidelines apply to the operations of all subsidiaries that are majority-owned or otherwise controlled by us.

Our Chief Compliance Officer (CCO) is responsible for managing and enhancing our compliance processes. The CCO reports to the CEO and is supported by a global network of approximately 200 compliance professionals. These professionals work together with our business units to provide advice and support in all regions. Additionally, we have established a Global Compliance Oversight Committee, to which the CEO belongs. The committee meets regularly to discuss all relevant compliance matters.

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PREVENT, DETECT, AND RESPOND TO MISCONDUCT

The goal of our compliance program is to prevent, detect, and respond to potential misconduct and violations ([SEE CHART 3.22 ON PAGE 107](#)). We want to foster a corporate culture in which compliance is recognized as everyone's responsibility.

A key element in preventing violations is our mandatory training program. Globally, almost 95% of employees, including part-time staff, completed compliance training in 2022, compared with our annual target of over 90%. This training covers topics such as corruption risks, conflicts of interest, tax compliance, non-retaliation, and speaking up to raise concerns. We also offered training courses for specific target groups and provided our joint venture business partners with training on anti-corruption matters and our Code of Ethics and Business Conduct ([SEE TABLE 3.19](#)).



T 3.19 NUMBER OF PARTICIPANTS IN COMPLIANCE TRAINING

	2022	2021
Employees	118,723	100,099
Management Board	5	8
Supervisory Board	6	N/A ¹

¹ Due to a bi-annual cycle, no Supervisory Board training took place in 2021.

COMPLIANCE CULTURE

In order to promote a culture of ethical business conduct worldwide, we have developed consistent compliance messaging that we distribute globally. In 2022, we launched four global campaigns to raise awareness about key compliance topics. We also published other content such as videos and articles focused on ethical leadership and ethics and integrity in decision-making.

MONITORING ADHERENCE TO STANDARDS

Our compliance program also defines ethical standards, including those that determine how we respond to misconduct. We evaluate the likelihood of compliance violations as part of our risk management program. Risks can also be detected during our periodic internal audits, as well as when employees or third parties raise concerns.

Employees are encouraged to report potential cases of non-compliance and perceived or actual misconduct that violate laws, our Code of Ethics and Business Conduct, or other company guidelines. We have an anti-retaliation policy in place to protect employees against any reprisal. There are several ways in which reports can be made: employees can reach out to their managers and Compliance, Legal, or HR functions. In addition, we have an external reporting hotline (Compliance Action Line) operated by an independent and certified third-party vendor. Our employees and related third parties can use this hotline to report potential violations of laws or company guidelines. Where legally permitted, reports can also be made anonymously. The hotline is available 24 hours a day and reports can be made in several languages. While our hotline is set up to report compliance concerns, we also receive non-compliance-related calls on patient care, information security reports, and human resources.

These calls are forwarded to the appropriate departments ([SEE TABLE 3.21](#)). In 2022, we received 3,399 reports via our reporting channels. Each report is reviewed based on more than 30 allegation categories. The reports covered topics such as anti-corruption (1.7%), data protection (20.9%), and human resources / workplace (32.2%) ([SEE TABLE 3.20](#)).

T 3.20 SUBJECT OF REPORTS RECEIVED

Topics ¹	2022	2021
Business integrity including anti-corruption	57	52
Data protection	711	633
Human resources / workplace including human and labor rights	1,093	954
Other	311	244

¹ Does not include reports concerning patient care or products.

T 3.21 NUMBER OF REPORTS PROCESSED BY DIFFERENT DEPARTMENTS

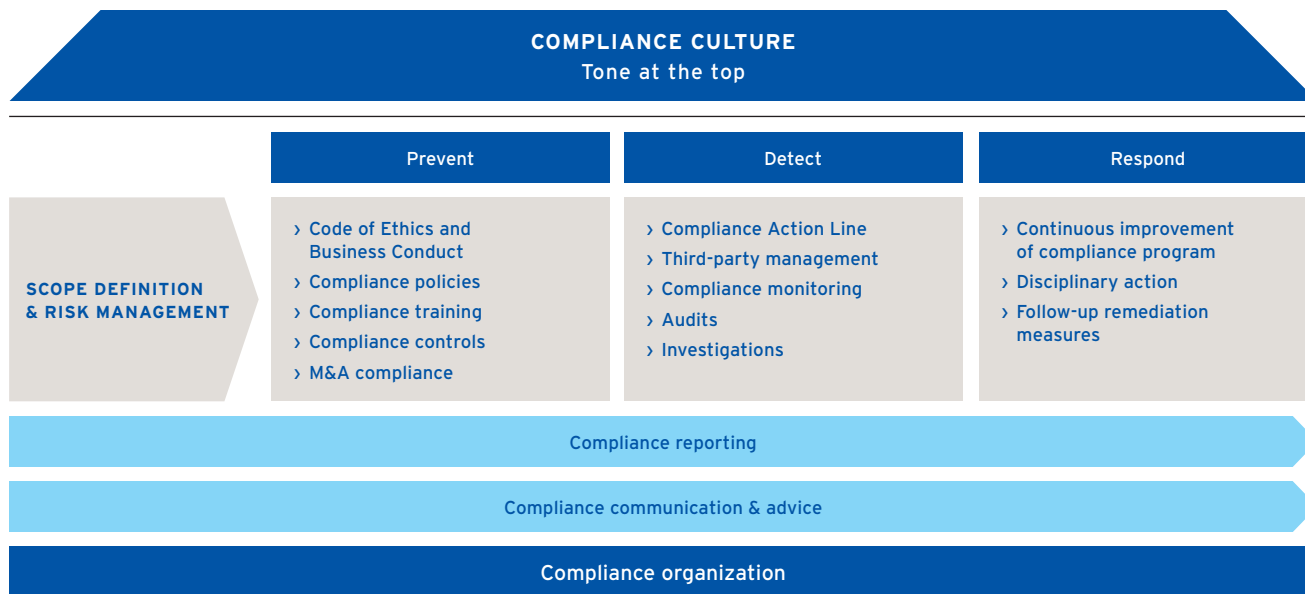
Department	2022	2021
Compliance	130	127
Legal	16	20
Patient care ¹	1,160	963
Human resources	1,074	942
Other	1,019	802

¹ Refers to reports concerning patient care and products distributed to various departments across the organization.

We investigate all cases of potential misconduct, take corrective measures on a case-by-case basis, and track their implementation. Of 135 compliance investigations closed in 2022, approximately 50% were found to be actionable. Actionable



C 3.22 COMPLIANCE CULTURE SUPPORTED BY OUR COMPLIANCE MANAGEMENT SYSTEM



means that the investigations resulted in findings that prompted us to improve processes, adjust policies or internal controls, or take disciplinary action. Of 141 disciplinary matters that occurred outside of the U.S. in 2022, 36% led to termination of the employment relationship. Our global disciplinary action guideline outlines our worldwide standards and our procedures for responding to misconduct. Misconduct can refer to, for example, violation of laws and policies and workplace misbehavior. We have established Disciplinary Action Committees across our regions that assess disciplinary cases and determine the appropriate response. The Global Disciplinary Action Committee oversees the process to maintain its consistency.

In 2022, we developed new informational materials for our employees on the Compliance Action Line. We also enhanced our processes to make it easier for individuals to report violations. For example, we developed a system that allows potential violations or concerns to be reported via mobile with a QR-Code. Furthermore, we updated related processes such as our follow-up and investigation procedures. We also provided insights on the benefits of reporting misconduct, and the kinds of risks this helps to mitigate.

In the reporting year, we also amended our complaint procedures so that they adhere to the requirements set out in the German Supply Chain Due Diligence Law. Furthermore, we developed publicly available rules of procedure that govern complaint processes. Our Global Investigations department is authorized to act impartially and independently when following up on reports. Employees who receive reports are not bound by instructions when taking follow-up actions.

In August 2019, Fresenius Medical Care commenced an independent monitorship as part of a resolution with the U.S. Department of Justice and Securities and Exchange Commission. Since the start of the monitorship, we have assessed almost 150,000 third parties for compliance risks and implemented more than 130 recommendations across our different business functions. Furthermore, we updated more than 40 policies and procedures and implemented or adapted more than 2,000 internal controls at the local level to address potential corruption risks.

Prior to entering new business relationships, and as part of our continuous monitoring of existing business relationships, we assess third parties for compliance risks. In the reporting year, we assessed and approved around 21,000 third parties. In addition, we continued to implement our third-party training approach at a global level. Target groups include sales partners, such as distributors, re-sellers, wholesalers, commercial or sales agents, and any other third parties involved in the sales of our products that potentially interact with government officials or health care professionals. We also conducted 15 anti-corruption-related audits of third-party business partners. In 2022, 80% of internal audits included a compliance focus.



More information on compliance matters can be found in the “Compliance Management System” section of the Group Management Report starting on [PAGE 62](#).

Progress

- Almost 95% of employees completed compliance training
- Around 21,000 third parties assessed for compliance risks
- More than 40 compliance-related policies and procedures updated since 2019

PROTECTING DATA

We rolled out a Global Privacy Policy and set up a new Global Information Security Program Office.

Our patients, employees, customers, business partners, and other stakeholders entrust us with their personal data. We are committed to respecting their privacy and protecting their information. We recognize the importance of guarding our data and technologies against cyberattacks, which could pose a risk to our business and reputation.

DATA PROTECTION AND DATA PRIVACY

Our data privacy program is designed to protect the rights of all those whose data we hold. Our Code of Ethics and Business Conduct defines privacy standards and outlines how our employees should proceed when dealing with personal information. In 2022, we rolled out a new Global Privacy Policy. We aim to communicate the principles set out in this policy to affiliates in the majority of countries where we do business by the end of 2023.

Our Global Data Privacy team, which is part of the Global Legal function, is responsible for our privacy policy. The team is supported by a company-wide network of more than 50 privacy liaisons. In addition, we have Data Protection Officers in jurisdictions where legally required, such as in Germany. Throughout 2022, privacy updates were included in regular legal updates provided by the Global General Counsel to the Management and Supervisory Boards.

As a company with international operations, we are subject to different national and international data protection laws and regulations. Our local and regional policies for data protection and the handling of personal data are complemented by further guidelines, standards, and standard operating procedures. We assess the privacy requirements of all our programs and projects, and incorporate them in the relevant processes and systems as early as possible. We strive to continuously enhance our data protection management systems to adapt to new requirements or technologies. Furthermore, we are committed to increasing transparency in our data processing activities and to respecting the legal rights of individuals with regard to their personal data. This includes the rights of access, correction, and portability in accordance with local laws and practices.

We have included privacy awareness and data protection in our mandatory Code of Ethics and Business Conduct training. We additionally offer a range of e-learning opportunities and classroom training courses and combine general training with targeted measures for specific employee groups. In 2022, we offered more than 50 training classes on data privacy to our employees and contractors around the world. More than 93,000 employees participated in training on data privacy and security globally ([SEE TABLE 3.23 ON PAGE 109](#)). Training in North America is in line with HIPAA (Health Insurance Portability and Accountability Act of 1996) requirements. In the European Union, it meets the provisions of the EU General Data Protection Regulation (GDPR).

In 2022, we hosted an interactive live event for employees worldwide as part of our International Privacy Day celebrations. During this event, we raised awareness on basic privacy concepts. For example, we informed participants about topics such as how to identify personal data, what to do when processing personal data, and the importance of reporting incidents involving personal data.

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T 3.23 DATA PRIVACY TRAINING PARTICIPANTS

	2022	2021
Participants	93,475	93,082

More information on our risk management can be found in the "Risk and opportunity management" section of the Group Management Report starting on [PAGE 59](#).

CYBERSECURITY

In 2022, we stepped up our efforts to reduce cybersecurity risk. We aim to continuously improve our global cybersecurity capabilities in order to secure sensitive information and support strategic initiatives. Our new Global Information Security Program Office oversees topics such as information security, privacy assurance, and records management. The Management and Supervisory Boards are provided with regular updates on our cybersecurity program.

Managing and measuring performance is an integral part of our global cybersecurity program oversight. We have adopted the standards set out in the globally recognized U.S. National Institute of Standards and Technology Cyber Security Framework. These standards guide our activities in identifying, protecting, detecting, responding to, and recovering from cybersecurity incidents.

In the reporting year, we hired external cybersecurity experts to measure the effectiveness of our cybersecurity program at a global level. Based on the results of this analysis, we developed a multi-year security roadmap until 2024 that prioritizes our program goals and investments by risk. As part of this roadmap, we intend to set annual targets and track metrics to enhance our risk management and improve global processes.

In 2023, we plan to continue working towards enhancing the effectiveness of our cybersecurity program, with focus on areas such as cybersecurity governance, cyber operations, and data classification.

We continuously strive to protect our organization from cyber-attacks. Our cyber operations functions leverage automation to improve the detection, response, and prevention of attacks. Our Computer Emergency Response Team drives operational effectiveness with response scenarios and testing that involve cross-functional engagement.

Employee awareness and training are essential to our ability as a company to thwart cyber-attacks. Therefore, we continuously provide our employees with mandatory cybersecurity training. In 2022, in addition to providing employees with our annual security awareness training, we launched a month-long global campaign to promote cybersecurity skills that employees can incorporate into their daily routines.

In the reporting year, we also increased efforts to strengthen our corporate oversight through policy. For example, we revised our incident response plan and published new global policies on information security and data classification.

Further details on our information security management can be found in the "Information systems and business processes" section of the Group Management Report starting on [PAGE 70](#).

Progress

- More than 93,000 employees participated in training classes on data privacy and security
- Global Information Security Program Office set up

SUPPLIER MANAGEMENT

We defined human rights and environmental criteria for selecting new suppliers. We also rolled out training on sustainable supplier management to Procurement staff worldwide.

As a global health care company with more than 70,000 suppliers worldwide, we understand the responsibilities that come with managing a complex international supply chain. We have established policies and procedures that comply with applicable laws and with our own standards in each of the countries in which we do business. Our responsible procurement principles reflect our commitment to promoting sustainable business practices in our daily operations. We expect our suppliers to share our commitment to sustainability and demonstrate sustainable business practices across their supply chains.

Our Global Supplier Code of Conduct covers topics such as integrity and ethics, human rights and labor conditions, quality, occupational health and safety, and environmental protection. It also forms the basis of our contractual relationships with suppliers. In 2022, we defined a set of human rights and environmental criteria for selecting new suppliers that are aligned with the guidance set out in the German Supply Chain Due Diligence Law. We intend to begin implementing these criteria by the end of 2023.

In the reporting year, we set up a Global Procurement function, which was implemented on January 1, 2023. We also defined a global governance structure that oversees our activities related to sustainable supplier management. Under this structure, responsibility for sustainability-related aspects of supplier management is shared between the Global Procurement and Global Sustainability functions, with senior management in Procurement receiving regular updates on activities.



OUR EXPECTATIONS OF SUPPLIERS

We are working with suppliers to increase transparency on the environmental and social impact associated with our supply chain. We continue to incorporate the requirements of our Global Supplier Code of Conduct in supplier contracts. Furthermore, we have an onboarding process in place for suppliers to inform them of our sustainability requirements. This includes procedures to manage situations where suppliers do not wish to or are unable to adhere to these requirements. In 2022, an internal process was developed to formalize these procedures.

We recognize the importance of inclusive and diverse sourcing. In the U.S., we have established a supplier diversity program. Diverse suppliers include, for example, businesses owned by minorities, or veterans. Within our supplier base in the U.S., we work with more than 8,000 diverse suppliers with an annual spend of over 1.7 billion dollars.

RAISING AWARENESS

In the reporting year, we continued in our efforts to train procurement staff on sustainability topics. After educating more than 230 employees working in Procurement, Legal, Finance, and Compliance on our Global Supplier Code of Conduct in 2021, in 2022, we rolled out a global e-learning course on sustainable supplier management. We enrolled 99% of our global Procurement staff by the end of 2022. Should employees or suppliers have any questions or concerns regarding the Global Supplier Code of Conduct, they can contact us via our publicly available email address.

IDENTIFYING RISKS

In 2022, we further developed our procedures for evaluating suppliers based on sustainability risks. Our risk assessment approach, which is aligned with the requirements set out in the German Supply Chain Due Diligence Law, involves assessing the sustainability risk of suppliers based on country- and industry-level factors. Special focus is placed on suppliers that are critical to our business. Furthermore, we gather information about the specific sustainability performance of selected suppliers via self-assessment forms. We aim to use this information to identify suppliers that do not yet fully comply with our sustainability standards and initiate appropriate follow-up action.

Progress

- Global e-learning course on sustainable supplier management rolled out to 99% of procurement staff
- Worked with more than 8,000 diverse suppliers as part of our supplier diversity program in the U.S.
- Human rights and environmental criteria defined for selecting new suppliers

HUMAN RIGHTS

We rolled out our Global Social and Labor Standards Policy, defined global human rights focus areas, and continued with our human rights risk assessment. We also provided training to leaders and employees in global functions.

Respecting human rights and upholding labor and employment standards are part of our corporate responsibility. We are committed to integrating awareness of and respect for human rights in our day-to-day work, and to continuous improvement for our human rights due diligence processes ([SEE CHART 3.24 ON PAGE 111](#)).

Our activities are guided by the principles specified in the UN Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We are also guided by the UN Guiding Principles for Business and Human Rights. Our human rights commitments are embedded in our Code of Ethics and Business Conduct and are further specified in our global Human Rights, Workplace Rights and Labor and Employment Principles.

Our Global Social and Labor Standards Policy outlines our position on working conditions for employees. It includes our global commitments to offer fair and transparent working conditions, to maintain a discrimination and harassment-free workplace, to respect freedom of association and the right to collective bargaining, and the prohibition of retaliation. It also covers the prohibition of child labor and modern slavery. The policy was rolled out globally in 2022.



C 3.24 HUMAN RIGHTS FOCUS ACTIVITIES

Continuous improvement for our human rights due diligence processes

Policy Commitment

Risk and impact analysis

Tracking and monitoring of progress

Preventive, mitigation, and remedy measures

Awareness campaigns, reporting, and disclosures

Grievance mechanisms

HUMAN RIGHTS ACTIVITIES

The Global Human Rights Office, which oversees our human rights activities, is part of the Global Legal Function. The Office reports regularly to the Management Board and supports different functions in implementing relevant human rights policies, procedures, and activities. Representatives from relevant business segments and functions define human rights risk management approaches for their respective areas and oversee the implementation of risk management measures. A cross-functional steering committee guides further development of our Human Rights Program.

In 2022, we developed a strategic framework including global focus areas for our human rights activities. Our approach to Human Rights Due Diligence rests on three pillars:

- › Identify risks,
- › raise awareness of human rights issues within relevant functions and in business relationships,

- › improve practices that incorporate human rights considerations in our business processes.

To further enhance our understanding of potential risks, in 2022, we performed a global human rights risk analysis covering our workforce, our patients, our direct suppliers, and the communities around our production sites. Based on these assessments, we defined focus areas to guide our activities moving forward. These include the topics of availability of health care, working conditions in the supply chain as well as our own operations, patient and product safety, and health hazards in disposal. We will monitor these areas and follow up with specific actions.

In 2021, we set ourselves the target of training all relevant managers and functional experts on our responsibilities related to human rights. At the beginning of 2022, we narrowed the scope of this target to focus on the leadership teams of our key business functions. Throughout the course of the year, we provided all leadership teams in scope with educational materials on human rights topics. We also conducted human rights awareness-raising sessions, which were attended by around 80% of relevant leaders. In 2023, we intend to continue raising awareness about our human rights-related responsibilities by reaching out to further target groups.

To verify the implementation status of our human rights program, we integrate human rights-related aspects in the scope of our regular internal audits. In 2022, 30% of internal audits included topics related to human rights.

MANAGING COMPLAINTS

Various channels are available to employees, patients, and other stakeholders to report potential violations on topics such as human or workplace rights, environmental concerns, laws, or company policies. In 2022, we performed a review of our

existing complaint mechanisms to comply with the German Supply Chain Due Diligence Law. A cross-functional working group was set up to review existing processes for receiving and handling complaints. As a result of the analysis, we updated our processes to increase transparency and effectiveness. For example, we established a simplified matrix for categorizing and handling human rights complaints across the Company.

STAKEHOLDER DIALOGUE

We engage with sector-specific associations and peer group networks to share experiences and practices regarding human rights. For example, in 2022, we participated in the Human Rights Working Group of Business for Social Responsibility (BSR). We were also involved with the Global Industrial Relations Network (GIRN), a global network of corporate human rights specialists organized by the International Organisation of Employers (IOE).

Further information on our risk management can be found in the “Risk management” section starting on [PAGE 87](#). For further information on our grievance channels, please see the “Compliance” section starting on [PAGE 105](#). More details on our dialogue with stakeholders can be found in the “Patients” section starting on [PAGE 90](#) and the “Employees” section starting on [PAGE 96](#).

Progress

- Around 80% of relevant leaders participated in training sessions on human rights topics
- 30% of internal audits included topics related to human rights



ABOUT THIS REPORT

This report documents the sustainability performance of Fresenius Medical Care in 2022. It contains relevant information relating to social, employee, and environmental matters, combatting bribery and corruption, and respect for human rights. We demonstrate how we integrate sustainability in our business, and how our activities contribute to our success and create value for our stakeholders. Our reporting is guided by the material sustainability topics that either have the biggest impact on our business or are affected most by our business.

The report fulfills the requirements of Section 315c in conjunction with Sections 289c to 289e of the German Commercial Code. It also fulfills the requirements of Article 8 of the "Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment" (EU Taxonomy). It covers the reporting period from January 1 to December 31, 2022. Unless stated otherwise, the information provided refers to Fresenius Medical Care AG & Co. KGaA and fully consolidated subsidiaries.

Our reporting approach for the material topics is based on individual requirements of the Global Reporting Initiative (GRI). The GRI Standard 3-3 (Management of Material Topics) serves as a basis for describing our concepts in terms of the requirements of the German Commercial Code. We also consider the ten principles of the UN Global Compact in our reporting.

References other than those to the Group Management Report and Fresenius Medical Care's consolidated financial statements are for information only. They are not part of the Non-Financial Group Report and are therefore not subject to the assurance engagement.

We disclose further sustainability information that we structure based on the GRI standards, the disclosure recommendations of the Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-related Financial Disclosures (TCFD) standards. These disclosures are part of our commitment to provide transparent and relevant information on our economic, environmental, and social performance to our stakeholders.

Due to rounding, individual numbers and percentages presented in this report may not precisely reflect the absolute figures.

EXTERNAL AUDIT

This Non-Financial Group Report is audited by the third party PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), which has assessed the report against the relevant legal requirements of the German Commercial Code and the EU Taxonomy Regulation. PwC has performed a limited assurance engagement according to ISAE 3000 (Revised), an international assurance standard broadly used for assurance of sustainability reporting. For the Independent Practitioner's Report, please [SEE PAGE 116](#).

[Sustainability management](#)
[Patients](#)
[Employees](#)
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[Compliance](#)
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OTHER KEY FIGURES

T 3.25 PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING 2022

Economic activities	Codes	Absolute turnover (€ M)	Proportion of turnover (%)	Substantial contribution criteria						DNSH criteria ("Does not significantly harm")						Minimum safeguards	Taxonomy-aligned portion of turnover 2022 (%)	Taxonomy-aligned portion of turnover 2021 (%)	Category (enabling activity) E	Category (transitional activity) T
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)					
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy aligned)																				
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0.0	0.0														0.0			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0.0	0.0																	
TOTAL (A.1. + A.2.)		0.0	0.0														0.0			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		19,398.0	100.0																	
TOTAL (A+B)		19,398.0	100.0																	

[Sustainability management](#)
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T 3.27 PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING 2022

Economic activities	Codes	Absolute Opex (€ M)	Proportion of Opex (%)	Substantial contribution criteria					DNSH criteria ("Does not significantly harm")							Minimum safeguards	Taxonomy-aligned pro- portion of Opex 2022 (%)	Taxonomy-aligned pro- portion of Opex 2021 (%)	Category (enabling activity) E	Category (transitional activity) T
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (Y/N)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)					
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy aligned)																				
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0.0	0.0															0.0		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0.0	0.0																	
TOTAL (A.1. + A.2.)		0.0	0.0															0.0		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Opex of Taxonomy-non-eligible activities (B)		586.0	100.0																	
TOTAL (A+B)		586.0	100.0																	



INDEPENDENT PRACTITIONER'S REPORT ON A LIMITED ASSURANCE ENGAGEMENT ON NON-FINANCIAL REPORTING¹

To Fresenius Medical Care AG & Co. KGaA, Hof an der Saale

We have performed a limited assurance engagement on the separate non-financial group report of Fresenius Medical Care AG & Co. KGaA, Hof an der Saale, (hereinafter the "Company") for the period from 1 January to 31 December 2022 (hereinafter the "Separate Non-financial Group Report").

Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report.

RESPONSIBILITY OF THE EXECUTIVE DIRECTORS

The executive directors of the Company are responsible for the preparation of the Separate Non-financial Group Report in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on estab-

lishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in the section "EU Taxonomy" of the Separate Non-financial Group Report.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Company that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as the executive directors consider necessary to enable the preparation of a Separate Non-financial Group Report that is free from material misstatement whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU

Taxonomy Regulation and the Delegated Acts adopted thereunder in the section "EU Taxonomy" of the Separate Non-financial Group Report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

INDEPENDENCE AND QUALITY CONTROL OF THE AUDIT FIRM

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards - in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1:

¹ PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the separate non-financial group report and issued an independent practitioner's report in German language, which is authoritative. The following text is a translation of the independent practitioner's report.



Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis - IDW QS 1) - and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

RESPONSIBILITY OF THE ASSURANCE PRACTITIONER

Our responsibility is to express a conclusion with limited assurance on the Separate Non-financial Group Report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the company's Separate Non-financial Group Report, other than the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report, is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in the section "EU Taxonomy" of the Separate Non-financial Group Report.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- › Gain an understanding of the structure of the company's sustainability organisation and stakeholder engagement
- › Inquiries of the executive directors and relevant employees involved in the preparation of the Separate Non-financial Group Report about the preparation process, about the internal control system relating to this process and about disclosures in the Separate Non-financial Group Report
- › Identification of likely risks of (if any) material misstatement in the Separate Non-financial Group Report
- › Evaluation of the implementation of central management requirements, processes, and specifications regarding data collection through targeted sample testing at selected sites
- › Analytical procedures on selected disclosures in the Separate Non-financial Group Report
- › Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and group management report
- › Evaluation of the presentation of the Separate Non-financial Group Report
- › Evaluation of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Separate Non-financial Group Report
- › Inquiries on the relevance of climate-risks

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the imminent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

ASSURANCE OPINION

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Separate Non-financial Group Report of the Company for the period from 1 January to 31 December 2022 is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in the section "EU Taxonomy" of the Separate Non-financial Group Report. We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Separate Non-financial Group Report.

RESTRICTION OF USE

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Frankfurt am Main, 21 February 2023

PRICEWATERHOUSECOOPERS GMBH

Wirtschaftsprüfungsgesellschaft

NICOLETTE BEHNCKE PPA. NICO IRRGANG

[German public auditor]

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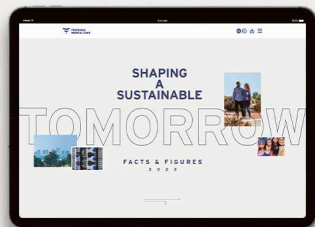
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