

**Fresenius Medical Care 30-Day Payment Term Action Plan**

**1) Identification of primary cause of payments outside of 60 days:**

Before the policy change in 2025, Fresenius Medical Care made payments in line with our global, company-wide payment policy, which allowed payment to be made outside of 60 days. As a result, the previous two 6-month reporting periods demonstrate a percentage of payments outside of 60 days. The UK has now received an exemption to this policy and has already implemented a new 30-day policy.

**2) Actions to address these causes:**

As mentioned above, we have already implemented a UK company-wide policy which states that all payments will be made within 30 days. This policy has already been implemented and all payments now, and moving forward, will be within this time frame.

**3) A mechanism for and commitment to regular reporting on progress to the supplier's audit committee (or equivalent):**

Our Accounts Payable team administers all invoice payments using an SAP platform, which is tailored to the needs of Fresenius Medical Care.

The Accounts Payable process and SAP systems ensure there are robust audit trails in place for:

- Vendor Management, including reporting of payment terms
- Purchase ordering
- Goods receipting
- Automated invoice processing
- Invoice approval process delegated to cost centre and/or operational business leaders
- Payment Clearances
- Issuance of remittance advice

Performance for payment clearing against agreed supplier terms are measured within the SAP systems, with each invoice being automatically calculated for its net due date. Performance against this metric is monitored by our UK Board and Finance Management Function. These reports form the basis of our submissions to HMRC and are auditable by Cooper Parry, which Fresenius Medical Care uses to undertake its statutory finance auditing, and auditing of management accounts.

**4) This plan is signed by Jonathon Lawrence, CDI Managing Director UK & Ireland**

**Date:**            **26<sup>th</sup> August 2025**



**Signed:**