FRESENIUS MEDICAL CARE

Shaping the future of kidney care

Non-financial Group Report 2023

Content

Sustainability Management

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 care for over 332,000 dialysis patients in around 4,000 proprietary dialysis clinics in around 50 countries worldwide. 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.

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. We operate around 40 production sites in around 20 countries (see CHART 3.1).

More information on our business model and the Conversion into a German stock corporation can be found in the "About us" section on page 30 and in the "Business model" section of the Group Management Report starting on page 31.

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 statement: "We provide the best possible care. Sustainably in diverse health care systems. For a growing number of patients around the world."

Over the past years, we have continually stepped up our sustainability activities. Following the successful completion of our Global Sustainability Program at the end of 2022, we defined new global targets to further drive the integration of sustainability into our business and improve our sustainability performance. We focus on three strategic areas: Enhancing quality of care and access to health care, building the best team to serve patients, and reducing our company's environmental footprint.

We continue to integrate sustainability into our business operations and incorporate it in relevant processes. These include, among others, our corporate strategy and business planning, operations, corporate risk management internal controls, as well as finances and our compensation systems. In 2023, we started a project to integrate sustainability key performance indicators (KPIs) related to climate reporting and patient satisfaction into our company-wide internal controls system (ICS). This will allow us to further strengthen and harmonize our internal controls of our sustainability KPIs. We have set up processes for collecting sustainability-related data and testing relevant controls that will be fully implemented in 2024. We are also planning to incorporate additional KPIs. In addition, we further integrated sustainability-related aspects in our corporate budgeting process.

To understand and continuously improve our sustainability performance, we monitor and measure various performance indicators and regularly disclose information on our progress (see CHART 3.2 on page 94). In the reporting year, we developed an approach for a Portfolio Sustainability Assessment to evaluate the sustainability performance of our products and services. This will create a basis for strategic portfolio decisions that consider our portfolio's sustainability impact.

C 3.1 **COMPANY OVERVIEW**

Fresenius Medical Care at a glance

more than
332,000 Patients

more than
119,000 Employees

around
4,000 Dialysis clinics

around
40 Production sites

around
52 million Treatments

more than
70,000 Suppliers

C 3.2 **SUSTAINABILITY IMPACT**

Environment

- We reduced our Scope 1 and Scope 2 emissions by 16% compared with 2020.
- Energy management system were installed in more than 1,100 of our U.S. clinics.
- We expanded our global water stress-related assessment coverage of our sites by 28%.

Social

- We provided treatments to more than 332,000 patients and home therapy to around 31,000 patients.
- 78% of our patients would highly recommend our services.
- The share of women in the top two management levels below Management Board increased to 34%.

Governance

- Nearly 94% of employees completed compliance training.
- More than 116,000 employees participated in data privacy trainings.
- More than 50% of internal audits included topics related to human rights.

Throughout the year, we monitored regulatory changes to sustainability management and reporting. In the context of the new EU Corporate Sustainability Reporting Directive (CSRD), a project team was set up to prepare for implementing the extended reporting requirements. The goal of the project is to educate topic owners within the Company on the upcoming requirements, facilitate communication and support the establishment of auditable processes for new KPIs that will be reported on in the coming years.

Our business activities touch upon several UN Sustainable Development Goals (SDGs). In line with our corporate vision and business model, we particularly contribute to SDG 3, which aims to achieve healthy lives and promote well-being. In addition, we seek to make meaningful contributions to SDG 4 (Quality Education), 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 35.

Global targets

We set global targets to measure value creation and progress of our sustainability performance along the value chain. Our global environmental, social and governance targets support three focus areas: Enhancing our quality of care and access to health care, building the best team to serve patients, and reducing our environmental footprint (see CHART 3.3 on page 95).

To embed sustainability as an important performance indicator in implementing our strategy, Management Board compensation is also linked to our sustainability-related progress. For 2023, the Supervisory Board defined three sustainability targets as a short-term incentive: patient satisfaction, employee satisfaction and developing a measurable sustainability assessment of the Company's product and service portfolio.

Patient satisfaction was determined using the Net Promoter Score (NPS). The NPS measures patient satisfaction with the Company's health care services on the basis of patient surveys. Employee satisfaction was measured using the employee engagement index, which is based on a Group-wide survey to evaluate feedback from our employees. The sustainable portfolio assessment target is in line with our goal of carrying out an assessment of the sustainability performance of our relevant product and service portfolio by 2026.

In 2024, the Supervisory Board will submit a fully reviewed and revised system for the compensation of the Management Board. It is intended to include sustainability as a performance target for the long-term incentive plan.

More information on sustainability in the compensation system and the 2023 targets included in the short-term incentive plan can be found in the Compensation Report starting on page 155. Detailed information relating to the targets and their progress, can be found in the sections on "Patients" starting on page 101 and 102 as well as "Employees" starting on page 109.

C 3.3 GLOBAL SUSTAINABILITY TARGETS

Strategic focus areas		Global targets	Progress in 2023
Enhance quality of care and access to health care	Patient experience (p. 102)	Achieve a patient Net Promoter Score of at least 70 (annual target)	Net Promoter Score of 72
	Product safety and quality (p. 106)	Keep global key performance indicator for critical and major audits findings below 1.0 (annual target)	Audit score of 0.4
	Access to treatments (p. 103)	Perform 25% of dialysis treatments in the U.S. in a home setting by 2027*	16% of treatments in the U.S. performed in home setting
Build the best team to serve patients	Employee engagement (p. 110)	Achieve an Employee Engagement Score of at least 63% by 2027	Employee Engagement Score of 55%
	Diversity, equity, and inclusion (p. 111)	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 2023: > 24% in the first level below the Management Board > 36% in the second level below the Management Board
		Increase the representation of ethnically diverse managers in the U.S. year over year by 2030	At the end of 2023, 32 % of U.S. managers were ethnically diverse
	Compliance (p. 120)	Train at least 90% of employees on our Code of Ethics and Business Conduct (annual target)	Almost 94% of employees trained on our Code of Ethics and Business Conduct
Reduce our environmental footprint	Emission reduction (p. 116)	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	Scope 1 and Scope 2 emissions footprint reduction of 16% compared with 2020
	Resource efficiency (p. 118)	Develop sustainable water plans for sites in extreme water stress areas by 2026	We expanded our global water stress-related assessment coverage of our sites by 28%
	Sustainable portfolio (p. 105)	Implement sustainability performance assessment of our relevant product and services portfolio by 2026	Assessment methodology developed; nearly 60% of revenue assessed and 99% of our locations and 17 product types reviewed

* Target extended

Material topics

Managing our sustainability impacts as well as sustainability-related risks and opportunities starts with understanding which sustainability topics matter most to our business and our stakeholders. In 2023, we conducted a full materiality assessment (see CHART 3.4).

The 2023 materiality assessment confirmed the material topics from the previous full materiality assessment, conducted in 2019 as well as the annual materiality reviews. The topic of resource use and circularity was added as new material topic. The outcome of the assessment reflects our stable business model and business scope. Changes in material topics are primarily related to strategic priorities, our progress in company-wide sustainability management as well as shifts in societal and regulatory expectations of companies.

Our materiality assessment fulfills the German Commercial Code (Handelsgesetzbuch, HGB) requirements. It was also conducted to prepare for the requirements laid out in the CSRD. To this end, we applied the key principles of double materiality: We considered both our impact on people and the environment (impact materiality) as well as sustainability-related risks and opportunities that may affect our business (financial materiality) over the short, medium and long term as well as along our entire value chain. We identified negative and positive, actual and potential impacts of our business activities on people and the environment.

We compiled an initial list of more than 180 topics and sub-topics including our existing list of topics and input provided by internal subject matter experts. We also reviewed and considered topics from external sources. These included the CSRD requirements, ratings and rankings, trend and media analyses, other reporting standards like those of the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), and the EU Taxonomy requirements as well as stakeholder requests.

Materiality thresholds were defined to evaluate the impact and financial materiality of the topics. In line with our risk management framework, we considered financial sustainability opportunities and potential risks, that may affect our business, as well as the aspects in accordance with § 289c of the German Commercial Code. A detailed description of risks and opportunities can be found in our “Risk and Opportunities Report” (page 69).

In a series of assessments and workshops involving senior management from the business segments and global functions, 25 topics clustered into ten groups were identified

C 3.4 **OVERVIEW OF MATERIAL TOPICS**

Climate change
- Energy
- Climate change mitigation
- Climate change adaptation

Resource use and circularity
- Resources inflows
- Resources outflows
- Waste

Water

Employer attractiveness and equal opportunity
- Equal treatment and opportunity for all
- Employer attractiveness
- Employee engagement
- Working conditions

Business ethics
- Anti-bribery and anti-corruption
- Anti-competitive behavior
- Non-retaliation/Protection of whistle blowers
- Political engagement and responsible lobbying activities

Human rights and health equity
- Human rights
- Occupational health and safety
- Health equity

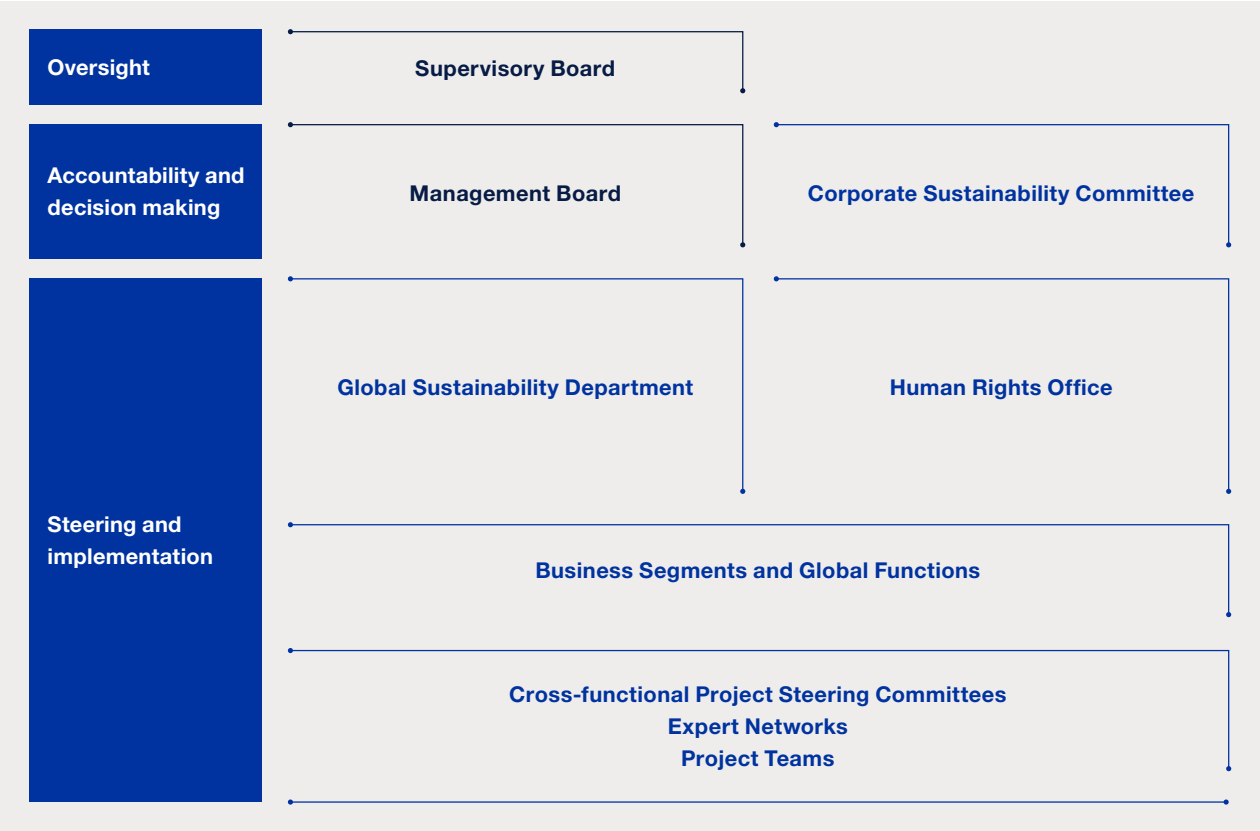
Quality of care
- Patient experience
- Quality of care

Innovation and R&D
- Innovation and R&D
- Bioethics

Information security and data protection
- Information security
- Data protection

Product stewardship

C 3.5 SUSTAINABILITY GOVERNANCE



and validated as material topics. The results were discussed and validated by the Management Board.

Sustainability governance

Following the successful conclusion of our Global Sustainability Program and in the context of our FME25 transformation program, we have adjusted our sustainability governance (see CHART 3.5). The new governance reflects the changing requirements when it comes to integrating sustainability into our strategy and business globally. Accountability and decision-making lie with the Management Board, supported by the Corporate Sustainability Committee (CSC). The CSC comprises senior representatives nominated by the Management Board for the business segments and global functions. The Management Board takes decisions on strategic initiatives, while the CSC is responsible above all for operational aspects and projects that require broader senior leadership guidance. The former Sustainability Decision Board is no longer part of the new governance.

The Supervisory Board deliberates on sustainability matters in its general board meetings as well as meetings of the Audit Committee. It reviews the progress of our sustainability management, which is then published in the separate Non-financial Group Report.

The Global Sustainability department drives our strategic sustainability activities and manages initiatives in close cooperation with the relevant teams from the business segments and global functions. The Global Head of Sustainability provides regular updates to the Management Board and the Supervisory Board on the progress and status of target achievement. Formal cross-functional project steering committees, project teams and expert networks support the implementation of sustainability projects. 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.

Risk and opportunity management

We monitor and assess sustainability risks as part of our business processes and enterprise risk management. Our risk assessment is based on a catalogue of potential non-financial risks, which is reviewed about twice a year. In accordance with the German Commercial Code, we report on known severe risks in our value chain (upstream, own operations and downstream), business relationships, products, or services that are very likely to occur and would have a severe negative impact on material sustainability topics. We did not identify any material non-financial risks of this kind in the reporting year.

We are continuously monitoring and increasing the granularity of our risk assessment to better understand how our business operations impact the environment and vice versa. We use external and internal data to evaluate our impact on climate change, water stress and consumption of resources as well as how these factors pose a risk for our business. In 2023, we implemented a process to include our sustainability opportunity assessment as part of our central risk management system. Risks and opportunities were also considered in the course of our materiality analysis.

Our sustainability risk management approach involves assessing the impact of our business activities on potentially affected stakeholder groups as well as on the environment. This factor has been incorporated in our risk management system and risks are reviewed on an annual basis. Following a detailed global human rights risk assessment in 2022, we conducted around 20 country and site-level assessments during the reporting year. These provided us with insights on previously identified focus areas and stakeholders.

To evaluate the impact of physical and transition risks on our business model in connection with climate change, we initiated a physical climate scenario analysis. We plan to continue conducting a transition risk assessment in 2024 to evaluate risks related to our management of the transition to renewable energy and climate neutrality. In addition, we are reviewing potential impacts, risks and opportunities related to biodiversity and pollution. We also continued to integrate the recommendations of the TCFD into our enterprise risk management approach.

More information on our enterprise risk management system can be found in the “Risk and Opportunities Report” section of the Group Management Report starting on page 69. More information on our risk assessment on human and labor rights can be found in the “Human Rights” section starting on page 126, and the “Supplier Management” section starting on page 125.

Stakeholder inclusion

As a company with global operations, our business activities affect many stakeholder groups. These include our patients, employees, shareholders as well as 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 an important part of building trust and reliable partnerships and helps us to share and gain knowledge, thereby promoting scientific progress.

In the reporting year, we continued to participate in several expert groups such as Kidney Care Partners and the Dialysis Patient Citizens in the U.S. We also engaged with political stakeholders and government offices, including the Government Accountability Office and the Congressional Black and Hispanic Caucuses in the U.S. In 2023, we engaged in close to 500 conversations with investors on sustainability topics such as the environment, our sustainability strategy, and governance matters, especially in the context of the change in legal form. Over 150 of these focused solely on labor-related topics.

We are subject to a wide range of legislative and regulatory processes that affect our business. Therefore, we periodically take part 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.

To understand customers’ changing requirements globally and adapt our product and service offering, we conducted an analysis with internal experts across key markets. The results will inform the development of our products and services portfolio and influence how we offer our services. We also held our first virtual sustainability summit for internal stakeholders in the reporting year. During the event, the Company’s sustainability community had the opportunity to learn about the progress of key projects and strategies.

Our corporate citizenship strategy was modified in 2023 in line with our business strategy and new organizational structure. A global Corporate Citizenship Committee was established to approve activity planning and donations. The new strategy focuses our activities on donations linked to kidney care and kidney disease. Through our support for different initiatives, we aspire to expand access to health care and support health equity, engage in medical education as well as reduce our environmental footprint.

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 43. For information about our dialogue with employee representatives, see the “Employees” section starting on page 109. For information on how we collaborate to improve health care, see our “Patients” section starting on page 101.

EU Taxonomy

We report on our economic activities in accordance with the EU Taxonomy Regulation (EU Taxonomy) for sustainable activities. In 2022, we reported on the taxonomy-eligible and taxonomy-aligned shares of economic activities that potentially make a substantial contribution to climate change mitigation and climate change adaptation as defined in the Climate Delegated Act of the regulation. In June 2023, the EU Commission published the new Environmental Delegated Act covering additional environmental objectives, pollution prevention and control, among others.

It is important to emphasize that the delegated acts of the EU Taxonomy, the respective annexes as well as the supplementary publications contain wording, definitions, and requirements which leave room for interpretation. As a result, our conclusions might be subject to change over time due to standardized interpretations and new publications by the EU Commission.

Methodology

In 2023, we conducted an impact analysis of our operations for all newly published economic activities to assess whether one or more of our economic activities are eligible for EU Taxonomy reporting. An economic activity is considered taxonomy-eligible if it meets the definition in one of the annexes of the EU Taxonomy. The conclusions of the impact analysis were verified by experts in our business areas.

This analysis outcome results in a change in our EU Taxonomy reporting. Previously, our revenue-generating business activities were not covered by the climate-related environmental objectives. Medical services including our dialysis care delivery and medical devices, which together make up the majority of our business, are currently not considered by the EU Taxonomy. Even though our core business activities are still not covered by the regulation, in this year's reporting we are able to disclose taxonomy-eligible revenue, capital expenditures (Capex) and operating expenditures (Opex) for the production of medicinal products. Under the environmental objective of pollution prevention and control, for example, some of the dialysis solutions we produce are considered medicinal products. The alignment assessment for this activity considered eligible under the new Environmental Delegated Act, will be reported in the 2024 Non-financial Group Report according to the regulatory timeline.

We also re-evaluated our reporting on construction and real-estate activities, compared with our EU Taxonomy reporting in 2022. Due to the nature of our business model, our construction and real-estate activities are focused on the provision of health care. Accordingly, we carefully analyze on a case-by-case basis if the buildings meet the specific requirements for our operations, their accessibility and business continuity, which includes a preference for long-term leases. Thereby, we only have limited control over energy efficiency and other building characteristics related to greenhouse gas (GHG) emissions. Consequently, we regard construction and real-estate activities as individual measures, which are not primarily intended for GHG reductions and no longer report them as eligible under Capex C. This change in reporting also reflects the fact that business activities in the health care industry are currently not a focus of the EU Taxonomy. Nevertheless, we will continue to monitor potential opportunities to reduce GHG in connection with our building activities.

In the reporting year, activities relating to energy efficiency equipment, energy performance devices and renewable energy technologies are included in the reporting scope. By definition, they pertain to GHG emission reductions. Please refer to the chapter "Reducing our carbon footprint" on page 116 of the Non-financial Group Report for information on the implementation of energy management systems and the installation of solar panels. The eligible activities described above contribute to climate change mitigation and are therefore reported under this environmental objective. We do not disclose any taxonomy-eligible activities that specifically contribute to climate change adaptation under this environmental objective. We did not generate revenue from taxonomy-eligible activities relating to climate change adaptation, nor did we identify any related Capex or Opex. The individual measures described in the technical screening criteria make a substantial contribution to this climate objective. However, as we are still preparing the required climate risk and vulnerability assessments, there is currently insufficient evidence that the individual measures fulfill the criteria for doing no significant harm to other environmental objectives. Therefore, in 2023, we cannot report our activities relating to energy efficiency equipment, energy performance devices and renewable energy technologies as being taxonomy-aligned.

Key Performance Indicators

The EU Taxonomy defines three KPIs that must be disclosed: the proportion of taxonomy-eligible and taxonomy-aligned shares of revenue, Capex, and Opex. Key information pertaining to each KPI is summarized below (see TABLE 3.6 on page 100). We calculated the three KPIs based on the figures in our financial reporting system, which ensures reconciliation with the corresponding items in the consolidated financial statements. Regarding the shares of our business activities that are taxonomy-eligible and taxonomy-aligned, we identified all relevant revenues, Capex, and Opex and allocated them accordingly. By doing so, we ensure that our revenue, Capex and Opex are not considered more than once.

Revenue

For the first time, part of our product portfolio is covered by the regulatory scope of the EU Taxonomy. The eligible revenue consists of sales to external customers of dialysis solutions

that are classified as medicinal products, and is compared to total revenue (see TABLE 5.1 on page 198).

Capex

The EU Taxonomy distinguishes between three types of Capex: Capex A refers to assets and processes related to taxonomy-eligible economic activities. Our investments, for example in machines used for the manufacturing of eligible medicinal products, are therefore reported under Capex A. Expenditures are allocated to the respective eligible product on product line and site level. Capex B includes investments in assets and processes that are covered by a Capex plan, and is currently not considered of relevance for medicinal products in scope of our Taxonomy reporting. Capex C refers to the purchase of output or individual measures that enable greenhouse gas reductions. Individual measures relating to energy efficiency equipment, energy performance devices and renewable energy technologies are reported as taxonomy-eligible Capex C. In 2022, Capex C also included construction and real-estate activities, which are not covered in 2023. Due to the updated Capex C reporting, Capex was 0.3% in 2023 (2022: 0.2%).

Opex

Corresponding to the Capex A to C definitions, Taxonomy-eligible Opex, such as maintenance and repair-related expenditures for the manufacturing of medicinal products, is classified as Opex A. Opex is allocated to the respective eligible product for different product lines and sites. Similar to Capex B, Opex B is not relevant for us. In addition, Opex relating to energy efficiency equipment, energy performance devices and renewable energy technology measures is reported as taxonomy-eligible Opex C. In 2022, Opex C also included construction and real-estate activities, which are not covered in 2023. Due to the updated Opex C reporting, Opex was 0.1% in 2023 (2022: 0.2%). In 2022, Opex C included expenditures relating to charging stations.

T 3.6 CONTRIBUTION OF TAXONOMY-ALIGNED, TAXONOMY-ELIGIBLE BUT NOT ALIGNED, AND TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES TO TOTAL REVENUE, CAPEX, AND OPEX[1]
IN %

Key Performance Indicators	Taxonomy-aligned	Taxonomy-eligible but not aligned	Taxonomy non-eligible
Revenue		**1.5**	**98.5**
Medicinal products		1.5	
Capex	**0.0**	**0.4**	**99.6**
Medicinal products		0.1	
Energy efficiency equipment		0.0	
Energy performance devices		0.3	
Renewable energy technologies		0.0	
Opex	**0.0**	**2.3**	**97.7**
Medicinal products		2.2	
Energy efficiency equipment		0.1	
Energy performance devices		0.0	
Renewable energy technologies		0.0	

[1] For the full tables on revenue, Capex and Opex and the detailed KPI definitions, see page 128 of the Non-financial Group Report. The tables for nuclear energy and fossil gas are not included as we do not have relevant business activities in these areas.

Outlook

In 2024, we will focus on assessing the alignment of medicinal products and whether eligible products make a substantial contribution to pollution prevention and control while doing no significant harm to the other environmental objectives. In addition, we will evaluate our compliance with the minimum safeguards. Furthermore, we plan to conduct climate risk and vulnerability assessments for our energy efficiency equipment, energy performance devices and renewable energy technology activities. We will continuously monitor the development of the EU Taxonomy and publications of the EU Commission.

Patients

Progress

- → **Patient Net Promoter Score improved to 72**
- → **Published 176 scientific research documents**
- → **Signed the global Zero Health Gaps Pledge to demonstrate commitment to advance health equity**
- → **Launched a Portfolio Sustainability Assessment to evaluate the global sustainability performance of our products and services**

Our patients' well-being is our top priority. As part of our commitment to delivering safe, high-quality health care to patients with kidney disease, we continually monitor the performance of our products and services. Our focus in doing so is on the quality, safety and accessibility of treatment, and on patient experience. We continuously invest in innovations and new technologies, and leverage insights from scientific research and cooperation with partners.

The Global Medical Office led by our Global Chief Medical Officer drives our medical strategy and coordinates activities that contribute to the advancement of medical science and patient care. Medical and clinical insights identified 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. Our Care Delivery organization works closely with the Global Medical Office to deliver the best possible treatment and thereby improve our patients' quality of life.

Quality of care

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

As one of the global leaders in providing life-saving dialysis treatments to patients, we operate in diverse health care systems. This requires us to navigate regulations, payment models, and operational frameworks for each market in which we treat patients. Navigating these differences is a key challenge to effectively and efficiently provide care and maintain compliance. This requires a deep understanding of local health policies and an ability to adapt care delivery models accordingly while maintaining high quality standards.

We continually measure and assess the quality of care we provide in our dialysis clinics based on internationally recognized 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 set our own targets for patient care.

Monitoring quality of care

We evaluate medical indicators on an ongoing basis to measure the quality of care provided in our dialysis clinics. The global hospitalization rate measures the length of time a patient spends in hospital. This is an important indicator, as hospitalization reflects patients' medical complexity and impacts health care payment systems and the medical infrastructure. It also impacts patient experience. If the hospitalization rate changes, we initiate an evaluation of the contributing factors and identify opportunities to improve the quality of care. In 2023, the global hospitalization rate was 10.6 days per patient, the same as in 2022.

We use a quality index to manage our high standard of quality across the Care Delivery business segment. This indicator enables us to continuously measure and improve our quality of care on a global level. In 2023, our quality index score was 81%, the same as in 2022. We set country performance targets for vascular access, dialysis efficacy and anemia management based on local quality systems we have established. These targets consider the specific circumstances of local health care systems, the workforce and how we operate in these regions. Our quality improvement initiatives are based on annual assessments that reflect local needs and the dynamic environment of the health care market (see CHART 3.7).

C 3.7 GLOBAL INDICATORS – QUALITY OF CARE

Hospitalization Rate

→ Days spent in hospital per patient per year

Quality Index

→ **Dialysis effectiveness:** Measures how well the body is cleaned of waste substances

→ **Vascular access:** Measures the share of patients who do not receive dialysis via a dialysis catheter

→ **Anemia management:** Measures hemoglobin levels and specific medications given during dialysis

To further educate our medical community on quality improvements, we plan to set up a new global training program that will be piloted in the U.S. in 2024.

Patient experience

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 other year. We use the information collected to evaluate the services provided by our dialysis clinics and implement improvement plans.

We are continually strengthening our efforts to improve patient education, service quality and individualized patient care. Based on the feedback from the patient surveys, we develop educational programs that help clinic staff inform their patients more comprehensively about health-related topics. Patient treatment education and engagement delivery is provided globally. Our regional and local teams of the Care Delivery segment are responsible for patient education and initiatives, including instructing patients according to their individual needs and medical outcomes. Our patients have access to information through various channels such as awareness campaigns, patient apps, posters, factsheets, and guides, as well as our website. Patient safety education covers topics such as infection prevention, emotional health, preventing falls, medication, and adhering to the prescribed treatment. To involve our patients more actively, we provide education on symptoms and possible complications so that they become aware and know how to prevent and detect complications.

Annual Target

Achieve a Net Promoter Score of at least **70**

They also learn how to alert the care team. All patient education material is reviewed for suitability, readability, and appropriateness before being published.

We measure patient experience in our dialysis clinics using the Net Promoter Score. The NPS reflects patients' overall satisfaction with our services and how well cared for and supported they feel. We have set ourselves a global target of achieving an NPS of at least 70 every year which is above the health care industry standard. In 2023, we were able to improve our 2022 NPS by one point to 72 globally. Our NPS threshold target demonstrates our aim to continuously attain excellent scores and improve patients' experience despite challenges such as staffing shortages. We also 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 track survey coverage and response rates. In 2023, we achieved a response rate of 74% and a global coverage rate of 91% in line with our target of 75% or above.

In addition to patient 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 hotlines and email addresses, complaint and suggestion boxes, as well as a feedback form on our website. In 2023, we received 22,408 reports (2022: 23,011). 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 locally to support staff in following patient grievance guidelines. Refresher trainings that follow local and regional training guidelines are held yearly or every two years. A detailed description of our approach to handling complaints is available on our website.

More information about handling complaints can be found in the "Compliance" section of this Non-financial Group Report starting on page 120.

Access to health care

We are committed to improving access to health care and are working to provide affordable treatment to a growing number of patients worldwide. Our focus is on improving both access to care and level-of-care outcomes. Topics include barriers to access such as cost and ease of travel to our dialysis clinics, lack of education on kidney disease, and treatment options. We aim to increase the number of patients on home dialysis as well as those who receive kidney transplants. We also have crisis contingency processes in place so that patients have continued access to treatment during disaster and emergency situations.

Health equity

We believe that every patient, regardless of their ethnic origin or race, nationality, age, ability, gender identity, sexual orientation, religion, or socio-economic status, should be given equal opportunities and support to maintain and improve their health. Our Global Health Equity Statement outlines our commitment to expand our knowledge and services in ways that advance equity in care. To underline our commitment, we have signed the first global Zero Health Gaps Pledge – the first ever global, multi-sector, CEO-level pledge to help advance health equity launched by the Global Health Equity Network. As a signatory, we commit to carrying out meaningful action and collaboration toward health equity.

As part of our efforts to build knowledge about health equity among health care providers, we developed and introduced education modules of social determinants of health (SDOH) in the U.S. in 2023. We recognize that non-medical factors that influence health outcomes are interlinked and have a direct impact on people's health. Providing education on SDOH is foundational to evolving our approach to person-centered care. The education modules differ by clinical role and are mandatory for employees with specific clinical responsibilities in the U.S.

In 2023, our U.S. dialysis business piloted a program in the state of Illinois with the nation's leading social care network focused on patients' health-related social needs. As part of the pilot program, the social workers in dialysis clinics offered standardized screening for health-related social needs.

One of the Group-wide initiatives undertaken this year involved a qualitative assessment of global perspectives on health equity. The Global Medical Office conducted interviews with participants in 17 countries across Asia-Pacific, Europe, Middle East and Africa and Latin America. The interviews identified gaps and opportunities to advance health equity in these regions.

In 2024, we intend to establish a global governance for health equity and create a framework for the use of global data to identify health disparities. This updated approach accounts for organizational changes as a result of our transformation.

Supporting patients in underserved communities

Our Corporate Citizenship activities focus on areas in which we as a health care company can contribute to society, such as health equity and access to health care, prevention and medical education. In the course of expanding the Kidney Kid program to the U.S. in 2023, we engaged over 26,000 youths in various programs on health education. Food security and access to healthy meals are important aspects for people with chronic kidney disease. To support high-risk, high-need populations, we partnered with the Food is Medicine Coalition (FIMC) in the U.S., an association of non-profit medically tailored meal providers, and contributed to its Food is Medicine Accelerator program.

Demand for affordable health care products and services is growing 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.

As part of our ongoing approach to harmonize reporting and data, we adjusted our calculation methodology for global home patient data in 2023. U.S.-specific methodology for data on the number of home treatments performed and patients on home dialysis remains unchanged and is consistent with previous reporting.

As of December 31, 2023, the number of our patients receiving dialysis at home worldwide was 31,258 (2022: 30,888), corresponding to 9% of our total patient base (2022: 9%). In the reporting year, 16% of treatments in the U.S. were performed in a home setting. Throughout the year, we educated new patients on home modalities. In the U.S., we informed over 57,000 people living with chronic kidney disease or end-stage kidney disease about their home dialysis options in 2023, with the support of more than 200 internal kidney care advocates. In the U.S., where we experience higher rates of home therapy adoption, we have launched health equity initiatives that focus on identifying barriers to home therapy and interventions with the aim of increasing patient success with this modality.

2027 Target

Perform

25%

of dialysis treatments in the U.S. in a home setting*

* Target extended

As the decision by patients to receive dialysis at home is influenced by numerous factors, achieving our aspirational goal of performing 25% of treatments in the U.S. in a home setting is expected to require more time. It may be delayed by 18 to 24 months. This is partly due to the pandemic, which lasted longer than expected, and the impact of a challenging situation on the labor market. We now aim to achieve our goal by 2027.

In 2023, we initiated several projects in the U.S. to streamline ways in which we provide our services. We evaluated our services according to different criteria: adherence to treatment, patient admissions and referrals, accessibility for patients, medication and pharmacy options. These initiatives aim to improve patient education, reduce the number of missed treatments, provide convenient channels for medication management, and retain new patients. We also worked with the Medical Education Institute, a U.S.-based NGO, to roll out its My Kidney Life Plan program to Germany and Sweden. The program helps people living with chronic kidney disease to learn about the different treatment options and choose the treatment that best fits their lifestyle and conditions.

In 2023, Fresenius Medical Care conducted the CONVINCE trial together with the CONVINCE consortium led by the University Medical Center Utrecht. The study demonstrated that the mortality rate among kidney patients can be significantly reduced with high-volume hemodiafiltration (HDF) technology. As one of the leading providers of dialysis

products, we aim to explore ways to encourage the adoption of hemodiafiltration and make this therapeutic option accessible to patients in countries where it is currently not available, such as in the U.S.

Improving access to kidney transplantation

Kidney transplantation is the treatment of choice for most patients with advanced chronic kidney disease and end-stage renal disease. Our Head of Transplantation Medicine leads our worldwide efforts to improve access to transplantation for our patients. In 2023, we completed the initial rollout of our Referral Ready IT platform in our U.S.-based clinics. This platform provides our clinic staff with a simple tool to compile a complete transplant referral with nearly 170 different data points. The platform also securely transmits the referal to appropriate transplant centers. Designed together with transplant professionals, the Referral Ready platform has delivered referrals to nearly 200 transplant centers in the U.S. Since its rollout in April 2023, we have registered a significant increase in the number of referrals compared to 2022. Cumulatively, from January to December 2023 we observed an increase in new referrals of 42% compared to the same time period in 2022.

Crisis and emergency response

We provide access to health care even under challenging circumstances, for example, in the case of health crises or natural disasters. This is a core part of our commitment to patients. We have clinics all over the globe and must be prepared to adapt to different environmental, geographic, social, and economic conditions. These clinics serve a vulnerable population of patients who need dialysis treatment several times a week. To allow us to continue treating our patients in challenging situations, we have reorganized our emergency response to support the Company's new operating model. To this end, we have implemented a Global Incident and Crisis Response (ICR) Committee comprising country teams for an immediate response at a local level.

In order to be ready in times of emergency, we regularly test our emergency response procedures and assess our service safety. The support we provide includes humanitarian goods as well as donating dialysis supplies to organizations that require and request support in regions affected by crisis events.

In 2023, we initiated crisis response measures during several disasters and in volatile situations. In the summer of 2023, our disaster response team was dispatched when a major fire swept through the Hawaiian island of Maui. As an active member of the Hawaii Healthcare Emergency Management, our local team helped coordinate response calls with all providers, organized the shipment of supplies, and made sure that our home patients could receive in-center treatment due to the disruption of the supply chain and the ability to get supplies for home therapy to the island.

In the wake of the war in the Middle East, our Israeli team has taken measures to make sure that operations and services to our patients were continued uninterrupted. In addition to keeping our own clinics operating, they work with local hospitals and other smaller local care providers to organize the safe transfer, treatment and care of patients. In the reorting year, we have also provided essentials and medical support to areas impacted by crises and disasters, such as Morocco, Sudan, Ukraine and Turkey, among others. This included donating and loaning life-saving equipment including dialyzers as well as adult and pediatric HD blood lines.

Advancing health care

We are committed to advancing health care while upholding ethical standards and managing related risks. As stipulated in our Bioethics Principles position paper, we advocate patient rights and respect animal welfare. It is important to us that our research partners adhere to guidelines that are similar to our own.

Scientific research

We strive to make the results of our research activities available to the broader public to help advance health care. In 2023, we published 176 scientific documents worldwide. These covered topics such as impacts on renal transplantation, health literacy and utilization of artificial intelligence in machine learning.

We carry out scientific research to support our goal of continuously improving the care we provide to patients. This includes facilitating clinical trials as a crucial step in developing new treatments. We are also exploring data-based methods that allow us to advance care by means of mathematic modelling, artificial intelligence, and virtual clinical trial simulations. Our research and development activities follow regulatory guidance for clinical research practices and comply with ethical standards. In the reporting year, we completed three clinical trials.

In 2023, we developed a universally structured global dialysis dataset called Apollo Dial DB. This is a fully anonymized, global analytics platform that uses harmonized and uniformly structured patient treatment data. It is expected to improve both the speed and the robustness of our analytical capabilities to provide consistency in global analytics. It is currently part of a global research project to assess the feasibility of expanding the Anemia Control Model, an artificial intelligence model used in many countries to optimize the benefits of medications that stimulate the production of red blood cells and iron therapies in dialysis patients (see page 106 for more details).

Our Frenova Renal Research Institute provides research services to third parties. Work on a project aimed at developing the largest renal-focused genomic registry in the world is ongoing. We have adjusted our goal to enroll 50,000 patients (initial goal: 100,000) by 2025. Based on new research insights, achieving the adjusted goal will enable us to meet our research needs. The registry will contain genetic data from patients with chronic kidney disease worldwide, with the aim of fostering collaboration amongst researchers and improving their understanding of kidney disease and treatments.

We are also part of the European "Initiatives on advancing patients' outcomes in renal disease" (INSPIRE). This is an academic and industry project set up to identify critical investigations, models and insights to advance medical practice in nephrology. Presently, the INSPIRE group is actively advancing the nephrology communitiy's understanding of bleeding events in dialysis patients.

More information about our scientific research and the Frenova Renal Research division can be found in the Group Management Report in the sections "Opportunities management" starting on page 85 and "Research and development" starting on page 43.

Portfolio Sustainability Assessment

In 2023, we launched a Portfolio Sustainability Assessment in order to evaluate the sustainability performance of our products and services. The assessment aims to provide greater transparency on our portfolio's sustainability taking into account social and environmental contributions as well as economic aspects. It creates a basis for strategic portfolio decisions that systematically consider our sustainability impact (portfolio steering).

By defining performance criteria and applying performance thresholds, we plan to assess significant social contributions and the environmental impact of our products and services in relation to their profitability. Our significant social contributions pertain to how we improve our quality of care and advance health care in underserved markets. The environmental impact analysis includes aspects such as our carbon footprint and consumption of resources or recyclability in production and care delivery. We obtain the data from environmental assessments of locations and product types.

2026 Target

Implement a sustainability performance assessment of our relevant product and services portfolio

We intend to gradually implement the Portfolio Sustainability Assessment as a standard operating procedure to evaluate all products and services by 2026. In 2023, a pilot assessment was conducted to establish the feasibility of the methodology. One service group and one product group that jointly account for almost 60% of revenue were included in the assessment scope, and more than 4,000 of our locations and 17 product types were reviewed during the year. In 2024, we aim to increase revenue coverage to 75%.

Innovation and digitalization

Innovation and digitalization are important strategic elements that contribute to our success. In line with our Code of Ethics and Business Conduct, we aim to develop innovative, safe, and user-friendly digital products and systems that meet our quality standards. Our goal is to further improve the quality and efficiency of care. To this end, we are continuously developing digital products and services designed to improve access to and advance health care. Our Care Enablement segment 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. In 2023, we launched a global event aimed at fostering innovation in our product business. As part of this, the most important innovation challenges, such as sustainability and efficiency improvements, were defined by the respective business functions, and employees were encouraged to develop new ideas and solutions.

In 2023, we continued to develop digital options with the aim of empowering patients to actively manage their own health and improve clinical outcomes. Our digital platforms enable virtual contact, keeping patients and care teams connected. The platforms provide easy access to the latest treatment data, which is vital to monitor and improve medical outcomes, patient experience and the effectiveness of care.

We provide two patient engagement platforms that are accessible via apps. Our PatientHub app is used predominantly in the U.S., while our MyCompanion app is available in 24 countries in Europe, Africa, Asia-Pacific and Latin America. In the U.S., we recorded nearly 162,000 remote telehealth visits between patients, care teams, and physicians via the PatientHub app by the end of 2023. The MyCompanion app was launched in Australia and the Philippines in the reporting year. Combined, the PatientHub and MyCompanion apps had more than 27,000 active users in 2023 (2022: 25,000). They were widely adopted due to restrictions in interpersonal contact during the COVID-19 pandemic.

We also use virtual reality and gamification technologies to support health care professionals in training their patients in home dialysis procedures. Our virtual reality tool is currently available in eleven centers in Germany and has been piloted in an additional four.

For more information about research and development, please see the “Research and development” section of the Group Management Report starting on page 43.

Collaborating to improve health care

We work with external organizations to advance research, scientific progress and clinical care. This includes areas such as computational medicine, data analytics and technology to accelerate their translation into applied medicine. In 2023, our Global Medical Office’s Affairs, Transplant Medicine, and Clinical Advanced Analytics divisions, and the Renal Research Institute were involved in 65 key partnerships with academia, research institutes and peers. 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 our efforts to share best practices relating to dialysis treatment. Worldwide, nearly 2,800 people attended external workshops hosted by us on topics such as in-center therapies, home dialysis and critical care. We also organized 235 webinars on various dialysis product and care-related subjects and developed an open global e-learning course on best practices in dialysis care. The webinars were viewed by over 18,000 attendees in 2023, and the e-learning course was attended by more than 82,000 participants.

A further focus is on expanding access to and improving transplantation medicine processes by investing in innovative programs and solutions. In addition to the work being done on transplantation by the Global Medical Office, the Fresenius Medical Care Foundation collaborates with leading organizations in the U.S. 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 43.

Product stewardship

We aim to develop safe, high-quality products that meet the demands and needs of patients and their caregivers. Our approach takes into consideration social and environmental aspects along the value chain as well as developing solutions that enable us to contribute to advancing the quality of care we provide. Thanks to our global network of production sites, we control the procurement, production, distribution and supply of products for renal and multi-organ therapy. We manage quality and safety in our product business over the entire product life cycle, from their design and development to operation and application.

As we strive to enhance our competitiveness and foster a culture of innovation, we implemented an innovation management IT system across our Care Enablement organization to drive innovation, efficiency and continuous improvement. To measure the effectiveness of our innovation efforts, we aim to develop a global KPI by the end of 2024.

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

Our products must comply with safety and quality standards concerning product development, manufacturing, their use in clinics, customer training and the handling of complaints. These standards are embedded in our Global Product Business Policy. This is taken as the basis for Global Management

Enhance quality of care and access to health care

Improving patient care with artificial intelligence

Apollo Dial DB is the foundation for our global long-term digital and artificial intelligence aspirations. Apollo Dial DB is an anonymized database that combines patient data from multiple clinical systems throughout the world into a central cloud environment that is accessible worldwide.

The database provides a detailed insight into the clinical care we provided to more than 540,000 patients on life-saving dialysis treatments. It aggregates data from 40 countries across six continents on more than 350 patient treatment parameters, over 140 million dialysis treatments, and more than 34 million laboratory assessments. The goal of the database is to increase both the speed and the robustness of the Company’s analytical capabilities, while allowing for more consistency and transparency in global reporting and analytics.

Apollo Dial DB holds great promise as a platform that provides insights to accelerate the real-world advancement of patient care. We aim to improve health outcomes by making kidney disease care more personalized and precise.

System manuals covering management responsibilities, document control, training, risk management and audits that are required to fulfill national and international regulations. Our Care Enablement segment oversees product safety and quality. It aims to identify potential risks of medical devices and assures the effectiveness and quality of products throughout their lifecycle. The Management Board is regularly informed about our global quality and safety performance.

For all our medical devices, diagnostics, and pharmaceuticals, we assess and manage the risks to and impact on the health and safety of our patients. Risk and impact assessments are performed according to international standards such as ISO 14971 and ICH Q9.

In 2023, in the course of implementing our global FME25 transformation program, we started to consolidate our management systems for quality, environmental management and occupational health and safety into a unified global management system. This new system will enable us to facilitate decision-making and increase efficiency in our everyday work, among other aspects.

As part of this project, we have also consolidated our training processes. In 2024, we plan to roll out our new global electronic training system.

Certification and audits

We regularly carry out internal audits to review the design and operating effectiveness of our management systems as well as compliance with internal and regulatory standards. This includes quality management systems certified according to, for example, ISO 9001 and ISO 13485 (see TABLE 3.8). Our production sites are also subject to regular external quality audits that review the implementation of the management system in accordance with local requirements. Audits are carried out according to local regulations, Good Manufacturing Practice (GMP), current Good Manufacturing Practice (cGMP), ISO 9001, ISO 13485, or the Medical Device Single Audit Program (MDSAP).

T 3.8 CERTIFICATION OF OUR PRODUCTION SITES
IN %

	Production sites certified[1]	
Certification	**2023**	**2022**
ISO 9001/13485	75	77
GMP/cGMP	44	46
MDSAP	28	29

[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 2023, more than 58 certification audits (2022: 50) were performed at our production sites. All audit findings are documented and escalated depending on their criticality and used to determine and implement appropriate corrective and preventive measures.

We have set ourselves the target of achieving an average global audit score that does not exceed 1.0 in order to maintain the effectiveness of our quality management systems and certifications. This score indicates the ratio of major and critical findings to the number of external audits. In 2023, we achieved an audit score of 0.4 (2022: 0.3). The increase was related to findings during an external audit at one of our sites in the U.S. It identified areas of improvement in relation to cGMP (see TABLE 3.9).

Annual Target

Keep global key performance indicator for critical and major audit findings below **1.0**

T 3.9 AUDIT SCORE

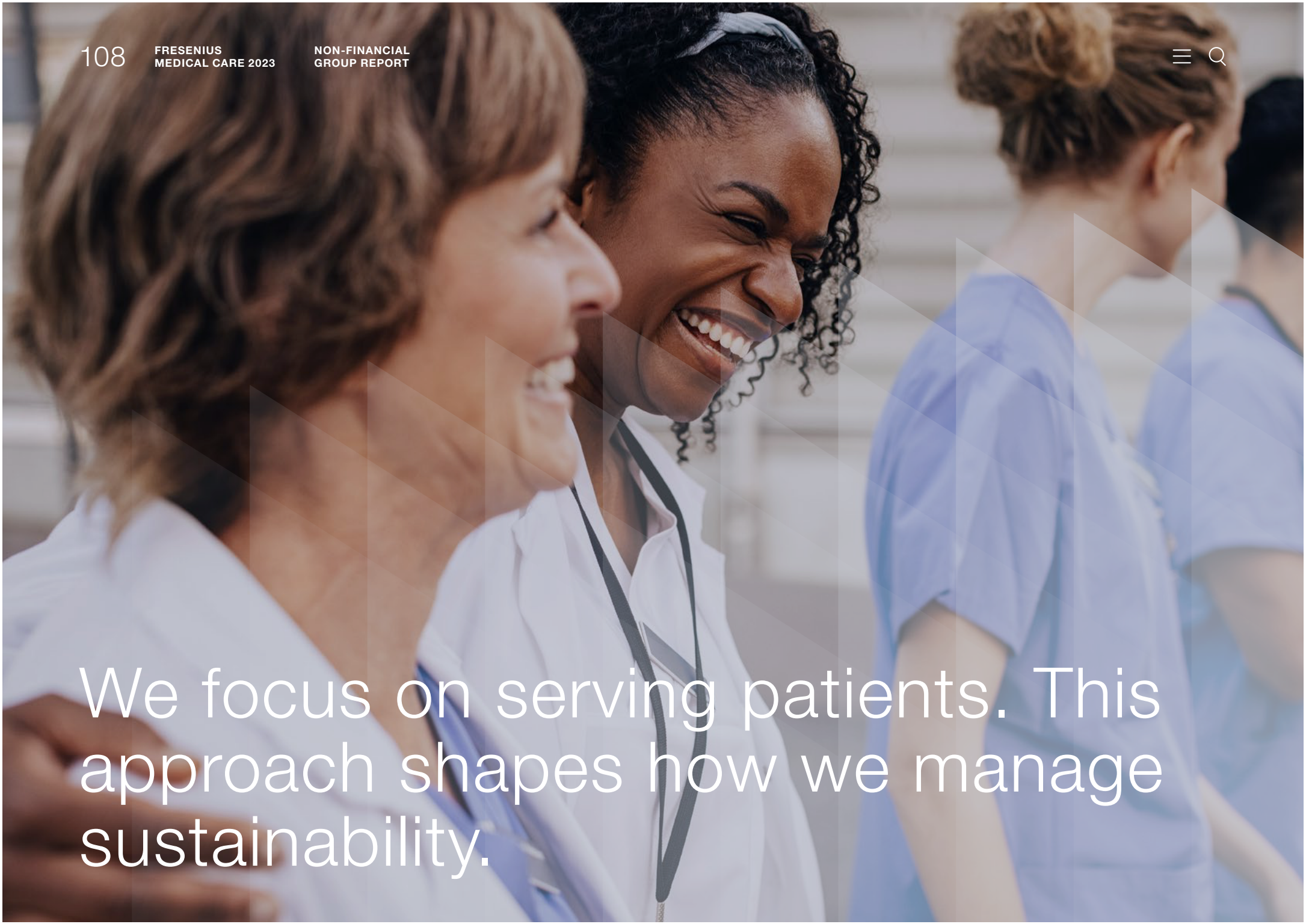
	2023	2022
Audit score[1]	0.4	0.3

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

Post-market surveillance

Post-market surveillance, or the act of monitoring products that have been released to the market, is an integral part of our quality management. It is essential that our products are effective and safe to use as well as reliable in their role in sustaining our patients' lives. 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 follow a clear protocol and take corrective action. Depending on the severity of the issue, this could range from publishing further information and data on the product after market introduction to recalling the product from the market. There were 3 recalls (2022: 2) of medical devices and no recalls (2022: none) of medicinal products in 2023 in all global markets excluding the U.S. In the U.S. there were 7 recalls (2022: 9) of drugs and devices in 2023 in the form of removals, corrections, or alerts. We adhere to legal and regulatory requirements in monitoring the adverse effects of drugs – also known as pharmacovigilance – and medical devices. We collect, review and transparently report on information relating to adverse events and product complaints. This topic is incorporated in our Code of Ethics and Business Conduct.

More information on quality management at our production sites can be found in the "Quality management" section of the Group Management Report starting on page 47.



We focus on serving patients. This approach shapes how we manage sustainability.

Employees

Progress

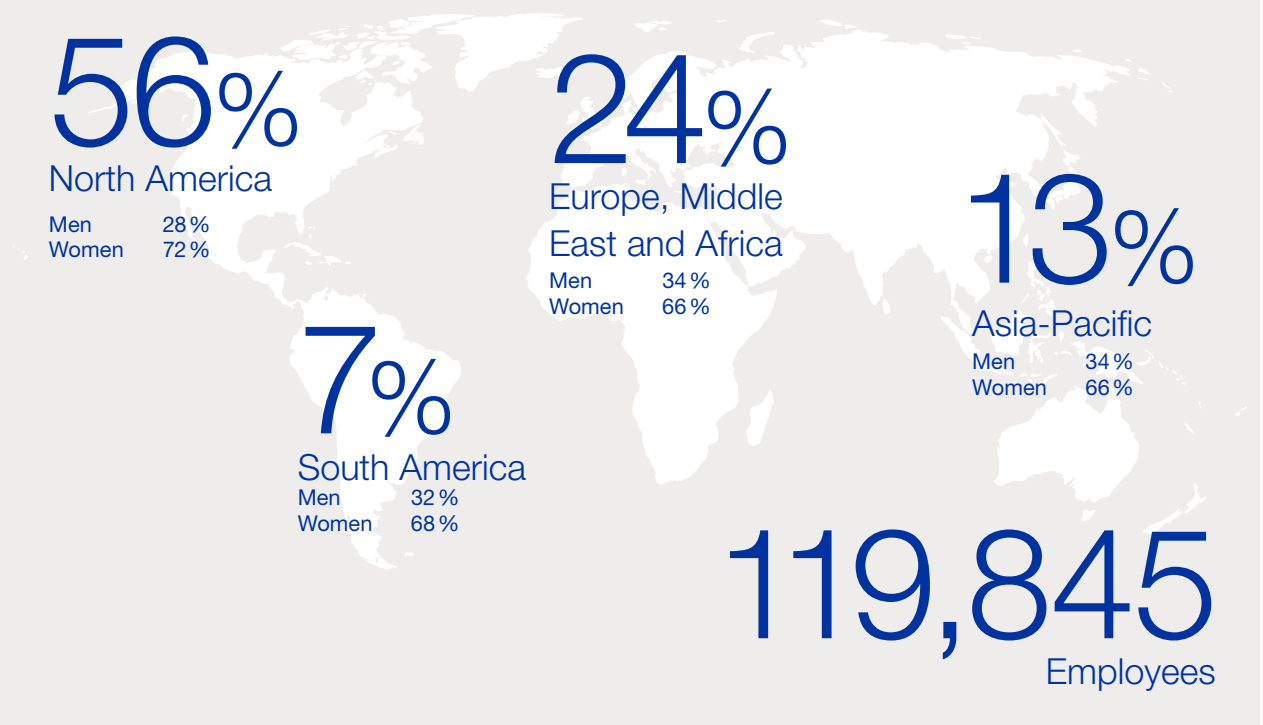
- → **Increased share of women in the top two management levels below Management Board to 34%**
- → **Achieved an average number of 38 training hours per employee in 2023**
- → **Became a signatory with the United Nations Women's Empowerment Principles, the German Charter for Diversity, and the CEO Action for Diversity and Inclusion**

Our people are key to successfully implementing Fresenius Medical Care's strategy. Hiring and retaining the best employees, inspiring them to stay with us long-term, and supporting their development is a foundation of our business success globally, both now and in the future. We aim to cultivate a working culture in which each individual feels valued and part of a winning team.

We developed a global Human Resource (HR) strategy in 2023 that supports our key business priorities, while also focusing on external market forces and our current internal talent landscape. The HR strategy comprises three pillars: strategic HR business partnering in line with our operating segments, centers of excellence, and HR operations that support administrative processes relating to all areas of employment as efficiently as possible.

Our Global Human Resources function, which reports to the CEO, is responsible for coordinating our employment-related processes worldwide. We are continuously developing and improving the HR standards that govern our global activities. Our global HR policies provide the framework for our strategic approach to talent management, diversity, equity and inclusion.

C 3.10 **EMPLOYEES ACROSS REGIONS**



At the end of 2023, Fresenius Medical Care had 119,845 employees worldwide (2022: 128,044) (see CHART 3.10). Most of our employees work in our Care Delivery segment (74%), followed by the Care Enablement segment (23%). The region with the largest number of employees is North America (56%), followed by Europe, the Middle East, and Africa (24%). In the year under review, we hired around 25,000 new employees. The average tenure of our employees increased from 7.9 years in 2022 to 8.2 years in 2023 (see TABLE 3.11 on page 112 for an overview of key employee figures).

In line with the targets of our FME25 transformation program, we continued to identify and select leaders to fill top positions in the new organizational structure. The FME25 Transformation Office initiated additional activities to address topics such as change management, employee engagement, listening and giving feedback, including country manager calls, launching a transformation catalyst network and introducing feedback mechanisms. Via the transformation catalyst network we hosted listening sessions, during which employees and teams

in different functions around the world could join on a voluntary basis to share feedback, comments and thoughts on the FME25 transformation program.

To support our employees worldwide, in 2023, we decided to expand the Fresenius Medical Care CARES Fund to all employees starting in 2024. The CARES Fund was created following Hurricane Katrina to help U.S. employees who were facing financial hardship immediately after a natural disaster or an unforeseen personal hardship. It is managed by an independent philanthropy services firm which reviews and evaluates all applications for assistance and administers the grants. In 2023, the CARES Fund supported 1,623 employees in the U.S., Ukraine, Turkey, and Israel totaling nearly $1.6 M (€1.7 M) in grants.

Attracting, developing, and retaining talent

We aim to remain an attractive employer and continue to recruit, engage, and retain excellent employees. To strengthen our competitive position, we are further expanding our learning and development opportunities, career planning and benefits.

We are committed to providing all employees with a range of learning and development opportunities for their individual career path. As we operate in a regulated environment, it is also critical to our success that we continuously develop our employees' skills and train them in line with best practices to maintain operational and regulatory compliance.

In 2023, employees completed an average of over 38 hours of training. We conducted training evaluation surveys in the U.S. to determine the effectiveness of our education courses and programs. We expect to expand these surveys in the coming years by leveraging a new global learning management system.

We aim to continuously increase the use of our online learning platforms to allow employees to pursue their career goals and interests in a self-directed manner. In this context, we have developed a global learning measurement strategy that aims to improve the learning experience and drive employee engagement. In 2023, more than 143,000 employees worldwide (2022: 156,000) participated in training courses on our digital learning platforms on topics such as compliance, leadership, health and safety. In the U.S., we increased the number of leaders with direct reports that completed our regional leadership development program to 1,469 in 2023 (2022: 781), primarily by including it in the clinical leader training.

We identify individual learning needs in conversations with employees on their development and career. The performance management module in our global HR system that we implemented in 2023 allows managers and employees to work together to plan, monitor, and review each employee's development goals, performance and overall contribution to the success of the organization. The module is currently accessible to 70% of our employees, surpassing the goal of a 50% coverage that we set for ourselves in 2022. We intend to make this process available to the remaining employees by the end of 2026.

Our voluntary turnover rate was 16.9% in 2023 (2022: 19.9%). We believe this reflects the effectiveness of our measures to retain employees. For example, in the U.S., we launched an Engagement Check-In program in 2023, encouraging clinic and field leadership to conduct one-to-one conversations with employees to understand what is going well and where there is room for improvement. Both internal and external research has found these "stay interviews" to be an effective method of improving employee engagement and retention.

We were once again named one of *Newsweek*'s Most Loved Workplaces in the U.S. for the third consecutive year, putting us among the top 100 companies in terms of employee satisfaction at work. Our China team earned a place in the Top Employers of China, also for the third consecutive year. In addition, we received an award in Singapore from HR Asia Best Companies to Work for in Asia™ 2023 (Singapore Edition).

Employee engagement

We strive to give every employee the opportunity to provide feedback and engage in open and honest dialogue directly with company representatives. Our Global Engagement Policy outlines our approach to conducting regular engagement surveys and responding to the results. We use these surveys to identify strengths that we can continue to build on, as well as opportunities to improve our culture and work environment. Our global target, which we set ourselves in 2022, is to achieve an employee engagement score by 2027 that is in line with the health care industry benchmark of 63%. Our overall employee engagement score is based on the extent to which employees speak positively about working at Fresenius Medical Care, whether they intend to stay with the Company, and how inspired they are to do their best work every day.

During the reporting year, we conducted our fourth global employee engagement survey. Over 71,000 employees participated, corresponding to a response rate of 68%, slightly down from the prior year (71%). Our global employee engagement score for the reporting period was 55%, which is consistent with last year's results. Given the continued challenges we experienced during the reporting year, including a health care labor shortage, ongoing organizational transformation, and the

2027 Target

Achieve an Employee Engagement Score of at least 63%

sustained impact of COVID-19, the results reflect our effort and commitment to building an engaged, global team. Managers were provided with training to understand the results in order to get their teams involved and develop team-level action plans.

We continue to monitor the extent to which our employees feel a sense of belonging at work. We consider this an important driver of overall employee engagement and a critical aspect of the diverse and inclusive culture we foster across the Company. As in the previous year, 69% of employees expressed a sense of belonging at work. In addition to the employee engagement score, the results of our engagement survey are reflected in a global employee engagement index. This index rates the same three questions that make up our engagement score on a scale from 1 (I fully disagree) to 6 (I fully agree). As in 2022, our employee engagement index in 2023 was 4.4.

In 2023, Fresenius Medical Care deployed various initiatives to encourage employee welfare and provide support to employees. For example, we organized a comprehensive campaign to help managers support employees and offer tools to combat burnout and stress.

Compensation and benefits

We are committed to providing fair compensation and benefits to our employees and 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 2023, we further refined our global rewards strategy by assessing our existing approach and incorporating company developments. In the coming years, we plan to establish a consistent, global compensation and benefits offering. Our key priorities in doing so will be to review our global job architecture and harmonize programs, processes and standards, such as incentive plans, salary structures, benefit offerings and eligibility.

As outlined in our Fair Pay Statement, we are committed 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 aims to enable leaders and key talents to participate in our company's long-term value creation. More than 1,200 employees participated in the long-term incentive plan in 2023, similar to 2022.

Information on personnel expenses can be found in the "Employees" section of the Group Management Report starting on page 46.

Diversity, equity, and inclusion

We believe that promoting diversity, equity, and inclusion (DEI) benefits all employees. Our aspiration is to make everyone in the Company feel safe, welcome, and appreciated, and to cultivate a sense of belonging. This is also incorporated in our Code of Ethics and Business Conduct. We have three global policies in place that outline our approach to advance our DEI strategy: the Diversity, Equity, and Inclusion Policy, the Employee Resource Group Policy and the Diverse Candidate Slate Policy. To underline our commitment, we have become a signatory of the United Nations Women's Empowerment Principles, the German Charter for Diversity and the CEO Action for Diversity and Inclusion.

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 report directly to a member of the Management Board and participate in the long-term incentive plan. The second management level includes all managers worldwide who report directly to a manager of the first management level and participate in the long-term incentive plan. As of December 31, the proportion of women in the first two levels below the Management Board was 34% (2022: 30%).

We also set ourselves the goal of increasing the representation of women in management positions so that it reflects the percentage of women in the global employee population by

2027 Target

Percentage of women in leadership positions:

→ In the first level below the Management Board

→ In the second level below the Management Board

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

2030. As of December 31, 2023, 61% of our managers were female, while women accounted for 70% of our total workforce. Furthermore, we aim to grow the proportion of ethnically diverse managers in the U.S. year-on-year by 2030. At the end of 2023, 32% of managers in the U.S. self-identified as being in a race and ethnicity category defined by the U.S. Equal Employment Opportunity Commission as ethnically diverse compared to 31% in 2022.

Providing leadership development opportunities for women and underrepresented groups through education and opportunities to connect across the globe was a key focus of our DEI initiatives in 2023. As part of our efforts, we educated more than 1,400 employees on reflective leadership, with an emphasis on building trust and fostering inclusion, authenticity and empowerment. In addition, almost 2,000 women participated in a three-part workshop hosted by our Women's Employee Resource Group (ERG) with a focus on owning development, personal branding and the importance of conversations on personal development.

One of the ways we promote a diverse and supportive environment is by encouraging employees to form and join an ERG, in which they can build community, develop leadership skills and connect with colleagues across the globe. ERGs also provide a platform for employees to engage with the Company's mission, values, business objectives and sustainability efforts. Some ERGs, such as those for women or for different ethnic groups, are specifically designed to foster a sense of inclusion and belonging in the workplace. We continue to have 16 active ERGs, with more than 6,000 employees involved in one or more ERGs. We expect these numbers to continue to grow as more employees engage in such groups.

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 147.

T 3.11 EMPLOYEE OVERVIEW AS OF DECEMBER 31, 2023

Employment overview	2023	2022
Employees[1]	119,845	128,044
Employees (FTE)	112,382	120,216
Staff costs in € M	7,768	7,939
Average staff costs per employee (€/FTE)	67,302	64,975

Employees per region (%)	2023	2022
Europe, Middle East, Africa (incl. Germany)	24	24
Germany	6	6
North America	56	55
Asia-Pacific	13	12
Latin America	7	9

Employees per functional area (%)	2023	2022
Production and services	86	86
Administration[2]	6	7
Sales and marketing[2]	7	6
Research and development	1	1

Employees per segment (%)[3]	2023	2022
Care Delivery	74	
Care Enablement	23	
Global Medical Office	<1	
Global functions and administration	3	

Employee retention	2023	2022
Voluntary turnover rate (%)[4]	16.9	19.9
External hire rate (%)[5]	20.6	26.0
Average service length in years	8.2	7.9

Demographic	2023	2022
Average age in years	43	44
Share of employees under 30 (%)	14	15
Share of employees between 30 and 50 (%)	55	55
Share of employees 50+ (%)	31	30

Women overall and at different leadership levels (%)	2023	2022
Company overall	70	69
Supervisory Board	33	33
Management Board	40	40
First management level[6]	24	26
Second management level[7]	36	31

Employee engagement (%)	2023	2022
Engagement score[8]	55	55
Participation rate	68	71

[1] Headcount includes all regular, fixed term contract and temporary employees. Calculation based on headcount if not otherwise stated.
[2] Restated due to adjusted methodology.
[3] Data provided for the first time in 2023 following the implementation of the FME25 transformation program.
[4] Calculated as the number of employees who left the organization voluntarily in relation to the number of employees at the end of the year.
[5] Calculated as the number of employees who joined the organization in relation to the number of employees at the end of the year.
[6] Includes all managers worldwide who directly report to a member of the Management Board and participate in the long-term incentive plan.
[7] 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.
[8] Calculated based on the percentage of affirmative responses to three questions in the engagement survey (see section on employee engagement on page 110).

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 encourage all employees to speak directly with their supervisors, managers or an HR representative if they have concerns. They can also use other available channels, such as our Compliance Action Line, to raise issues.

We are committed to sharing information directly with our employees, through intranet updates and town halls, as well as following applicable information and consultation procedures with elected or established collective bodies that represent our workforce. These include works councils, recognized unions, or other established employee representative groups. If 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 51% of our employees and worldwide to 22%. In addition, we follow standard procedures such as compensation guidelines, employee handbooks or standard employment contracts.

In Germany, we have various works council agreements in place that define rights and duties at the workplace as well as processes and procedures. These include implementation and use of various IT tools and software solutions, flexible work programs, and others. Throughout the reporting year, our management was in regular exchange with the works council and its committees, and followed applicable information and consultation procedures. Furthermore, we implemented various operational changes together with the German works councils as part of the FME25 transformation program. These included details of change measures (balance of interest plans) and social plans to mitigate any adverse effects of these changes.

Following the Conversion and deconsolidation from Fresenius SE, the general works council at Fresenius Medical Care in Germany was re-established. Local works councils were mostly unaffected by the change, and remained in office. At our Bad Homburg location, the local works council started a separate election process in December 2023.

Until the Conversion, Fresenius Medical Care employees in Europe were covered by the Fresenius SE European works council, which included members from twelve countries. Should Fresenius Medical Care employees in Europe wish to establish a Fresenius Medical Care European works council in the future, management will respond to such a request in good faith, and following the applicable laws and procedures for the establishment of such a body.

More information on employee grievance mechanisms can be found in the “Compliance” section starting on page 120. For more information on our labor standards and human rights principles, see the “Human Rights” section starting on page 126.

Occupational health and safety

We are committed to providing a safe and healthy work environment for our employees and contractors, in line with applicable occupational health and safety (OHS) standards. The Global Occupational Health and Safety Policy outlines our key principles on employee protection, compliance, management systems, awareness training, monitoring and improvement. Our Global Occupational Health and Safety function, which is part of the Global Legal function, drives the Company’s global OHS strategy. It is supported by a Company-wide network with representatives from all business segments and regions.

Building the best team to serve our patients

Providing support systems for our nurses

In our dialysis clinics, our nurses navigate the complex and emotionally charged landscape of day-to-day patient care. Nursing is a highly demanding profession that requires not only medical expertise but also a spirit to address challenges that are inherent to health care settings. To provide a consistently high quality of care, they also need to be highly resilient.

Drawing on the personal experience of our nurses, one of our Care Delivery nurse teams developed a practical program to address resilience in health care. It trains participants in building self-awareness, developing a positive mindset and coping skills, and on mindfulness and self-care. Nurses can test themselves to boost their resilience. The first modules will be available at the beginning of 2024, with the remainder being rolled out during the year.

Resilience in the workplace and its impact on health and well-being have become important topics in recent years. A major reason for this is the impact of the recent COVID-19 pandemic on the global workforce, resulting above all in staff shortages.

T 3.12 HEALTH AND SAFETY

	2023	2022
Total Recordable Injury Frequency Rate[1]	2.69	2.55
Lost Time Injury Frequency Rate[2]	0.71	

[1] Defined as the total number of recordable work-related injuries per 200,000 hours worked.
[2] Defined as the total number of work-related lost time injuries per 200,000 hours worked. The "Lost time Injury Frequency Rate" was measured for the first time in the reporting year.

We focus on identifying, mitigating, and preventing potential occupational health and safety-related hazards and risks with the aim of protecting our employees and contractors. As part of our OHS management practices, we conduct internal reviews and audits to monitor our compliance with corresponding regulations, policies and procedures.

To measure the success of our efforts, we track and analyze accidents at a local and regional level. We work to identify their root causes and take corrective action. Since 2019, we have tracked and reported work-related fatalities on a global level. No work-related fatalities have been recorded since then. In 2023, the Total Recordable Injury Frequency Rate (TRIFR) was 2.69.

In the year under review, we also began reporting on a new global indicator: the Lost Time Injury Frequency Rate (LTIFR). Lost time injuries are injuries that result in an employee not being able to work for more than one day, not counting the day of the injury. This rate is a significant KPI to evaluate the severity of accidents at our locations. In 2023, our LTIFR was 0.71. We also intend to monitor work-related illnesses globally in the future (see TABLE 3.12).

To collect information on accidents more efficiently, we have implemented a global OHS software to standardize data capture, and centralize occupational health data. The tool marks a milestone in our progress towards digitalization and centralization as it enables us to manage OHS globally and collect real-time data in relevant countries. This will create more transparency on the data collected and allow our locations to improve their approach to incident risk management. The tool has been rolled out to all our locations in North America as well as production sites globally. We achieved our target of 80% of users reporting data within the tool by the end of 2023. To further support implementation, we provided user training as part of the rollout, which will be extended into 2024.

We continue to implement programs to address specific OHS risks and challenges both locally and globally. For instance, we organized several initiatives in Ecuador, Colombia and Peru to increase awareness of issues such as well-being, drug use and handling psycho-social matters. We recognize resilience as an important aspect of mental health in the health care sector, and have developed a dedicated training program for nurses with implementation in the U.S. scheduled for 2024 (see page 113 for more details).

Our employees receive regular training in line with local and regional guidelines on health and safety to increase their awareness of potential hazards relevant in their work environment. In our dialysis clinics, these training courses focus on the safe use of sharps and disposables, hand hygiene, infection prevention and emergency management. Employees at our production sites receive training on the safe handling of work equipment and chemicals, emergency prevention and response, among other topics. We have been awarded the CNA Safety in Excellence Award in the U.S. for the 22nd year, as a testament to our successful safety programs and initiatives.

Environmental Protection

Progress

- → **Reduced Scope 1 and 2 emissions by 16% compared to 2020**
- → **Implemented 100 environmental projects as part of our Green & Lean initiative**
- → **Performed a global analysis of Scope 3 emissions**

We are dedicated to developing, producing, providing and applying our products and services in an environmentally sustainable way. Our focus is on using energy, water and raw materials efficiently. In our business practices, we strive to continually reduce our impact on the environment.

Environmental management

Our approach to environmental management is outlined in our Global Environmental Policy. The policy specifies our principles and objectives for environmental protection and addresses how we manage and monitor our environmental impact. In addition, we have standard operating procedures (SOPs) in place that help us manage global data and report on environmental indicators relating to energy consumption, greenhouse gas emissions and water withdrawal. The SOPs are currently being reviewed in preparation for the requirements of the EU Corporate Sustainability Reporting Directive and reflect recent changes to our organizational structure. In 2023, we established additional process descriptions that include indicators such as waste management and Scope 3 GHG emissions.

Our Global Sustainability department leads our strategic sustainability activities on environmental topics and works closely with our business functions to implement our activities. The Care Delivery segment is responsible for environmental management in our dialysis clinics, while the Care Enablement segment is accountable for sustainable manufacturing, product development, supply chain and sales operations. Our Management Board receives regular status updates and defines global targets.

Part of our environmental management involves monitoring national and international regulations concerning the environment. We have established internal environmental standards, which we complement with external certifications where necessary or appropriate (see TABLE 3.13). Our production sites, distribution centers, laboratories and dialysis clinics are subject to internal and external audits. This involves checking their compliance with environmental laws and local regulations, certification requirements and internal guidelines. We inform our employees across all levels of the organization about our progress on environmental topics through various channels such as internal articles, workshops and Q&A sessions.

We track and analyze data on the environmental impact of our dialysis clinics and production sites worldwide. Various digital tools support our environmental data collection and reporting across our business segments and functions. We aim to continuously improve data availability and quality, which includes reducing data extrapolations and extending the reporting scope in preparation for our Science Based Targets initiative's (SBTi) commitment and CSRD requirements. For example, in 2023 we increasingly automated the consolidation and analysis of our clinic data in the U.S. We provided employees involved in data collection and reporting with training on the latest internal reporting requirements. We also support the recommendations of the Task Force on Climate-related Financial Disclosures when analyzing opportunities and risks arising from climate change to our business.

At our production sites, we are involved in local environmental projects that we report on as part of our global Green & Lean initiative. 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 with the objective of reducing emissions, promoting the efficient use of natural resources and increasing recycling rates. For example, in 2023, we conducted energy diagnostics workshops that brought together teams from our largest production sites to exchange best practices.

By the end of 2023, 100 projects were reported as part of the initiative. They were aimed at using efficient equipment to reduce energy consumption and improving processes to save water. As a result of these projects, we expect to save more than 22,000 MWh of energy (1% of our total energy consumption), prevent 5,500 tons of CO_2 equivalent emissions (1% of our total Scope 1 and 2 emissions), save more than 89,000 m^3 of water (0.2% of our total water consumption) and recycle or reuse more than 260 tons of waste every year (0.1% of our total waste) (see CHART 3.14).

We also include environmental considerations in our scientific activities at clinic level. For example, in 2023, we participated in research on strategies for saving water in dialysis.

T 3.13 COVERAGE OF CERTIFIED PRODUCTION SITES
IN %

Certification	2023	2022
ISO 14001	25	25
ISO 50001	5	5

C 3.14 GREEN & LEAN INITIATIVE

Energy and climate protection

We are committed to contribute to the goals of the Paris Agreement on climate change. For this reason, we defined emission reduction targets.

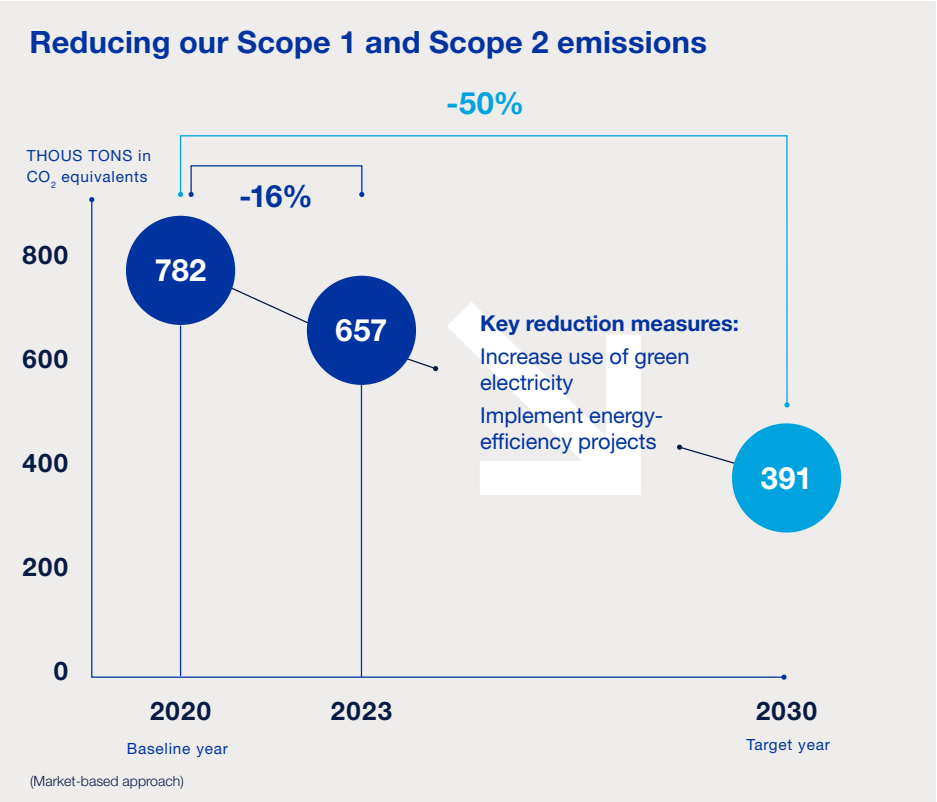
We aim to achieve climate neutrality in our operations by 2040. By 2030, our aim is to reduce our direct (Scope 1) and indirect (Scope 2) GHG emissions by 50% compared to 2020 (see CHART 3.15). To achieve our targets, we will focus on:

> procuring renewable electricity,
> reducing process-related emissions and
> implementing energy-efficiency measures.

Our GHG emissions are calculated based on energy data reported by our production sites and electricity data reported by our dialysis clinics. We developed our targets using the SBTi target setting tool. In January 2024, we submitted our commitment to the SBTi, and have officially committed to the initiative's goals.

We aim to increase the transparency of our Scope 3 emissions and reduce the carbon footprint of our value chain by integrating our suppliers into our climate neutrality roadmap within the next two years. Based on our ongoing assessment of Scope 3 emissions, we formalized the reporting process in line with the revised edition of the GHG Protocol. We have analyzed Scope 3 emissions in 15 categories and are reporting on those that are relevant for our business (see TABLE 3.18 on page 118). Purchased goods and services as well as the use of sold products comprise approximately 80% of our Scope 3 emissions. Other relevant categories include upstream transportation and distribution, waste generated in operations, and end-of-life treatment of sold products. We plan to improve data granularity for Scope 3 over time.

C 3.15 OVERVIEW REDUCING OUR CARBON FOOTPRINT



Reducing our carbon footprint

In 2023, we increased our efforts to advance our climate mitigation and adaptation with a focus on assessing renewable electricity generation and power purchase agreements (PPAs). PPAs are long-term purchase agreements with wind and photovoltaic (PV) parks, and enable us to support the construction of new solar and wind power plants throughout our global operations.

We analyzed our electricity consumption and assessed options for procuring renewable electricity globally. Based on the results, we began the selection and contracting process in Europe and the U.S. for wind and solar park projects in the form of virtual power purchase agreements (vPPAs). The projects are greenfield projects that will deliver renewable electricity with a guarantee of origin that is in line with RE100 technical criteria. RE100 is a global corporate renewable energy initiative launched by businesses that are committed to 100% renewable electricity.

2030 and 2040 Targets

Reduce total Scope 1 and Scope 2 Emissions

- By 2030: –50% CO_2e emissions (compared to 2020)
- By 2040: Climate neutral

We are evaluating opportunities for renewable energy projects in other markets. To cover the transition to PPAs, we have purchased 250,000 Green-e certified renewable energy certificates (REC). We will continue to use RECs to cover residual electricity consumption in the future.

We also assessed the possibility of installing solar panels at our own sites globally. For example, we installed over 500 solar panels at one of our production sites in Australia. The newly installed panels provide up to 50% of the site's energy needs.

In 2023, we evaluated our portfolio to identify energy saving opportunities at our major production sites. Based on this assessment, we created a list of potential energy saving measures that will contribute to our 2030 climate targets.

We continued installing energy management systems in our U.S.-based clinics in 2023. The system makes it possible to monitor and regulate the temperature settings in the clinic remotely. As a result, we expect to reduce our annual energy consumption by nearly 15 MWh on average in each clinic (see TABLE 3.17). At the end of 2023, the energy management system was installed at more than 1,100 clinics with nearly 300 more planned for 2024 (2022: 400). This covers more than 50% of our U.S. clinics.

T 3.17 ENERGY CONSUMPTION
M MWH

	2023	2022
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.

T 3.16 GREENHOUSE GAS EMISSIONS
THOUS TONS

	2023		2022		2020 (target baseline year)	
	Location-based	Market-based	Location-based	Market-based	Location-based	Market-based
Total Scope 1 + 2 CO_2 equivalents[1, 2, 3]	**727.5**	**656.6**	**731.3**	**659.5**	**769.5**	**781.9**
Scope 1 CO_2 equivalents	**260.8**	**260.8**	**258.4**	**258.4**	**242.2**	**242.2**
Natural gas	247.4	247.4	244.3	244.3	228.0	228.0
Liquid gas	13.0	13.0	13.4	13.4	13.6	13.6
Fuel oil	0.2	0.2	0.2	0.2	0.3	0.3
Diesel[4]	0.3	0.3	0.5	0.5	0.3	0.3
Scope 2 CO_2 equivalents	**466.6**	**395.8**	**472.9**	**401.1**	**527.2**	**539.6**
Electricity	466.2	395.3	472.4	400.6	526.8	539.3
District heating	0.4	0.4	0.5	0.5	0.4	0.4

[1] Including Scope 1 and 2 emissions from our production sites and Scope 2 emissions from electricity consumption resulting from in-center treatments in 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 GHG Protocol. To calculate Scope 1 emissions, we use the latest version of the corresponding guidelines by the UK Department for Environment, Food and Rural Affairs (DEFRA). We use International Energy Agency (IEA) emission factors, the Reliable Disclosure Systems for Europe (RE-DISS) Residual European Mix as well as U.S. Residual Mix (Green-e Energy Emissions Rates) for electricity consumption to calculate indirect emissions from electricity.
[4] Excluding mobile assets.

T 3.18 **SCOPE 3 EMISSIONS**
THOUS TONS

Categories			Emissions (tCo_2e)[1]
Upstream emissions[2]	3.1	Purchased goods and services	1,428.2
	3.2	Capital goods	34.2
	3.3	Fuel and energy-related activities	159.6
	3.4	Upstream transportation and distribution	170.5
	3.5	Waste generated in operations	89.9
	3.6	Business travel	30.0
	3.7	Employee commuting	201.5
	3.8	Upstream leased assets	Included in Scope 1 & 2
Downstream emissions[3]	3.9	Downstream transportation and distribution	Not relevant
	3.10	Processing of sold products	Not applicable to our business model
	3.11	Use of sold products	890.9
	3.12	End-of-life treatment of sold products	78.9
	3.13	Downstream leased assets	Not applicable to our business model
	3.14	Franchises	Not applicable to our business model
	3.15	Investments	Not relevant

[1] Subject in part to extrapolations based on 2022 data.
[2] Upstream categories are calculated based on spend except for category 3.3 which is calculated in accordance with the GHG Protocol applying the average-data method and considers the energy volumes reported in the section "Energy".
[3] Downstream categories are calculated based on screening of life-cycle assessment data. These assessments identify the life-cycle phase with the highest impact as well as the processes and materials we must focus on to improve the eco-performance of our products and services.

Tracking our progress

We have reduced our market-based Scope 1 and Scope 2 emission by 16% compared to our baseline year 2020 and are on track to achieve our 2030 emission reduction target. Our Scope 1 and Scope 2 emissions decreased by 0.4% in 2023 compared to 2022. Our reported Scope 1 emissions increased by 0.9%. Higher natural gas consumption for heating in the U.S. due to colder weather conditions was the main reason for the increase. Our reported Scope 2 emissions decreased by around 1.3%, primarily due to the purchase of renewable energy certificates (see CHART 3.16 on page 117).

Water management

Large volumes of water are required in both our production sites and dialysis clinics to provide life-sustaining care for patients. As it is critical that the water we use for dialysis is of high quality, we generally use municipal water that is treated further in our dialysis clinics.

To safeguard the responsible use of water resources, we continued to analyze which of our sites are in water-stressed areas with the help of the Aqueduct Water Risk Atlas of the World Resources Institute (WRI). We use the results from the WRI scenario analysis to identify how water stress will develop around the world under different scenarios. To define optimization and improvement measures for production sites and dialysis clinics in areas with extremely high water stress, we aim to develop a Sustainable Water Management Strategy by 2026.

Managing our water footprint

In 2023, our assessments relating to water stress identified that 12% of our dialysis clinics and 10% of our production sites are in locations identified by the World Resources Institute as having an extremely high risk of water stress levels. We expanded our water assessment coverage by 28%, including 99% of our dialysis clinics (2022: 78%) and all our production sites.

We maintained our focus on developing our water stress scenario analysis in 2023. The aim of this analysis is to identify areas around the world where water stress levels will increase most by 2030 and 2040. Most of the identified clinics and sites are located in the U.S., which accounts for the largest share of our business. Sites in Europe, the Middle East, Africa, Latin America and the Asia-Pacific region are also likely to be affected by an increase in water stress. We are incorporating insights from this analysis into our Group-wide risk management systems to detect, monitor and mitigate possible risks as early as possible.

To increase awareness of water stress, we implemented knowledge sharing sessions and educational videos on water stress impacts that were initiated in our U.S. clinics. In addition, automated water meters were installed in U.S. clinics in

2026 Target

Develop sustainable water plans for sites in extreme water stress areas

T 3.19 **WATER WITHDRAWAL**
M M³

	2023	2022
Water[1]	38.8	40.5
Municipal water[2]	38.4	40.1
Ground water	0.4	0.4

[1] Including the water consumption of our production sites and in-center treatments at our dialysis clinics.
[2] Subject in part to extrapolations.

water-stressed areas and should be rolled out to all U.S. clinics in 2024. The new meters will provide greater transparency on water use during treatment and help identify drivers of water withdrawal which will help us develop measures to reduce our water withdrawal going forward.

Tracking our progress

In 2023, our reported water withdrawal decreased by 4% compared to 2022 (see TABLE 3.19). The reduction in water withdrawal mainly reflects the decrease in the number of treatments due to changes in our clinic portfolio.

We expanded the collection and tracking of water discharge data for our production sites. In addition, we assessed our methodology for reporting on water discharge for our clinics. We expect to publish water discharge figures for our production sites and clinics in our reporting for the financial year 2024.

Waste management

In the health care industry, strict hygiene requirements apply to the materials used and the safe disposal of hazardous waste to prevent it from causing harm to patients, employees, or the environment. We are committed to reducing waste and aim to continually improve waste management.

Improving waste disposal and recycling

We continued to analyze the waste streams in our production sites and dialysis clinics in all regions. In 2023, we also established global waste reporting processes for our business segments including total waste, hazardous and non-hazardous waste, as well as information on waste disposal methods (see TABLE 3.20 on page 120). For example, we performed waste audits in the U.S. in 2023 to improve our awareness of waste types and gain an understanding of ways to reduce waste. Our findings will support us in analyzing how we generate waste and enhance our waste estimation approach. Additionally, we conducted an analysis to optimize waste disposal and reduce related disposal costs, for example, by installing smaller waste bins and optimizing the frequency of bin collection.

In 2023, we extended the scope of our waste assessment to include resource consumption and circular economy practices. This will enable us to evaluate the potential product and market benefits of a circular design such as cost savings due to fewer individual components, or the upgradeability of products. To improve the recycling and circularity of our products, we are currently working with different suppliers and institutions to optimize efficient waste disposal, improve recycling and develop a circular approach.

Reducing our environmental footprint

Environmental project on site

To minimize waste, conserve resources, and reduce our ecological impact, we continuously explore the possibility of implementing eco-friendly business practices.

Every day, clinics in Germany accumulate large numbers of empty acid concentrate canisters. The acidified solution of electrolytes is used in dialysis treatments. The canisters are made of high-quality, medical grade, high-density polyethylene (HDPE), which is a valuable resource that can be reused. In a pilot program initiated in Germany, we implemented a comprehensive process to recycle the acid concentrate canisters. The material is compressed into a marketable re-granulate, which can then be used for various applications.

Thanks to this project, we were able to achieve cost savings in connection with waste disposal and transporting the canisters, and generate a revenue stream from selling the re-granulated material. We also support the clinics by picking up the empty canisters. We are currently exploring how the project can be replicated in other markets, in compliance with the regulatory requirements for each country.

T 3.20 **TOTAL WASTE AND BREAK-DOWN BY TYPE**
METRIC TONS

	2023[1, 2]
Total hazardous waste	53,154
Total non-hazardous waste	129,896
Total waste	183,050

[1] Including the waste generation of our production sites and in-center treatments at our dialysis clinics.
[2] Subject in part to estimations and extrapolations.

Tracking our progress

In 2023, we implemented various waste avoidance projects. One of the projects focuses on the recycling of acid concentrate canisters (see page 119 for details). In another project, containers to transport Mircera, an agent used in the dialysis process, are re-used. At one of our production plants, a process to recycle resin molding plastic fragments was adopted. The plastic fragments are reintroduced to the molding process, allowing us to save raw materials. As a result, we were able to avoid more than 826 metric tons of waste.

As part of our efforts to improve waste management, we plan to perform additional audits to advance our waste reporting in 2024 and analyze our material inflows and outflows. This involves assessing the durability, repairability and recycled content of our key products. This will help us ascertain to what extent these products are designed in line with circular principles.

Biodiversity and pollution

We continue to monitor the risks in connection with our overall impact and assess the opportunities to develop measures that can help reduce our footprint on the environment. This includes the changing global non-financial disclosure expectations and upcoming regulation, such as the CSRD. Biodiversity and pollution were focus areas for us in the reporting year. We launched respective projects to gain an understanding of these topics in the context of our business model.

We reviewed the recommendations of the science-based Task Force on Nature-related Financial Disclosures (TNFD) framework to evaluate our biodiversity-related impacts, risks and opportunities. We conducted a biodiversity risk analysis for all of our production sites and 99% of our dialysis clinics using the World Wildlife Fund biodiversity risk filter tool. Our analysis revealed that none of our production sites or clinics are situated in locations that are classified as having a combined high or extremely high biodiversity risk. We will continue to assess our impact and opportunities to develop measures that protect biodiversity where relevant. We also evaluated pollution-related topics in our materiality analysis in 2023. Based on our findings, we consider our potential negative impact to be limited.

Compliance

Progress

- → **Almost 94% of employees completed compliance training**
- → **Assessed nearly 14,000 third parties for compliance risk**
- → **100% of internal audits included a compliance focus**

We are committed to high standards of compliance and business ethics. Our global compliance program helps us operate our business in accordance with the law and provides mandatory internal guidelines for our employees. The program is based on our Code of Ethics and Business Conduct, a binding framework that governs how our employees interact with patients, colleagues, business partners, government officials and other stakeholders. The Code covers topics that are relevant for our business, such as patient care, product and service quality, anti-corruption and anti-bribery, health and safety, data privacy, supplier selection, non-retaliation of whistle-blowers and human rights.

The guidelines set out in the Code apply to the operations of all subsidiaries that are majority-owned or otherwise controlled by us. In the reporting year, we began the revision cycle of our global compliance policies. Our revised Anti-Bribery and Anti-Corruption Policy as well as the Third-Party Gifts, Meals, Travel and Lodging Policy were globally rolled out and implemented.

Our Chief Compliance Officer (CCO) is responsible for managing and developing our compliance program. 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 segments to

provide advice on compliance in all regions. As part of our FME25 transformation program, the compliance organization has been reorganized into the segments - Care Delivery and Care Enablement - as well as Global Compliance Centers of Excellence in line with the new company structure.

In 2023, Fresenius Medical Care successfully closed its independent monitorship, which had commenced in August 2019 as part of a resolution with the U.S. Department of Justice and Securities and Exchange Commission. During this time, we updated more than 40 policies and procedures and implemented or adapted more than 2,000 internal controls at a local level to address potential corruption risks.

Compliance culture

A strong compliance culture is the foundation to mitigate compliance risks through preventing, detecting, and responsiveness to potential misconduct and violations. We want to foster an environment in which compliance is recognized as everyone's responsibility (see CHART 3.23 on page 122). Our mandatory training program is a key element in our efforts to create such a culture, raise awareness and prevent violations. We provide a range of e-learning opportunities and classroom training courses to our employees, including part-time staff, depending on their job's risk profile. Globally, we achieved a completion rate for our training courses of 94% compared with our annual target of 90% (see TABLE 3.21). Compliance training covers topics such as corruption and bribery risks, conflicts of interest and speaking up to raise compliance concerns.

Annual Target

Train at least

90%

of employees on our Code of Ethics and Business Conduct

T 3.21 NUMBER OF PARTICIPANTS IN COMPLIANCE TRAINING

	2023	2022
Employees	114,157	118,723
Management Board	5	5
Supervisory Board[1]	8	6

[1] Training was provided to members serving on the Supervisory Board prior to and following the Conversion on November 30, 2023.

To further promote a culture of ethical business conduct, we developed a classroom training program for our senior leaders to train their teams in ethical leadership, ethics and integrity in decision-making. This initiative will run through 2024. Additionally, we launched a week-long global campaign to raise awareness about key compliance topics.

As part of our third-party onboarding process, we also provided specialized training on anti-corruption matters and our Code of Ethics and Business Conduct to our high-risk business partners.

Monitoring compliance risks

Prior to entering into new business relationships, and as part of our continuous monitoring of existing partners, we assess third parties for compliance risks. In the reporting year, we assessed and approved around 14,000 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 2023. Of our internal audits, 100% included a compliance focus.

Monitoring adherence to standards

Our compliance program 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. To detect risks, we carry out various controls, including audits, investigations and risk assessments. Risks are also detected through reporting channels, for example when employees or third parties raise concerns.

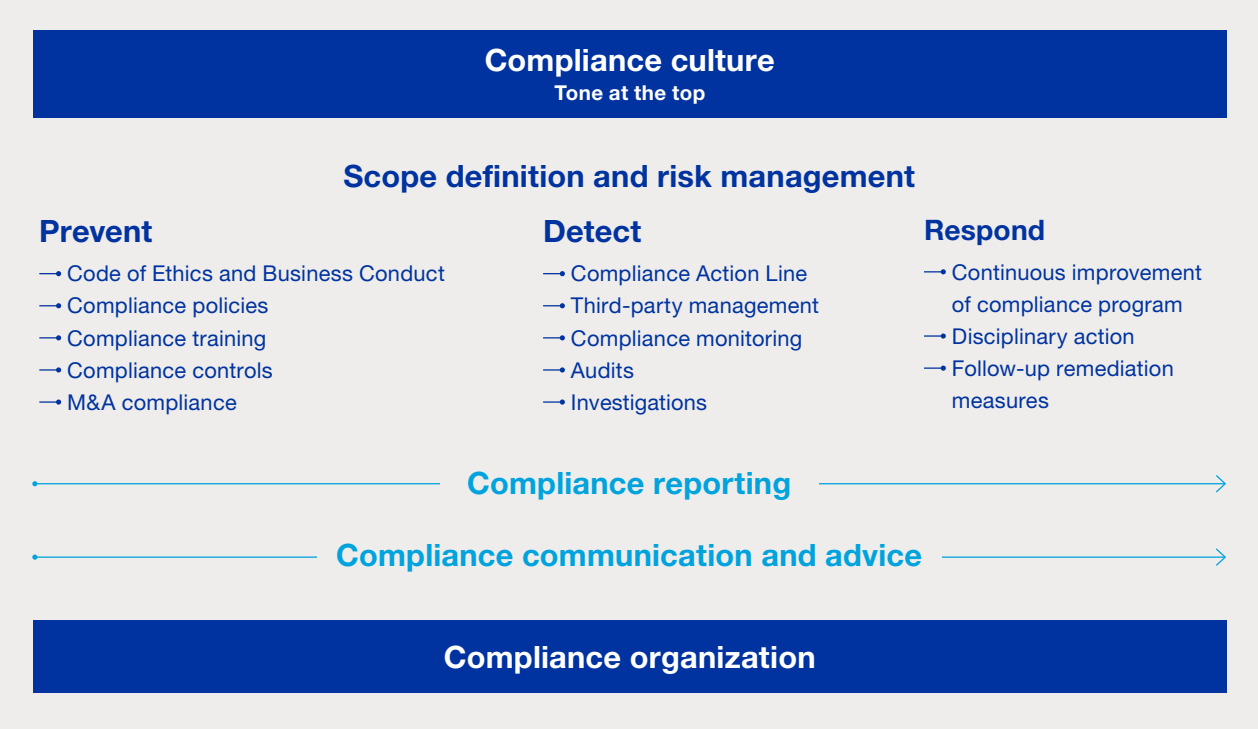
Employees are encouraged to report potential cases of non-compliance and perceived or actual misconduct that violate laws, our Code of Ethics and Business Conduct, or other company guidelines. There are several ways in which reports can be made. For example, employees can reach out to their managers or directly to our Compliance, Legal or HR functions. We also have an external reporting hotline (Compliance Action Line) operated by an independent and certified third-party vendor. Our employees and related third parties

T 3.22 NUMBER OF REPORTS PROCESSED BY DIFFERENT DEPARTMENTS

Department	2023	2022
Compliance	88	130
Legal	19	16
Patient care[1]	1,491	1,160
Human Resources	1,104	1,074
Other	1,256	1,019

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

C 3.23 **COMPLIANCE CULTURE SUPPORTED BY OUR COMPLIANCE MANAGEMENT SYSTEM**



can use this hotline to report potential violations of laws or company guidelines (see TABLE 3.22). Where legally permitted, reports can be made anonymously. The hotline is available 24 hours a day and reports can be made in several languages. We have an anti-retaliation policy in place to protect employees against reprisals.

We also receive non-compliance-related calls via our hotlines concerning patient care, information security reports, and human resources. These calls are forwarded to the appropriate departments. In 2023, we received 3,832 reports via our reporting channels. Each report is reviewed based on up to 55 allegation categories. These include topics such as anti-corruption (0.16%), data protection (22.16%), and human resources/workplace (28.65%).

We investigate all cases of potential misconduct, take corrective measures on a case-by-case basis, and track their implementation. Of 88 compliance investigations closed in 2023, approximately 47% were found to be actionable. Actionable means that the investigations resulted in findings that prompted us to improve processes, adjust policies or internal controls or take disciplinary action. Of 776 disciplinary matters that occurred globally in 2023, 12% led to the employment relationship being terminated. Our global disciplinary action guideline outlines our worldwide standards and our procedures for responding to misconduct. Misconduct can refer to the violation of laws and policies and workplace misbehavior, among others. We have established Disciplinary Action Committees that assess disciplinary cases and determine the appropriate response. The Global Disciplinary Action Committee oversees the process to maintain consistency.

In 2023, we implemented complaint procedures, which are publicly available, in accordance with the requirements set out in the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG).

More information on compliance matters can be found in the “Compliance Management System” section of the Group Management Report starting on page 72.

Protecting Data

Progress

- → **More than 116,000 employees participated in trainings on data privacy**
- → **Created Global Cybersecurity Operations Center**
- → **Issued guidelines for the appropriate use of artificial intelligence to all employees**

Data protection and data privacy

Our data privacy program is designed to protect the rights of all those whose data we hold. The Company's Code of Ethics and Business Conduct defines privacy standards and outlines how our employees should proceed when dealing with personal information. Our Global Privacy Principles underline our commitment to respect the privacy rights of individuals. These principles are available in numerous languages and apply to all relevant business lines and subsidiaries. We continue to communicate them in the countries in which we do business. In 2023, we updated our Global Data & Records Retention Policy. This policy specifies guiding principles for retaining data and records, both to meet business needs, and principles for data minimization.

Our Global Privacy Assurance team, which is part of the Digital Technology Innovation division, and the Global Data Privacy team under the Global Legal function, are responsible for our data privacy program. They are 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 and the United States. Throughout 2023, privacy updates were included in the regular legal updates to the Management and the Supervisory Board.

Managing the use of personal data

As a company with global operations, we are subject to various state, 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 privacy notices for patients and employees, access controls and data processing standards. For example, when a third-party vendor is involved in the processing of personal data, we assess them to ensure that appropriate administrative, physical, and technical safeguards are in place that comply with our company policy and applicable regulatory requirements.

We are committed to increasing the transparency of our data processing activities and to respecting the rights of individuals with regard to their personal data. Our policies and procedures describing individuals' data protection rights take into consideration different regulatory and legal frameworks in the countries in which we conduct business. We process data in accordance with legal and business requirements. We provide our patients and employees with various privacy notices to inform them about how we process data, the corresponding legal basis and their privacy rights. These notices give details on how to enforce such rights. We monitor the cases in which personal data is used for certain secondary purposes and ensure that there is an adequate legal basis for such processing.

Raising awareness

Privacy awareness and data protection are included in our mandatory Code of Ethics and Business Conduct training. We offer a range of e-learning and classroom training courses and combine general training with measures for specific employee groups. In 2023, 116,157 employees (97% of employees) participated in data privacy training (see TABLE 3.24). Training in the United States is in line with U.S. requirements, such as the Health Insurance Portability and Accountability Act of 1996 (HIPAA). In the European Union, they meet the provisions of the EU General Data Protection Regulation (GDPR).

T 3.24 **PARTICIPANTS IN DATA PRIVACY TRAINING**

	2023	2022
Participants	116,157	93,475

We gather information on incidents at country level to give us a clear picture of situations that are potentially harmful for the Company. We aim to report incident figures in 2025. Moreover, we plan to implement specific IT tools for handling incidents to facilitate the process of notifying authorities and individuals.

More information on our risk management can be found in the "Risk and opportunity management" section of the Group Management Report starting on page 69.

Cybersecurity

Our cybersecurity program is designed to protect data that belongs to our company, our business partners and our employees against unauthorized access, manipulation and misuse. Our goal is to continuously enhance our global cybersecurity capabilities to safeguard sensitive information and facilitate strategic initiatives.

The Global Information Security Program Office is responsible for overseeing information security, privacy assurance and records management. Regular updates on our cybersecurity

program are provided to both the Management and Supervisory Boards. As part of our FME25 transformation program, we set up a Global Cybersecurity Operations Center within the Office. Our goal is to continue to respond effectively to global security incidents through constant monitoring and analysis.

In 2023, we recorded one information security breach. On September 29, 2023, Cardiovascular Consultants, Ltd. (CCL), a former subsidiary of Fresenius Medical Care, became aware that some of its computer systems in the U.S. were affected by a security incident. CCL took immediate action to contain the incident, initiating incident response and recovery procedures. It also began an investigation with the assistance of a third-party forensic firm, and regulatory bodies have been notified.

Delivering on strategic priorities

In managing and measuring performance as part of our global cybersecurity program, we have adopted the standards set out in the globally recognized U.S. National Institute of Standards and Technology (NIST) Cybersecurity Framework. These standards guide our activities in identifying, protecting, detecting, responding to, and recovering from cybersecurity incidents.

In 2023, we updated our Information Security Policy to address all 23 categories of the NIST Cybersecurity Framework. Additionally, we published a Global Acceptable Use of Information Technology Policy to achieve consistency across our organization.

During the reporting year, we delivered on the key initiatives outlined in our security roadmap, including improving our risk management and global operations. We aim to increase our cybersecurity effectiveness by implementing strategic initiatives with a focus on cybersecurity governance, cyber operations, third-party risk and data security programs. For example, we have introduced new automated assessment tools for third-party evaluations globally, eliminating regional legacy assessments.

Raising awareness

Our organization increasingly leverages artificial intelligence (AI) and other emerging technologies to improve our patient outcomes and enhance our productivity. Maintaining the highest level of cybersecurity is key to safeguarding our confidential information, patient health data, personal information and intellectual property. Recent developments involving AI chat applications have exposed potential risks and vulnerabilities in handling sensitive information. In light of these risks, we have issued guidelines for the appropriate use of AI-powered capabilities to all employees. In addition, we have established an AI Oversight Committee at Management Board level.

We continue to prevent, detect and react to security incidents with various measures and training programs. In 2023, our privacy, cybersecurity, and legal teams collaborated to streamline cyber and privacy incident response procedures. Internal audits were carried out to evaluate the effectiveness of our internal controls, identify vulnerabilities in our IT security processes, and maintain compliance with our regulatory requirements.

Employee awareness and training are essential for us to thwart cyber-attacks. In 2023, we continued to raise employees' awareness with mandatory, regular online risk training for all employees and complimentary awareness campaigns. We conducted a month-long global campaign to promote cybersecurity alertness among our employees. The primary objective of this event was to inform our staff members about the measures and protocols we have in place for the safety of our company, patients, and employees in the digital realm. The event also educated our employees on best practices and steps to mitigate the risks of cyber threats.

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 80.

Supplier Management

Progress

- → **Implemented human rights and environmental criteria in selection process for new suppliers**
- → **Defined key focus areas for sustainable procurement activities including GHG reduction, ethical sourcing, and circular economy**

As a global health care company with more than 70,000 suppliers worldwide, we understand the responsibilities that come with managing a complex supply chain. We have introduced policies and procedures to comply with applicable supply chain standards and continuously improve our sustainability performance. The Head of Global Procurement regularly reports on our progress in implementing strategies and their effectiveness to the Management Board.

Our responsible procurement principles reflect our commitment to promoting sustainable business practices in our daily operations. We expect our suppliers to share our commitment and demonstrate sustainable environmental and social business practices across their supply chains. Our expectations are guided by the standards of the International Labour Organization (ILO), and those of the UN Global Compact.

Our Global Supplier Code of Conduct is part of our contractual requirements. It describes our key principles for sustainability topics such as integrity and ethics, human rights and labor conditions, including the prohibition of forced and child labor, quality, occupational health and safety and environmental protection.

In 2023, we implemented human rights and environmental criteria in the selection process for new suppliers, in line with the German Supply Chain Due Diligence Act. The global procurement team was offered training to apply these selection criteria in their tendering processes. Nearly 65% of the targeted procurement employees were reached in the reporting year.

We recognize the importance of inclusive and diverse sourcing. Since 2022, we have continued to work on our supplier diversity program in the U.S. Diverse suppliers refers to businesses owned for example by minorities and veterans. Within our supplier base in the U.S., we work with around 9,000 diverse suppliers with an annual spend of approximately $1.8 BN (€2.0 BN).

Transforming our global procurement

As part of the FME25 transformation program, the FME ONE Procurement function was established, bringing together multiple global and regional teams. This enables us to respond more effectively to the volatile market while streamlining operations efficiently to the needs of our business functions. A particular focus is on managing strategic key supplier relationships and advancing our supplier diversity and sustainability agenda.

As part of our digitalization strategy, we are evaluating an integrated software solution to automate and simplify our transactions globally. This will allow for compliant supplier onboarding and monitoring to help us gain more transparency across our supply chain. We are also in the process of assessing multiple tools to support our procurement sustainability roadmap, especially in areas such as risk assessment and supplier diversity.

In 2023, we defined key focus areas for sustainable procurement activities across pillars such as GHG reduction, ethical sourcing, and a circular economy that will guide our activities going forward. These activities support our sustainability priorities and targets.

Our expectations of suppliers

We are working with suppliers to increase transparency on our environmental and social impact across our supply chain. We have an onboarding process in place for suppliers to inform them of our sustainability requirements as outlined in the Global Supplier Code of Conduct and respective standard operating procedures. This includes managing situations in which suppliers do not wish to or are unable to adhere to these requirements. In these circumstances, we may conduct a mutual recognition assessment, for example, to identify whether the supplier's sustainability standards and requirements match our own. In cases where a mutual recognition clause cannot be embedded into the contract, we assess whether the risk associated with the supplier can be mitigated by respective clauses.

Identifying, mitigating, and preventing risks

As mentioned, in 2023 we implemented new procedures to include sustainability criteria in the evaluation and selection of suppliers. Our risk assessment approach involves assessing the suppliers' sustainability risk based on country and industry-related factors with due consideration of relevant legal requirements, such as the German Supply Chain Due Diligence

Act, the UK and Australian Modern Slavery Act, and Bill S-211 in Canada.

To evaluate our suppliers' sustainability performance, we may ask them to self-assess their compliance with our sustainability requirements. We have already contacted 96% of our critical suppliers to participate in self-assessments. Critical suppliers are those with whom we have a high purchasing volume, who are crucial to our business operations, and are associated with an increased environmental, social, and governance risk.

To obtain an objective evaluation of the suppliers' processes, we may also request a third-party assessment as well as documented evidence to confirm compliance with our sustainability requirements. Furthermore, Fresenius Medical Care is entitled to conduct on-site inspections to verify the information provided. Potential violations of laws, rules or standards can also be reported to our Compliance Action Line.

Human Rights

Progress

- → **Provided training and awareness-raising sessions to leaders and functions that are relevant to the implementation of human rights due diligence**
- → **54% of internal audits included topics related to human rights**

We respect human rights and uphold labor and employment standards. We are committed to integrating awareness of and respect for human rights in our day-to-day work, and to continuously improving our human rights due diligence processes.

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.

We issued a new Human Rights Policy Statement in 2023 to replace the previous version. It presents our strategic framework on human rights taking into account the outcomes of our human rights risk assessment and summarizing our approach to respecting human rights in our own operations as well as in our business relationships. Our human rights efforts are supported by policies and activities. For example, our Global Supplier Code of Conduct as well as our Compliance Brochure for Business Partners stipulate our expectations with regards to human rights. We are committed to offering fair and transparent working conditions, maintaining a discrimination and harassment-free workplace, respecting freedom of association and the right to collective bargaining and the prohibition of retaliation. Our Global Social and Labor Standards Policy, outlines our position on working conditions for employees.

Our Global Human Rights Office within the Global Legal function oversees our human rights activities. The Office provides regular updates to the Management Board and supports different functions in implementing relevant human rights policies, procedures, and measures. Representatives from relevant business segments and functions determine appropriate risk management approaches in relation to human rights for their respective areas of responsibility and implement corresponding measures. A cross-functional steering committee guides the further development of our human rights program.

Human rights activities

In 2023, we continued to perform risk analyses of our own operations and suppliers. For example, to gain an understanding of local conditions, we performed country and site-level assessments as part of our annual corporate risk management process. Engagement with local teams helps raise awareness of human rights commitments and related expectations within the business. The results of the analysis were used to develop action plans with preventive and mitigation measures. These included adjustments to our policies and processes, as well as training and awareness-raising sessions.

To verify the implementation status and assess the effectiveness of our human rights program, we incorporated related aspects in our internal audits. The share of internal audits in connection with human rights topics increased from 30% to 54% compared with 2022.

In 2023, we continued to raise awareness about our responsibility for human rights by reaching out to leadership team members and relevant functions. For example, the HR teams were trained on human rights, managing complaints and legislative disclosure requirements.

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. For example, employees and third parties are encouraged to use our reporting hotline (Compliance Action Line) to report any potential violations. A detailed description of our complaints handling approach is available on our website.

Stakeholder dialogue

We engage with sector-specific associations and peer group networks to share experiences and practices regarding human rights, including working groups at MedTech Europe. We are also involved with the Global Industrial Relations Network (GIRN), a global network of corporate human rights specialists set up by the International Organisation of Employers (IOE).

Further information on our risk management can be found in the "Risk management" section starting on page 69, as well as in the "Risk and Opportunities Report" in the Group Management Report. For further information on our grievance channels, please see the "Compliance" section starting on page 120. More details on our dialogue with stakeholders can be found in the "Patients" section starting on page 101 and the "Employees" section starting on page 109.

About this Report

This report documents the sustainability performance of Fresenius Medical Care in 2023. It contains relevant information relating to patient, employee, and environmental matters, combatting bribery and corruption, ensuring supply chain oversight and respect for human rights. We demonstrate how sustainability is integrated in our business, 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.

On November 30, 2023, Fresenius Medical Care completed the transformation of the legal form of the Company (the Conversion) from a partnership limited by shares (Kommanditgesellschaft auf Aktien, KGaA) into a German stock corporation (Aktiengesellschaft, AG) and the associated deconsolidation from Fresenius SE. We aim to leverage the advantages of the new legal structure to enable more focused, faster, and agile decision-making. Our primary focus since changing our legal form remains on improving operational performance and driving our transformation efforts to ensure shareholder value creation. In addition, Fresenius Medical Care divested several non-core business assets. The aforementioned changes have a limited effect on the management of sustainability at the Company, the provision of data and its non-financial reporting.

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, 2023. Unless stated otherwise, the information provided refers to Fresenius Medical Care AG and its 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 PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), a third-party auditing firm, 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 131.

Other Key Figures

T 3.25 PROPORTION OF TURNOVER[1] FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023

Financial year 2023		2023		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")										
Economic activities	Code	Turnover	Proportion of turnover, year 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2022	Category (enabling activity)	Category (transitional activity)
		MIO €	%	% Y; N; N/EL[2]	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)																			
Of which Enabling																			
Of which Transitional																			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL[3]	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of medicinal products	PPC 1.2	284.3	1.5	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		**284.3**	**1.5**				**1.5**												
A. TURNOVER OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1+A.2)		**284.3**	**1.5**				**1.5**												
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**19,169.3**	**98.5**																
TOTAL		**19,453.6**	**100.0**																

[1] The revenue KPI for eligibility is defined as taxonomy-eligible revenue divided by total revenue for the reporting year. Total revenue includes all product and service revenues. For more information, please refer to the consolidated income statements under "revenue" in TABLE 5.1 on page 198.

[2] Y – Yes, Taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, taxonomy non-eligible activity for the relevant environmental objective

[3] EL – Taxonomy eligible activity for the relevant objective
N/EL – Taxonomy non-eligible activity for the relevant objective

T 3.26 PROPORTION OF CAPEX[1] FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING YEAR 2023

Financial year 2023		2023		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	Absolute Capex	Proportion of Capex, year 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) Capex, year 2022	Category (enabling activity)	Category (transitional activity)
		MIO €	%	% Y; N; N/EL[2]	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		**0.0**	**0.0**														**0.0**		
Of which Enabling		0.0	0.0														0.0		
Of which Transitional		0.0	0.0														0.0		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL[3]	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of medicinal products	PPC 1.2	1.8	0.1	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.3	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	4.2	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.2	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		**6.4**	**0.4**	**0.3**			**0.1**										**0.2**		
A. CAPEX OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1+A.2)		**6.4**	**0.4**	**0.3**			**0.1**										**0.2**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		**1,310.6**	**99.6**																
TOTAL		**1,317.0**	**100.0**																

[1] The Capex KPIs are defined as taxonomy-eligible and taxonomy-aligned Capex A or C 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 remeasurements. This includes 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 245, "Intangible assets and goodwill" on page 248 and "Leases" on page 278 in the notes to the consolidated financial statements, under the columns "Additions" and "Changes in consolidation group". Additions resulting from business combinations included in column "Changes in consolidation group" amount to €0.3 M.

[2] Y – Yes, Taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective
N/EL – Not eligible, Taxonomy non-eligible activity for the relevant environmental objective

[3] EL – Taxonomy eligible activity for the relevant objective
N/EL – Taxonomy non-eligible activity for the relevant objective

T 3.27 PROPORTION OF OPEX[1] FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING YEAR 2023

Financial year 2023		2023		Substantial contribution criteria								DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	Absolute Opex	Proportion of Opex, year 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) Opex, year 2022	Category (enabling activity)	Category (transitional activity)
		MIO €	%	% Y; N; N/EL[2]	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	% Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
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**		
Of which Enabling		0.0	0.0														0.0		
Of which Transitional		0.0	0.0														0.0		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL[3]	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of medicinal products	PPC 1.2	13.5	2.2	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.3	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Installation, maintenance & repair of charging stations for electric vehicles	CCM 7.4	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.1	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		**14.0**	**2.3**	**0.1**			**2.2**										**0.2**		
A. OPEX OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1+A.2)		**14.0**	**2.3**	**0.1**			**2.2**										**0.2**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities		**610.3**	**97.7**																
TOTAL		**624.3**	**100.0**																

[1] 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 relating 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 230. Short-term leases were determined in accordance with IFRS 16 (see "Leases" in the notes to the consolidated financial statements on page 278). Maintenance and repair expenses include staff costs, service costs, 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: cost of revenue, selling, general and administrative expenses as well as research and development expenses.]

[2] Y – Yes, Taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective. N – No, Taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective. N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective.

[3] EL – Taxonomy eligible activity for the relevant objective. N/EL – Taxonomy non-eligible activity for the relevant objective

Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting[1]

To Fresenius Medical Care AG, Hof (Saale)

We have performed a limited assurance engagement on the separate non-financial group report of Fresenius Medical Care AG, Hof (Saale), (hereinafter the "Company") for the period from 1 January to 31 December 2023 (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 establishing 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 Management 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality management for audit firms (IDW Qualitätsmanagementstandard 1: Anforderungen an das Qualitätsmanagement in der Wirtschaftsprüferpraxis - IDW QMS 1 (09.2022)), which requires the audit firm to design, implement and operate a system of quality management that complies with the applicable legal requirements and professional standards.

[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.

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 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 immanent 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 2023 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, 20 February 2024

PRICEWATERHOUSECOOPERS GMBH
Wirtschaftsprüfungsgesellschaft

NICOLETTE BEHNCKE **PPA. NICO IRRGANG**
Wirtschaftsprüfer
[German public auditor]