FRESENIUS MEDICAL CARE

Building the Momentum

Annual Report
2024

Key Figures

2024

19.34
Revenue in BN €

0.91
Net income[1] (outlook base)[2] in BN €

1.44
Dividend per share in €[3]

111,513
Employees[4]

299,352
Patients

Sustainability Highlights 2024

72
Patient Net Promoter Score

25%
reduced Scope 1 and 2 CO_2e emissions footprint compared to 2020

2023

19.45
Revenue in BN €

0.64
Net income[1] (outlook base)[2] in BN €

1.19
Dividend per share in €

119,845
Employees[4]

332,548
Patients

1 Net income attributable to shareholders of Fresenius Medical Care AG.
2 Outlook base as referred to the 2024 outlook, presented at constant currency, excluding special items, business impacts from closed divestitures in 2023 and the Tricare settlement.
3 2024: Proposal to be approved by the Annual General Meeting on May 22, 2025.
4 Headcount

Fresenius Medical Care is the world's leading provider of products and services for individuals with kidney diseases, with around 4.2 million worldwide dependent on dialysis treatment. Thanks to our decades of experience in dialysis, our innovative research, and our value-based care approach, we help our patients enjoy the best quality of life.

SELECTED KEY FIGURES

	2024	2023	Change
Revenue in € BN	19.34	19.45	0% cc
Net income[1] in € BN	0.54	0.50	9% cc
Net income[1] (outlook base)[2] in € BN	0.91	0.64	42% cc
Operating income in € BN	1.39	1.37	3% cc
Operating income (outlook base)[2] in € BN	1.81	1.54	18% cc
Basic earnings per share in €	1.83	1.70	9% cc
Basic earnings per share (outlook base)[2] in €	3.11	2.19	42% cc
Net cash provided by (used in) operating activities in € BN	2.39	2.63	(9)%
Free cash flow[3] in € BN	1.70	1.96	(13)%
Capital expenditures, net in € BN	(0.69)	(0.67)	3%
Acquisitions and investments (excl. investments in debt securities) in € BN	(0.02)	(0.04)	(34%)
Operating income margin (outlook base)[2] in %	9.3	8.1	
Return on invested capital (ROIC)[4] in %	3.5	2.8	
Net leverage ratio[5]	2.9	3.2	
Equity ratio (equity/total assets)[6] in %	47.0	43.7	

cc = at constant currency

[1] Net income attributable to shareholders of Fresenius Medical Care AG.
[2] Outlook base as referred to the 2024 outlook, presented at constant currency, excluding special items, business impacts from closed divestitures in 2023 and the Tricare settlement. See reconciliation in the Group Management Report, chapter "Economic Report", section "Overall business development – Comparison of actual business results with the outlook" starting on page 157.
[3] Net cash provided by (used in) operating activities, after capital expenditures, before acquisitions and investments.
[4] See calculation in the Group Management Report, chapter "Overview of the Group", section "Performance management system" starting on page 39.
[5] See calculation in the Group Management Report, chapter "Economic Report", section "Results of operations, financial position and net assets – Financial position – Financing strategy" starting on page 163.
[6] As of December 31 of the respective year.

Our vision is to create a future worth living. For patients. Worldwide. Every day.

Our mission is to provide the best possible care in diverse health care systems for a growing number of patients around the world, sustainably.











We are a leader in addressing complex health challenges. Our innovative and personalized approach to kidney care aims to address the individual needs of people living with kidney disease effectively and holistically.

Our success and identity are shaped by the dedication and perseverance of our employees, whose partnership and contributions are integral to everything we achieve.











Content

To Our Shareholders

08 Letter to our Shareholders
12 Management Board
13 Report by the Supervisory Board
20 Capital Markets and Shares

Group Management Report

27 General Information
28 Overview of the Group
49 Sustainability Statement
140 Annex to the Sustainability Statement
152 Economic Report
170 Subsequent Events
170 Outlook
173 Risks and Opportunities Report
192 Corporate Governance Fundamentals

Corporate Governance

196 Declaration on Corporate Governance
213 Compensation Report

Consolidated Financial Statements

249 Consolidated Financial Statements
258 Notes to Consolidated Financial Statements
355 Supervisory Board and Management Board

Independent Auditor's Reports

359 Report on the Audit of the Consolidated Financial Statements and Group Management Report
365 Report on the Audit of the Sustainability Statement

Further Information

369 Responsibility Statement
369 Regional Organization
371 Five-Year Summary
373 Financial Calendar, Imprint and Contact

To our Shareholders

08 Letter to our Shareholders
12 Management Board
13 Report by the Supervisory Board
20 Capital Markets and Shares

Letter to our Shareholders

Helen Giza
Chief Executive Officer and
Chair of the Management Board



Dear Shareholders,

I am very pleased to welcome you to our 2024 Annual Report.

The year 2024 marked the second year of a three-year transformation and turnaround journey for Fresenius Medical Care. With the major structural and legal changes undertaken in 2023, in 2024 our focus was on Building Momentum: operationalizing – and further optimizing – the new operating model with a mission to deliver the highest quality of patient care, enhancing financial returns, and creating value for you, our shareholders.

I am proud to say that we have more than delivered on our commitments.

Leading this effort is a strong and well-experienced Management Board. In 2024 we welcomed two new leaders uniquely qualified to lead the organization through, and beyond, transformation.

In January, we welcomed Craig Cordola as Head of Care Delivery. Under Craig's leadership, Care Delivery has streamlined the clinic footprint and upgraded and standardized operational processes for the benefit of our patients and frontline care teams.

In June, Dr. Jörg Häring joined as Head of Legal, Human Resources and Compliance. Jörg's expertise and experience is driving best-in-class competencies in these respective areas, which is a key role in a German-based company with a co-determined Supervisory Board.

A leaner, healthier and stronger company

Our transformation efforts have been designed to strengthen our financial foundation – both for today and for future sustainable, profitable growth.

A very important component is our FME25 transformation program. In 2024 the team delivered accelerated progress. I am pleased to report we have now achieved 567 million euros of our total savings target. The momentum we have created has enabled us to further raise our savings target from 650 million euros to750 million euros, and we are well on track to achieve this new commitment.

The first tranche of meaningful FME25 savings resulted from the streamlining of General & Administrative functions enabled by the new business model. As we move into the final year of this program, a greater proportion of savings will come from our Care Enablement business – an expected back-loaded delivery from Care Enablement initiatives requiring a longer implementation lead time.

And while we are very grateful for our market share and the trust our patients have in Fresenius Medical Care, we know that a "best-owner" mindset is ultimately best for the health of company and patient alike. As such, in 2024 our portfolio optimization program continued in earnest.

During 2024, the exit of clinic operations in multiple markets were announced and, with the exception of Brazil, also closed. Those exits include all Latin American countries, Sub-Saharan Africa, and Türkiye. These clinic exits were joined by our announced sale of National Cardiovascular Partners (NCP) outpatient cardiovascular clinics business in the United States in December 2023, the divestment of Cura Day Hospitals Group in Australia, and the definitive agreement signed in 2025 to divest select assets of Spectra, our clinical laboratory business.

Delivering on our commitments

Our transformation was undertaken with the very clear mission to generate shareholder value by improving efficiencies, capital returns and reducing leverage to position the company for future sustainable profitable growth. The continued structural, operational and – indeed – cultural work we are leading is delivering results.

In 2024 we achieved important – and impressive – top- and bottom-line contributions, earning 4% organic revenue growth and 18% operating income growth on an outlook base. The team's focused and disciplined efforts helped us reach the top end of our 2024 operating income outlook range. We lowered debt, raised the dividend, and positioned ourselves for a new level of earnings growth in 2025.

In a year filled with headwinds and tailwinds, we delivered a very strong year. Importantly, we are back on the DAX 40 index. It's where we worked hard to be, and it's where we will work hard to stay.

"Our transformation efforts have been designed to strengthen our financial foundation – both for today and for future sustainable, profitable growth."



From transformation to transformational

Our new operating model has enabled us to better realize the benefits of vertical integration, as we are able to leverage infrastructure and fully allocated, leaner General & Administrative functions. At the same time, we leverage the latest scientific developments, data technology, Artificial Intelligence, and connectivity driven by our world-class Global Medical Office across both segments. As a result, our Care Delivery business benefits from early access to innovation in dialysis medtech, and our Care Enablement business benefits from insights into millions of treatments performed by our services business.

The result of this integration is truly impressive. In the U.S., our dialysis centers routinely rank among the safest and highest quality dialysis centers in the country, as measured by the Centers for Medicare and Medicaid Services (CMS). In the most recent ratings for 2023, 65% of our U.S. dialysis centers received a rating of three stars or higher. This was higher than the nationwide averages, which found fewer than 60% of all dialysis centers received similar three-star or higher ratings. In addition, Interwell – our value-based care business – achieved best-in-class quality performance in the first year of the U.S. government's Comprehensive Kidney Care Contracting (CKCC) program. Interwell operated all 10 of the top 10 highest-scoring kidney contracting entities based on recent published results.

We are setting the standard of care for the dialysis industry, and for the clear benefit of patients.

Nowhere is this more evident than with the upcoming U.S. introduction of high-volume hemodiafiltration (HVHDF) which – powered by our 5008X machine – will truly change the dialysis landscape in the sizeable U.S. market, and set a new standard of care.

In 2024 we received U.S. Food and Drug Administration (FDA) 510(K) approval for the 5008X – the first and still-only HVHDF machine to have received approval to-date. And while we expect patients and physicians to broadly embrace HVHDF as a new standard of care in the U.S., the 5008X machine can also be used for traditional dialysis treatments.

We are well-experienced with HVHDF therapy in Europe. What the European nephrology community has long known, and what an EU-funded CONVINCE research study reiterated, is that HVHDF offers significant patient health and well-being benefits – culminating in a 23% reduction in mortality on average for patients treated with HVHDF versus high-flux hemodialysis. We are incredibly pleased with this technology. Work will continue throughout 2025 to bring the 5008X to market. Expect to start seeing it in U.S. clinics in late 2025, with a broad, full-scale commercial launch planned for 2026.

Moving forward

When we closed the book on 2024, we closed chapter two of a three-chapter story of momentum and progress. Next, we will chart a course for a new value creation journey to come.

In 2025, I will introduce a new five-year strategic ambition, designed to accelerate us forward through to the year 2030 and unlock new value for everyone who counts on, and contributes to, our success. I will have more to share on this at the Capital Markets Day in June.

I am proud of what we accomplished in 2024. We did what we said we would do. We honored our commitments, and that is the best that anyone can hope to achieve.

Around 112,000 employees put their heads and hearts into delivering life-sustaining care for our patients. On behalf of our people, our patients and their families, we thank you, our shareholders, for your support of Fresenius Medical Care. It makes the biggest difference in the world.

Sincerely,



Helen Giza
Chief Executive Officer and
Chair of the Management Board

Management Board



1 — Martin Fischer
Chief Financial Officer (since October 2023)
2 — Franklin W. Maddux, M.D.
Global Medical Officer (since January 2020)
3 — Dr. Katarzyna Mazur-Hofsäß
Care Enablement (since January 2022)
4 — Helen Giza
CEO and Chair (since December 2022)
5 — Craig Cordola, Ed.D.
Care Delivery (since January 2024)
6 — Dr. Jörg Häring
Legal, Compliance and Human Resources (since June 2024)

Report by the Supervisory Board

Michael Sen
Chairman
of the Supervisory Board



Dear Shareholders,

Fresenius Medical Care successfully completed its first full fiscal year following its change in legal form to a stock corporation. The year 2024 was marked by dynamic developments and significant geopolitical and geo-economic changes. Nevertheless, the global economy experienced stable growth, particularly in the health care sector. In this environment, the Company succeeded in improving the lives of millions of patients and making a significant contribution to the renal care continuum.

Throughout fiscal year 2024, Fresenius Medical Care continued the disciplined execution of its ambitious FME25 transformation program, achieving major milestones and exceeding its savings targets. Sustainable deleveraging, the realignment into two global business segments, the strategic optimization of the legacy portfolio, and, not least, the Company's new independence are paying off. Furthermore, 2024 was a year of innovation for Fresenius Medical Care. For example, the Company made great strides in dialysis technology and personalized therapy, expanded the use of artificial intelligence in dialysis, and extended its global research collaborations.

As a result of these strategic decisions, Fresenius Medical Care is optimally positioned to continue setting the highest standards in renal care and actively shaping some of the most pressing societal challenges in the health care market. The market has recognized these achievements: in December 2024, the Company returned to the DAX 40.

Since January 2024, the Supervisory Board has been fully and equally composed of twelve members. I would like to extend my sincere congratulations to our new Supervisory Board members on their appointment to the board. I am convinced that their extensive experience and in-depth knowledge will be a valuable asset to the Supervisory Board. I look forward to continuing our constructive and successful collaboration in the best interests of the Company.

On behalf of the Supervisory Board, I would also like to extend my sincere congratulations to Dr. Jörg Häring on his appointment to the Management Board, which has been further strengthened by the addition of Legal, Compliance, and Human Resources. The collaboration between the Supervisory Board and the Management Board is based on trust and close cooperation. Under the leadership of Helen Giza, Fresenius Medical Care has an outstanding team and the necessary team spirit to successfully drive the Company's continued development.

Fresenius Medical Care is well positioned to build on these achievements in the current fiscal year, further strengthen its position in the dialysis market, and increase shareholder value.

In the past fiscal year, the Supervisory Board once again observed all duties imposed on it by law, the Articles of Association and the rules of procedure. In this context it also took into account the recommendations and suggestions of the German Corporate Governance Code. The Supervisory Board supervised the Management Board within its responsibility, regularly advised the Management Board and was involved in decisions of fundamental importance to the company, including sustainability matters.

All relevant questions of the business policy, the company's planning and the strategy were subject to the deliberations. Reports of the Management Board on the course of the business, the profitability and liquidity as well as on the situation and outlook of the Company and the group formed the basis for the work of the Supervisory Board. Further topics were the risk situation and risk management as well as discussions on portfolio changes and investment projects. The Supervisory Board and its competent committees comprehensively discussed these as well as also all further significant business events. The Supervisory Board passed resolutions within its competencies according to law and the Articles of Association.

Meetings

In the past fiscal year, four meetings of the Supervisory Board, some of which lasted several days, were conducted as in person meetings. The Supervisory Board also met regularly without the Management Board. To the extent that the auditor was called upon as an expert at meetings of the Supervisory Board or its committees, members of the Management Board attended the meetings only to the extent deemed necessary by the Supervisory Board or the committee, respectively.

[1] The employee representatives were appointed as members of the Company's Supervisory Board upon a motion of the Management Board by the competent local court Hof (Saale) with effect from January 26, 2024 and were elected as members of the respective committee by the Supervisory Board on March 14, 2024. The Nomination Committee and the Mediation Committee did not convene in the year under review and are therefore not shown in this overview.

The participation rate of the members at the meetings of the Supervisory Board and its committees was 100 %. The TABLE 1.1 shows the participation of the individual members in the past fiscal year.[1]

The Management Board and the Supervisory Board cooperate on a basis of trust to the benefit of the Company. The Supervisory Board was in regular contact with the Management Board and was always promptly and comprehensively informed by it. Between meetings, the Management Board reported to the Supervisory Board in writing. During the meetings, the Management Board also informed the Supervisory Board verbally. In addition, the Supervisory Board was also in contact with members of the senior management level last year. The members of the Management Board were further available to the Supervisory Board for follow-up queries. The Chairman of the Supervisory Board maintained continuous contact with the Management Board outside of the meetings, in particular with the Chairwoman of the Management Board, on questions regarding strategy, business development, the risk situation, risk management and compliance of the Company. In case of important occasions or events, the Chairwoman of the Management Board promptly informed the Chairman of the Supervisory Board. In such cases, the Chairman of the Supervisory Board subsequently informed the other members of the Supervisory Board in the next meeting at the latest. During the entire fiscal year, the Chairman of the Supervisory Board also was in close contact with the other members of the Supervisory Board.

T 1.1 PARTICIPATION OF THE MEMBERS IN THE MEETINGS OF THE SUPERVISORY BOARD AND THE COMMITTEES IN THE PAST FISCAL YEAR

	Supervisory Board	Audit Committee	Presiding Committee	Compensation Committee
Michael Sen (Chairman)	4/4	–	4/4	–
Stefanie Balling (Deputy Chairwoman)	4/4	6/6	3/3	–
Ralf Erkens	4/4	–	3/3	–
Beate Haßdenteufel	4/4	–	–	–
Sara Hennicken	4/4	–	–	–
Regina Karsch	4/4	–	–	3/3
Shervin J. Korangy	4/4	–	–	5/5
Dr. Marcus Kuhnert	4/4	9/9	4/4	–
Frank Michael Prescher	4/4	6/6	–	–
Gregory Sorensen, M.D.	4/4	9/9	–	–
Dr. Manuela Stauss-Grabo	4/4	–	–	3/3
Pascale Witz	4/4	3/3	–	5/5

Shareholder representative, Employee representative

The members of the Audit Committee are entitled to obtain information, via the Chairman of the Audit Committee, directly from the heads of certain central departments of the Company. As in previous years, it was however standard practice for the heads of central departments to report directly to the Supervisory Board and to be available for questions and for discussion.

Focus of the Discussions in the Supervisory Board

One of the main focus areas of the Supervisory Board's discussions in the past year was the comprehensive support of the Management Board in the continued adjustment of Fresenius Medical Care's structures following the Company's change in legal form from a partnership limited by shares (KGaA) to a stock corporation (AG) in fiscal year 2023 and the therewith associated deconsolidation from Fresenius SE & Co. KGaA. In particular, the Supervisory Board dealt in detail with the measures taken in the course of the Company's independence following the change of the Company's legal form and the continuation of the focused implementation of the Company's strategic plan.

The Supervisory Board also in detail supported the Management Board in developing the future strategic direction of Fresenius Medical Care in the reporting year in order to further strengthen Fresenius Medical Care's leading position in the dialysis market and to realize the full potential arising in particular from the new operating model with the two segments Care Delivery and Care Enablement established prior to the reporting year, the FME25 transformation program and Fresenius Medical Care's independence following the change of its legal form. For such developing, the Supervisory Board deliberated at length on the basis of comprehensive analyses of the competitive, market and reimbursement situation and discussed in detail key conclusions for the future strategic direction of Fresenius Medical Care.

Also in the reporting year, the Supervisory Board in several meetings focused on the FME25 transformation program and was extensively involved in its implementation by the Management Board. This implementation was accelerated in the reporting year, resulting also in accelerated delivery of sustainable savings.

Due to the savings achieved as part of the FME25 transformation program and the continued operational turnaround, Fresenius Medical Care was able to further improve its financial results in the reporting year and to achieve a significant increase in the operating income margin. In addition, Fresenius Medical Care further improved its net debt and net leverage ratio in the past year.

In the year under review, the Supervisory Board also dealt with investments, the business strategy, the portfolio optimization, including the divestment of non-core businesses, as well as strategically relevant environmental, social and governance (ESG) aspects.

Fresenius Medical Care continued to consistently implement its portfolio optimization strategy of divesting non-core and margin-dilutive business activities in the year under review. In this context, Fresenius Medical Care completed the sale of the Australian Cura Day Hospital Group and the dialysis clinic business in Chile, Ecuador, Sub-Saharan Africa and Turkey as well as the dialysis clinic operations in Curaçao, Guatemala and Peru in the reporting year.

The business development, the competitive situation and conditions as well as the Management Board's planning for the individual functions and business segments were also focal points of the Supervisory Board's discussions in the reporting year. The Supervisory Board was also informed extensively by the Management Board about the effects of new drugs for treatment of type 2 diabetes, such as GLP-1 receptor agonists and SGLT-2 inhibitors. In this context, the Management Board comprehensively reported to the Supervisory Board on the potential impact on the patient base and the evaluated consequences for the expected business development. In joint consultations with the Management Board, the development of the production quantities and their expansion were also discussed.

In the past fiscal year, the Supervisory Board again discussed the development of cost reimbursement in the various health care systems, in particular in the U.S. With a view to the continued aim of increasing efficiency, the Supervisory Board further informed itself also in the past year about the success of the measures taken by the Management Board already in previous years to improve the cost situation.

Moreover, the Supervisory Board was regularly informed about the Company's compliance in the year under review. Findings of the internal audit department were also taken into account. In addition, the Supervisory Board also received detailed reports on the IT security systems and measures implemented at Fresenius Medical Care, including data security incidents that occurred in the year under review and their remediation.

Subject of the Supervisory Board's discussions was also the Company's Annual General Meeting, including the resolutions proposed by the Supervisory Board, which was held as a meeting in presence on May 16, 2024 in the reporting year. Further details can be found in the Declaration on Corporate Governance starting on page 196 of the Annual Report *(Geschäftsbericht)*.

Committees of the Supervisory Board

The Supervisory Board has formed professionally qualified committees from among its members that support the Supervisory Board as a whole in its supervisory and advisory functions as well as the adoption of resolutions. The respective Chairpersons of the committees have regularly reported to the Supervisory Board on the work of the committees. Details of the composition of the Supervisory Board's committees can be found in the Declaration on Corporate Governance which can be found starting on page 196 of the Annual Report.

Presiding Committee

The Supervisory Board is, in particular, responsible for preparing the meetings of the Supervisory Board, coordinating the work of the Supervisory Board and its committees and advising and supporting the Chairman and Deputy Chairwoman of the Supervisory Board as well as administrative matters. The Presiding Committee resolves upon matters that cannot be delayed if the Supervisory Board cannot pass a resolution in a timely manner. The Presiding Committee is also responsible for various matters concerning the Management Board, such as recommendations to the Supervisory Board on the appointment or dismissal of Management Board members. Furthermore, the Presiding Committee reviews and assesses the Company's corporate governance.

The Presiding Committee convened in the past fiscal year four times in person to deal with the preparation of meetings of the Supervisory Board, in particular with regard to corporate governance reporting and aspects of long-term succession planning, an amendment to the Company's Articles of Association, which only affected the wording, and the rules of procedures of the Supervisory Board's committees.

Audit Committee

In accordance with its rules of procedure, the Audit Committee in particular performs all the duties imposed on an audit committee pursuant to section 107 paragraph 3 sentence 2 of the German Stock Corporation Act *(Aktiengesetz – AktG)* and the applicable rules of the U.S.-American Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE). This includes, in particular, the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the financial statements, in particular the selection and independence of the auditor as well as the quality of the audit. Also, the Supervisory Board has delegated the responsibility for adopting resolutions on the approval of transactions with related parties in accordance with sections 111a et seq. of the German Stock Corporation Act to the Audit Committee.

The Audit Committee convened nine times in the past fiscal year. Of these meetings, two meetings were conducted as in person meetings, three meetings were conducted as hybrid meetings, i.e. as meeting in person of at least two members with the possibility of a virtual participation, and four meetings were conducted as video conferences.

Dr. Marcus Kuhnert (Chairman) and Mr. Gregory Sorensen, M.D. are each financial experts in the meaning of Section 100 paragraph 5 German Stock Corporation Act as well as "audit committee financial experts" within the meaning of the applicable rules of the SEC. Based on their many years of experience, they each have expertise in both accounting and auditing and are each independent within the meaning of the applicable provisions. This also applies to Ms. Pascale Witz, who was a member and Deputy Chairwoman of the Audit Committee until March 14, 2024. Further details on the qualifications and independence of the members of the Audit Committee can be found in the Declaration on Corporate Governance starting on page 196 of the Annual Report.

In the past year, the Audit Committee dealt with the annual and consolidated financial statements, the proposal for the allocation of profit and the report according to Form 20-F for the SEC as well as the Sustainability Group Report of the Company integrated into the group management report. It also discussed the quarterly reports with the Management Board. Also, the engagement pertaining to the audit of the consolidated financial statements according to the International Financial Reporting Standards (IFRS) and the internal controls concerning the financial reporting, which are part of the report according to Form 20-F, was issued by the committee. The Audit Committee further negotiated the fee agreement with the auditor. Audit focal points and further key audit matters of the past fiscal year were the assessment of the recoverability of goodwill, the valuation of receivables from dialysis treatments in the U.S., the valuation of uncertain tax positions, the accounting treatment of significant legal disputes, asset groups held for sale, the impact of cyber risks, finance and IT transformation, the FME25 program, the portfolio optimization program, Pillar II and virtual power purchase agreements on financial reporting, the impact of CSRD and on the Company's annual financial statements, the valuation of investments in affiliated companies and the recognition of income from investments.

Representatives of the auditor participated in all meetings of the Audit Committee and informed the members of the Audit Committee of their auditing activities. In addition, they provided information on any significant results of their audit and were available for additional information. In the absence of the members of the Management Board, they reported on the cooperation with them and shared their observations with the committee. The Audit Committee also consulted with the external auditors on a regular basis without the Management Board. The Chairman of the Audit Committee also had regular exchanges with representatives of the auditor outside the meetings of the Audit Committee, in particular on the progress of the audit, and subsequently reported thereon to the Audit Committee.

The Audit Committee dealt on several occasions with the monitoring of the accounting and its process, the effectiveness of the internal control system, the risk management system and the internal audit system as well as with the audit of the financial statements – in particular the selection and independence of the auditor, the quality of the audit and the additional services provided by the auditor – as well as with the compliance management system. Further, the committee discussed with the auditor the audit risk assessment, the audit strategy and audit planning, and the audit results.

In the course of its audit, the auditor audited the internal control system in relation to the accounting process, the electronic reproduction of the consolidated financial statements and the group management report pursuant to section 328 paragraph 1 of the German Commercial Code *(Handelsgesetzbuch – HGB)* prepared for disclosure purposes (so-called ESEF documents) as well as the early risk recognition system. The audit showed that the Management Board has appropriately implemented the measures required

under section 91 paragraph 2 AktG, in particular regarding the establishment of a monitoring system, and that the monitoring system is suitable for the early identification of developments that may endanger the continued existence of the Company. The Management Board periodically reported to the Audit Committee on major individual risks. It also regularly informed the Audit Committee on the compliance situation as well as on the audit plans and results of the internal audit.

The Audit Committee also dealt with environmental, social and governance (ESG) aspects of strategic relevance to the Company. In this context, the committee discussed in particular the regulatory requirements in the area of sustainability and the Company's progress in pursuing the set global sustainability targets.

The Audit Committee again reviewed the business relations of the Fresenius Medical Care group companies to Fresenius SE & Co. KGaA and the latter's affiliated companies. It was confirmed in each case that these relationships corresponded to those between unrelated third parties.

Certain transactions of the Company with related parties may be subject to the approval of the Supervisory Board pursuant to section 111b paragraph 1 AktG. The Supervisory Board has made use of the option to delegate the responsibility for the approval resolution to the Audit Committee. In the year under review, there were no transactions requiring such approval. In accordance with section 111a paragraph 2 sentence 2 AktG, the Audit Committee reviewed whether transactions between the Company and related parties were conducted in the ordinary course of business and at arm's length. No objections were raised in this respect.

The Chairman of the Audit Committee regularly reported to the Supervisory Board on the results of the discussions and resolutions in the Audit Committee.

Compensation Committee

The Compensation Committee prepares the decisions of the Supervisory Board regarding the compensation of the members of the Management Board. This includes the preparation of the determination of the compensation system and the plan terms of the short-term and long-term incentive of the Management Board as well as the definition of the targets for variable compensation components and the definition of target values, and the determination of the target achievement. The Compensation Committee also reviews the compensation report.

In the past fiscal year, the Compensation Committee convened five times to prepare the implementation of the system for the compensation of the members of the Management Board resolved at the Annual General Meeting on May 16, 2024 (Compensation System 2024+), and the resolution on the compensation report and compensation decisions for the next year by the Supervisory Board. Of these meetings, four meetings were conducted as in person meetings and one meeting was conducted as video conference.

Nomination Committee

The Nomination Committee identifies and recommends suitable candidates to the Supervisory Board for its proposals to the General Meeting for the election of Supervisory Board members. The Nomination Committee also recommends suitable candidates to the Supervisory Board in case a judicial appointment of a shareholder representative on the Supervisory Board is required. The Nomination Committee further makes recommendations to the Supervisory Board on members of the shareholder representatives to be elected to the committees of the Supervisory Board. This does not apply to the election of members of the shareholder representatives to the Mediation Committee.

In the past fiscal year, the Nomination Committee did not convene since no meeting was required.

Mediation Committee

The Mediation Committee *(Vermittlungsausschuss)* was formed with effect from March 14, 2024 after the employee representatives had been appointed by the court as members of the Supervisory Board. The Mediation Committee is responsible for proposals for the appointment or dismissal of members of the Management Board to the Supervisory Board if the respective measure is not passed by the Supervisory Board with the required majority during the first vote.

In the past fiscal year, the Mediation Committee did not convene since no meeting was required.

Dialogue with Investors

The Chairman of the Supervisory Board and, for environmental, social and governance (ESG) aspects falling within the competence of the Supervisory Board, the Chairman of the Audit Committee, were also available for discussions with investors in the year under review to the extent permitted by law and in close consultation with the Management Board. In these discussions, investors were given the opportunity to exchange views with the Chairman of the Supervisory Board and the Chairman of the Audit Committee on matters concerning the corporate governance of the Company and environmental, social and governance (ESG) aspects, respectively, falling within the competence of the Supervisory Board. Key topics in the year under review were the corporate governance-related issues, the agenda of the upcoming Annual General Meeting, in particular the compensation report and the Compensation System 2024+.

Corporate Governance

The members of the Supervisory Board in principle self-responsibly undertake educational and training measures required for their tasks, such as on changes in the legal framework and on new, future-oriented developments and technologies, and are adequately supported in this respect by the Company.

In addition to the information provided to them by various external experts, also experts of the Company's departments regularly report on relevant developments. This includes – for example – relevant new developments in the revision of legal rules or in jurisprudence and recent developments in regulations on accounting and audit and sustainability requirements. In this way, the Supervisory Board, with the Company's adequate assistance, ensures an ongoing qualification of its members and also a further development and updating of their expertise, power of judgment, and experience required for the Supervisory Board including its committees to duly perform their tasks.

New members of the Supervisory Board can meet the members of the Management Board and specialist managers for a discussion of fundamental and current topics and thereby gain an overview of the relevant topics of the Company (Onboarding). The employee representatives of the Supervisory Board took part in an onboarding event lasting several days in the reporting year.

For targeted further training, internal information events are offered as required. In the year under review, further training was provided for the members of the Supervisory Board on current developments in corporate governance and upcoming relevant legal regulations. These included the new regulations of the German Future Financing Act *(Zukunftsfinanzierungsgesetz)* as well as legal developments relating to data protection and data use, cyber security and artificial intelligence. In addition, the members of the Audit Committee received further training on regulatory requirements and developments in the area of sustainability.

The Supervisory Board reports to the General Meeting on possible conflicts of interests of its members and on the treatment of such conflicts. If specific conflicts of interest exist or cannot be ruled out with certainty, the concerned Supervisory Board member will disclose this to the Supervisory Board. If a subsequent review reveals that a conflict of interest exists, suitable measures will be taken to resolve the conflict of interest. In the reporting year, no conflicts of interest arose that would have had to be disclosed.

Separate preparation meetings of the employee representatives and consultations among the shareholder representatives take place on a regular basis.

Further details on corporate governance, in particular on the independence of the Supervisory Board members, the qualification matrix for the implementation status of the profile of skills and expertise for the Supervisory Board, the age limit and the regular maximum tenure for membership in the Company's Supervisory Board, as well as the self-assessment of the activities of the Supervisory Board and its committees, can be found in the Declaration on Corporate Governance starting on page 196 of the Annual Report. The Declaration on Corporate Governance was discussed by the Supervisory Board and approved in its meeting of March 12, 2025.

The Declaration on Corporate Governance also includes the Declaration of Compliance in relation to the German Corporate Governance Code according to section 161 AktG as resolved by the Management Board and Supervisory Board and published in December 2024. The Declaration of Compliance is permanently available to the public on the Company's website at www.freseniusmedicalcare.com in the section "Investors" and there in the sub-section "Corporate Governance".

Compensation Report

The Management Board and the Supervisory Board prepared a compensation report in accordance with section 162 AktG for the year under review, which with respect for the Supervisory Board was finally discussed and approved by the Supervisory Board at its meeting on March 12, 2025. The auditor reviewed the compensation report in accordance with section 162 paragraph 3 AktG to determine whether the legally required disclosures pursuant to section 162 paragraphs 1 and 2 AktG were made. In addition to the statutory requirements, the content of the report was also again reviewed by the auditor. The auditor confirmed that the compensation report, in all material respects, complied with the accounting provisions of section 162 AktG. In accordance with section 120a paragraph 4 AktG, the compensation report will be submitted to the General Meeting of the Company for approval.

Annual and Consolidated Financial Statements

The annual financial statements and the management report of the Company were prepared in accordance with the regulations of the German Commercial Code *(Handelsgesetzbuch – HGB)*. The consolidated financial statements and group management report follow section 315e of the German Commercial Code *(HGB)* in accordance with IFRS as applicable in the European Union. The sustainability statement of the Company, which fulfills the requirements of a non-financial group declaration, is integrated into the group management report. Accounting, the annual financial statements, the management report as well as the consolidated financial statements and the group management report for fiscal year 2024 were audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main (PwC). PwC has been the auditor of the Company since the fiscal year 2020 and was elected as auditor for the year under review by resolution of the Annual General Meeting on May 16, 2024 and mandated by the Supervisory Board. The auditor provided each of the aforementioned documents with an unqualified certificate. Mr. Peter Kartscher (as already in the previous years since 2020) and Mr. Dominik Höhler (as already in the previous year) signed the respective audit certificate as the auditors. The auditor's report on a limited assurance engagement review in relation to the sustainability statement was

signed by the auditors Mr. Peter Kartscher (for the first time) and Ms. Nicolette Behncke (as already in the previous years since 2020), and contains no findings. The audit reports of the auditor were made available to the Audit Committee and the Supervisory Board. The Audit Committee reviewed the annual and consolidated financial statements as well as the management reports, including the sustainability statement integrated into the group management report, and included the audit reports of, and the discussions with, the auditor in its discussions. The Audit Committee reported to the Supervisory Board on this.

The Supervisory Board also reviewed the annual financial statements, the management report, the consolidated financial statements and the group management report, including the sustainability statement integrated into the group management report, in each case for the past fiscal year. The documents were provided to it in good time. The Supervisory Board declared its agreement with the result of the audit of the annual financial statements and the consolidated financial statements by the auditor. The representatives of the auditor who signed the audit reports participated in the discussions of the Supervisory Board of the annual and consolidated financial statements. They reported to the Supervisory Board on the significant findings of their audit and were available for additional information. Also according to the final results of its own review, no objections are to be raised by the Supervisory Board as regards the annual financial statements, the management report, the consolidated financial statements and the group management report, including the sustainability statement integrated into the group management report.

By way of a written resolution on February 24, 2025, the Supervisory Board approved the draft of the report according to Form 20-F. The report according to Form 20-F was filed with the SEC on February 25, 2025.

The Supervisory Board approved the annual financial statements and management report of the Company as well as the consolidated financial statements and the group management report for the past fiscal year, as presented by the Management Board, at its meeting on March 12, 2025; the annual financial statements of the Company are adopted by this approval of the Supervisory Board.

The Supervisory Board also approved the Management Board's proposal for the allocation of profit which provides for a dividend of € 1.44 for each share.

Sustainability Statement

The sustainability statement of the Company fulfills the requirements of a non-financial group declaration and was prepared in accordance with sections 315b and 315c HGB and the EU Taxonomy Regulation (Regulation (EU) 2020/852). The sustainability statement is published in the group management report and fully applies the European Sustainability Reporting Standards as a reporting framework. This sustainability statement describes Fresenius Medical Care's sustainability performance in the fiscal year 2024 in line with regulatory requirements.

The Supervisory Board has engaged an external auditor to audit the sustainability statement. The sustainability statement was subjected to a limited assurance engagement review by PwC in accordance with the ISAE 3000 (Revised) assurance standard. PwC issued a corresponding independent practitioner's report.

The Supervisory Board, too, reviewed the sustainability statement. It received the documents in good time. The Supervisory Board declared its agreement with the result of the limited assurance engagement review in relation to the sustainability statement by the auditor. The representatives of the auditor who signed the statement on the limited assurance engagement review participated in the discussions of the Supervisory Board about the sustainability statement. They reported to the Supervisory Board on the significant findings of their limited assurance engagement review and were available for additional information. Also according to the final results of its own review, no objections are to be raised by the Supervisory Board as regards the sustainability statement.

Acknowledgements

The members of the Management Board, led by Helen Giza, along with all employees, have successfully advanced the development of Fresenius Medical Care. We would like to thank them for their commitment in this pivotal year. We are confident that they will continue on this successful path and shape a promising future – for patients with kidney disease and for Fresenius Medical Care.

Bad Homburg v.d. Höhe, March 12, 2025

On behalf of the Supervisory Board



Michael Sen
Chairman

Capital Markets and Shares

The business development of Fresenius Medical Care in 2024 was positively influenced by the successful execution of the Company's strategic plans, resulting in operational improvements in Care Delivery and Care Enablement and improving financial performance in line with our mid-term margin targets. This development is reflected in the performance of the FME shares, which ended the year 16% higher than the previous year. Over the last two years, the share price increased by 44%. External factors also impacted the share price and caused temporary volatility during the year. In particular, study results regarding new weight-reducing medications from the pharmaceutical sector were positively received, while a higher-than-expected mortality rate among U.S. patients weighed on the share price.

Price Development of Fresenius Medical Care Shares

In 2024, Fresenius Medical Care made significant progress in the fundamental transformation and turnaround of the Company. Based on the new global operating model established in 2023, the FME25 transformation program was executed at pace, the operational turnaround further progressed, and sustainable savings were realized ahead of plan. The company optimized its business portfolio by divesting non-core and margin-diluting activities. Fresenius Medical Care is always committed to continuously enhance the quality of care and build the best team to serve its patients.

In 2024, the Company announced further divestitures as part of its ongoing Portfolio Optimization Program, refocusing on businesses and markets with the best strategic fit and sustainable profitable growth potential. As a result, the divestments of Care Delivery clinic operations in multiple markets were announced and/or closed, including the exits from all Latin American countries, Sub-Saharan Africa, and Türkiye. Also, the divestment of Cura Day Hospitals Group in Australia was closed during the year 2024. As announced, the Company used the proceeds from divestitures to further improve its net financial debt ratio.

In February 2024, the Company received FDA approval for its high-volume hemodiafiltration ("high-volume HDF") capable 5008X

C 1.2 **SHARE PRICE PERFORMANCE, ABSOLUTE, JANUARY 2, 2024 – DECEMBER 31, 2024**
IN €



Source: Bloomberg data

T 1.3 INDEX AND SHARE PRICE PERFORMANCE

	Dec. 29, 2023	Dec. 31, 2024	Change YoY	Year High	Year Low
Fresenius Medical Care Shares in €	37.96	44.16	**+16%**	45.71	33.13
Fresenius Medical Care ADRs in $	20.83	22.64	**+9%**	24.18	18.12
Dow Jones Industrial Average	37,690	42,544	**+13%**	45,014.04	37,266.67
DAX	16,752	19,909	**+19%**	20,426.27	16,431.69
MDAX	27,137	25,589	**-6%**	27,508.47	23,964.39
STOXX Europe 600 Health Care	1,061	1,092	**+3%**	1,284.02	1,061.06

C 1.4 INDEX AND SHARE PRICE PERFORMANCE

INDEXED, JANUARY 1, 2024 – DEC 31, 2024 (JANUARY 1, 2024 = 100), IN%



Source: Bloomberg data, own calculations

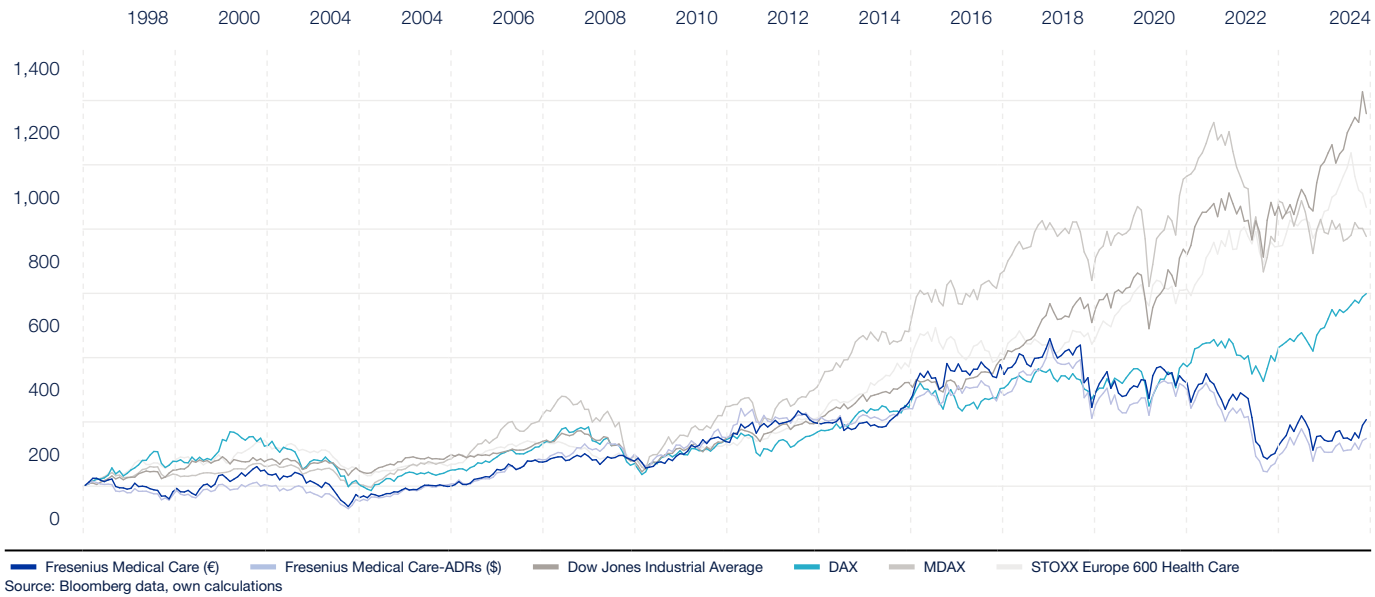
system in the U.S., the first and only FDA approval for such a system. In June, the first patient treatment on this system was successfully performed. Fresenius Medical Care progresses with its preparations for the planned first 5008X system deliveries in the U.S. by the end of 2025. The Company is fully on track for the full commercial U.S. market launch in 2026. The introduction of high-volume HDF in the U.S. is a sizable business opportunity for Fresenius Medical Care to positively affect quality of life, improve outcomes, meaningfully reduce mortality rates in the dialysis patient population, and bring a novel advanced therapy to the U.S. dialysis market.

News regarding pharmaceutical therapy options for diabetic patients with chronic kidney disease temporarily led to significant pressure on the share price in autumn 2023. Additional data points and the demonstrated cardio-vascular benefits of Semaglutide, published during the first quarter of 2024, led to a more positive evaluation by the capital market. During the second quarter of 2024, primary findings of a Semaglutide study (FLOW) for patients with type 2 diabetes and chronic kidney disease were presented at medical congresses in Europe and the U.S. Considering the positive cardiovascular effects of the drugs, reducing mortality, as well as the progression delaying effect on the CKD (Chronic Kidney Disease) population, the company sees a balanced effect of the drugs on the development of our patient population.

In 2024, the FME25 transformation program accelerated its momentum, delivering €221 M additional sustainable savings for the full year 2024, ahead of the upgraded full year target of around €200 M. Accumulated savings of the entire program reached €567 M. The program is unfolding a strong momentum, which allows to raise the target for sustainable annual savings by €100 M to now €750 M by the end of the current year.

In the third quarter of 2024, Fresenius Medical Care reported continued financial performance improvements, recording meaningful progress towards its 2025 operating income margin targets. The Care Delivery margin for Q3 extended well into the 2025 target band. Care Enablement maintained the significant margin progress

C 1.5 INDEX AND SHARE PRICE PERFORMANCE IN A 28-YEAR COMPARISON
WITH DIVIDENDS REINVESTED, INDEXED, JANUARY 1, 1997 – DECEMBER 31, 2024 (JANUARY 1, 1997 = 100), IN %



Source: Bloomberg data, own calculations

C 1.6 ADR PERFORMANCE ABSOLUTE
JANUARY 2, 2024 – DECEMBER 31, 2024, IN $



achieved in the first half year, driven by its operational turnaround, including positive pricing and further FME25 savings.

Within Care Delivery, an important operational milestone was achieved in Q3, as underlying U.S. same market treatment growth turned positive, even while elevated patient mortality continued to weigh on U.S. treatment growth throughout the year. Nevertheless, adjusted for the exit from less profitable acute care contracts, underlying U.S. same market treatment growth returned to positive growth for the full year 2024. International same market treatment growth, no longer affected by elevated mortality rates, grew at a stronger pace. The capital market recognized this positive development as an important change in the growth trend.

Further headwinds to treatment growth included severe weather events that the U.S. faced mainly during the second half of the year. These included Hurricane Beryl in Texas and Hurricanes Helene and Milton, which impacted the Southeastern U.S. While these weather events negatively impacted treatment volumes, the Company was able to significantly mitigate the impact on patient care and business operations due to comprehensive disaster response preparations and fast recovery led by our highly professional teams.

In November, CMS (Centers for Medicare & Medicaid Services) announced the final rule for ESRD PPS (End Stage Renal Disease Prospective Payment System) reimbursement for 2025, which will result in a 2.7% increase, compared to the 2.0% increase in 2024. This rate determines the payment made to dialysis service providers for in-center dialysis services under Medicare in the U.S. The slightly higher-than-expected increase in the final rule was generally perceived as positive news by the capital market.

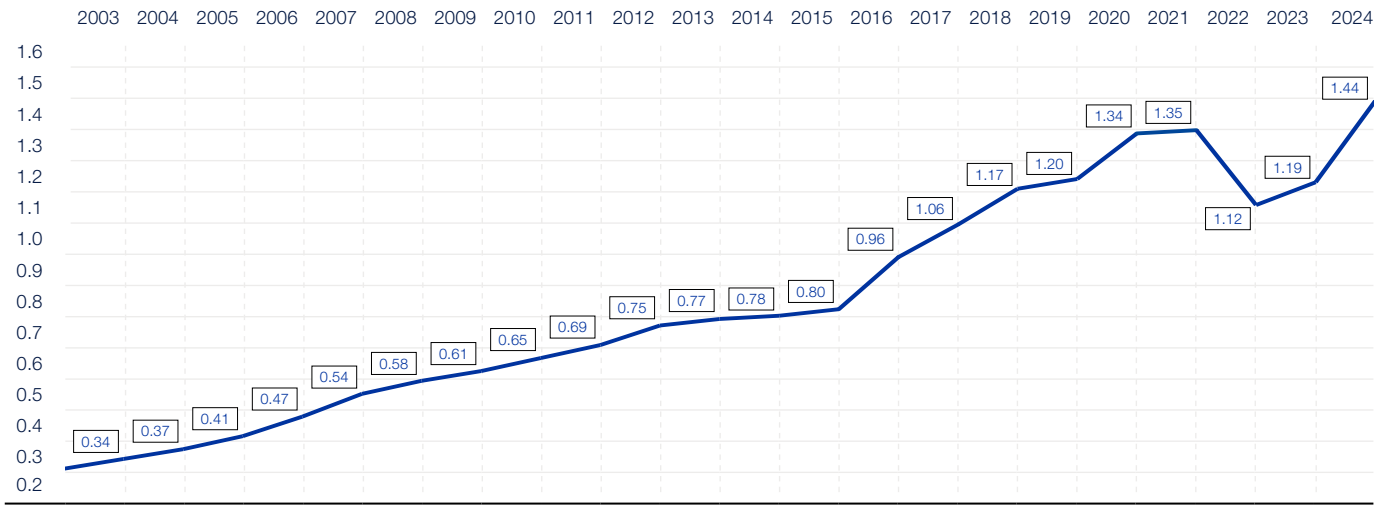
The aforementioned progress, developments and events led to price target upgrades by numerous brokers during the course of the year. Fresenius Medical Care AG's share price reached its yearly high on December 5 and 6, 2024, closing at €45.71, following its yearly low on August 12, 2024, when it closed at €33.13.

The share closed the year on the last trading day, December 30, 2024, at a Xetra closing price of €44.16. This represents a share price increase of +16% compared to the final closing price of 2023.

Fresenius Medical Care returned to the top tier of the German Stock Index, the DAX, on December 27, 2024. The index represents the performance of the 40 largest publicly traded companies listed on the Frankfurt Stock Exchange. Since March 2023, the company had been listed in the Mid-Cap DAX (MDAX), the second-largest German stock market index which tracks the 50 largest companies below the DAX. Prior to this, Fresenius Medical Care had been a member of the DAX since September 1999.

For further information on share price and index development, please refer to Table 1.3 and TABLE 1.10, as well as CHART 1.2, CHART 1.4, and CHART 1.5.

C 1.7 **DEVELOPMENT OF THE DIVIDEND**
IN €



Fresenius Medical Care American Depositary Receipts (ADRs)

Since 1996, Fresenius Medical Care shares have been listed on the New York Stock Exchange as American Depositary Receipts (ADRs). The performance of the ADRs is essentially tied to that of Fresenius Medical Care shares, taking into account the exchange rate development of the Euro against the US Dollar. More than 45% of the combined trading volume in 2024, measured by the total number of securities traded, was attributed to ADRs. Two ADRs represent one share.

Dividend

In line with Fresenius Medical Care's dividend policy, the dividend payout is aligned with the Company's development of net income. The Management Board and Supervisory Board plan to propose a dividend of €1.44 per share to shareholders at the Annual General Meeting on May 22, 2025. This represents an increase of 21% compared to the previous year.

The total payout would amount to €423 M based on 293.4 M dividend-eligible shares outstanding (as of December 31, 2024), The payout ratio relative to the group's net income for 2024 would be approximately 79% (2023: approximately 70%). Based on the dividend proposal and the closing price of 2024, the dividend yield of the shares would be 3.3% (2023: 3.1%). Fresenius Medical Care remains committed to its clear goal of creating value for its shareholders.

Shareholder Structure

In the analysis of our shareholder structure as of December 31, 2024, approximately 92% of the free float was attributed to its respective owners (see TABLE 1.8 and TABLE 1.9). According to the analysis, the largest shareholder was Fresenius SE & Co. KGaA, holding approximately 94.4 M of the total approximately 293.4 M

outstanding Fresenius Medical Care shares. This corresponds to a stake of 32.2%. Additionally, 9 institutional investors were identified as holding at least 1% of the share capital.

In total, 554 institutional investors held shares of Fresenius Medical Care in the latest analysis. The largest 20 of them accounted for approximately 63% of the identified free float, excluding the stake held by Fresenius SE & Co. KGaA (previous year: 66.0%). As of December 31, 2024, 72.2% of the institutional free float was held by investors from the U.S. and Canada, 8.8% by investors from the United Kingdom, 5.8% by investors in Germany, and an additional 3.8% was held by investors in France.

Voting Rights Notifications

According to the notifications received, as of the end of 2024, four shareholders, in addition to Fresenius SE & Co. KGaA, each hold more than 3% of the voting rights, two of them with more than 5% of the voting rights in Fresenius Medical Care.

All voting rights notifications in accordance with sections 33, 38, and 39 of the Securities Trading Act (WpHG) are published on our website at:

https://freseniusmedicalcare.com/en/investors/shares/notification-of-voting-rights/.

Sustainable Investment

Corporate sustainability plays an important role in the investment decisions of institutional investors. Investors assess a company's sustainability performance based on sustainability reporting, as well as ESG ratings and rankings. In line with the implementation of the European sustainability regulation CSRD, we have expanded our reporting and increased transparency on sustainability matters. Throughout the year, the Company implemented sustainability ini-

T 1.8 NUMBER OF IDENTIFIED SHARES AS PER SHAREHOLDER STRUCTURE ANALYSIS
ROUNDED IN M

	Number of Shares in M	in %	in % of Free Float
Number of shares outstanding	293.4	100	
Identified shares	277.5	95	92
Unidentified shares	15.9	5	8
Shares in free float	199.0	68	
Fresenius SE & Co. KGaA	94.4	32	

T 1.9 GEOGRAPHICAL DISTRIBUTION OF IDENTIFIED SHARES
ROUNDED IN M

	Dec. 2024		Dec. 2023	
	Number of Shares in M	in %	Number of Shares in M	in %
U.S. and Canada	128.7	72	129.9	72
United Kingdom	15.7	9	20.2	11
Germany	10.4	6	6.9	4
France	6.7	4	6.9	4
Rest of Europe	9.7	5	10.9	6
Rest of World	7.1	4	6.2	3
TOTAL	**178.4**	**100**	**181.0**	**100**

T 1.10 KEY SHARE DATA

Share Type	No par value bearer share
Stock Exchanges	
Germany	Frankfurt Stock Exchange / Prime Standard
U.S. (ADR)	New York Stock Exchange (NYSE)
Securities identification numbers and ticker symbols	
Deutsche Börse	FME
NYSE (ADR)	FMS
WKN	578 580
ISIN	DE0005785802
CUSIP Number (NYSE)	358029106
Reuters	FMEG.DE (Xetra) or FMS.N (NYSE)
Bloomberg	FME GY (Xetra) or FMS US (NYSE)

tiatives, such as entering into virtual power purchase agreements for renewable energy. In 2024, Fresenius Medical Care was once again recognized for its leading ESG performance in its industries.

Fresenius Medical Care maintained its third-highest rating score of "A" in the MSCI sustainability rating and was rated as a 2024 top-rated ESG Company in our industry by Sustainalytics. In 2024, the Company was included in the Dow Jones Sustainability Index (DJSI) World and for the 15th time in the Europe Index. It remained a member of the FTSE4Good Index. Additionally, the Company regularly participates in other sustainability ratings and publishes the results on its website.

Details of the current ESG ratings can be publicly accessed via the following link:

https://www.freseniusmedicalcare.com/en/sustainability/ratings-and-indices/

For further information on Fresenius Medical Care's sustainability activities, please refer to the Sustainability Statement starting on page 49.

Analyst Assessments of our Shares

During the past year, financial analysts continued to show significant interest in Fresenius Medical Care. By the end of 2024, 24 financial analysts or brokers actively covered the Company and its share. Six analysts gave an Outperform recommendation, 13 gave a Market Perform recommendation, and five gave an Underperform recommendation. One broker resumed coverage after a hiatus, while two brokers ceased coverage altogether. The average price target set by brokers for Fresenius Medical Care's share at year-end was approximately €42.

Rating and Financing

In October 2024, Fresenius Medical Care redeemed a $400 M bond at maturity, which was successfully refinanced through long-term bank loans and existing liquidity.

By successfully utilizing various financing instruments outside the bond market, Fresenius Medical Care maintained its access to diverse sources of financing. At the same time, these instruments allow the Company to flexibly reduce debt in the event of extraordinary cash inflows.

In long-term capital management, the Company continues to primarily focus on the net debt/EBITDA ratio. Both total debt and lease liabilities, as well as total net debt and lease liabilities, decreased further by year-end 2024 compared to the prior year-end. This development underscores our commitment to a disciplined financial policy. Our net leverage ratio improved to 2.9x, which is below Fresenius Medical Care's self-imposed target range of 3.0x to 3.5x net debt to EBITDA. This reaffirms the Company's clear commitment to maintaining its investment-grade rating.

On May 17, 2024, Moody's changed the credit rating outlook from negative to stable (Baa3, stable outlook). On May 23, 2024, S&P Global also changed its rating outlook for the Company from negative to stable (BBB-, stable outlook). On August 2, 2024, Fitch Ratings revised the outlook on Fresenius Medical Care's long-term issuer default to stable from negative and affirmed its rating at 'BBB-'.

The rating agencies highlighted that Fresenius Medical Care's transformation program has supported margin improvements, and further savings contributions from the FME25 transformation program are expected in the next quarters. The rating agencies also appreciated that the Company reduced financial debts, grew revenue, and continuously executed divestments of non-core, lower margin assets.

An overview can be found in TABLE 4.77 on page 321.

Investor Relations Activities

Timely, consistent, and transparent communication with all capital market participants is at the core of Fresenius Medical Care's Investor Relations efforts. Key elements of the Company's capital market communication include strategy, operational and financial performance, as well as sustainability activities. The target audience includes shareholders and potential future shareholders, debt investors, sellside analysts, other capital market participants, employees, financial media, and the general public.

In fiscal year 2024, the Investor Relations team engaged in around 900 conversations with institutional investors to update them on the Company's performance. Overall, the team participated in 57 capital market events, including broker conferences, roadshows for institutional investors, and other virtual formats.

Another key focus of the Investor Relations activities was dedicated roadshows for debt investors, which specifically addressed topics such as financial performance, ratings, financing, and priorities for cash utilization. In addition, the Company held two corporate governance roadshows, providing institutional shareholders with the opportunity to engage with the Chairman of the Supervisory Board.

For further details on Fresenius Medical Care's Investor Relations activities, please visit our website at:

https://www.freseniusmedicalcare.com/en/investors/investors-overview.

Group Management Report

27 General Information
28 Overview of the Group
49 Sustainability Statement
140 Annex to the Sustainability Statement
152 Economic Report
170 Subsequent Events
170 Outlook
173 Risks and Opportunities Report
192 Corporate Governance Fundamentals

General Information about this Group Management Report

The following discussion of the Group Management Report of Fresenius Medical Care AG (Fresenius Medical Care AG & Co. KGaA prior to the transformation of legal form) and its subsidiaries (hereafter referred to as "we", "our", "FME AG", "Fresenius Medical Care", "the Group" or "the Company", as the context requires) was prepared in accordance with sections 315 to 315d of the German Commercial Code and German Accounting Standards No. 20, and should be read in conjunction with our consolidated financial statements in this report. Some of the statements, including those concerning future revenue, costs and capital expenditures, possible changes in our industry as well as the competitive and financial conditions include forward-looking statements. We made these forward-looking statements based on the expectations and beliefs of the Management Board pertaining to future events that may affect us, but which we cannot assure that such events will occur or that the results will be as anticipated. Because these statements involve opportunities, risks and uncertainties, the actual results may differ materially (positive as well as negative) from the results which the forward-looking statements express or imply. The statements cover the content of and are subject to the uncertainties described in the discussions in this report in the chapters "Outlook" and "Risks and opportunities report" as well as in NOTE 2 and NOTE 25 of the notes to the consolidated financial statements.

In 2023, at an extraordinary general meeting (EGM) of the Company held on July 14, 2023, the shareholders of the Company approved the transformation of the legal form of the Company from a partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA) into a German stock corporation (Aktiengesellschaft – AG) (the Conversion). Upon effectiveness of the Conversion, which occurred on November 30, 2023 after registration of the Conversion with the competent commercial register, Fresenius Medical Care Management AG (renamed Fresenius Vermögensverwaltung AG), Hof (Saale), (Management AG) exited the Company as a General Partner and Fresenius SE ceased to control the Company.

Certain disclosures in the Group Management Report fulfil the reporting obligations of the Sustainability Statement resulting from the application of the European Sustainability Reporting Standards (ESRS). The references are labelled as follows, for example with [ESRS 2, 40g], and are located in or at the end of the corresponding sections in which the disclosures can be found.

Rounding adjustments applied to individual numbers and percentages shown in this and other reports may result in these figures differing immaterially from their absolute values. Some figures (including percentages) in this report have been rounded in accordance with commercial rounding conventions. In some instances, such rounded figures and percentages may not add up to 100% or to the totals or subtotals contained in this report. Furthermore, totals and subtotals in tables may differ slightly from unrounded figures contained in this report due to rounding in accordance with commercial rounding conventions. A dash (–) indicates that no data were reported for a specific line item in the relevant financial year or period, while a zero (0) is used when the pertinent figure, after rounding, amounts to zero.

Our sustainability efforts, including those on diversity, equity and inclusion, are designed to comply with any applicable laws, in particular anti-discrimination laws and other legal requirements of the various jurisdictions in which we operate. We are monitoring relevant legal developments, including early 2025 Executive Orders issued in the U.S., and will review our activities in relevant Company entities as appropriate to facilitate ongoing compliance with applicable laws, in particular anti-discrimination laws, and related risk mitigation efforts. The disclosures in this report are associated with the Company's activities in 2024, prior to the recent Executive Orders issued in the United States.

Overview of the Group

We provide high-quality healthcare solutions for patients with renal diseases. Our innovative products and therapies set high standards in dialysis treatment.

Business Model

Operations and Company Structure

Fresenius Medical Care is the world's leading provider of products and services for individuals with kidney diseases based on publicly reported revenue and the number of patients treated. As a vertically integrated medical technology (MedTech) and health care company, Fresenius Medical Care combines medical device engineering and manufacturing expertise with comprehensive patient care.

The incidence of kidney disease is increasing worldwide. A significant rise in kidney disease drivers, such as obesity, diabetes, and hypertension, has elevated kidney disease to a global public health epidemic. According to estimates, the number of people requiring dialysis globally is increasing at a rate of 4% to 5% each year, and is expected to reach around 7 M people by 2035.

We are structured to meet the growing demand for the life-sustaining services and products that are vital to millions of people living with kidney disease worldwide. Kidney patients are individuals with different needs and preferences who require the right therapy, pharmaceuticals, medical technologies and products no matter where they receive treatment, be that in a clinic, a hospital setting, at home, or when traveling.

In our two operating segments, Care Delivery and Care Enablement, we provide the full spectrum of health care services, systems, devices, technologies, products, and pharmaceuticals required to deliver high quality care to people living with kidney disease around the globe. [ESRS 2, 42a; 42b; 42c]

Through our vertical integration, scope, and scale, we manufacture and distribute kidney care related medical devices, systems, pharmaceuticals and products to customers across around 150 countries (2023: around 150), and operate 3,675 (2023: 3,925) dialysis centers throughout around 40 countries worldwide (2023: around 50), serving 299,352 dialysis patients (2023: 332,548). We manage the world's largest network of dialysis centers in terms of the number of people treated and operate 39 production sites in 19 countries (2023: 40 production sites in 20 countries). [ESRS 2, 40a(ii)]

Fresenius Medical Care's company headquarters is in Bad Homburg v. d. Höhe, Germany.

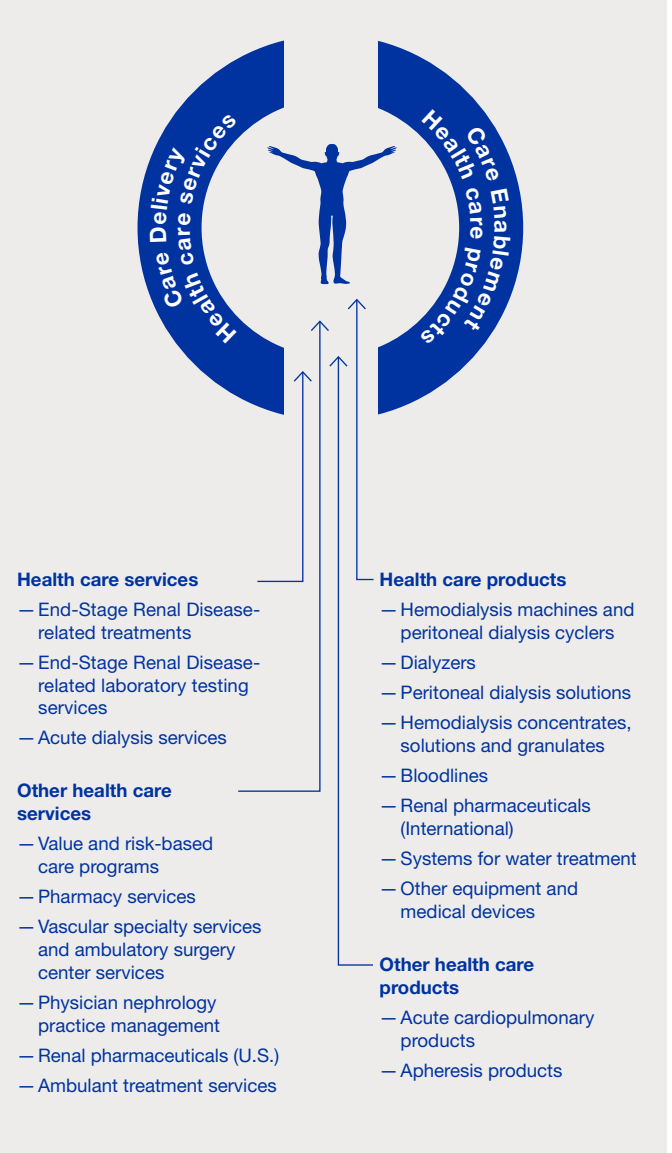
Our Products and Services

Our products and services for 2024 are shown in the following chart: [ESRS 2, 40a(i); 40f]

For information regarding the divestiture of business providing certain of these services during 2024 see NOTE 3 and NOTE 4 of the notes to the consolidated financial statements.

In 2024, approximately 4.2 M (2023: 4.1 M) patients worldwide regularly underwent dialysis treatment. Dialysis is a life-saving blood cleansing procedure that substitutes the function of the kidney in case of kidney failure. Healthy kidneys clean the blood of waste products, regulate water levels, and produce important hormones. Chronic kidney failure or end-stage renal disease (ESRD) occurs when the kidneys are irreparably damaged and are no longer able

C 2.1 **OUR PRODUCTS AND SERVICES**



to function adequately over a sustained period of time. Many diseases can lead to chronic kidney failure, particularly diabetes, chronic nephritis or high blood pressure. There are currently two treatment options for ESRD: kidney transplant and dialysis.

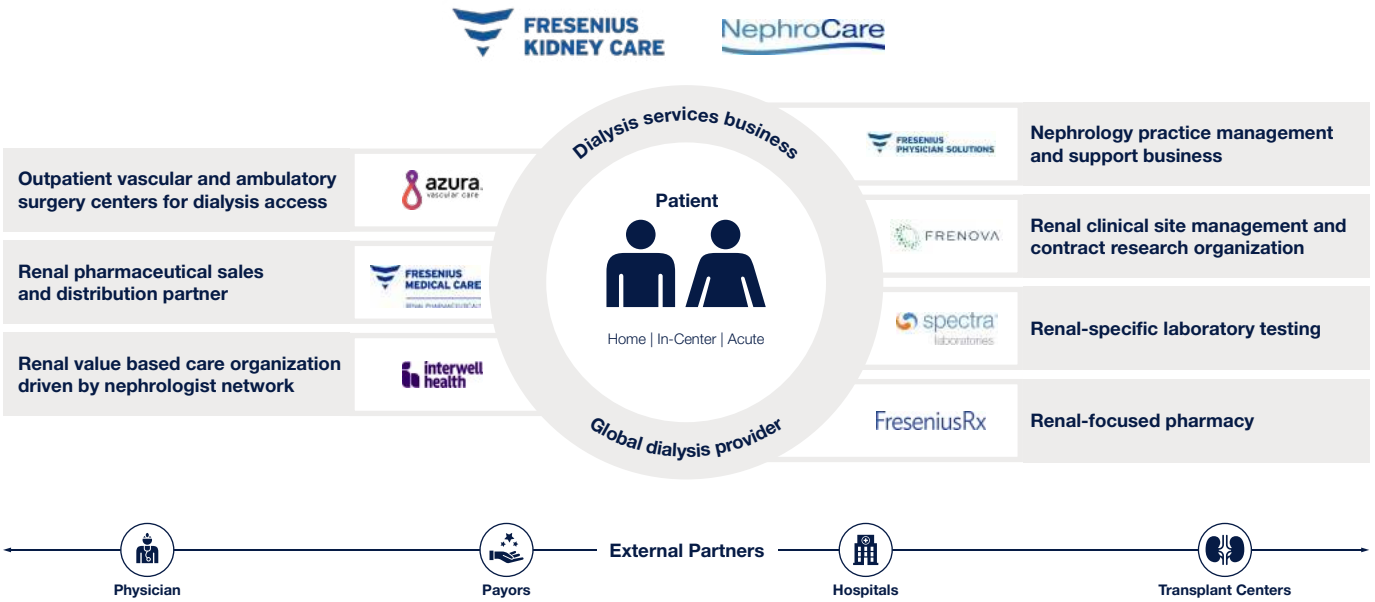
Care Delivery

Our Care Delivery business segment encompasses our global network of dialysis clinics and includes services that address the complex health care needs and treatment choices of kidney patients. We support the entire spectrum of renal care for chronic kidney disease (CKD) and ESRD and are pioneers in dialysis as kidney replacement therapy.

Within Care Delivery, our value- and risk-based care programs allow for partnerships with payors based in the United States (USA or U.S.) and the government to reduce the overall cost of care. With our industry expertise, we leverage artificial intelligence, analytics, technological capabilities, and platforms to support early interventions in care.

The service portfolio of Care Delivery is shown in the chart on the right.

C 2.2 **THE CARE DELIVERY SERVICE PORTFOLIO COVERS THE ENTIRE SPECTRUM OF KIDNEY CARE**



Our Company's Fresenius Kidney Care and Nephrocare dialysis clinic networks comprise our 3,675 worldwide dialysis clinics (2023: 3,925), which provide various forms of in-center kidney replacement therapies. In 2024, we treated 69% (2023: 62%) of our patients in the U.S. and 31% (2023: 38%) outside the U.S. (International).

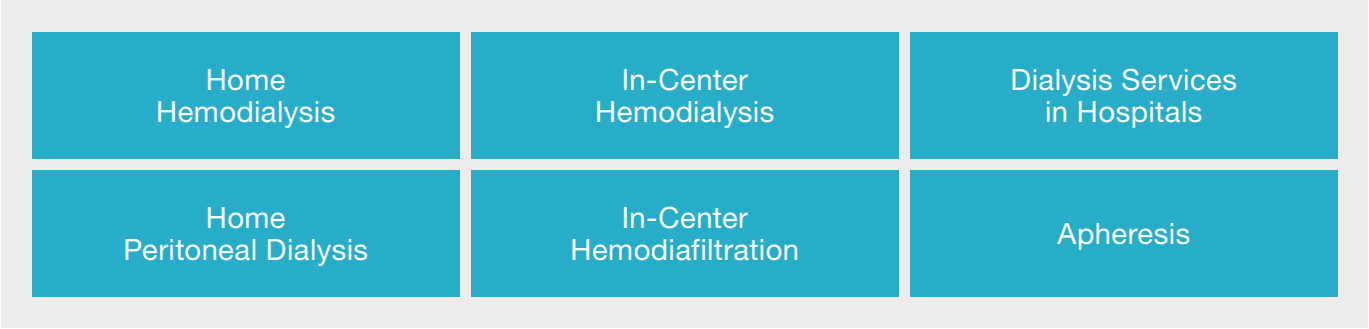
As patients choose greater independence offered by home dialysis, we provide different options of home dialysis therapy - such as peritoneal dialysis (PD) and home hemodialysis (HHD) - to meet different patient needs. Currently we serve over 85,000 patients globally (2023: over 85,000) with our PD and HHD solutions.

Care Delivery provides different forms of dialysis therapies for people living with ESRD and transplant referral coordination for eligible patients where offered, as illustrated in the CHART 2.3 on the next page.

Although our dialysis clinic network is the heart of the Care Delivery segment, the overall Care Delivery portfolio includes a range of services that meet the immediate and long-term needs of individuals living with kidney disease:

> Azura Vascular Care provides outpatient vascular care services to individuals requiring dialysis access management in the U.S.
> Fresenius Medical Care Renal Pharmaceuticals produces and distributes kidney-disease related drugs and pharmaceuticals.
> Interwell Health is our value- and risk-based care subsidiary and nephrology practice network in the U.S.
> Fresenius Physician Solutions provides practice support for nephrologists in the U.S., including management, development, and technology solutions.
> Frenova delivers a network of research sites, a diverse patient population, and the expertise to initiate clinical trials rapidly. This subsidiary works with partner sites to enroll suitable patients for renal trials and studies of adjacent conditions. Frenova also offers data analytics and licensing services, with access to one of nephrology's largest longitudinal databases.
> Spectra Laboratories provides renal-specific laboratory testing and processing.

C 2.3 **OUR DIALYSIS THERAPIES**



> Fresenius RX pharmacy provides dialysis medications, delivered directly to dialysis centers or to patients at home in the U.S., or even when traveling.

Care Enablement

Our engineering expertise is at the heart of our Care Enablement segment. To serve diverse market segments, Care Enablement includes three product verticals: in-center dialysis, home dialysis, and critical care. Each of these units is responsible for the entire product lifecycle, from ideation and creation to value generation, supply chain management, service, and ultimately, the end of the product's life.

Products in the Care Enablement portfolio include dialyzers, in-center hemodialysis (HD) machines, home dialysis and PD cyclers, PD solutions, HD concentrates, solutions and granulates, bloodlines, renal pharmaceuticals, systems for water treatment, acute cardiopulmonary products, apheresis products, and other medical devices. Care Enablement also conducts MedTech device and pharmaceutical-related research and development (Research and Development) and includes manufacturing, supply chain, and commercial operations.

The health care products we offer in around 150 countries worldwide focus on the following therapies:

> Hemodialysis – HD is by far the most common type of therapy for chronic kidney failure. We provide a wide range of HD systems in dialysis centers as well as for use at home, including machines, dialyzers, bloodline systems, HD solutions and concentrates, water treatment systems, as well as data processing and analysis systems.
> Peritoneal dialysis – In PD the peritoneum is used as a natural filter. We offer systems and solutions for continuous ambulatory peritoneal dialysis (CAPD) and automated peritoneal dialysis (APD) in dialysis centers as well as for use at home.
> Acute dialysis – In case of a sudden loss of renal function, continuous renal replacement therapy is used in intensive care units. Fresenius Medical Care also provides products for this.

The portfolio includes both dialysis machines and dialyzer options for kidney replacement therapies across a wide range of clinical needs, including low flux dialysis, high flux dialysis and hemodiafiltration (HDF).

With a comprehensive home dialysis portfolio, including both PD and HHD, we have a clear focus on this growth market. We are making significant progress in connected health solutions, with a strong presence in the U.S. and ongoing expansion across the Europe, Middle East, and Africa (EMEA) region.

Global Medical Office

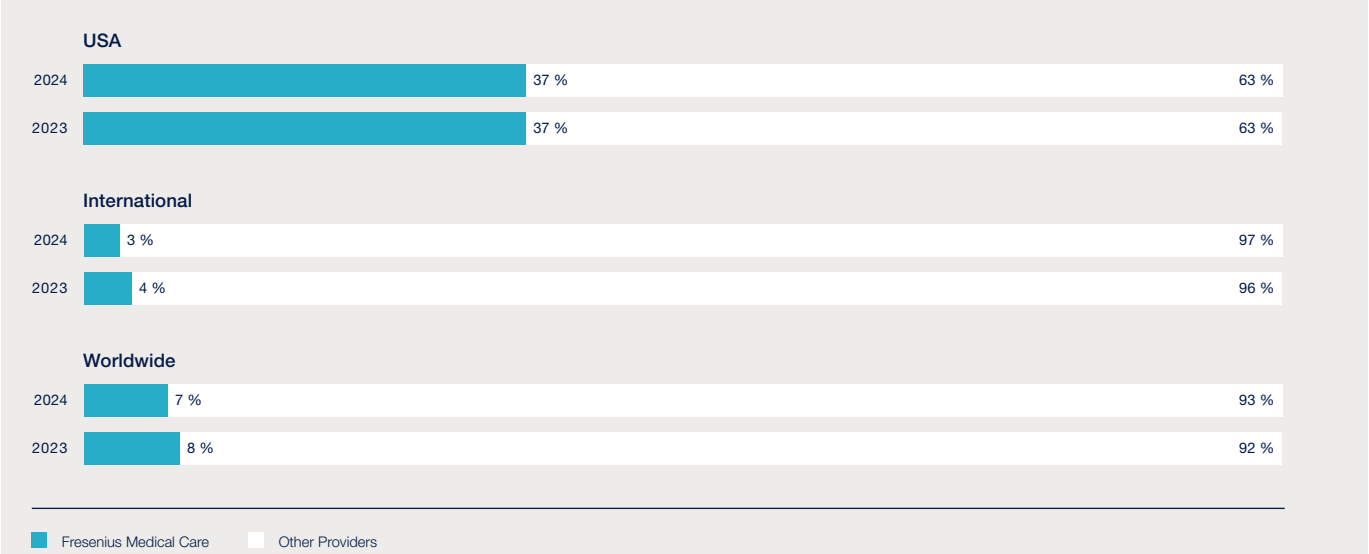
The Global Medical Office (GMO) plays a pivotal role in contributing clinical expertise to the management of our business, offering counsel to business leaders while maintaining close communication on the state of medicine and science in kidney disease care with the aim to connect the right care to the right person at the right time by leveraging advanced data analysis and research, as well as providing educational resources for physicians.

One primary area of focus for the GMO is advancing health equity, the fair and just opportunity to attain optimal health regardless of any factors that affect access to care and health outcomes, for the patients we serve. In 2024, we made progress in addressing health disparities and promoting health equity for individuals living with ESRD. The GMO published its first Health Equity Strategic Plan, which is now being implemented across the U.S. Fresenius Kidney Care centers. This plan outlines our goals, objectives, actions, and resources dedicated to delivering care that enhances the quality of life for each patient and highlights those with specific social support needs.

Major Markets and Competitive Position

The number of dialysis patients worldwide rose by 4% to 5% to around 4.2 M in 2024 (2023: 4.1 M), according to our estimates. We are the global leader in dialysis care, providing treatment to about 7% of all dialysis patients (2023: 8%). In 2024, 299,352 people were treated in our network of dialysis centers (2023: 332,548). The geographical breakdown according to patients treated can be found in the CHART 2.4 on the next page.

C 2.4 **PATIENTS TREATED**



Source: Company data and estimates

Fresenius Medical Care is also the global market leader for dialysis products. Products made for use in our own dialysis centers or for sale to third-party customers, accounted for a market share of around 35% in 2024 (2023: around 35%). We are also leading provider of HD products, holding over 40% of the global market share in 2024 (2023: over 40%).

Dialyzers for HD are the largest product group in the dialysis market with a worldwide sales volume of around 425 M units in 2024 (2023: 410 M). Approximately 174 M (around 40%) of these were made by Fresenius Medical Care (2023: 165 M or around 40%), giving us the biggest market share, by far. HD machines constitute another key component of our product business. Here, too, we are the market leader. Of the estimated 100,000 machines installed in 2024 (2023: 97,000), around 51,000, or around 50% (2023: 49,000 or around 50%), were produced by us. We hold the largest share of the HHD market. In 2024, more than 75% (2023: more than 75%) of all patients performing HHD utilized a dialysis machine from Fresenius Medical Care.

Furthermore, we hold a strong position in the market for PD products: Around 15% (2023: around 15%) of all PD patients use products made by our Company.

The overall market for dialysis care services in the U.S. is consolidated. Across all market segments, we treat around 37% of all dialysis patients here (2023: 37%). In the U.S., home dialysis is becoming increasingly important. In 2024, about 16% (2023: 16%) of our U.S. dialysis treatments were performed at home. Outside the U.S., the dialysis services business is much more fragmented. With around 1,050 dialysis centers (2023: 1,310) and approximately 93,000 patients (2023: 127,000), we operate the largest network of clinics. [ESRS 2, 40f]

Manufacturing & Supply Chain

Our production, distribution, and supply of renal and multi-organ therapy products is managed through a global network of manufacturing sites and distribution centers. Patients and customers across around 150 countries depend on the manufacturing and delivery of a comprehensive range of products used in renal treatments as well as heart and lung therapies.

Being part of the Care Enablement business segment, the Manufacturing & Supply Chain function plays a key role in achieving the production targets: To manufacture high-quality products at optimal locations, in the right quantities, and under the best possible terms.

Throughout the FME25 Program, Manufacturing & Supply Chain has been implementing changes to its global operations. This initiative involves consolidating certain activities in key regions where we can leverage existing sites and expertise to operate at a lower cost. Additionally, we are streamlining and refocusing teams, facilities, and activities on key strategic priorities.

Due to increasing global cost pressures on dialysis products, optimizing manufacturing and landed costs within our global network is more important than ever to ensure future competitiveness. Our efforts focus on major cost drivers, including materials, direct labor, overhead, and freight.

As part of this process, we have decided to transfer all dialysis manufacturing operations from Concord, California, U.S., to our facility in Reynosa, Mexico. Additionally, we are consolidating certain engineering activities within the EMEA region. We have also decided to close our facility in Beijing, China, and exit the liq-

uid concentrate business due to unmet profitability targets, despite optimization efforts and outsourcing options. These changes aim to ensure that we further improve our operational efficiency while continuing to invest in developing and delivering industry-leading technologies.

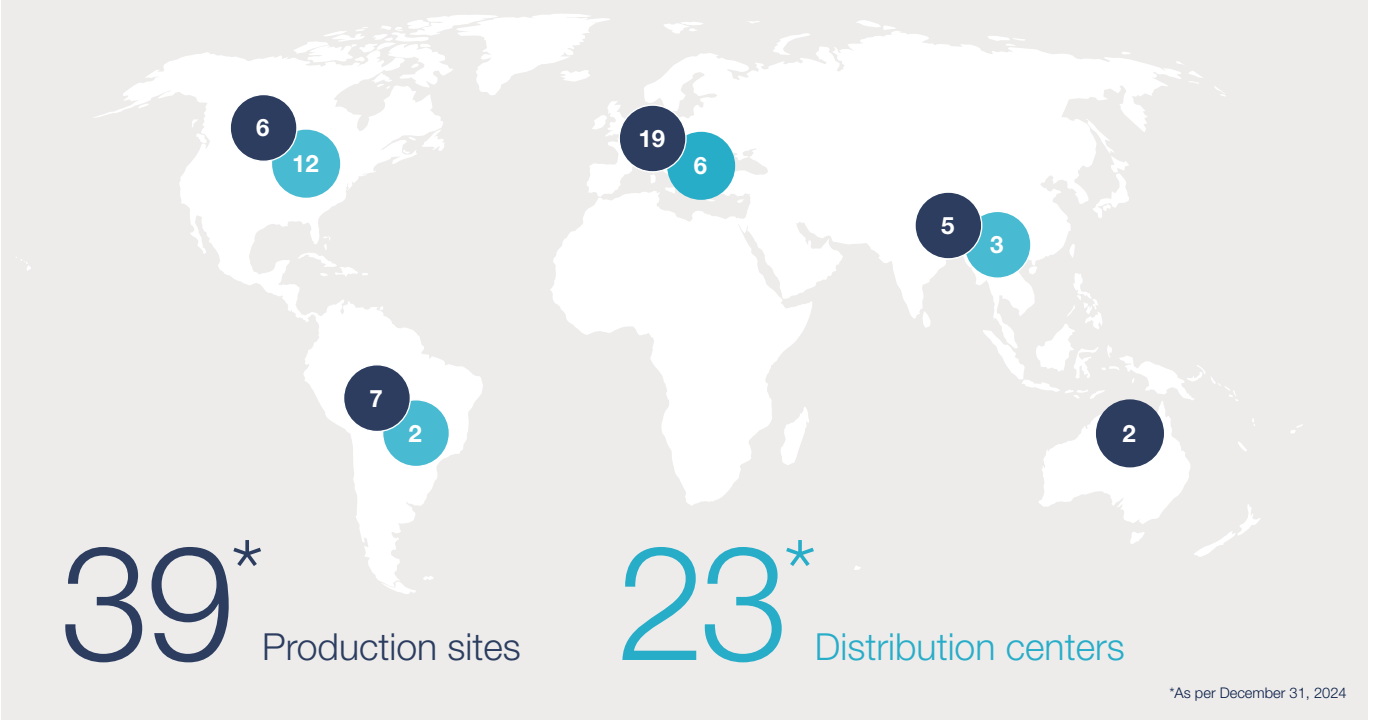
With our FME25 initiatives in 2024, we established a network of larger production sites for global distribution, complemented by smaller production sites for regional supply. We also made strategic changes to our supply chain operations to enhance transportation efficiencies and maintain high-quality service and product deliveries. In 2024, we invested approximately €156 M (2023: approximately €155 M) to transform, modernize and expand our Manufacturing & Supply Chain business.

The Manufacturing & Supply Chain division is also committed to sustainable operations and initiatives across the network. Several environmental projects were implemented in 2024, focusing on water and energy conservation, emission prevention, and significant initiatives for recycling and reusing waste. For further information see the Sustainability Statement included in this report. [ESRS 2, 42c]

At the end of 2024, 15,235 people (total headcount) were employed in Manufacturing & Supply Chain (2023: 15,884).

The most important plants for dialyzer production are in St. Wendel (Germany), Ogden, Utah (U.S.), Changshu (China), L'Arbresle (France), and Buzen (Japan). Dialysis machines are manufactured in Schweinfurt (Germany), in Reynosa (Mexico), and in Changshu (China). The following chart provides an overview of our production sites and distribution centers worldwide:

C 2.5 **PRODUCTION SITES AND DISTRIBUTION CENTERS WORLDWIDE**



Most Important Intangible Resources at Fresenius Medical Care

The most important intangible resources are determined by the following criteria:

> The business model is fundamentally dependent on these intangible resources and
> these intangible resources are a source of added value for the company.

Our most important intangible resources were identified based on an internal assessment, which included discussions with internal stakeholders, a review of our core business activities as well as information derived from our sustainability reporting process. The intangible resource categories "customer capital", "human capital" and "innovation capital" were selected as most important at our Company.

Customer Capital

Our customers, especially our patients, are crucial to our business as the majority of our revenue is generated based on providing dialysis services to our patients. A main part of our strategy is to provide good quality of care to our patients, which is why the well-being of our patients and their satisfaction with our services is our number one priority. The importance of our patients for our business becomes visible through the analysis activities we perform, which we use to constantly monitor the number of our patients, the connected number of treatments and in the following our market share. Additionally, we use the Net Promoter Score to measure the patient experience in our clinics.

Human Capital

As we need to provide good quality of care and products to serve our company purpose, our employees are key for our strategy, for both our operating segments Care Delivery and Care Enablement. For our business to be successful, we need to hire and retain the best employees, have them stay with us long-term and support their development. Additionally, we see diversity as key element of our employee structure. We therefore monitor the training hours per employee in a year and the voluntary turnover rate. On a yearly basis, we use our Global Employee Engagement Survey to measure the satisfaction of our employees and to identify potential for improvement.

Innovation Capital

Developing innovative products and continuously improving our therapies are intrinsic elements of our strategy and therefore our business model. Our worldwide research and development activities, that are part of Care Enablement, allow us to efficiently develop products and therapies in cooperation with our GMO, systematically promoting the global exchange of knowledge and technology.

A globally oriented research and development strategy enables us to meet the increasing demand for high quality yet cost efficient treatment and therapy methods. For further information on our research and development activities, including our research and development expense, number of employees working in this area and number of patents please see chapter "Research and Development".

Corporate Strategy and Objectives

"Creating a future worth living. For patients. Worldwide. Every day." This vision guides our efforts to provide high-quality health care products and services that improve the lives of the patients we serve.

Our products and health care services are at the core of our strategy. To implement our strategy successfully, we will concentrate on three key areas: the renal care continuum, critical care solutions, and complementary assets.

Renal Care Continuum

The future of health care includes an aging population and a rise in chronic diseases that will reshape patient demographics. The combination of fragmented care, cost pressure, and staff shortages will create a need for new solutions. Moreover, digitalization, particularly through data analytics and artificial intelligence, is already changing the delivery of health care.

To meet the challenges of the future, we are leveraging our core strategic competencies: developing innovative products, operating outpatient facilities, standardizing medical procedures and coordinating patient care effectively.

The implementation of our corporate strategy brings us closer to our goal of providing health care for chronically and critically ill patients across the renal care continuum. We aim to use our innovative, high-quality products and services to offer sustainable solutions at a reliable cost.

The renal care continuum encompasses the following aspects:

> **New renal care models:** We intend to use digital technologies such as artificial intelligence and big data analytics to develop new care models for patients with kidney failure, such as personalized dialysis and holistic home treatment.

C 2.6 **OUR STRATEGY**



> **Value and risk-based care models:** These models allow us to offer care that is not only better, but also affordable in the long term. Our aim is to establish sustainable partnerships with payors around the world to drive forward the transition from fee-for-service payment to pay-for-performance models.
> **Chronic kidney disease and transplantation:** We aim to provide patients with holistic care throughout their entire treatment plan. To this end, we have broadened our value and risk-based care programs to include the treatment of chronic kidney disease with an emphasis on slowing disease progression, enabling a smoother start to dialysis and preventing unnecessary hospital stays. We also intend to incorporate kidney transplants into value-based care models in the future.
> **Future innovations:** Through Fresenius Medical Care Ventures, we invest in start-ups and early-stage companies in the health care sector with the goal of gaining access to new and disruptive technologies and treatment concepts for our core business and complementary assets.

Critical Care Solutions

The number of patients requiring continuous renal replacement therapy to treat acute kidney failure is set to rise from slightly more than 1.0 M patients in 2024 to over 1.5 M per year at the end of the next decade. In addition to acute dialysis, we are also active in other areas of extracorporeal critical care therapy, such as the treatment of acute heart, lung and multi-organ failure.

Complementary Assets

We will supplement and strengthen our existing network where feasible through additional partnerships, investments and acquisitions. This will help us to create added medical value while saving costs, enabling us to build an even more solid foundation for our future growth in 2025 and beyond.

Integrating Sustainability

Sustainability is embedded in our vision, mission and strategic planning, reflecting our commitment to addressing global health care challenges and maximizing impact. We manage sustainability risks and opportunities by prioritizing areas such as operational efficiency, customer needs and employer attractiveness. Our strategic sustainability goals are designed to create value for our business and stakeholders, focusing on enhancing quality of care and access to health care, building the best team to serve patients and reducing our environmental footprint. Sustainability performance

related to patients and employees is directly tied to the short-term incentives for the Management Board and senior executives, while the long-term incentive plan is linked to environmental performance. This comprehensive approach aligns with the United Nations Sustainable Development Goals (SDGs). [ESRS 2, 40e]

For further information see the Sustainability Statement included in this report and the Compensation Report in the chapter "Corporate Governance" of the Annual Report.

Strategy Execution and Transformation

Structure

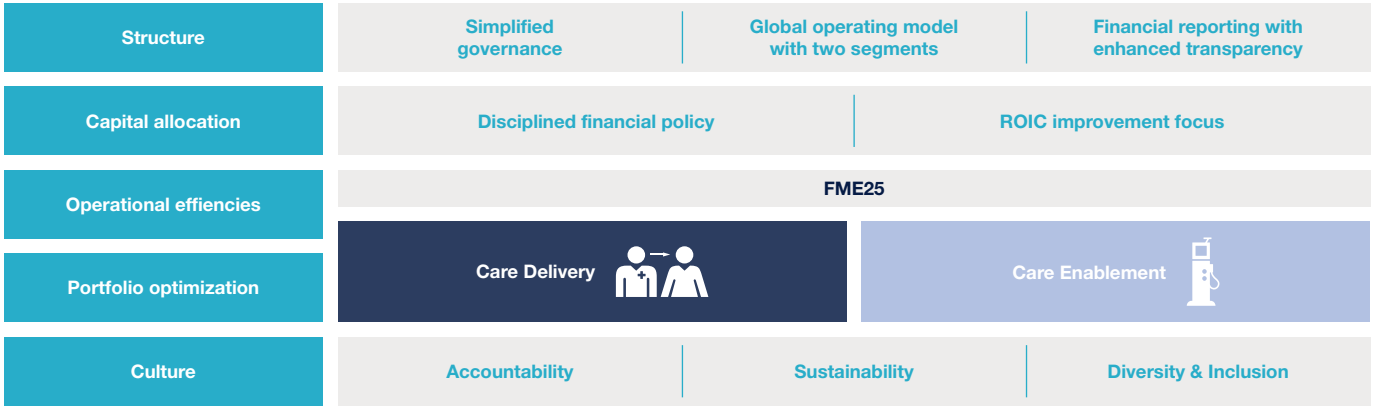
Optimizing our organizational structure remains central to our strategic transformation. Our aim is to enhance shareholder value and streamline decision-making processes, which is reflected in our change of legal form into a German stock corporation (AG) with a standard, two-tier board system in 2023. The implementation of our new legal form and operating model has removed layers from the governance structure and allows for more focused and agile decision making, enabling faster execution of our strategic priorities.

Additionally, our transition into a German stock corporation ensures greater flexibility and bolsters the rights of our shareholders.

Capital Allocation

A disciplined use and distribution of available capital is at the core of our financial strategy. We are focused on achieving sustainable growth while maintaining strong financial performance through an emphasis on deleveraging, ensuring investment-grade status, and improving financial performance. Driven by the success of the FME25 Program and an improved operational focus, capital generated through operational efficiencies and portfolio adjustments has been and will be used to reduce our debt and strengthen our balance sheet, positioning us for future growth while maintaining financial resilience in a challenging economic environment.

C 2.7 **COMPONENTS OF OUR STRATEGY**



Operational Efficiencies

Operational efficiency remains a cornerstone of our transformation efforts, primarily driven by the FME25 Program. With the objective to realize cost savings of €650 M by 2025, this program is designed to streamline processes and enhance our profitability. In our Care Enablement segment, which faces margin pressure, we have identified clear pathways to improve manufacturing processes, scale operations internationally and refine pricing strategies. Similarly, our Care Delivery segment is focused on increasing operational leverage, optimizing our geographic and business unit footprint, and enhancing clinic management.

Legacy Portfolio Optimization

As part of our strategic execution, we have made significant progress in our Legacy Portfolio Optimization program, which is a key lever for unlocking value and focusing on core business areas which involves the review of our assets to assess growth potential and scalability, with a focus on aligning our portfolio with long-term strategic objectives and adjusting it accordingly. Proceeds from divestitures have been and continue to be used to further reduce debt, reinforcing our commitment to maintaining financial discipline while pursuing sustainable growth.

In connection with our Legacy Portfolio Optimization program in our Care Delivery segment, we signed or closed divestments of our activities in all our Latin American markets and we successfully closed divestments of subsidiaries in Sub-Saharan Africa, Türkiye, and the Cura Day Hospitals Group in Australia in 2024. These strategic actions reinforce our commitment to enhancing operational efficiency and focusing on areas related to our core business.

In Care Enablement, we are optimizing our product portfolio by refocusing research and development on future platforms and assessing the strategic fit of our Fresenius Medical Care Ventures portfolio.

Outlook

We are undergoing a turnaround and transformative phase, driven by a clear and focused strategy centered on structural optimization, operational efficiency, and disciplined capital management. Through our FME25 Program and targeted initiatives, we are confident in our ability to enhance profitability and deliver improved returns for shareholders. We will provide an update on the development of our strategy during our 2025 Capital Markets Day in London on June 17, 2025.

Research and Development

Health care systems face major financial challenges. With our research and development activities, we therefore aim to develop innovative products and therapies that not only meet high quality standards and improve clinical outcomes, but are also affordable. As an operator of proprietary dialysis clinics and a provider of products for treating patients at home, we believe that these goals are entirely compatible.

Global Research and Development Strategy

Our research and development strategy contributes to our corporate strategy, which aims to provide health care for chronically and critically ill patients across the renal care continuum by developing adjacent products and therapies utilizing Extracorporeal Membrane Oxygenation, as well as by developing and acquiring complementary assets. Furthermore, our globally-oriented research and development strategy enables us to respond more effectively to the worldwide rise in demand for high-quality yet cost-efficient treatment and therapy methods. In doing so, we also take regional or local market conditions into account and offer a differentiated product range across all three key areas of our corporate strategy.

In conjunction with our research and development activities, we collaborate with external partners to expand our comprehensive innovation and technology network. These partners include numerous academic institutions, such as research institutes at prestigious universities in the U.S. With the Renal Research Institute (RRI) in New York, our subsidiary, we have a renowned institution in the field of clinical research into all aspects of CKD that is working on fundamental issues relating to renal therapies.

In addition, Fresenius Medical Care Ventures collaborates with start-ups and early-stage companies with the objective of promoting an open culture of innovation and enabling access to the latest technologies.

Research and Development Highlights in 2024

In 2024, RRI, as well as the Biomedical Evidence Generation (BMEG) and Computational Medicine (CM) teams within the GMO undertook several research and development initiatives. These efforts highlighted our commitment to improving care for patients with ESRD and advancing the field of nephrology. A unifying theme across all these initiatives is the enhancement of patient care through personalized and precision medicine.

Advancements in Dialysis Technology and Personalized Therapy

RRI and CM have developed innovative approaches to improve personalized fluid management, anemia treatment, and dialysis technology. These initiatives aim to create safer, more personalized treatments that enhance patient experience and outcomes.

a. Fluid management: The Adaptive Ultrafiltration Controller (aUFC), developed by RRI and CM, is designed to adjust fluid removal rates in real-time during dialysis. This technology has the potential to significantly improve patient outcomes by optimizing fluid management and has received the 21st Century Breakthrough Device designation from the Food and Drug Administration (FDA), highlighting its potential to transform patient care. The BMEG team has developed a protocol for a study of the aUFC, scheduled for 2025, which will play a key role in the planned FDA submission. This study represents a critical step toward the widespread adoption of this technology in clinical practice.

b. Anemia management: Anemia InSights, a physiology-based mathematical model and predictive tool that customizes anemia management developed by RRI and CM, is designed to improve the attainment of target hemoglobin levels and decrease the utilization of erythropoiesis-stimulating agents. The results of a randomized controlled trial of this model have been published in the Clinical Journal of the American Society of Nephrology (2024 Jun 11;19(9):1138-47).

c. High-volume hemodiafiltration (HVHDF) and patient reported outcomes: BMEG staff played a pivotal role in the design, execution, analysis and publication of the CONVINCE study, which assessed the impact of HVHDF on patient outcomes. Notably, the study demonstrated significant improvements in patient-reported outcomes, including a slower decline in cognitive function (Kidney International, 2024 Nov;106(5):961-971).

Artificial Intelligence (AI) Applications

RRI is also developing AI applications in the dialysis space. These applications underscore RRI's commitment to harnessing data-driven insights to address complications and improve care delivery.

a. RRI has advanced the application of AI in dialysis care with tools such as the intradialytic hypotension prediction model. This model accurately forecasts blood pressure drops during dialysis, allowing for proactive adjustments to enhance patient safety and outcomes. The findings from this work have been published in Nephrology Dialysis Transplantation (2023 Jun 30;38(7):1761-1769). RRI has

developed a dashboard for this prediction model currently awaiting IT integration.

b. Also, RRI is actively developing AI-driven tools to enhance vascular health management, including a mobile application designed to classify arteriovenous fistula (AVF) aneurysms. This app enables timely detection and intervention for patients at risk, supporting improved clinical outcomes. Initial findings have been published in the Clinical Kidney Journal (2021 Dec 16;15(4):829-830). RRI aims to submit this application as a medical device to the FDA by 2025.

c. Nutrition plays a vital role in the well-being of patients with kidney disease, necessitating a personalized approach to address their unique dietary needs. RRI is leveraging generative AI to enhance precision nutrition strategies, considering medical, socio-economic, and cultural factors for a highly diverse patient population. The initial results from this work have been published in the Journal of Renal Nutrition (2024 Nov;34(6):477-481) and presented at international conferences, showcasing the potential of AI-driven solutions to improve dietary guidance and overall patient care.

Biomarker Research and Lab Sciences

Metabolomics and proteomics provide insights into a patient's condition. The RRI Research Lab focused on the following projects within the field of dialysis-related multiomics:

a. Prediction of AVF maturation outcomes: A significant proportion of newly created AVF fail to mature into functional vascular accesses. To address this challenge, RRI, in collaboration with Manchester University has identified a panel of metabolomic biomarkers that can predict AVF maturation success. These biomarkers offer valuable insights to improve decision-making in vascular access planning. Preliminary findings have been presented at international conferences, highlighting the potential impact of this research on clinical practices. To further validate these biomarkers, RRI has initiated a partnership with the U.S. National Institutes of Health for a large-scale evaluation in a broader patient cohort. This collaborative effort aims to refine predictive tools for AVF maturation, ultimately improving outcomes for patients requiring vascular access.

b. Studies on PD: Spent peritoneal dialysate contains thousands of metabolites that provide valuable information about the function of the peritoneal membrane. The RRI Research Lab is leveraging advanced laboratory techniques and machine learning to analyze these metabolomic patterns, aiming to assess the membrane's ability to remove fluid and waste products efficiently. This approach seeks to replace some of the current testing methods, which are often cumbersome and time-consuming, with faster, more precise evaluations. By streamlining the assessment process, RRI aims to enhance the management and outcomes of PD therapy.

c. Identification of a uremic toxin: When the kidneys fail, waste products known as uremic solutes accumulate in the body, contributing to various complications. In collaboration with academic partners, RRI has identified a specific solute, uremic solute 3-carboxy-4-methyl-5-propyl-2-furanpropionate (CMPF), which is believed to play a role in the development of anemia in patients with kidney disease. Current research is focused on developing methods to enhance the removal of CMPF, aiming to mitigate its impact on anemia and improve patient outcomes. This work represents a significant step toward better understanding and managing the complex effects of uremic solutes in kidney failure.

Strengthening Global Research Partnerships

In 2024, RRI strengthened its global collaborations with academic and clinical partners, driving innovation in kidney care through expanded initiatives. Highlights include the growth of the MONDO International Network and partnerships with leading institutions such as Imperial College London, the University of Maryland, the University of California, Santa Barbara and Maastricht University. These collaborations promote data-sharing and knowledge exchange, fostering a dynamic ecosystem for research and development. Additionally, RRI continued its commitment to education by providing training opportunities for students from Fisk University, Nashville.

These research and development highlights reflect the multifaceted approach by RRI, BMEG, and CM to enhance ESRD treatment and patient quality of life, from advanced technologies to translational research. The developments set a foundation for ongoing innovation in renal care.

Innovations in 2024

We are working on new products that are close to market launch and have an extensive portfolio of innovation projects. These focus on technologies in our core business as well as related areas of strategic interest.

The digitalization of products and processes in health care is a key aspect of innovation. We are primarily focused on connecting patients, physicians, and nursing staff, improving nursing documentation at the point of care, and improving water treatment technologies through automation. We leverage data and know-how from our Care Enablement MedTech segment, our Care Delivery clinics, and GMO to help identify new medical product and service innovations, as well as the potential for digitalization. Our goal is to achieve better treatment results for our patients, seamless connectivity, workflow optimization for nurses, and significant reductions in treatment costs for our customers.

Home Dialysis

Home dialysis is a rapidly growing part of our overall business. In 2024, over 14,500 U.S.-based patients were utilizing the NxStage portable HHD systems (2023: over 13,500). This development was enabled by the introduction of the new, FDA-approved GuideMe software on the NxStage VersiHD cycler to the U.S. market. GuideMe's digital technology leverages the touchscreen interface to offer an enhanced user experience for patients and nurses with walk-through graphical guidance, improving ease of learning and skill retention while facilitating the transition to home dialysis.

In March 2024, we also launched the NxStage VersiHD cycler in Europe. Additionally, we continued our drive towards cost optimization for the NxStage portfolio by in-sourcing pre-mixed dialysate bags which were cleared by the FDA in January 2024.

In addition to the NxStage launches, the introduction of the Liberty Select Cycler with kinexus PD bidirectional remote therapy management in 2024 advanced PD management. This technology enables clinical teams to remotely access patient treatment data and programs or update patient prescriptions.

Since launching in the U.S., approximately 27,000 therapy prescription programs have been delivered remotely (end of 2024), and data for over 4.5 M patient treatments have been digitally transmitted. In May 2024, we introduced kinexus PD Remote Therapy Management in certain European countries for both continuous ambulatory peritoneal dialysis patients and automated peritoneal dialysis patients utilizing the sleep.safe harmony cycler, and plan to continue expanding to additional countries in Europe and Asia.

In-Center Dialysis

In February 2024, we received 510(k) clearance from the FDA for our 5008X Hemodialysis System, enabling us to initiate clinical evaluations and user studies in the U.S. prior to the planned commercial launch starting in 2026. We have successfully conducted a variety of different treatment modalities, including HVHDF dialysis therapy, which we will offer more broadly to dialysis patients in the U.S. in the coming years.

The digitalization of our in-center therapy enhances patient care through personalized treatments and remote monitoring, which reduce overall dialysis-related health care costs, drive innovation and improve operational efficiency, ensuring regulatory compliance and boosting data management capabilities.

We have also expanded automation in dialysis water pre-treatment with online-monitoring solutions via our AquaSENS and AquaSOFT quality offerings. In 2024, we introduced PuraSafe, a remote monitoring system for our central reverse osmosis system, in select markets.

Critical Care

We provide hospitals and intensive care units (ICUs) with a comprehensive portfolio of technologies for the extracorporeal organ support of critically ill patients.

Our multiFiltratePRO platform provides ICU staff with a wide range of features to support patient care in continuous renal replacement therapy. In 2024, we added the hemoperfusion mode to enhance the therapeutic capabilities of multiFiltratePRO. Further technological developments included a new-design monitor and secure connectivity board (SCB) to strengthen cyber security, scheduled for release in 2026. We also advanced production of domestic multiFiltratePRO in China after obtaining approval from the Chinese authorities and successfully delivering the first machines to our Chinese customers in August 2024.

The introduction of our own PVC-free Biofine® foil for our CiCa® dialysate bags facilitated cost reductions, with production having commenced in December 2024. In May 2024, we obtained 510(k) clearance for our pureFLOW fluids 400, 401, 402, and 407, as well as Special 510(k) clearance for our new multiFlux 1000 filter for use in acute renal failure.

Our Apheresis Pathogen Reduction Device (APRED) is designed to provide health care professionals with a modern, technologically advanced device for therapeutic apheresis. In August 2024, we obtained CE MDR certification for APRED and, following the subsequent market launch, the first lipoprotein apheresis treatments were carried out with APRED in September 2024.

Furthermore in 2024, we developed multiHL7, providing a connectivity solution for multiFiltratePRO devices. Connectivity was a key driver in the upgrade of our Xenios 2.0 console. The system supports the simple implementation of standards-based medical data, allowing for the flexible integration of machine data into various patient monitoring systems. Medical data are automatically sent to a patient data management system or electronic medical record, which can significantly reduce the workload for health care providers by streamlining documentation and data management processes.

In August 2024, we obtained MDR approval for Xenios 2.0, our new extracorporeal life support (ECLS) treatment system enabling health care professionals to provide the full range of ECLS treatments for neonatal and adult patients. Developed with safety features, a simplified guided user interface and improved connectivity, the system provides cutting-edge technology and intelligent troubleshooting for physicians and caregivers.

A related development was the launch of our Ready4 multiFiltratePRO Augmented Reality training application. This training supplement uses augmented reality to overlay digital elements in the real world, aiding the proficiency and confidence of users of the multiFiltratePRO acute dialysis device in ICUs.

Research and Development Resources

Research and development expenditure corresponded to 4% (2023: 6%) of our health care product revenue. At the end of 2024, our patent portfolio comprised some 9,529 property rights across approximately 1,586 patent families, i.e. groups of patents linked to the same invention. In 2024, we produced around 54 additional patent families. Our broad portfolio of patents provides us with a wide range of treatment options in this competitive field.

As of December 31, 2024, 1,384 employees (total headcount) worked for the Company in research and development worldwide (December 31, 2023: 1,358). These employees come from diverse backgrounds, with professionals from medical, business, and

technical fields collaborating alongside software, data and AI specialists on interdisciplinary teams. The majority of our research and development staff, over 840 employees, are based in Europe. Most research and development activities are carried out at our facilities in Schweinfurt and Bad Homburg v. d. Höhe (Germany). Other development sites are in St. Wendel (Germany) and Palazzo Pignano (Italy).

In the U.S., we maintain a center of excellence for the development of dialyzers and other disposable products in Ogden, Utah. In China, development activities in Shanghai and Changshu are focused on the growing demand for cost-effective dialysis systems in Asia and emerging markets. The Global research and development organization coordinates collaboration and knowledge-sharing across all these sites.

More information is shown in the table below:

T 2.8 RESEARCH AND DEVELOPMENT

	2024	2023	2022
Research and development expenditures in € M	183	232	229
Number of patents[1]	9,529	9,537	10,086
Employees[1, 2]	1,384	1,358	1,235

[1] As of December 31, for the respective period presented.
[2] Total headcount.

Performance Management System

The Management Board oversees our company by setting strategic and operational targets and measuring various financial key performance indicators used for internal management determined in euro based upon International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB) and other measures, as described below.

The key performance indicators used for internal management are identical in the individual operating segments.

Each operating segment is evaluated based on target figures that reflect the revenue and expenses they control. Our GMO, which seeks to optimize medical treatments and clinical processes within the Company and supports both Care Delivery and Care Enablement, is centrally managed and its profit and loss are allocated to the segments. Similarly, we allocate costs related primarily to headquarters' overhead charges, including accounting and finance as well as certain human resources, legal and IT costs, as we believe that these costs are attributable to the segments and used in the allocation of resources to Care Delivery and Care Enablement. These costs are allocated at budgeted amounts, with the difference between budgeted and actual figures recorded at the corporate level. However, certain costs, which relate mainly to shareholder activities, management activities as well as global internal audit and the remeasurement of certain investments and derivatives embedded in Virtual Power Purchase Agreements (vPPAs), are not allocated to a segment but are accounted for as corporate expenses (Corporate). Financing is a corporate function which is not controlled by the operating segments. Therefore, we do not include interest expense relating to financing as a segment measurement. In addition, we do not include income taxes as a segment measurement, as it believes taxes are outside the segments' control.

Certain of the following financial measures and other financial information as well as discussions and analyses set out in this report include measures that are not defined by IFRS Accounting Standards (Non-IFRS Measures). We believe this information, along with comparable IFRS® Accounting Standards financial measurements, is useful to our investors as it provides a basis for assessing our performance, payment obligations related to performance-based compensation, our compliance with covenants and enhanced transparency as well as comparability of our results. Non-IFRS financial measures should not be viewed or interpreted as a substitute for financial information presented in accordance with IFRS Accounting Standards.

Performance Indicators at Constant Exchange Rates or Constant Currency (Non-IFRS Measure)

Our presentation of some financial measures used in this report such as changes in revenue, operating income and net income attributable to shareholders of FME AG (or net income) includes the impact of translating local currencies to our reporting currency for financial reporting purposes. We calculate and present these financial measures using both IFRS Accounting Standards and at constant exchange rates in our publications to show changes in these metrics and other items without giving effect to period-to-period currency fluctuations. Under IFRS Accounting Standards, amounts received in local (non-euro) currency are translated into euro at the average exchange rate for the period presented. Once we translate the local currency for the constant currency, we then calculate the change, as a percentage, of the current period calculated using the prior period exchange rates versus the prior period. This resulting percentage is a Non-IFRS Measure referring to a change as a percentage at constant currency. These currency-adjusted financial measures are identifiable by the designated terms "Constant Exchange Rates" or "Constant Currency".

The primary key performance indicators are presented both in accordance with IFRS Accounting Standards and at Constant Currency. Each of these indicators presented at Constant Currency is considered a non-IFRS measure. For the purposes of management

compensation, these metrics are also benchmarked at the underlying exchange rates used in the calculation of our incentive compensation targets.

We believe that the measures at Constant Currency are useful to investors, lenders and other creditors because such information enables them to gauge the impact of currency fluctuations on our revenue, operating income, net income attributable to shareholders of FME AG and other items from period to period. In addition, under our long-term incentive plans, we measure the attainment of certain predetermined financial targets for revenue growth and net income growth in Constant Currency. However, we limit our use of Constant Currency period-over-period changes to a measure for the impact of currency fluctuations on the translation of local currency into euro. We do not evaluate our results and performance without considering both:

1. period-over-period changes in revenue, operating income, net income attributable to shareholders of FME AG and other items prepared in accordance with IFRS Accounting Standards and

2. Constant Currency changes in revenue, operating income, net income attributable to shareholders of FME AG and other items.

We caution the readers of this report not to consider these measures in isolation, but to review them in conjunction with changes in revenue, operating income, net income attributable to shareholders of FME AG and other items prepared in accordance with IFRS Accounting Standards. We present the growth rate derived from non-IFRS measures next to the growth rate derived from IFRS Accounting Standards measures such as revenue, operating income, net income attributable to shareholders of FME AG and other items. As the reconciliation is inherent in the disclosure included within section "Results of operations, financial position and net assets" below in the chapter "Economic Report", we believe that a separate reconciliation would not provide any additional benefit.

Performance Indicators (Outlook Base)

The primary key performance indicators are used in the management of the Company, including the preparation of the outlook, at Constant Currency excluding special items. Therefore, management believes that there are special items which should also be excluded from primary key performance indicators at Constant Currency in external reporting to enhance transparency and comparability (Special Items). Special Items are unusual in nature and have not been foreseeable or not foreseeable in size or impact at the time of providing the outlook. In the presentation of the expected business development in our outlook, Special Items are therefore excluded. Presenting our results excluding Special Items ensures comparability of the figures presented with the Company's financial targets which have been defined excluding Special Items.

In 2024 and 2023, we identified the costs related to the FME25 Program, the Humacyte Remeasurements, the Legal Form Conversion Costs and the impacts from Legacy Portfolio Optimization (each defined below) as Special Items which, when excluded from the results disclosed, may provide a reader with further useful information in assessing our performance against the financial targets. These results at Constant Currency (outlook base) are presented as part of the comparison of the actual business results with the outlook and in our outlook, together with reconciliations of the performance indicators for our consolidated financial statements prepared in accordance with IFRS Accounting Standards to the performance indicators at Constant Currency (outlook base). These results at Constant Currency (outlook base) should only be viewed as a supplement to our results disclosed in accordance with IFRS Accounting Standards.

For further information see section "Overall business development – Comparison of actual business results with the outlook" in the chapter "Economic Report" and section "Key performance indicators development of Fresenius Medical Care in 2025" in the chapter "Outlook".

Financial Performance Indicators

Primary Key Performance Indicators

Revenue and Revenue Growth

We use revenue and revenue growth as key performance indicators as we believe that the key to continue growing our revenue is to attract new patients and increase the number of treatments performed each year. The number of treatments performed each year is therefore an indicator of both the absolute amount of revenue as well as continued revenue growth. For further information regarding revenue recognition and measurement, refer to NOTE 1 K) of the notes to the consolidated financial statements.

Revenue and revenue growth are used at Constant Exchange Rates excluding Special Items for management purposes.

Operating Income

Operating income is the most appropriate measure for evaluating the profitability of the operating segments and therefore is also a key performance indicator.

Operating income is used at Constant Exchange Rates excluding Special Items for management purposes.

The following table provides an overview of our primary key performance indicators:

T 2.9 **PRIMARY KEY PERFORMANCE INDICATORS**
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

	Results 2024		Results 2023
	As reported (in accordance with IFRS Accounting Standards)	At Constant Currency (outlook base)[1]	As reported (in accordance with IFRS Accounting Standards)
Revenue	19,336	19,454	19,454
Revenue growth in %	(1)	2	0
Operating income	1,392	1,812	1,369

[1] Outlook base as referred to the 2024 outlook, presented at Constant Currency, excluding Special Items, business impacts from closed divestitures in 2023 and the Tricare settlement. For further information on Constant Currency and Special Items, see above in this section.

The results at Constant Currency (outlook base) should only be viewed as a supplement to our results disclosed in accordance with IFRS Accounting Standards and are used for management purposes. Presenting our results at Constant Currency excluding Special Items also ensures comparability of the figures presented with the Company's financial targets which have been defined excluding Special Items.

For a reconciliation of the results prepared in accordance with IFRS Accounting Standards to the results at Constant Currency (outlook base) see section "Overall business development - Comparison of actual business results with the outlook" in the chapter "Economic Report".

Secondary Financial Performance Indicators

Return on Invested Capital (ROIC) (Non-IFRS Measure)

ROIC is the ratio of operating income, for the last twelve months, after tax (net operating profit after tax or NOPAT) to the average invested capital of the last five quarter closing dates, including adjustments for acquisitions and divestitures made during the last twelve months with a purchase price above a €50 M threshold, consistent with the respective adjustments made in the determination of adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) below (see "Net leverage ratio (Non-IFRS Measure)"). Beginning in 2024, we further adjust ROIC for costs related to Legacy Portfolio Optimization incurred during the last twelve months to increase comparability of the underlying financial figures of certain Management Board compensation performance targets with the Company's operating performance and to adequately recognize the actual performance of the members of the Management Board. ROIC expresses how efficiently we allocate the capital under our control or how well we employ our capital with regard to investment projects.

The following tables show the reconciliation of average invested capital to total assets, which we believe to be the most directly comparable IFRS Accounting Standards financial measure, and how ROIC is calculated:

T 2.10 RECONCILIATION OF AVERAGE INVESTED CAPITAL AND ROIC (NON-IFRS MEASURE, UNADJUSTED)
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

2024	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024	March 31, 2024	Dec. 31, 2023
Total assets	33,567	32,511	33,896	34,336	33,930
Plus: Cumulative goodwill amortization and impairment loss[1]	504	519	565	519	629
Minus: Cash and cash equivalents[1]	(1,185)	(1,387)	(1,112)	(1,192)	(1,427)
Minus: Deferred tax assets[1]	(230)	(296)	(281)	(279)	(292)
Minus: Accounts payable to unrelated parties[1]	(906)	(779)	(793)	(748)	(775)
Minus: Accounts payable to related parties	(55)	(73)	(100)	(110)	(123)
Minus: Provisions and other current liabilities[2]	(2,803)	(2,671)	(3,062)	(3,026)	(2,936)
Minus: Income tax liabilities[1]	(222)	(227)	(189)	(280)	(231)
Invested capital	**28,670**	**27,597**	**28,924**	**29,220**	**28,775**
Average invested capital as of December 31, 2024	**28,637**				
Operating income	1,392				
Income tax expense[3]	(502)				
NOPAT	**890**				

[1] Includes amounts related to assets, and associated liabilities, classified as held for sale (see NOTE 4 of the notes to the consolidated financial statements).
[2] Including non-current provisions, non-current labor expenses and variable payments outstanding for acquisitions and excluding pension liabilities and noncontrolling interests subject to put provisions.
[3] Adjusted for noncontrolling partnership interests.

T 2.11 ADJUSTMENTS TO AVERAGE INVESTED CAPITAL AND ROIC
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

2024	Dec. 31, 2024	Sept. 30, 2024[4]	June 30, 2024[4]	March 31, 2024[4]	Dec. 31, 2023[4]
Total assets	—	(38)	(47)	(622)	(709)
Plus: Cumulative goodwill amortization and impairment loss	—	(2)	(2)	(50)	(84)
Minus: Cash and cash equivalents	—	3	5	24	35
Minus: Deferred tax assets	—	2	2	3	10
Minus: Accounts payable to unrelated parties	—	2	2	13	12
Minus: Accounts payable to related parties	—	—	—	1	1
Minus: Provisions and other current liabilities[2]	—	8	7	29	39
Minus: Income tax liabilities	—	—	—	1	3
Invested capital	**—**	**(25)**	**(33)**	**(601)**	**(693)**
Adjustment to average invested capital as of December 31, 2024	**(270)**				
Adjustment to operating income[4]	139				
Adjustment to income tax expense[4]	(50)				
Adjustment to NOPAT	**89**				

[2] Including non-current provisions, non-current labor expenses and variable payments outstanding for acquisitions and excluding pension liabilities and noncontrolling interests subject to put provisions.
[4] Including adjustments for acquisitions and divestitures made during the last twelve months with a purchase price above a €50 M threshold.

T 2.12 RECONCILIATION OF AVERAGE INVESTED CAPITAL AND ROIC (NON-IFRS MEASURE)
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

2024	Dec. 31, 2024	Sept. 30, 2024[4]	June 30, 2024[4]	March 31, 2024[4]	Dec. 31, 2023[4]
Total assets	33,567	32,473	33,849	33,714	33,221
Plus: Cumulative goodwill amortization and impairment loss[1]	504	517	563	469	545
Minus: Cash and cash equivalents[1]	(1,185)	(1,384)	(1,107)	(1,168)	(1,392)
Minus: Deferred tax assets[1]	(230)	(294)	(279)	(276)	(282)
Minus: Accounts payable to unrelated parties[1]	(906)	(777)	(791)	(735)	(763)
Minus: Accounts payable to related parties	(55)	(73)	(100)	(109)	(122)
Minus: Provisions and other current liabilities[2]	(2,803)	(2,663)	(3,055)	(2,997)	(2,897)
Minus: Income tax liabilities[1]	(222)	(227)	(189)	(279)	(228)
Invested capital	**28,670**	**27,572**	**28,891**	**28,619**	**28,082**
Average invested capital as of December 31, 2024	**28,367**				
Operating income[4]	1,531				
Income tax expense[3, 4]	(552)				
NOPAT	**979**				
ROIC in %	**3.5**				

[1] Includes amounts related to assets, and associated liabilities, classified as held for sale (see NOTE 4 of the notes to the consolidated financial statements).
[2] Including non-current provisions, non-current labor expenses and variable payments outstanding for acquisitions and excluding pension liabilities and noncontrolling interests subject to put provisions.
[3] Adjusted for noncontrolling partnership interests.
[4] Including adjustments for acquisitions and divestitures made during the last twelve months with a purchase price above a €50 M threshold.

T 2.13 ADJUSTMENTS TO AVERAGE INVESTED CAPITAL AND ROIC (EXCLUDING LEGACY PORTFOLIO OPTIMIZATION COSTS)
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

2024	Dec. 31, 2024
Adjustment to operating income	136
Adjustment to income tax expense	80
Adjustment to NOPAT	**216**

T 2.14 RECONCILIATION OF AVERAGE INVESTED CAPITAL AND ROIC (NON-IFRS MEASURE, EXCLUDING LEGACY PORTFOLIO OPTIMIZATION COSTS)
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

2024	Dec. 31, 2024	Sept. 30, 2024[4]	June 30, 2024[4]	March 31, 2024[4]	Dec. 31, 2023[4]
Total assets	33,567	32,473	33,849	33,714	33,221
Plus: Cumulative goodwill amortization and impairment loss[1]	504	517	563	469	545
Minus: Cash and cash equivalents[1]	(1,185)	(1,384)	(1,107)	(1,168)	(1,392)
Minus: Deferred tax assets[1]	(230)	(294)	(279)	(276)	(282)
Minus: Accounts payable to unrelated parties[1]	(906)	(777)	(791)	(735)	(763)
Minus: Accounts payable to related parties	(55)	(73)	(100)	(109)	(122)
Minus: Provisions and other current liabilities[2]	(2,803)	(2,663)	(3,055)	(2,997)	(2,897)
Minus: Income tax liabilities[1]	(222)	(227)	(189)	(279)	(228)
Invested capital	**28,670**	**27,572**	**28,891**	**28,619**	**28,082**
Average invested capital as of December 31, 2024	**28,367**				
Operating income[4]	1,667				
Income tax expense[3, 4]	(472)				
NOPAT	**1,195**				
ROIC in % (excluding Legacy Portfolio Optimization costs)	**4.2**				

[1] Includes amounts related to assets, and associated liabilities, classified as held for sale (see NOTE 4 of the notes to the consolidated financial statements).
[2] Including non-current provisions, non-current labor expenses and variable payments outstanding for acquisitions and excluding pension liabilities and noncontrolling interests subject to put provisions.
[3] Adjusted for noncontrolling partnership interests.
[4] Including adjustments for acquisitions and divestitures made during the last twelve months with a purchase price above a €50 M threshold.

T 2.15 RECONCILIATION OF AVERAGE INVESTED CAPITAL AND ROIC (NON-IFRS MEASURE, UNADJUSTED)
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

2023	Dec. 31, 2023	Sept. 30, 2023	June 30, 2023	March 31, 2023	Dec. 31, 2022
Total assets	33,930	35,635	34,960	35,501	35,754
Plus: Cumulative goodwill amortization and impairment loss	629	703	644	640	645
Minus: Cash and cash equivalents[1]	(1,427)	(1,574)	(1,363)	(1,224)	(1,274)
Minus: Loans to related parties	—	—	—	—	(1)
Minus: Deferred tax assets[1]	(292)	(304)	(314)	(307)	(313)
Minus: Accounts payable to unrelated parties[1]	(775)	(762)	(721)	(822)	(813)
Minus: Accounts payable to related parties	(123)	(119)	(140)	(111)	(138)
Minus: Provisions and other current liabilities[2]	(2,936)	(3,235)	(3,018)	(3,007)	(3,008)
Minus: Income tax liabilities	(231)	(263)	(230)	(215)	(171)
Invested capital	**28,775**	**30,081**	**29,818**	**30,455**	**30,681**
Average invested capital as of December 31, 2023	**29,962**				
Operating income	1,369				
Income tax expense[3]	(508)				
NOPAT	**861**				

[1] Includes amounts related to assets, and associated liabilities, classified as held for sale (see NOTE 4 of the notes to the consolidated financial statements).
[2] Including non-current provisions, non-current labor expenses and variable payments outstanding for acquisitions and excluding pension liabilities and noncontrolling interests subject to put provisions.
[3] Adjusted for noncontrolling partnership interests.

T 2.16 ADJUSTMENTS TO AVERAGE INVESTED CAPITAL AND ROIC
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

2023	Dec. 31, 2023	Sept. 30, 2023[4]	June 30, 2023[4]	March 31, 2023[4]	Dec. 31, 2022[4]
Total assets	—	(370)	(361)	(361)	(368)
Minus: Cash and cash equivalents	—	20	20	20	20
Minus: Accounts payable to unrelated parties	—	5	5	5	5
Minus: Provisions and other current liabilities[2]	—	16	16	16	16
Invested capital	**—**	**(329)**	**(320)**	**(320)**	**(327)**
Adjustment to average invested capital as of December 31, 2023	**(259)**				
Adjustment to operating income[4]	(32)				
Adjustment to income tax expense[4]	12				
Adjustment to NOPAT	**(20)**				

[2] Including non-current provisions, non-current labor expenses and variable payments outstanding for acquisitions and excluding pension liabilities and noncontrolling interests subject to put provisions.
[4] Including adjustments for acquisitions and divestitures made during the last twelve months with a purchase price above a €50 M threshold.

T 2.17 RECONCILIATION OF AVERAGE INVESTED CAPITAL AND ROIC (NON-IFRS MEASURE)
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

2023	Dec. 31, 2023	Sept. 30, 2023[4]	June 30, 2023[4]	March 31, 2023[4]	Dec. 31, 2022[4]
Total assets	33,930	35,265	34,599	35,140	35,386
Plus: Cumulative goodwill amortization and impairment loss	629	703	644	640	645
Minus: Cash and cash equivalents[1]	(1,427)	(1,554)	(1,343)	(1,204)	(1,254)
Minus: Loans to related parties	—	—	—	—	—
Minus: Deferred tax assets[1]	(292)	(304)	(314)	(307)	(313)
Minus: Accounts payable to unrelated parties[1]	(775)	(757)	(716)	(817)	(808)
Minus: Accounts payable to related parties	(123)	(119)	(140)	(111)	(138)
Minus: Provisions and other current liabilities[2]	(2,936)	(3,219)	(3,002)	(2,991)	(2,992)
Minus: Income tax liabilities	(231)	(263)	(230)	(215)	(171)
Invested capital	**28,775**	**29,752**	**29,498**	**30,135**	**30,354**
Average invested capital as of December 31, 2023	**29,703**				
Operating income[4]	1,337				
Income tax expense[3,4]	(496)				
NOPAT	**841**				
ROIC in %	**2.8**				

[1] Includes amounts related to assets, and associated liabilities, classified as held for sale (see NOTE 4 of the notes to the consolidated financial statements).
[2] Including non-current provisions, non-current labor expenses and variable payments outstanding for acquisitions and excluding pension liabilities and noncontrolling interests subject to put provisions.
[3] Adjusted for noncontrolling partnership interests.
[4] Including adjustments for acquisitions and divestitures made during the last twelve months with a purchase price above a €50 M threshold.

Operating Income Margin

Operating income margin represents the ratio of operating income to revenue. We believe operating income margin shows the profitability of each of our operating segments and our company on a consolidated basis.

Net Income and Net Income Growth

As net income represents the profitability of our business after all costs including operating costs, interest income and expense, taxes and the impacts of noncontrolling interests in our subsidiaries, this metric shows our profit for the period after taking into account all aspects of our business. On a consolidated level, we also use percentage growth in net income (net income attributable to shareholders of FME AG).

Basic Earnings per Share Growth

Percentage growth in basic earnings per share at Constant Currency (Non-IFRS Measure) is a performance indicator to evaluate our profitability. This indicator helps to manage our overall performance. Basic earnings per share is calculated by dividing net income attributable to shareholders by the weighted-average number of outstanding shares over the course of the year.

Net Cash Provided by (Used In) Operating Activities in % of Revenue

Our consolidated statement of cash flows indicates how we generated and used cash and cash equivalents. In conjunction with our other primary financial statements, it provides information that helps us evaluate changes to our net assets and our financial structure (including liquidity and solvency). Net cash provided by (used in) operating activities is applied to assess whether a business can internally generate the cash required to make the necessary replacement and expansion of investments. This indicator is impacted by the profitability of our business and the development of working capital, mainly receivables. Net cash provided by (used in) operating activities in percent of revenue shows the percentage of our revenue that is available in terms of financial resources. This measure is an indicator of our operating financial strength.

Free Cash Flow in % of Revenue (Non-IFRS Measure)

Free cash flow (which we define as net cash provided by (used in) operating activities after capital expenditures, before acquisitions and investments) refers to the cash flow we have at our disposal, including cash flows that may be restricted for other uses. This indicator shows the percentage of revenue available for acquisitions and investments, dividends to shareholders, debt servicing and reductions in debt financing or for repurchasing shares.

For a reconciliation of cash flow performance indicators for the years ended 2024 and 2023 which reconciles free cash flow and free cash flow in percent of revenue to Net cash provided by (used in) operating activities and Net cash provided by (used in) operating activities in percent of revenue, see section "Results of operations, financial position and net assets – Financial position – Sources of liquidity" in the chapter "Economic Report".

Capital Expenditures

We manage our investments using a detailed coordination and evaluation process. The Management Board sets our complete investment budget as well as the investment targets. Before realizing specific investment projects or acquisitions, our internal Acquisition & Investment Committee examines, based on certain thresholds, the individual projects and measures considering the expected return on investment and potential yield. Investment projects are evaluated using common methods such as net present value, internal interest rate methods and return on invested capital. We utilize this evaluation methodology to ensure that we only make and implement investments and acquisitions that increase shareholder value. Capital expenditures for property, plant and equipment and capitalized development costs is an indicator used for internal management. It influences the capital invested for replacement and expansion.

Net Leverage Ratio (Non-IFRS Measure)

The net leverage ratio is a performance indicator used for capital management. To determine the net leverage ratio, debt and lease liabilities less cash and cash equivalents (net debt) is compared to adjusted EBITDA, which we define as EBITDA adjusted for:

- the effects of acquisitions and divestitures made during the year with a purchase price above a €50 M threshold as defined in our Syndicated Credit Facility (see NOTE 17 of the notes to the consolidated financial statements),
- non-cash charges,
- impairment loss (including any impairment losses associated with the FME25 Program and Legacy Portfolio Optimization, as defined below), and
- Special Items, including:
  i. costs related to our FME25 Program,
  ii. the impact from the remeasurement of our investment in Humacyte, Inc. and receivables related to a royalty stream that we are entitled to base on sales made by Humacyte, Inc. in the U.S. (Humacyte Remeasurements),
  iii. certain costs associated with the Conversion, primarily related to the requisite relabeling of our products, transaction costs (such as costs for external advisors and conducting an extraordinary general meeting) and costs related to the establishment of dedicated administrative functions required to manage certain services which have historically been administered at the Fresenius SE group level and paid by the Company through corporate charges (Legal Form Conversion Costs), and

iv. impacts from strategic divestitures identified during the review of our business portfolio, mainly due to exiting unsustainable markets and divesting non-core businesses, as well as the cessation of certain research and development programs to enable more focused capital allocation towards areas in our core business that are expected to have higher profitable growth (Legacy Portfolio Optimization). During the year ended December 31, 2024, these impacts are mainly driven by gains and losses from divestitures, impairment losses resulting from the measurement of assets held for sale or from write-downs of related non-current assets (see NOTE 4 and NOTE 5 E) of the notes to the consolidated financial statements).

The ratio is an indicator of the length of time the Company needs to service the net debt out of its own resources. We believe that the net leverage ratio provides alternative information that management believes to be useful in assessing our ability to meet our payment obligations in addition to considering the absolute amount of our debt. We have a strong market position in a growing, global and mainly non-cyclical market. Furthermore, most of our customers have a high credit rating as the dialysis industry is characterized by stable and sustained cash flows. We believe this enables us to work with a reasonable proportion of debt.

For our self-set target range and a reconciliation of the net leverage ratio as of December 31, 2024 and 2023, see section "Results of operations, financial position and net assets – Financial position – Financing strategy" in the chapter "Economic Report".

Employees

At a functional level, our human resources management is organized globally to ensure a uniform strategic approach in line with the overarching corporate objectives.

At December 31, 2024, we employed a total of 111,513 members of staff (total headcount) in 67 countries worldwide. As a result of our Legacy Portfolio Optimization and FME25 Program, our workforce decreased by 7% year-on-year, or by 8,332 employees in absolute terms. For further information on the movement in employees, see section "Results of operations, financial position and net assets" in the chapter "Economic Report".

The following table shows the breakdown of employees by our major category of activities:

T 2.18 **EMPLOYEES**
TOTAL HEADCOUNT

	Dec. 31, 2024	Dec. 31, 2023	Change	Share in %
TOTAL COMPANY	**111,513**	**119,845**	(8,332)	100
U.S.	**60,516**	**60,868**	(352)	54
Care Delivery	55,437	55,047		
Care Enablement	5,024	5,805		
Corporate	55	16		
GERMANY	**7,658**	**7,581**	77	7
Care Delivery	2,545	2,394		
Care Enablement	5,025	5,125		
Corporate	88	62		
REST OF THE WORLD	**43,339**	**51,396**	(8,057)	39
Care Delivery	25,161	33,556		
Care Enablement	18,168	17,839		
Corporate	10	1		

Staff costs at Fresenius Medical Care decreased to €7,789 M in 2024 (2023: €7,768 M), corresponding to 40% (2023: 40%) of revenue. Average staff costs per employee (annual average based on total headcount) amounted to €68,419 (2023: €63,095).

More information about our employees can be found in the Sustainability Statement included in this report. For more information on diversity, see the chapter "Corporate Governance" in the Annual Report.

Quality Management

Excellence in quality management is a vital part of our efforts to provide high-quality therapies and products for our patients and customers.

Quality Management in Care Enablement

With a focus on quality, costs and availability, our Care Enablement segment introduced an improved organizational infrastructure with efficient processes and systems over the last several years. All production sites follow the Lean Manufacturing approach which, in our plants in North America and in most of the plants in EMEA includes the "Lean Six Sigma" management system. The focus of Lean Manufacturing and Six Sigma is the continuous improvement of manufacturing processes in order to achieve a low defect rate resulting in improved product quality, while reducing manufacturing times. We have successfully harmonized the major Quality Management Systems (QMS) in all manufacturing and development sites outside the U.S, the International Organization for Standardization (ISO)-certified marketing and sales sites in the EMEA region and the EU legal manufacturer under one globally harmonized management system (GMS). Every medical device plant at these locations has a local QMS directed by GMS that is certified either to ISO 13485:2016 and / or ISO 9001:2015 under Medical Device Single Audit Program (MDSAP). Our production activities in the U.S. continue to be governed by our North American management system in compliance with FDA regulations. Plants producing products with the Conformité Européenne (CE) mark are in compliance with the EU Medical Device Regulation (MDR), and our product portfolio is in the transition process to obtain EU MDR conformity in line with legal timelines until May 2028. The QMS of each site is additionally reviewed through periodic corporate and local management review and internal audits.

All certified plants have successfully passed the annual ISO 13485, ISO 9001, MDSAP underlying regulatory requirements, external QMS audits and authority inspections for maintaining their required certifications and licenses.

Quality Management in Care Delivery

Our dialysis centers work in conformance with the generally accepted quality standards of the industry, particularly the U.S. Kidney Disease Outcomes Quality Initiative (KDOQI) guidelines, the European Renal Best Practice standard and increasingly the Kidney Disease: Improving Global Outcomes (KDIGO), an industry initiative for global clinical practice guidelines. Clinical data management systems are used to routinely collect certain medical parameters, which we evaluate in anonymized form in compliance with these guidelines.

At each of our dialysis centers in the U.S., a quality assurance committee is responsible for reviewing quality of care data, choosing local quality improvement projects and monitoring the progress towards achieving the quality targets which are informed by KDOQI, KDIGO, and the Clinical and Quality Agenda established by our GMO in the U.S. Outside the U.S., the Care Delivery International Clinic Quality Management (CDI CQM) department is responsible for establishing and maintaining our internal quality management systems.

More information about our quality management including our quality data can be found in the Sustainability Statement included in this report.

Sustainability Management

At the core of Fresenius Medical Care is our steadfast commitment to our patients. This approach shapes how we manage sustainability, emphasizing our contribution to global health care challenges and on activities with the biggest impact for our company purpose. Acting sustainably is a fundamental component of our strategy. This includes understanding and managing our sustainability impacts, risks, and opportunities.

Over the past years, we have continuously integrated sustainability into our governance and business operations. Further information can be found in the Sustainability Statement included in this report.

Sustainability Statement

General Information

This chapter covers general disclosures related to the basis for preparation and specific circumstances (ESRS 2, BP-1 & BP-2).

With this Sustainability Statement, we provide an overview of topics, practices, and outcomes for fiscal year 2024. It meets the requirements of Directive (EU) 2022/2464 of the European Parliament and the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD). The reporting fully complies with the European Sustainability Reporting Standards (ESRS). Furthermore, it meets the non-financial reporting obligations as outlined in Sections 315b to 315c of the German Commercial Code (Handelsgesetzbuch, HGB) and has been prepared on a consolidated basis for Fresenius Medical Care AG (Group). With this Sustainability Statement, we also comply with the requirements of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to facilitate sustainable investment (EU Taxonomy).

During the reporting period, several changes were made in the preparation and presentation of sustainability information. Due to the significance of the ESRS as the reporting standard adopted by the European Commission for sustainability reporting, we are applying the ESRS as a reporting framework in accordance with Section 315c (3) in conjunction with Section 289d of the German Commercial Code for the first time. The Sustainability Statement was integrated into the Group Management Report. As part of our due diligence process, we consider our entire supply chain. Further information on due diligence processes is provided in the section "Sustainability due diligence" in the chapter "Sustainability Management". We have not identified any significant risks from our own business activities or from business relationships, products, or services that are very likely to have a serious negative impact on non-financial aspects in accordance with Section 289c of the German Commercial Code.

Our sustainability efforts, including those on diversity, equity and inclusion, are designed to comply with any applicable laws, in particular anti-discrimination laws and other legal requirements of the various jurisdictions in which we operate. We are monitoring relevant legal developments, including early 2025 Executive Orders issued in the U.S., and will review our activities in relevant Company entities as appropriate to facilitate ongoing compliance with applicable laws, in particular anti-discrimination laws, and related risk mitigation efforts. The disclosures in this Sustainability Statement are associated with the Company's activities in 2024, prior to the recent Executive Orders issued in the United States.

Scope and Coverage

The Sustainability Statement covers the period from January 1 to December 31, 2024. Information provided refers to Fresenius Medical Care AG and our fully consolidated subsidiaries. The consolidation scope is consistent with that of our consolidated financial statements. Data for operations that were divested or closed during the year are included in the reporting until the month in which these entities were owned by us. If data for these entities were not attainable for the period of ownership until divestment, estimates have been included. Data for acquired or newly established businesses are included from the time of consolidation. Estimates are included until the earliest possible time local reporting processes were set up and connected to the respective reporting systems.

We report on all disclosure requirements of the ESRS applicable to our business, based on the outcome of our materiality assessment. We considered the stakeholders and relationships in the upstream and downstream value chain of our business activities for which material information is available. Regarding impacts on people, we currently have limited primary information beyond our tier-one suppliers.

A detailed reference table of ESRS disclosures is provided in the Annex to the Sustainability Statement. We have not opted to omit information on intellectual property, know-how, or the results of innovation according to ESRS 1, section 7.7.

For a full list of all disclosure requirements covered in this report see the Annex to the Sustainability Statement.

Estimations

We apply estimations where primary data is not available or cannot be collected with reasonable effort. These estimations allow the reporting of required data at a reasonable level of accuracy. Where estimations have been applied, this is clearly indicated along with the corresponding data. In the "Environment" chapter, separate tables provide explanations of the estimations used. We are implementing projects to improve the availability of primary data, with a particular focus on environmental data.

Incorporation by Reference

Certain metrics and qualitative disclosures have been incorporated by reference from other sections of the Group Management Report and the Compensation Report. These references are clearly marked in the relevant sections. A list of all incorporations by reference is included in the Annex to the Sustainability Statement.

External Audit

The Sustainability Statement is audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), a third-party auditing firm. PwC 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 in accordance with ISAE 3000 (Revised), an international assurance standard widely used for the assurance of sustainability reporting. For PwC's Independent Practitioner's Report see section "Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting".

Information on Metrics and Targets

Except where specifically stated, metrics published in this Sustainability Statement have not been validated by an external body other than the assurance provider. External stakeholders, or where applicable, additional internal stakeholders have generally not been involved in setting targets. Targets described in the social and governance chapters have a baseline value only where specifically stated. Changes in values are presented as a year-over-year comparison. With regard to environmental targets, the Scope 1 and Scope 2 targets are currently the only targets based on conclusive scientific evidence, while other targets are set based on business needs and other factors.

The ESRS requires certain metrics that have a different definition of datapoints we previously reported. In these cases, we generally do not publish a data comparison with the previous reporting period. When new definitions apply to datapoints related to global targets and compensation-related metrics, these datapoints have been restated.

Legend

The following icons are used in tables and text. They mostly describe the nature of each impact, risk, and opportunity (IRO). In each sub-section in the chapters, we provide the disclosure requirements covered.

Positive impact on people or the environment

Negative impact on people or the environment

Icons indicating where in our value chain the IRO is located:

Own Operation

Upstream value chain

Downstream value chain

Icons indicating the time horizon, when the IRO may materialize:

Short-term: Within the next 12 months.

Medium-term: Over the next one to five years.

Long-term: Beyond five years.

[...] The brackets indicate that the information relates to additional entity-specific topics

Sustainability Management

Sustainability Statement

49 General Information

51 Sustainability Management
- 52 Business Model
- 52 Strategy
- 54 Interests and View of Stakeholders
- 54 Double Materiality Assessment
- 60 Sustainability-related Performance Included in Compensation Plans
- 60 Sustainability Governance
- 63 Risk and Opportunity Management
- 63 Sustainability Due Diligence

64 Environment

90 Social

133 Governance



This chapter provides an overview of our sustainability management and covers disclosures aligned with ESRS 2 General Disclosures.

Business Model

Fresenius Medical Care is the world's leading provider of products and services for individuals with kidney 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. As a vertically integrated medical technology (MedTech) and health care company, we combine medical device engineering and manufacturing expertise with comprehensive patient care. We are structured to meet the growing demand for life-sustaining products and services that are vital to millions of people living with kidney disease worldwide.

We care for 299,352 dialysis patients in 3,675 proprietary dialysis clinics in around 40 countries worldwide. We manage the world's largest network of dialysis clinics in terms of the number of people treated.

We develop, manufacture, and distribute kidney care related medical devices, systems, pharmaceuticals and products. These are sold to customers in around 150 countries, in addition to being used in our own health care service operations. We operate 39 production sites in in 19 countries (see CHART 2.19). To manage sustainability matters and monitor performance toward our goals, we assess significant products and services, key markets and customer groups.

For details on the disclosures regarding our business model (ESRS 2, 40a(i, iii), 40e-f, 42a-c) see the TABLE 2.68 in the Annex to the Sustainability Statement.

For the disclosure on the headcount of employees by geographical areas (ESRS 2, 40a(iii)) see chapter "Working for Fresenius Medical Care".

SBM-1

Strategy

At Fresenius Medical Care, we focus on serving patients. This approach shapes how we manage sustainability and integrate it into our strategy. We emphasize our contribution to global health care challenges and focus on activities that have the greatest impact for our Company's purpose and vision: "Creating a future worth living. For Patients. Worldwide. Every day." Our commitment to sustainability is also incorporated into 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."

We have defined strategic sustainability priorities that create value for our business and stakeholders. We focus on:

> Enhancing quality of care and access to health care.
> Building the best team to serve patients.
> Reducing our Company's environmental footprint.

We continue to integrate sustainability into our business operations and incorporate it into relevant processes. These include our corporate strategy, business planning, budgeting, operations, investment decisions, corporate risk management, internal controls, finances, and compensation systems.

We define global targets to measure value creation and continuously improve our sustainability performance along the value chain. Our global environmental, social, and governance targets support our three focus areas. They also consider relevant impacts, risks, and opportunities. To embed sustainability as an important performance indicator in our strategy, the compensation of our Management Board and senior executives is linked to sustainability-related progress on global targets.

For details regarding our global sustainability targets see the CHART 2.20 and the referenced topical chapters.

C 2.19 COMPANY OVERVIEW

Fresenius Medical Care at a Glance

around
300,000 Patients

more than
117,000* Employees

more than
3,600 Dialysis clinics

39 Production sites

around
48 million Treatments

around
55,000 Suppliers

* Includes non-guaranteed hour workers

C 2.20 **GLOBAL SUSTAINABILITY TARGETS**

Strategic focus areas		Global targets	Year	Progress in 2024	Section in Sustainability Statement (ESRS)
Enhance quality of care and access to health care	Patient experience (p. 96)	Achieve a patient Net Promoter Score of at least 70	**Annual**	Maintained our Net Promoter Score of 72	Patients (S4)
	Product safety and quality (p. 101)	Keep global key performance indicators for critical and major audit findings below 1.0	**Annual**	Audit score improved to 0.1	Product Stewardship (S4)
	Access to treatments (p. 96)	Deliver 25% of dialysis treatments in the U.S. in a home setting by 2027	**2027**	16% of treatments in the U.S. performed in home setting	Patients (S4)
Build the best team to serve patients	Employee engagement (p. 111)	Achieve an Employee Engagement Score of 63% or higher	**2027**	Improved Employee Engagement Score to 56%	Working for Fresenius Medical Care (S1)
	Diversity, equity, and inclusion (p. 112)	Increase the proportion of women in leadership positions to: a. 35% at the first level below the Management Board (M.B.) b. 45% in the second level below the Management Board (M.B.)	**2027**	At the end of 2024: >31% in the first level below the M.B. >36% in the second level below the M.B.	Working for Fresenius Medical Care (S1)
		Increase the representation of ethnically diverse managers in the U.S. annually	**2030**	At the end of 2024, 34% of U.S. managers were ethnically diverse	Working for Fresenius Medical Care (S1)
		Increase the representation of women in management positions to reflect their percentage in the global employee population	**Annual**	At the end of 2024, 61% of managers were women	Working for Fresenius Medical Care (S1)
	Compliance (p. 139)	Train at least 90% of employees on our Code of Ethics and Business Conduct	**Annual**	Due to the implementation of a new training platform, 33% of employees were trained	Compliance and Business Ethics (G1)
Reduce our environmental footprint	Scope 1 and 2 emission targets (p. 71)	Reduce emissions by 50% compared to 2020 levels	**2030**	Scope 1 and Scope 2 emissions footprint reduction of 25% compared with 2020	Climate Change (E1)
		Achieve climate neutrality*	**2040**		
	Water (p. 80)	Develop sustainable water management plans for sites facing extreme water Stress	**2026**	Global water stress-related assessment covered all clinics and production sites for the first time	Water (E3)
	Sustainable portfolio (p. 101)	Implement a sustainability performance assessment for our key product and services portfolio	**2026**	More than 85% of relevant revenue was covered, surpassing our target for the reporting year	Patients & Product Stewardship (S4)

*Climate neutral is explained in chapter "Climate change".

In 2024, we made progress in various key initiatives to integrate sustainability into processes, policies, and targets. These included:

- Integrating sustainability targets into long-term and short-term compensation under the new Compensation System 2024+ for Management Board members and including them in the Company's Global Bonus Plan for senior managers.
- Setting Scope 3 targets aimed at reducing emissions in the value chain.
- Developing a new Supplier Code of Conduct.
- Integrating additional ESG performance indicators into the Internal Control System.
- Implementing initiatives related to the new European Sustainability Reporting Standards, creating transparency on additional ESG performance indicators, such as equal opportunities and resource use.

Our business activities contribute to several UN Sustainable Development Goals (SDGs). In line with our corporate vision and business model, we particularly contribute to SDG 3, which focuses on health and well-being. Additionally, 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).

For information on our corporate strategy see section "Corporate strategy and objectives" in chapter "Overview of the Group".

For information on elements of our strategy that relate to or impact sustainability matters (ESRS 2, 40g) see the sections "Macroeconomic and sector-specific environment" and "Overall business development" in chapter "Economic Report".

SBM-1, SBM-2

Interests and View of Stakeholders

As a Company with global operations, our business activities impact a range of stakeholder groups (see TABLE 2.2 on the next page). Our key stakeholders include our patients, employees and their representatives, customers, and shareholders. Representatives from academia, politics, media, and international organizations, and the communities in which we work are also important interest groups. Our stakeholders were considered during our assessment of material topics, and their views and interests were represented. We developed an understanding of our interaction with each group, our dependencies and impacts on them, and how risks and opportunities may arise from these impacts.

We have established formal engagement processes with our most relevant stakeholder groups to facilitate ongoing exchange. Dialogue with stakeholders informs our strategies for managing impacts. Our formalized annual engagement with patients and employees provides important insights into how our business model and strategies align with the interests and views of these groups.

Communicating with relevant stakeholders helps us understand their expectations of our Company. It is also an important part of building trust and reliable partnerships, sharing and gaining knowledge, and promoting scientific progress. Depending on the stakeholder group, engagement is organized at the corporate level, within our business segments, or at the local level in the countries where affected stakeholders are located.

The Management Board is informed about the interests and views of stakeholders through updates provided by the functional leads responsible for managing impacts, risks, and opportunities in their areas. The Audit Committee and Supervisory Board are also informed about the views of relevant stakeholders through updates provided by the Management Board and functional leads.

Detailed information on our engagement with affected stakeholders is described in the topical chapters.

For more details on stakeholder engagement and how its outcomes are considered in developing our business see chapters "Patients", "Product Stewardship" and "Working for Fresenius Medical Care".

SBM-2

Double Materiality Assessment

Managing sustainability begins with understanding which topics are most relevant to our business and stakeholders. We are committed to conducting a full materiality assessment every three to five years to evaluate relevant material topics, along with the associated impacts, risks, and opportunities (IRO). Between full assessments, we perform an annual materiality review to validate that our identified IROs continue to reflect our business model and strategy.

We completed a full materiality assessment in 2023 in preparation for the new reporting requirements of the CSRD (see CHART 2.22 on page 56). In 2024, we carried out a review of materiality, which confirmed the 2023 assessment. Our next annual review is planned for 2025. The review considers regulatory, market, and industry developments. We also evaluate our interactions with key external stakeholders and their perspectives, including investors, ESG capital market rating agencies, media, and other stakeholders.

The outcome of the 2023 materiality assessment reflected our stable business model and strategy, as well as our ability to address challenges as a globally operating business. Changes in material topics were primarily related to our progress in company-wide sustainability management and shifts in societal and regulatory expectations of companies, as reflected in the ESRS.

We have identified impacts, risks, and opportunities related to 25 material matters. In line with our business model, which focuses on delivering services to patients and products to enable their treatment, most IROs are related to our own operations. The majority of sustainability matters fall within the social dimension. For our upstream and downstream value chain, IROs are primarily related

T 2.21 **INTEREST AND VIEWS OF KEY STAKEHOLDERS**

Stakeholder	Stakeholder engagement
Patients	• Interaction with patients to support their treatment • Patient satisfaction surveys • Grievance channels • Interaction with caregivers and patient groups
Employees and their representatives / own workforce	• Employee Engagement Survey • Dialogue with works councils and unions • Grievance channels and other communication and feedback processes • Interaction between supervisors, HR experts, and employees • Interaction with employee representatives on the Supervisory Board
Customers	• Communication during tender procedures • Ongoing interaction by sales and marketing teams and technical service
Shareholders	• Annual General Meeting • Quarterly earnings calls • Investor roadshows and conferences • Regular and ad hoc engagement of investors and analysts with Investor Relations team and senior management • Capital market days and expert calls • Participation in ESG-related capital market ratings
Suppliers	• Supplier relationship management and contract agreements • Supplier days • Various check-ins during the supplier lifecycle, including initial contract negotiations (mutual recognition assessments) and regular performance review meetings • Regular and ad hoc engagement with suppliers as part of our supplier risk assessment processes • Supplier visits and audits
Research, scientific and medical communities	• Clinical research partnerships • Collaborative research and development • Medical education programs, conferences and symposia
Policymakers	• Policy advocacy and lobbying • Direct meetings and other dialogue settings • Clinic tours • Membership in trade organizations
Media	• Annual Press Conference • Earnings media call and quarterly earnings interviews • Regular and ad-hoc engagements with journalists • Regular media background talks with media and senior management • Media presence at the Annual General Meeting • Media interviews

to value chain workers of suppliers and environmental concerns, with a small number linked to product sales and business relationships. All IROs are described in the topical chapters.

We consider our business model to be resilient and expect to have the capacity to address applicable sustainability matters over the short to medium term. Environmental matters are also considered over the long term. We allocate appropriate resources to manage material impacts and risks while leveraging material opportunities. For example, in 2024, we invested in our employees and developed strategies to address material risks related to our workforce.

For more details on impacts, risks, and opportunities, as well as current financial effects (ESRS 2, 48b, 48c(i-iii), and 48d) see topical chapters. Pollution (ESRS E2) and biodiversity (ESRS E4) are not considered material. For ESRS E2- and ESRS E4-specific IRO-1 disclosures see details below.

Identifying Material Impacts, Risk and Opportunities

Our materiality assessment applied the key principles of double materiality following the ESRS requirements. The assessment was conducted on a group-wide basis, covering our full consolidation scope for our own operations and our upstream and downstream value chain. We considered both our impact on people and the environment (impact materiality) and sustainability-related risks and opportunities that may affect our business (financial materiality). Time horizons over the short, medium, and long term were also in line with the ESRS.

We assessed negative and positive, actual and potential impacts of our business activities on people and the environment. The role of business relationships in sustainability matters was considered across the value chain. When evaluating potential negative human rights impacts, we prioritized these based on relative severity. In alignment with our due diligence processes and risk assessments,

we did not identify particular circumstances that might give rise to heightened risks of adverse impacts.

We compiled an initial list of more than 180 sustainability topics (matters) and subtopics as a basis for identifying and describing the impacts, risks, and opportunities (IROs) to be assessed. This included topics from our previous materiality assessment, input from internal subject matter experts, and sustainability topics covered in ESRS (according to the list in ESRS 1, Appendix A). We also reviewed and considered topics from external sources. These included ESG ratings, trend and media analyses, stakeholder requests, and other reporting standards such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the International Sustainability Standards Board (ISSB), and the EU Taxonomy requirements. In the first round of evaluation, IROs related to all CSRD topics, any other new entity-specific topics, and those previously included in more detailed assessments were defined for further evaluation.

We applied a scale from zero to three (zero = least applicable; three = most applicable) for likelihood, scale, and scope, as well as irremediable character of negative or potential negative impacts. The materiality threshold for reporting was set at 1.5.

To maintain consistency with previous materiality assessments conducted based on double materiality, we refined our methodology to further align with specific CSRD requirements. To assess impact materiality, we primarily evaluated our impact against the UN Sustainable Development Goals. Our impact materiality assessment considers that, as a global leader in our industry, we have a positive impact in the social dimension. Our operations must adhere to strict regulatory requirements to safeguard operational integrity, maintain patient health and safety, and produce high-quality products. Our products and services have a direct, life-sustaining impact on patients. These strict external requirements are reflected in our strategy, policies, processes, and actions, all of which support our focus on patients. In terms of governance, particularly compliance topics, we have strengthened our

C 2.22 **OVERVIEW OF MATERIAL TOPICS**



processes in recent years and developed an in-depth understanding of the regulatory and business environment.

The views and interests of all affected internal and external stakeholders were considered by proxy during the assessment through the participation of senior executives responsible for managing engagement with these groups, as well as subject matter experts.

The approach for assessing financial materiality was aligned with that of our corporate risk management organization, which integrates sustainability-related risks and opportunities. Each topic's financial materiality was evaluated based on a combination of its likelihood of occurrence, the potential magnitude of its financial effects, and whether it was considered a risk or an opportunity for the Company. Reported sustainability risks, as documented in the corporate risk management system, were factored into the process. Corporate risk management processes assess all risks to the Company as low, medium, high, or severe, applying the same methodology for all types of risks. Risks and opportunities that may arise from impacts were also considered. Financial materiality was assessed qualitatively using a scale from zero to three, with the materiality threshold set at 1.5.

For a detailed description of risks and opportunities see chapter "Risk and Opportunities Report".

Through a series of assessments and workshops involving senior management from business segments and global functions, IROs relating to 25 sustainability matters, clustered into ten groups, were validated and proposed as the outcome of the materiality assessment. The Management Board discussed and validated the results, and the Supervisory Board was informed about the materiality assessment.

Assessment Related to Pollution and Biodiversity

We have assessed our impacts, risks, and opportunities, and dependencies concerning pollution, and biodiversity and ecosystems. These topics were rated as not material in the 2023 materiality assessment. We continue to monitor these topics as part of our risk and impact assessments and develop related measures to help reduce our environmental footprint.

Pollution

We performed a location-specific screening of all our production sites and clinics using the WWF Biodiversity Risk Filter, which considers pollution. Additional sources for evaluating impacts, risks, and opportunities include media screenings and exchanges with local experts. In addition to external assessments, all production sites completed an internal questionnaire providing local information, including a multi-year overview of pollution-related issues and incidents. No material issues were identified, as we have established appropriate management systems. Annual supplier risk screenings have not identified any impacts, risks, or opportunities within the value chain so far.

Biodiversity and Ecosystems

A location-specific screening of all production sites and clinics, based on the WWF Biodiversity Risk Filter, provided insights into biodiversity and ecosystems. No high or very high risks were identified in relation to biodiversity-sensitive areas, shared biological resources, or ecosystem disruptions. We also engaged with local experts and considered input from affected communities indirectly through media screenings and local community questionnaires.

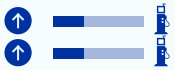
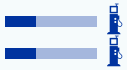
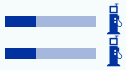
We identified a non-material dependency on water related to ecosystems, with a potential long-term impact. As part of our climate scenario analysis, we analyzed transitional and physical risks, including systemic risks such as water stress, as well as opportunities related to biodiversity and ecosystems. For details on the transitional and physical risk assessment see chapter "Climate Change". Annual supplier risk screenings have not identified any impacts, risks, or opportunities within the value chain.

Exclusions based on Materiality of Information

We exclude certain datapoints in our reporting due to materiality of information (ESRS 1, 3.2). The datapoint on water storage (E3-4, 28d) is not material based on an internal assessment and the nature of our business operations.

SBM-3, IRO-1, IRO-2

T 2.23 **OVERVIEW OF MATERIAL IMPACTS, RISKS & OPPORTUNITIES**

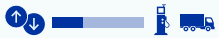
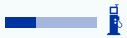
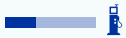
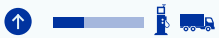
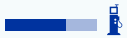
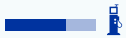
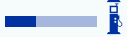
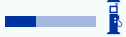
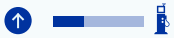
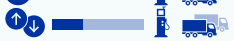
Material topic[1]	Sub-topics	Impacts	Risks	Opportunities	ESRS	Chapter	Page
Environment							
Climate change	Energy				E1	Climate change	65
	Climate change mitigation				E1	Climate change	66
	Climate change adaptation				E1	Climate change	66
Water	Water				E3	Water	79
Resource use and circular economy	Resource inflows				E5	Resource use and circular economy	82
	Resource outflows				E5	Resource use and circular economy	82
	Waste				E5	Resource use and circular economy	83
Social							
Quality of care	Quality of care				S4	Patients	91
	Patient experience				S4	Patients	91
Product stewardship	Product stewardship				S4	Product stewardship	98
Innovation and research and development	Innovation and research and development				Entity-specific	Product stewardship	98
	Bioethics in research and development				Entity-specific	Ethical conduct in clinical research	126

[1] Topics summarize the key impacts, risks, and opportunities. A detailed description of each IRO is provided in the topical chapters.

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

*Risk and opportunity for "working conditions" and "equal treatment and opportunities for all" refers only to own workforce

T 2.23 **OVERVIEW OF MATERIAL IMPACTS, RISKS & OPPORTUNITIES**

Material topic[1]	Sub-topics	Impacts	Risks	Opportunities	ESRS	Chapter	Page
Social							
Employer attractiveness and equal opportunities	Working Conditions*				S1, S2	Working for Fresenius Medical Care / Sustainability in the value chain	103 122
	Equal treatment and opportunities for all*				S1, S2	Working for Fresenius Medical Care / Sustainability in the value chain	103 122
	Employer attractiveness				S1	Working for Fresenius Medical Care	104
	Employee engagement				S1	Working for Fresenius Medical Care	104
Human rights and health equity	Human Rights				S1, S2, S4	Human Rights	118
	Occupational Health and Safety				S1, S2	Working for Fresenius Medical Care / Sustainability in the value chain	105 122
	Health equity				Entity-specific	Patients	92
Information security and data protection	Information security				S1, S4	Protecting data	128
	Data Protection				S1, S4	Protecting data	128
Governance							
Business ethics	Non-retaliation / Protection of whistle-blowers				S1, S2, S4, G1	Compliance and business ethics	135
	Political engagement and lobbying activities				G1	Compliance and business ethics	135
	Anti-bribery and anti-corruption				G1	Compliance and business ethics	134
	Anti-competitive behavior				Entity-specific	Compliance and business ethics	134

[1] Topics summarize the key impacts, risks, and opportunities. A detailed description of each IRO is provided in the topical chapters.



*Risk and opportunity for "working conditions" and "equal treatment and opportunities for all" refers only to own workforce

Sustainability-related Performance included in Compensation Plans

Sustainability targets are included in the short- and long-term compensation plans for the Management Board. They are also cascaded down to senior managers and individual contributors as part of the Global Bonus Plan and the Company's long-term incentive plan for non-Management Board members. For 2024, the Supervisory Board defined three sustainability targets for the variable, incentive-based compensation of Management Board members. For the short-term incentive, the Supervisory Board set two equally weighted sub-targets as sustainability targets (20% of the short-term incentive): patient satisfaction and employee engagement. For the allocation of the long-term incentive for 2024, the reduction in CO_2e emissions has been set as the sustainability target (20% of the long-term incentive).

- Patient satisfaction is a key indicator of the quality of our services. Patient-linked targets prioritize and align patient-centered care with company strategy. They support our goal of providing high-quality care and safe, effective treatments.
- Employee engagement is fundamental to our business success. Engagement impacts how our employees deliver life-sustaining dialysis treatments, helps retain staff, reduces turnover costs, and contributes to improved performance and innovation. We believe engaged employees are more motivated, aligned with our mission, vision, and goals, and committed to creating a positive work culture.
- Our climate targets help us align our business operations with efforts to reduce our environmental footprint. We drive innovation toward more efficient operations and a sustainable portfolio while mitigating risks related to climate impact and customer expectations.

For details on the disclosures regarding our compensation system, targets, and performance (ESRS 2, 29a-e) see the TABLE 2.68 in the Annex to the Sustainability Statement.

GOV-3

Sustainability Governance

Our sustainability governance is designed to embed environmental, social, and governance (ESG) aspects into core decision-making (see CHART 2.24 on the next page). We have defined responsibilities and processes to support the integration of sustainability into our operations and strategy.

The Management Board manages the Company and conducts its business with the aim of achieving sustainable value creation. The Supervisory Board has an oversight supervision role, advises the Management Board, and is involved in fundamental decisions. Key elements include implementing long-term strategies, sound financial management, strict legal and ethical compliance. There is also a focus on effective sustainability management to create lasting economic, ecological, and social value, as well as transparent communication.

For detailed information on the governance, roles, and responsibilities for impacts, risks, and opportunities (ESRS 2, 22a-c) see the topical chapter section "Governance".

For more information on the responsibilities of the Management Board and Supervisory Board see the "Corporate Governance Declaration" chapter "Corporate Governance Fundamentals".

Management Board

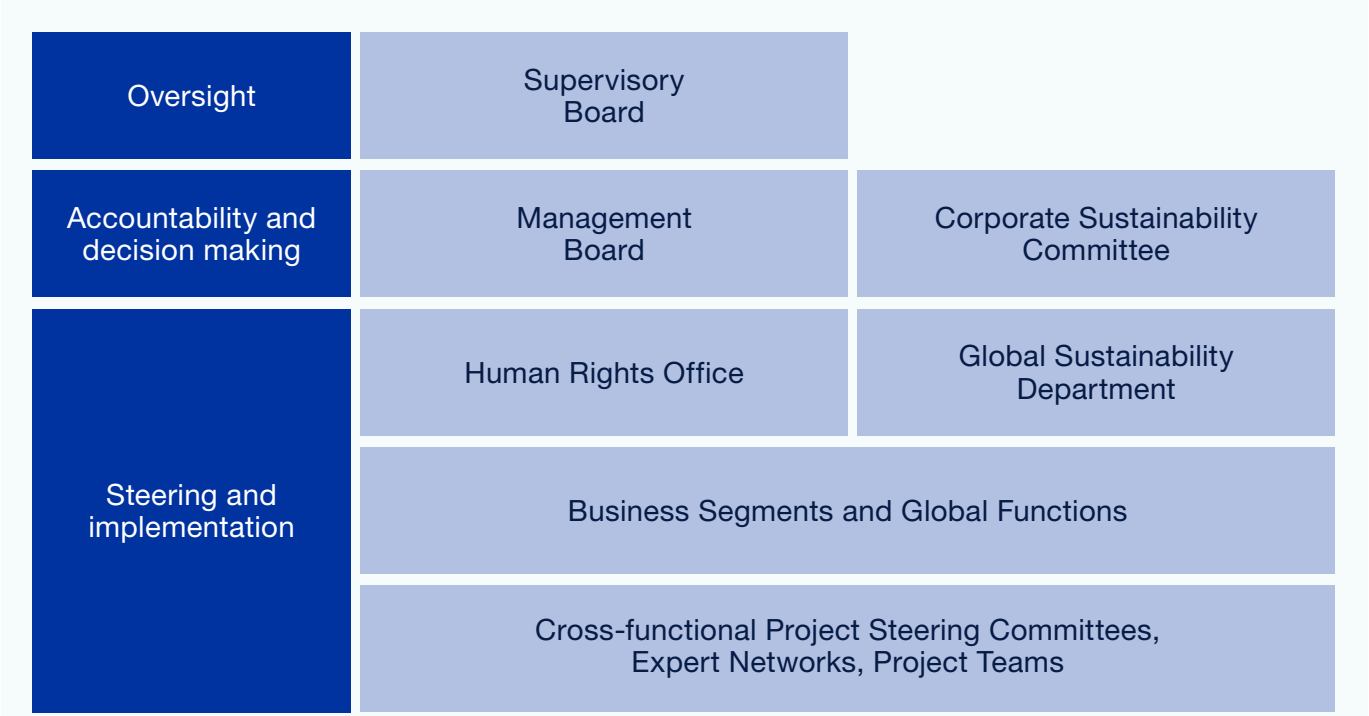
The Management Board is responsible for managing the Company and conducting its business in accordance with applicable laws, the Articles of Association, and the rules of procedure. This includes setting the Company's strategy, integrating sustainability considerations, identifying material impacts, risks, and opportunities, and overseeing the implementation of policies, strategies, and actions. Sustainability-related matters are discussed and decided upon in regular Management Board meetings.

The CEO coordinates the strategic approach to sustainability and its implementation. Depending on the sustainability matter, either the entire Management Board or individual members are accountable for execution within their areas. They also allocate the necessary resources for the efficient implementation of policies, strategies, and actions to achieve defined targets and outcomes. Global targets and policies are decided by the Management Board as a whole. Regular updates on progress related to material impacts, risks, and opportunities are provided to the Management Board.

Cross-functional project steering committees, the Human Rights Office, and functional leads for sustainability-related matters report to the Management Board to provide updates and request decisions as needed.

The Management Board is comprised of six executive members, two of whom are women, resulting in a gender ratio of 1:2.

C 2.24 **SUSTAINABILITY GOVERNANCE**



Supervisory Board

Our Supervisory Board supervises the management of the Company by the Management Board, advises the Management Board, and performs other duties assigned to it by law and the Articles of Association. The supervision and advice it provides include sustainability matters. The Supervisory Board deliberates on sustainability matters in its board meetings and by written resolutions. This includes updates on the definition of targets and progress of their implementation related to material impacts, risks, and opportunities. The Supervisory Board also proposes resolutions concerning the compensation of the Management Board and may decide to include sustainability-related targets in the compensation plans.

The Audit Committee of the Supervisory Board oversees the Company's management of environmental, social, and governance (ESG) topics, as well as other relevant sustainability-related matters. It also reviews the auditing or assurance of the Company's sustainability reporting as required by law. Without prejudice to its overall responsibility, the Supervisory Board has decided that the Chairman of its Audit Committee should have expert knowledge in ESG. The Audit Committee deliberates on sustainability matters in its meetings and by written resolutions.

The members of the Supervisory Board regularly conduct self-assessments of their work across various categories outlined in the Boards' profile of skills and expertise. The evaluation follows both quantitative and qualitative criteria, covering sustainability, industry experience, finance, digitization, regulations, compliance, management, and international experience.

The Supervisory Board is comprised of twelve non-executive members, six of whom are employee representatives and four of whom are independent members (33%), in line with the German Corporate Governance Code. Six members are women, resulting in a gender ratio of 1:1.

Expertise and Skills

The Management Board and Supervisory Board determine whether the necessary skills and expertise on sustainability matters are available through the following process:

- identifying needs.
- Applying defined board competency profiles, focusing on relevant experience and skills in industry, management, external environment, and key areas such as ESG. The competency profile reflects material areas for the Company.
- If necessary, deciding whether to appoint new members with the required skills or provide additional training to existing board members.

The Supervisory Board ensures that, as a whole, its members have the knowledge, capabilities, and professional expertise required to fulfill their responsibilities. This includes overseeing a listed company that operates internationally in the health care sector. Based on this, the Supervisory Board first resolved specific objectives regarding its composition and a profile of skills and expertise for its members in 2018. The most recent update to this profile was in September

2024, incorporating requirements related to cybersecurity and artificial intelligence. The Supervisory Board must have knowledge in financial matters, relevant legal and compliance matters, sustainability, and digitalization, as well as management experience.

The Supervisory Board conducts regular reviews to determine whether the Management Board is composed in the best possible way. To this end, the Chair of the Supervisory Board discusses with the Chair of the Management Board what knowledge, experience, and both professional and personal competencies should be represented. If action is needed regarding the composition of the Management Board, the Supervisory Board will identify potential internal or external candidates for the corresponding position.

For targeted further training, internal information sessions are offered as required. During the reporting year, Supervisory Board members received training on current developments in corporate governance and upcoming relevant legal regulations. Topics included data protection and data use, cyber protection, and artificial intelligence. Additionally, members of the Audit Committee received further training on regulatory requirements and developments in sustainability.

Operational Functions in the Sustainability Governance

The Global Sustainability department drives our strategic sustainability activities and manages initiatives in close cooperation with relevant teams from the business segments and global functions. The Global Head of Sustainability provides regular updates to the Management Board and Supervisory Board on the progress of sustainability initiatives and target achievements. Formal cross-functional project steering committees, project teams, and expert networks support the implementation of sustainability projects. As part of our enterprise risk management, the Corporate Risk Committee analyzes and discusses key risks, including those related to sustainability. The results are compiled twice a year and communicated to the Management Board.

The Corporate Sustainability Committee (CSC) comprises senior representatives from the business segments and global functions, appointed by the Management Board. The CSC is primarily responsible for operational aspects and projects that require broader senior leadership guidance, where appropriate. In 2024, the CSC did not convene.

Information Provided to and Sustainability Matters Addressed by Management Board and Supervisory Board

The Management Board and Supervisory Board are informed about material sustainability impacts, risks, and opportunities. Updates on related topics and initiatives are provided by the responsible function or segment heads, as well as by the Global Head of Sustainability. Depending on the topic, updates may be provided monthly, quarterly or annually, while some topics are addressed on an ad hoc basis. This includes ESG aspects related to relevant Company processes, such as corporate risk management and internal audits. Impacts, risks, and opportunities are also discussed in updates on material sustainability focus areas related to global targets, customer and investor requirements, and regulatory developments. Risk mitigation and trade-offs, such as the profit and loss (P&L) impact of sustainability initiatives, are also considered.

The Management Board and Supervisory Board receive regular updates on material developments and strategic initiatives in environmental, social, and governance aspects. The Supervisory Board's Audit Committee is also informed within its area of responsibility. Key topics included:

Management
> ESG targets in compensation for the Management Board and senior managers
> New ESG regulatory requirements, implementation of compliance measures, and risk mitigation
> Updates on Group policies and standard operating procedures, for example, environmental reporting
> Identification and management of ESG risks for the company and impacts on people and the environment
> ESG aspects in the Internal Control System and internal audit results
> Sustainability reporting and related regulatory developments, including the double materiality analysis

Environment
> Progress of the climate action plan, including new Scope 3 targets and implementation of Virtual Power Purchase Agreements for green electricity
> Circular economy strategy

Social
> Employee Engagement Survey plan and Engagement Check-In program
> Human rights due diligence
> Cybersecurity

Governance
> New Supplier Code of Conduct
> Compliance initiatives, training rates and action line

The Global Head of Sustainability presented updates on ESG regulations, reporting, risks, global environmental targets, and other strategic initiatives. Topics in other material focus areas, such as employees and data protection, were provided by the respective responsible department heads. The results of discussions and approvals were documented.

GOV-1, GOV-2

Risk and Opportunity Management

Risk Management Process

We monitor and assess sustainability impacts, risks, and opportunities as part of our business operations, due diligence, and corporate risk management processes. Our corporate risk assessment is conducted twice per year and is based on a catalog of potential risks, including sustainability risks, which are reviewed in each cycle. We have implemented a process to assess sustainability opportunities and monitor negative impacts on people and the environment as part of our corporate risk management system. In chapter "Risk and Opportunities Report", we disclose the identified relevant short-term and medium-term corporate risks.

The Management Board is informed about risk assessment results twice per year, with an annual update on negative impacts. The Audit Committee of the Supervisory Board monitors the effectiveness of the risk management system.

For information on identified risks and opportunities see the topical chapters and the above section "Double materiality assessment". The topical chapters also outline how we address and mitigate risks.

We continuously refine our risk assessment to better understand how our business operations impact the environment and vice versa. External and internal data help evaluate our impact on climate change, water stress, and resource consumption, as well as how these factors pose a risk to our business. To assess the impact of physical and transition risks related to climate change, we have initiated a climate scenario analysis.

Various functions conduct their own risk assessment activities to support our ongoing due diligence processes. These include, in particular, the Compliance, Procurement, Human Rights, and Environmental Management teams. A description of these assessments is included in the topical chapters.

For a detailed description of our corporate risk management, key risks, mitigation strategies, and related controls see chapter "Risk and Opportunities Report".

Internal Control System for Sustainbility Indicators

Our internal controls aim to mitigate risks within business processes by implementing efficient and effective control mechanisms. This supports our goal of establishing reliable processes that meet defined objectives.

Our Internal Control System (ICS) is based on the requirements of the internationally recognized Internal Control – Integrated Framework (2013), published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). It provides a structured approach for identifying, assessing, and managing risks. Responsibility for implementing an adequate and effective internal control system lies with the Management Board. Internal controls are also subject to audit activities by the Global Internal Audit department. The Head of Global Internal Audit provides quarterly updates on audit activities and findings to the Management Board and the Audit Committee.

Controls vary in design and requirements depending on risks within business processes and the underlying process structure. Examples include preventive approvals of business transactions, IT-related control procedures, and quality and safety checks within operational business processes.

We continue to integrate sustainability metrics into our Company-wide Internal Controls System. Initially, we prioritized the implementation of controls related to measuring the target achievement of compensation-related metrics. In 2024, we launched a cross-functional project to implement controls for additional sustainability-related metrics disclosed in the Sustainability Statement over the coming years. This is expected to strengthen and harmonize our data collection processes.

We also continue to enhance controls for collecting and validating sustainability-related data. These include defining roles and responsibilities, a description of the tools used along with their respective documentation requirements, and applying the four-eye-principle.

GOV-5

Sustainability Due Diligence

We embed sustainability due diligence and risk management in our business processes through policies and procedures. These policies include our Code of Ethics and Business Conduct, Human Rights Policy, Global Environment Policy, and Supplier Code of Conduct. Compliance and due diligence procedures include grievance mechanisms for affected stakeholders, occupational health and safety (OHS) risk management, social and labor standards, and sustainability considerations in the value chain.

Through our sustainability due diligence processes, we identify, prevent, mitigate, and report actual and potential negative impacts on people and the environment resulting from our activities, among others. The table "Core elements of due diligence" in the Annex to this Sustainability Statement provides an overview, which sections of the Statement address risk assessments and due diligence processes related to material sustainability topics. These include our evaluation of identified adverse impacts, actions taken to address them, and their outcomes.

GOV-4

Environment

Sustainability Statement

49 General Information

51 Sustainability Management

64 Environment

- 65 Climate Change
- 79 Water
- 82 Resource Use and Circular Economy
- 88 EU Taxonomy

90 Social

133 Governance



Climate Change

This chapter covers disclosures related to ESRS E1 "Climate Change".

Material Impacts, Risks and Opportunities:
Energy
Climate Change Mitigation
Climate Change Adaptation

Energy Consumption and Emissions

Energy is a key resource in manufacturing our products and delivering life-saving dialysis services, leading to both direct and indirect greenhouse gas (GHG) emissions. The production of dialyzer membranes – used to filter toxins from patients' blood – is energy intensive. Dialysis machines also consume significant amounts of electricity during each patient treatment, which typically lasts around four hours.

Assessment of Material Impacts, Risks and Opportunities

The material impacts, risks, and opportunities related to climate change and energy were identified through a double materiality assessment. This includes our impact on climate change resulting from energy consumption across our business and value chain. We have assessed our activities and action plans concerning both current and potential future sources of greenhouse gas emissions. These factors are also regularly reviewed as part of the risk management process.

Impacts	Risks and opportunities	Management approach
Energy		
The production and provision of life-saving products and treatments for patients consume significant amounts of energy.	**Risk** We are a significant consumer of energy, with both our products and services requiring substantial amounts of energy. In recent years, there have been price increases and volatility that could strongly impact the Company's financial position, for example, through the impact of virtual Power Purchase Agreements (vPPAs). While energy risks can be managed, they cannot be entirely eliminated, especially given potential supply challenges and increasing costs. Additionally, growing regulatory and market pressures may require a faster transition to renewable energy sources, potentially driving up operational costs. **Opportunity** Generating and procuring renewable electricity in the markets where we operate can lead to cost savings, positive cash flows, and operational improvements. Examples include Virtual Power Purchase Agreements, extending energy efficiency projects, and replacing energy sources (e.g., transitioning from gas to electricity).	• Green & Lean initiatives to further improve energy efficiency at production sites and dialysis clinics • Investments in renewable energy projects and/or vPPAs

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

Climate Scenario Analysis

Various risk management assessments are designed to anticipate potential risks as early as possible. The climate scenario analysis we conducted in 2024 followed the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). It considers both a low-emission scenario (transition risks and opportunities) and a high-emission scenario (physical risks).

For physical and transition scenario analyses, we focused on the most relevant risks based on our business model and potential effects. The physical scenario analysis focused our own operations, while the transition scenario analysis extended to our upstream and downstream value chain. We are also working to enhance our climate risk management approach across both. Additionally, our goal is to integrate insights from the climate scenario analysis into strategic business decisions, including strategy planning, M&A due diligence, and capital allocation planning, where appropriate.

Physical Risks

We assessed physical risks using the RCP8.5 scenario from the Intergovernmental Panel on Climate Change (IPCC). We believe this high-emission scenario is the most effective for thoroughly stress-testing our business model against potential physical risks, following the recommendations of TCFD. The goal was to identify physical risks that may arise if the average global mean temperature increases by more than 4°C by the end of the century. The analysis covers both chronic and acute climate-related risks for our clinics and production sites. Chronic climate related risks relate to water stress, heat stress, drought stress, rising sea levels, and changes in precipitation. Acute climate risks include floods, storms, wildfires, landslides, and tornados. For a detailed overview see table "Physical scenario risk overview for scenario analysis".

Impacts	Risks and opportunities	Management approach
Climate Change Mitigation		
Our global energy consumption generates both direct and indirect greenhouse gas emissions within our own operations and throughout the upstream and downstream value chain.		• Climate targets are set to reduce Scope 1 and Scope 2 GHG emissions by 50% by 2030 compared to 2020, and to achieve climate neutrality by 2040. We define climate neutrality as a 90% reduction in market-based Scope 1 and Scope 2 emissions from the base year, without the use of carbon credits. We are working on a net-zero target that includes Scope 3 emissions, as required by the Science Based Targets initiative (SBTi). • Management Board and senior executives compensation is linked to Scope 1 and 2 emission reduction • Reduction of value chain emissions is included in the climate strategy • Developing a circular economy strategy and measures to support Scope 3 reduction efforts • Greenhouse gas emissions are considered a criterion for acquisitions and investments
Climate Change Adaption		
Adapting our business model to climate change supports the availability and resilience of critical infrastructure during disruptions – such as power outages, natural disasters or other operational restrictions – allowing patients to continue receiving life-saving dialysis treatment.		• Integration of climate risk management into corporate risk management processes • Climate scenario analysis to assess the impact of acute and chronic hazards at all sites, following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) • Future integration of climate scenario analysis results into business strategy, including M&A due diligence • Incorporation of climate scenario analysis results into the environmental strategy • Global crisis management strategy to support business continuity in the event of hazardous situations • Managing and mitigating water stress risk as part of the water strategy • Green & Lean initiative to reduce energy consumption, waste generation, and water withdrawal at production sites

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

The results indicate that some of our clinics and production sites could be affected by chronic and acute climate risks in the long-term (2030 and 2050). Chronic climate risks, such as water stress, drought, and heat stress, were identified as having the highest impact on our business model and activities. We are integrating these results into an interactive risk dashboard to pinpoint climate-related risks at each site.

We also modeled the potential financial impacts of these risks, such as business operation interruptions and general infrastructure damage. We are further evaluating the potential financial impact of physical scenarios in relation to our assets and the nature of our business model.

By integrating the results of our climate scenario analysis into our group-wide risk management, we aim to monitor and mitigate identified impacts through 2050 and beyond.

Transition Risks and Opportunities

We reviewed transition risks and opportunities up to 2040 by applying Net Zero 1.5°C scenarios to stress-test our business model. We extended these scenarios only until 2040 due to projection constraints. Assumptions were based on published scenarios from the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency, and the Network for Greening the Financial System (NGFS). The scenarios assume that the global average mean temperature will not increase by more than 1.5°C, aligning with the Paris Climate Agreement. Our analysis considered various transition risks and opportunities in technological changes, policy and legal changes, market shifts, and reputational impacts. We believe these low-emission scenarios are the most effective for thoroughly stress-testing our business model against potential transition risks and opportunities, in alignment with TCFD requirements.

T 2.25 PHYSICAL SCENARIO RISK OVERVIEW FOR SCENARIO ANALYSIS

Climate metrics	Current conditions	Future scenarios
Drought stress	Included	Included
Heat stress	Included	Included
Fire weather conditions	Included	Included
Wildfire	Included	x
Water stress	Included	Included
Water quality	Included	x
Drought amplified water stress	Included	Included
Precipitation stress	Included	Included
River flooding	Included	Included
Flash flooding	Included	x
Coastal storm surge	Included	x
Sea level rise	Included	Included
Tropical cyclone	Included	Included
Extratropical cyclone	Included	Included
Tornado	Included	x
Hail	Included	x
Lightning	Included	x
Landslide	Included	Included
Subsidence	Included	Included
Coastal erosion	Included	Included
Biodiversity	Included	x
Temperature variability	Not relevant	
Permafrost thawing	Not relevant	
Soil degradation	Not relevant	
Soil erosion	Not relevant	
Solifluction	Not relevant	
Avalanche	Not relevant	
Ocean acidification	Not relevant	
Saline intrusion	Not relevant	
Glacial lake outburst	Not relevant	
Changing wind patterns	Not relevant	

X: no scenario data available
Not relevant in relation to the nature of FME's business model

We identified three relevant risks related to our business model and activities:

1. Increasing CO_2e prices.
2. Rising costs in our supply chain.
3. The impact of circular economy on our business model.

Some transition risks were not prioritized due to their limited impact on our business. These include evolving building requirements, exposure to climate change litigation, rising capital costs, and the expenses associated with transitioning to lower-emission technologies.

Some transition risks were not prioritized due to their limited impact on our business. These include evolving building requirements, exposure to climate change litigation, rising capital costs, and the expenses associated with transitioning to lower-emission technologies.

We assessed a range of C_2e prices based on different net zero scenarios in the long term until 2030 and 2040 in detail. Rising CO_2e prices could impact our entire business, especially if applied to our Scope 3 emissions, potentially increasing supply chain costs. However, this could also reinforce our climate targets, helping us mitigate potential C_2e pricing risks where possible.

We also identified a growing trend toward the circular economy in our industry, driven by market and customer requirements, and we plan to continue exploring initiatives and strategies to integrate circular principles into our business model. We also consider that transitioning to a circular economy requires additional resources and capabilities to meet stringent regulatory requirements in our industry.

Overall, we recognize that transitioning to a low-carbon economy, based on the applied scenarios, could impact macroeconomic trends, including increased regulatory requirements. This transition could impact our energy mix, with the shift towards renewable energy due to increased CO_2e costs. It could also drive circular economy integration in our products and services. We continue to evaluate the potential financial impact of transition scenarios on our assets and our business model.

Resilience Analysis

To assess risks to our business model, including assets and activities, we conducted a resilience analysis using climate scenarios to state the impacts of climate change. We generally aligned the time horizons for short-term (< 1 year), medium-term (1-5 years), and long-term (> 5 years) risks with those used in our corporate risks management and the expected lifetime of our assets (e.g., buildings, machinery). This assessment extends to all operations and evaluates risks, opportunities, and impacts at various levels of granularity. Adapting our business model to climate change supports the availability and resilience of critical infrastructure during disruptions, enabling patients to continue receiving life-saving dialysis treatment.

We concluded that overall, our strategy and business model are resilient to climate change. This assessment is based on professional judgment, considering our climate targets, including actions such as our renewable electricity purchasing strategy, water strategy, and our forward-looking environmental risks management.

No material climate-related risks (e.g., natural hazards) or transition risks and opportunities were identified in short-term (<1 year) or medium-term (1-5 years) under the physical scenario up to 2050 and the transition scenario up to 2040. Some of our locations may experience limited local impacts from physical risks, such as water stress, over the long term (> 5 years) (for more details see chapter "Water"). We aim to mitigate these impacts on patients and at our sites with business continuity plans, crisis preparedness, and continuously improving our forward-looking risk management (for more details see chapter "Patients").

The results will also be considered to further develop our environmental strategy. For example, to mitigate the water stress risk identified in our physical scenario analysis, our production sites and clinics are already implementing water optimization measures as part of their Green & Lean initiatives (for more details see chapter "Water").

We believe we are well-positioned to adjust our business model, activities, and strategy across short-term (<1 year), medium-term (1-5 years), and long-term (> 5 years) horizons to address relevant risks. For instance, we have adjusted our global electricity sourcing to include renewable sources through multiple Power Purchase Agreements to mitigate the risks of increasing CO_2e prices.

We are actively adapting our business operations to address long-term physical risks such as water stress, drought stress, and heat stress through the development of a forward-looking water strategy. In the long-term, we are also preparing for the impacts of transitioning to a low-carbon economy by further adapting to circular trends through the development of a circular economy strategy.

However, there are uncertainties in assessing the long-term impacts of climate scenarios and resilience beyond a ten-year horizon. In particular, policy changes, regulatory developments, and CO_2e pricing trends remain highly uncertain. We acknowledge the limitations and uncertainties of our current analysis, which will require further evaluation.

The following climate metrics were included in our assessment.

For details on the double materiality assessment process see chapter "Sustainability Management".

Financial Effects

As part of our renewable electricity purchasing strategy, we entered into Virtual Power Purchase Agreements (vPPAs) in 2024 that have a financial impact on the company's financial position. For details see "Notes to the consolidated financial statements, 26. Financial instruments, table "Derivative financial instruments valuation": Derivatives embedded in vPPAs: €(25,394) THOUS".

SBM-3, IRO-1

Governance

The Global Sustainability department leads our strategic sustainability initiatives related to environmental topics, including energy and climate change. It collaborates closely with our business functions to implement activities. The Care Delivery segment, in collaboration with the Real Estate Management, is responsible for environmental management in our dialysis clinics. The Care Enablement segment is responsible for sustainable manufacturing, product development, supply chain, and sales operations. Our Management Board is the governing committee for all strategic environmental matters. It approves global environmental policies and receives regular updates on their implementation. The Management Board also defines the overarching environmental strategy and sets global targets.

Sustainability targets are integrated into short- and long-term compensation plans for the Management Board, senior leadership, and selected employees. In 2024, the Supervisory Board set three sustainability targets for the variable, incentive-based compensation of Management Board members. Climate-related considerations are factored into long-term compensation, with CO_2e emissions reduction set as the sustainability target for 20% of the long-term incentive. Administrative and supervisory body compensation is not linked to environmental targets.

Global Environmental Management

Our environmental management approach is key to mitigating environmental impacts and addressing risks and opportunities. It includes continuous monitoring of national and international regulations to ensure compliance and align with evolving requirements. We have established internal environmental standards, complemented by external certifications such as ISO 14001 and ISO 50001, where necessary or appropriate.

Our production sites, distribution centers, laboratories and dialysis clinics are subject to internal and external audits to verify compliance with environmental laws, local regulations, certifications, and internal guidelines. We keep employees informed on environmental topics through internal articles, workshops, and Q&A sessions.

This section also covers actions of water and resource management. Disclosures for ESRS E3 and ESRS E5 will reference this section.

Policies

Our approach to environmental management is outlined in our Global Environmental Policy, which provides a high-level overview of identified impacts, risks, and opportunities. The policy sets minimum standards for environmental topics and defines our principles and objectives for environmental protection. This includes climate change mitigation and adaptation, energy efficiency, and renewable energy deployment.

As part of this policy, we commit to assessing potential environmental risks and mitigation strategies that govern our climate change mitigation and adaptation activities. The policy also details how we manage, monitor, and reduce our environmental impact across the value chain. This includes measures to improve energy efficiency and deploy renewable energy.

We define, assess, and execute concrete actions to improve energy efficiency and develop environmentally sustainable products, processes, and services as part of our action planning. The policy has been approved by our Management Board. It applies to the entire Company across all geographies. It indirectly addresses the upstream and downstream value chain by emphasizing the importance of fostering awareness among key stakeholders. We expect our suppliers to comply with our standards.

To manage impacts, risks, and opportunities in our value chain related to resource use and the circular economy, our Supplier Code of Conduct – approved by the Management Board – sets out clear supplier standards. Suppliers are expected to make reasonable efforts to set environmental targets, define strategies, and implement policies to identify and mitigate the environmental impacts of their operations and supply chains. The Supplier Code of Conduct also covers the potential impacts and risks related to the appropriate management, control and treatment of emissions. Additionally, we have included environmental criteria in the selection process for new suppliers. For more details see chapter "Sustainability in the Value Chain".

We have standard operating procedures (SOPs) that define how we manage global data and report on environmental indicators, including energy consumption, greenhouse gas (GHG) emissions, water withdrawal, and waste. The overarching SOP was approved by the Management Board. In 2024, we updated our SOPs in line with the EU Corporate Sustainability Reporting Directive.

E1-2

Actions

Reported actions and activities address topics identified through our risk, impact, and opportunity assessment. Most projects are executed by multi-functional project teams. Unless stated otherwise, reported actions apply to all entities. While most actions are ongoing without a defined completion date, some were initiated during the reporting year. Any actions affecting specific groups, regions, or timeframes, are indicated.

Implementing projects related to climate change and energy is labor-intensive and requires appropriate resources. Project teams are staffed from various departments and receive training based on project needs. The success of our planned future actions fully depends on the availability of these resources. A detailed Capex and Opex plan for all actions is not yet available, but we intend to assess and refine this information in the coming years in line with budget planning timelines.

In 2024, we had no significant Capex or Opex spending related to the actions described in this section. For planned Opex, we refer to the financial impact of our vPPAs.

For further information on revenues, Capex, and Opex related to our economic activities under ESRS E1-1, 16 see chapter "EU Taxonomy".

Climate Neutrality Action Plan

We define climate neutrality as a 90% reduction of market-based Scope 1 and Scope 2 emissions by 2040 compared to the base year, without using carbon credits. We are working on a net-zero target that includes Scope 3 emissions, as required by the Science Based Targets initiative (SBTi).

Energy-related direct and indirect GHG emission risks, along with growing regulatory and market pressures to transition to renewable energy, drive our strategies and measures in the climate neutrality action plan. These strategies aim to mitigate our impact on, and adapt to, climate change. To achieve our 2030 market-based Scope 1 and Scope 2 targets, we focus on procuring renewable electricity and implementing energy efficiency measures. Additional measures will be defined for our 2040 Scope 1 and Scope 2 target. In 2025, we plan to review options for reducing our reliance on fossil fuels across our operations.

Our Scope 1 and Scope 2 GHG emissions mainly come from energy consumption in our clinics and production sites. We identify ways to reduce energy use and costs through global and local assessments, such as energy workshops. When purchasing equipment, switching to other energy sources, or engaging in research and development to develop more sustainable products, we use our own capital but also consider third-party investments.

The majority of our greenhouse gases are indirect Scope 3 emissions resulting from activities in our value chain. Most of the emissions are related to our purchased products and services, as well as the use phase of our sold products. We are currently developing an action plan that includes measures related to our emission reduction targets across the value chain and will disclose more information in the future.

Renewable Electricity

Generating and sourcing renewable electricity in the markets where we operate can lower costs, improve cash flow, and enhance operations. In 2024, we made progress toward our climate neutrality targets. A key milestone was signing five Virtual Power Purchase Agreements (vPPA) in Germany and the U.S. The Management Board made the decision to enter these agreements, allocating the necessary resources. These vPPAs are long-term purchase agreements with wind and solar parks. Three became operational in 2024, and the remaining two are expected to start producing renewable electricity in 2025. The contracts have term-lengths of 10 to 15 years.

Through these greenfield vPPA projects, we support the expansion of renewable electricity, contributing to the sustainable development of national electricity grids. The projects are expected to feed around 580 GWh of renewable energy into the grid annually, equal to approximately 46% of our reported global consumption. In 2024, the three operational projects fed 27.2 GWh of electricity into the grid, reducing market-based Scope 2 emissions by 10,131 tCO_2e. Electricity from our vPPAs meets RE100 technical criteria. RE100 is an initiative that encourages businesses to source 100% of their electricity from high-quality renewable sources. (For details see above section on "Current financial effects"). In 2024, we also purchased 400,000 Green-e certified Energy Attribute Certificates (EACs). As a transitional measure, we will rely on EAC purchases to close gaps that cannot be addressed with other measures.

We also generate electricity from onsite solar systems at three manufacturing sites in Italy, Australia, and Mexico, as well as at 19 of our dialysis clinics in the U.S., Portugal, and Poland. The new installations at two clinics in Poland in 2024 are expected to cover 25% of the site's consumption.

To further increase the use of renewable electricity, we plan to continue evaluating opportunities for additional Power Purchase Agreements, extend our green tariffs, install onsite solar panels, and purchase unbundled EACs. Emission reductions through renewable electricity will be the primary contributor toward our first climate target: a 50% reduction in Scope 1 and market-based Scope 2 emissions by 2030.

Implementing Energy Efficiency and Process-Optimization Measures

Implementing measures to increase energy efficiency is a key element of our climate neutrality action plan. Through energy efficiency workshops at our production sites, we identified over 100 opportunities to reduce energy consumption by approximately 15% and emissions by 14%, based on 2023 data. These projects may also generate annual cost savings.

In the reporting year, we implemented energy efficiency projects at our production sites. These projects are expected to save 26,095 MWh of energy annually (1.5% of total energy consumption at our production sites) and prevent 5,942 tons of CO_2e emissions per year (1.9% of total market-based Scope 1 and Scope 2 emissions at our production sites). Measures included optimizing boiler usage to reduce natural gas consumption at our production site in Bogotá. At our largest U.S. production site in Ogden, we replaced

steam traps to prevent energy waste and implemented energy recovery projects.

In 2024, we also completed a project to optimize heating, ventilation, and air conditioning systems in almost 1,300 clinics across the U.S, covering nearly 50% of our U.S. clinics. We reduced annual energy consumption by more than 13 MWh per clinic on average over the past year.

We plan to explore the electrification of our natural gas-driven processes for heating and manufacturing. Reducing natural gas use and decarbonizing its consumption will be key in the second phase of our climate efforts, after 2030, and toward our 2040 climate neutrality goal.

E1-3

Targets and Progress

In line with our environmental policy, we have set climate targets to reduce greenhouse gas emissions. Our business activities do not fall under a specific sectoral decarbonization pathway, which refers to sector-specific emission reduction strategies. Based on our business model, our Company is not classified under any sector-specific pathways defined by SBTi. For the time being, no other targets to manage material climate-related impacts, risks and opportunities have been set aside from the climate targets mentioned below. Currently, no transition plan is in place. We plan to evaluate the need to formalize our climate actions as part of a climate transition plan in the medium term.

Scope 1 and Scope 2 Targets

We aim for climate neutrality in our global operations by 2040, targeting a 90% reduction in market-based Scope 1 and Scope 2 emissions compared to base year (see CHART 2.26 on next page). This excludes carbon credits. By 2030, we plan to reduce our combined direct (Scope 1) and indirect (Scope 2) market-based GHG emissions by 50% compared to our 2020 base year emissions (915,732 tCO_2e).

Our global targets follow the Science Based Targets initiative (SBTi Corporate Net-Zero Standard published in March 2024) for achieving the Paris Agreement's goal of limiting global temperature increases to 1.5°C. SBTi target alignment was evaluated using the net-zero tool on SBTi website. No additional climate scenarios have been considered.

We expect to achieve 94% of the reduction necessary for our 2030 target with our market-based Scope 2 decarbonization lever of switching to renewable electricity. The remaining 6% is expected to come from efficiency measures.

When setting our targets, we considered future developments that could impact our energy consumption and the resulting greenhouse gas emissions, such as changes in patient numbers or product demand.

Our reported Scope 1 and 2 emissions consider all greenhouse gases defined and required by the Kyoto Protocol and the GHG Protocol1.

> Carbon dioxide (CO_2)
> Methane (CH_4)
> Nitrous oxide (N_2O)
> All types of hydrofluorocarbons (HFCs)
> All types of fluorinated greenhouse gas emissions (PFCs)
> Sulphur hexafluoride (SF^6)
> Nitrogen trifluoride (NF^3)

Our emission reduction targets have not yet been externally validated. We plan to submit them for validation to the Science Based Targets initiative in 2025.

To achieve our targets, we are working to decouple business growth from emissions. Emissions from electricity account for over 50% of our market-based Scope 1 and 2 emissions. We expect to achieve our 2030 target by switching to renewable electricity, supported by energy efficiency measures. Beyond 2030, our focus will shift to reducing Scope 1 emissions, which accounts for 52% of our remaining market-based Scope 1 and 2 emissions in 2024. We plan to substitute the remaining fossil fuel consumption with carbon-neutral alternatives, such as electrification and switching to renewable fuels like hydrogen or biogas. To address the remaining 10% of residual emissions after 2040, we may explore new technologies, such as carbon capture and removal.

We do not currently use an internal carbon pricing scheme due to its significant bureaucratic complexity and the challenge of establishing an effective incentive structure.

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***

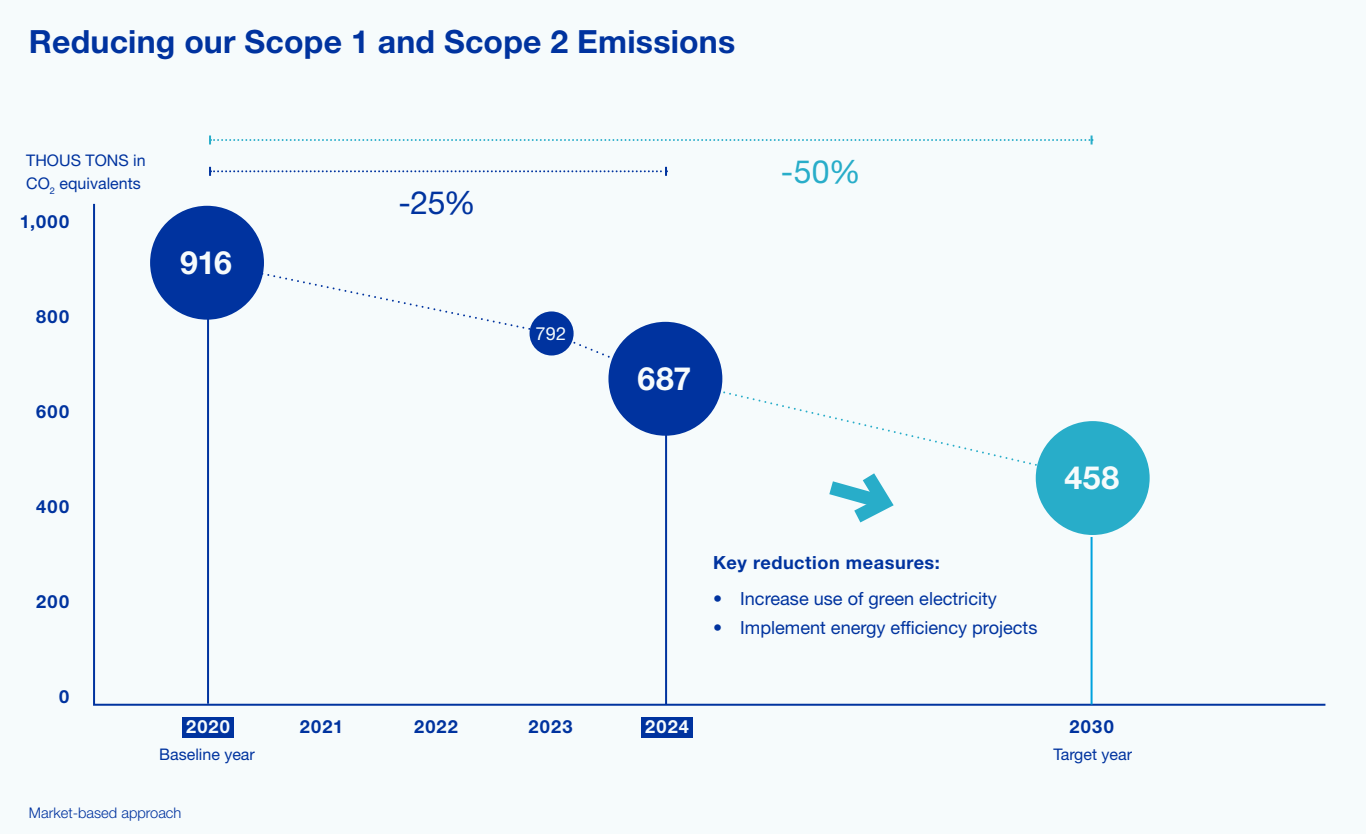
*Climate neutral is explained in chapter "Climate Change".

2020 Target Baseline Considerations

The 2020 base year for the market-based Scope 1 and 2 emissions was set using the quality principles defined by the GHG Protocol and the SBTi, evaluated using the net-zero calculator. The energy and emission data of 2020 met the requirements of relevance, completeness, consistency, transparency, and accuracy. As a critical health care provider, we were not affected by shutdowns during the COVID-19 pandemic in 2020, which allows for comparability across years.

In 2024, we expanded our environmental data coverage to include all sources of market-based Scope 1 and 2 emissions, aligning with ESRS requirements. The following emission sources were added to our reporting scope: natural gas and diesel consumption in dialysis clinics; mobile combustion from our car and truck fleets;

C 2.26 **OVERVIEW REDUCING OUR CARBON FOOTPRINT**



energy consumption in warehouses, distribution centers, offices, pharmacies, laboratories, and day care hospitals; as well as fugitive and process-based emissions. As a result, we adjusted our 2020 baseline to reflect these additions, leading to a 17% increase in our reported baseline emissions from 781,885 tCO_2e to 915,732 tCO_2e.

In 2025, the Executive Board will review the impact of this baseline adjustment on our Scope 1 and Scope 2 targets. Our GHG inventory aligns with our emission targets and is validated internally. External validation by SBTi is planned.

Monitoring of Climate Targets

Our climate targets address material impacts, risks, and opportunities related to climate change mitigation and energy. The metric used to track the effectiveness of our targets is the annual CO_2e reduction compared to our 2020 base year. In 2024, we reduced our market-based Scope 1 and Scope 2 emissions by nearly 25% from our baseline, mainly using EACs. This keeps us on track to meet our 2030 target by maintaining a minimum annual average reduction of 5%.

Our market-based Scope 1 and Scope 2 emissions declined by 13% in 2024 compared to 2023. Reported Scope 1 emissions decreased by 7%, mainly due to a reduced number of treatments and clinics. Reported market-based Scope 2 emissions decreased by 19%, mainly driven by the purchase of renewable energy certificates.

Scope 3 Targets

Our global energy consumption contributes to greenhouse gas emissions across the upstream and downstream value chain. Stakeholders are increasingly interested in our climate change mitigation measures and energy footprint, as Scope 3 emissions are the primary driver of our GHG emissions. We are developing Scope 3 climate targets aligned with the net-zero criteria defined by the SBTi. The targets have been internally approved by the Management Board for submission to SBTi. As the next step, we plan to submit them for validation and aim to publish our Scope 3 targets in 2025.

Target Validation

In 2025, our market-based Scope 1 and 2 targets will be reviewed by the Management Board, considering adjustments to the 2020 base year. The targets have not yet been validated by an external third party. In January 2024, we submitted our commitment to the SBTi for near-term and net-zero Scope 1, 2, and 3 targets. The SBTi independently evaluates and validates company targets based on its scientifically validated and widely accepted methodology. We plan to submit our target sets for validation in 2025. As

part of this process, we will consider aligning the Scope 1 and Scope 2 targets with the Net Zero targets of the SBTi.

Governance of Climate Actions

Our Management Board has mandated the Global Sustainability department to develop and oversee the global climate strategy and emission reduction targets. Together with cross-functional project steering committees, project teams, and expert networks, the climate targets were developed based on SBTi and GHG Protocol criteria. The Management Board and relevant business units and global functions support resource allocation, as well as the identification, preparation, and implementation of sustainability projects at global, regional, and local levels. The Global Head of Sustainability provides regular updates to the Management Board and the Supervisory Board on the implementation and progress of global targets.

To ensure consistent progress tracking, our environmental data controls have been integrated into the Internal Control System to verify that controls are performed correctly.

E1-1, E1-4

Metrics

The measurement of the metrics are not validated by an external body other than the assurance provider. 2023 data for datapoints prescribed by the ESRS are generally not restated. Exceptions include if the definition is unchanged compared to disclosures for the same datapoint in the previous reporting period or the 2023 datapoint is required for other purposes, such as for the calculation of short- or long-term variable compensation.

Energy Consumption and Mix

Details on the methodology can be found in table "Methodology for Energy Metrics".

T 2.27 ENERGY CONSUMPTION

Energy consumption and mix	2024	2023
Fuel consumption from coal and coal products (MWh)	0	0
Fuel consumption from crude oil and petroleum products (MWh)[1]	309,055	379,318
Fuel consumption from natural gas (MWh)[2]	1,344,856	1,382,433
Fuel consumption from other fossil sources (MWh)	0	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)[3]	750,671	888,310
Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**2,404,582**	**2,650,060**
Share of fossil sources in total energy consumption (%)	81	86
Consumption from nuclear sources (MWh)[4]	117,657	178,181
Share of consumption from nuclear sources in total energy consumption (%)	4	6
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)[5]	439,131	258,509
Consumption of self-generated non-fuel renewable energy (MWh)[6]	1,604	1,022
Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**440,736**	**259,531**
Share of renewable sources in total energy consumption (%)	15	8
Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)	**2,962,975**	**3,087,772**

[1] Including fleet fuel, stationary diesel, fuel oil, LPG, propane.
[2] All data stated as lower heating value.
[3] Thereof 3% district heating (2024 share).
[4] Only from grid electricity consumption.
[5] Including Virtual Power Purchase Agreements, Energy Attribute Certificates (EAC) and green tariffs.
[6] From solar.

T 2.28 ENERGY PRODUCTION (M MWH)

	2024	2023
Total Energy production	**151,525**	**149,322**
Total non-renewable energy production (MWh)	149,834	148,206
Total renewable energy production (MWh)	1,691	1,116

We consider our Care Enablement business, with its manufacturing, transporting, and storage activities, as a high climate impact sector based on the criteria defined in Commission Delegated Regulation (EU) 2022/1288).

T 2.29 INFORMATION RELATED TO ACTIVITIES IN HIGH CLIMATE IMPACT SECTORS

	2024
Total energy consumption from activities in high climate impact sectors per net revenue from these activities (MWh / €)[1]	0.00028752

[1] Net revenue from activities in high climate impact sectors used to calculate energy intensity. Cross-reference to the net revenue amount from activities in high climate impact sectors in chapter "Economic report" in section "Results of operations, financial position and net assets-Results of operations-Revenue" in table "Revenue", line item "Care Enablement segment", amount 2024: €5,557 M.

T 2.30 METHODOLOGY FOR ENERGY METRICS AND LIMITATIONS

Business unit or function	Area	KPI	Data Sources	Methodology	Limitations
Care Enablement	Production sites	Energy	Meter reading and invoices	Primary data are collected in internal platform. Estimations are applied if year-end data (e.g. November and December invoices) are unavailable.	• Energy intensity: energy consumption per unit of activity (e.g., production, KPI per treatment) can vary widely depending on operational specifics and technology used. • Data quality issues: secondary datasets or benchmarks may be outdated, inaccurate, or not tailored to the organization's context. • Changes in operational scope: expansions, downsizing, or shifts in production methods during the reporting period can introduce inaccuracies. • Energy source assumptions: assumptions about energy mix (e.g., electricity, gas, renewables) might not align with actual usage. • Estimation models and methods: simplified models or methodologies may omit important variables or fail to reflect complex interactions. • Measurement errors: limited or incomplete primary data may include inaccuracies or inconsistencies due to manual reporting or sampling errors.
	Distribution centers	Energy	Invoices	Primary data are collected in the internal platform. Estimations are applied when year-end data (e.g., November and December invoices) are unavailable. For some smaller locations, where only landlord billing is available, full-year estimations are applied using square footage.	
	Car/Truck fleet U.S.	Energy	Fuel data from supplier reports	Calculations are based on the reported liters of fuel.	
	Car fleet International[1]	Energy	Fuel data from supplier reports and fleet inventories	Calculations are based on the reported liters of fuel. For the remaining vehicles without available data, a central estimate is made using mileage, kilometers, or the number of cars.	
Care Delivery	Clinics U.S.	Electricity	Invoices	Primary data are collected through internal platforms. For missing data, a central estimate is applied based on the KPI per treatment.	
		Natural gas	Invoices, generator inventory and average usage hours		
		Diesel/propane	Generator inventory and average usage hours		
	Clinics International[2]	Electricity/district heating	Invoices, meter readings		
		Natural gas			
		Fuel oil			
		Diesel	Generator inventory and average usage hours based on a country study from Italy		
	Vascular access centers	Energy	Invoices	Primary data are collected through internal platforms. For missing data, a central estimate is applied based on patient encounters.	
	Laboratories	Energy	Invoices	Primary data are collected through internal platforms. For missing monthly data, average consumption from previous months or reference values are used.	
	Pharmacies	Electricity	Invoices	Primary data are collected through internal platforms. For missing monthly data, average consumption from previous months or reference values are used.	
	Physicians practices	Electricity	Reference values	Central estimation based on reference values and square meters.	
Other	Offices	Energy	Reference values	Central estimation based on reference values and number of employees per country.	

[1] Worldwide with U.S.
[2] Worldwide without U.S.

Scope 1, 2, and 3 Greenhouse Gas Emissions

T 2.31 GREENHOUSE GAS EMISSIONS
THOUS TONS

	Retrospective				Milestones and target years[1]			
	2020	2023	2024	Variance to prior year	2025	2030	2040	Annual % target / Base year
Scope 1 GHG emissions[2]								
Gross Scope 1 GHG emissions (tCO_2eq)[3]	376,907	387,049	360,803	(7)	—	—	—	—
Scope 1 GHG emissions from regulated emission trading schemes (%)	25	25	26	4	—	—	—	—
Scope 2 GHG emissions[4]								
Gross location-based Scope 2 GHG emissions (tCO_2eq)[5]	541,727	470,806	450,611	(4)	—	—	—	—
Gross market-based Scope 2 GHG emissions (tCO_2eq)[6]	538,825	405,340	326,636	(19)	—	—	—	—
Significant scope 3 GHG emissions[7]								
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	—	—	2,993,388	—	—	—	—	—
(3.1) Purchased goods and services	—	—	1,385,959	—	—	—	—	—
(3.2) Capital goods	—	—	45,931	—	—	—	—	—
(3.3) Fuel and energy-related activities	—	—	134,332	—	—	—	—	—
(3.4) Upstream transportation and distribution	—	—	147,807	—	—	—	—	—
(3.5) Waste generated in operations	—	—	155,689	—	—	—	—	—
(3.6) Business travel	—	—	32,477	—	—	—	—	—
(3.7) Employee commuting	—	—	192,383	—	—	—	—	—
(3.8) Upstream leased assets	—	—	Included in Scope 1 & 2	—	—	—	—	—
(3.9) Downstream transportation and distribution	—	—	Not significant	—	—	—	—	—
(3.10) Processing of sold products	—	—	Not applicable to our business model	—	—	—	—	—
(3.11) Use of sold products	—	—	847,284	—	—		—	—
(3.12) End-of-life treatment of sold products	—	—	51,526	—	—		—	—
(3.13) Downstream leased assets	—	—	Not applicable to our business model	—	—	—	—	—
(3.14) Franchises	—	—	Not applicable to our business model	—	—	—	—	—
(3.15) Investments	—	—	Not significant	—	—	—	—	—
Total GHG emissions								
Total Scope 1, 2, & 3 GHG emissions (location-based) (tCO_2eq)	—	—	3,804,802	—	—	—	—	—
Total Scope 1, 2, & 3 GHG emissions (market-based) (tCO_2eq)	—	—	3,680,827	—	—	—	—	—
Percentage of Scope 3 emissions calculated using primary data obtained from suppliers or other value chain partners (%)	—	—	0	—	—	—	—	—

[1] The targets refer to our published 2030 and 2040 climate neutrality targets. By 2030, we aim to reduce our market-based Scope 1 and 2 GHG emissions by 50% compared to 2020. By 2040, we aim to reduce our combined Scope 1 & 2 emissions by 90% compared to 2020.
[2] The only source of biogenic emissions in our Scope 1 emissions is related to the mobile combustion of diesel and petrol, for which we apply the average biofuel blend emission factor from DEFRA. We have not accounted for biogenic emissions in the calculation of the biofuel blend share. The Scope 2 emission factors we apply do not differentiate biomass or biogenic CO_2 percentages. Therefore, it is not possible to report biogenic CO_2 separately.
[3] Scope 1 emission factors are applied from the Department for Environment, Food & Rural Affairs (DEFRA).
[4] Scope 2 location-based emission factors are utilized from the International Energy Agency (IEA). The emission factors are extracted from our energy reporting tool, Resource Advisor.
[5] Scope 2 market-based emission factors are utilized from US Residual Mix (Green-e Energy Emissions Rates), RE-DISS Residual European Mix, and the International Energy Agency (IEA). The emission factors are extracted from our energy reporting tool, Resource Advisor. The residual mix factors only show CO_2.

T 2.32 METHODOLOGY FOR GREENHOUSE GAS EMISSIONS METRICS AND LIMITATIONS

GHG Categories	Measurement	Methodology	Limitations
Purchased or acquired electricity	Consumption of purchased or acquired electricity	• Location-based emissions of purchased or acquired electricity are calculated using the latest version of the IEA emis-sion factors. • Market-based emissions of purchased or acquired electricity are calculated using the latest version of IEA emission factors, the RE-DISS Residual European Mix, and U.S. Residual Mix (Green-e Energy Emissions Rates), as no direct supplier information is available.[1] • All emission factors from these sources are provided by our data collection tool provider and extracted from the included software. These factors were selected for their credibility, availability, and timeli-ness. • All emission data is calculated and consolidated using MS Excel.	• Dependence on secondary data: Use of industry averages or proxy datasets may not accurately reflect specific activities, processes, or products, and public databases or literature may be outdated or not region-specific. • Lack of specificity: Generic emission factors may not capture variations in supplier practices, transportation methods, or raw material sourcing. Assumptions about processes and resource consumption may overlook unique operational characteristics. • Aggregation errors: Combining diverse datasets with varying scopes, units, and quality standards can lead to inconsisten-cies or double counting. • Exclusion of indirect impacts: indirect emissions upstream or downstream (e.g., embedded emissions in purchased goods) may be underestimated or omitted. • Inability to track changes: without primary data, assessing the impact of mitigation measures or tracking year-over-year prog-ress is challenging.
Fossil fuels and purchased or acquired heat	Consumption from crude oil and petroleum products, natural gas, other fossil sources and purchased or acquired heat	• Emissions of the energy sources are calculated using the latest version of DEFRA emission factors.[2] • DEFRA emission factors were selected due to their credibility, availability, and timeliness. • All emission data is calculated and consolidated using MS Excel.	
Fugitive and process-based emissions	• Identification of refrigerant type and volume in refrigerant-carrying units • Dry ice use per shipment	• Emission factors are taken from the IPCC Sixth Assessment Report Global Warming Potentials of all rele-vant GHGs. These factors were selected for their wide adoption, credibility, availability, and timeliness. • All emission data is calculated and consolidated using MS Excel. • The methodology was inspired by the GHG-Protocol standard for fugitive and process-based emis-sions, adapted to fit the Company's needs. • Leakage rates are estimated based on the IPCC AR6 good practice guidelines for annual leakage rates. The number of refrigerant-carrying units is estimated based on employee numbers, are (m^2), or treatment numbers, depending on data availability.	

[1] Market based Scope 2 emission factors are utilized from the US Residual Mix (Green-e Energy Emissions Rates), RE-DISS Residual European Mix, and the International Energy Agency (IEA). The emission factors are extracted from our energy reporting tool, Resource Advisor. These factors do not use the most recent IPCC report. The European and the US residual mix only accounts for CO_2 and not for CO_2e.
[2] DEFRA emission factors are not based on the latest IPCC report.

T 2.33 GHG INTENSITY

GHG intensity per net revenue	2024
Total GHG emissions (location-based) per net revenue (tCO_2eq / €)[1]	0.00020
Total GHG emissions (market-based) per net revenue (tCO_2eq / €)[1]	0.00019

1 Cross-reference to the net revenue amount in chapter "Economic report" in section "Results of opera-tions, financial position and net assets-Results of operations-Revenue" in table "Revenue", line item "Revenue", amount 2024: €19,336 M.

Our Scope 3 emissions are calculated in accordance with the min-imum boundaries defined by the GHG Protocols "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" and "Techni-cal Guidance for Calculating Scope 3 Emissions". The following table provides an overview of the applied assumptions, methodol-ogies, and emission factors used. Methodology selection is based on the data availability and GHG protocol recommendations. Sub-sequent adjustments of expenditure-based emissions calculations were extrapolated proportionally (3.1, 3.2, 3.4, 3.5, and 3.6).

T 2.34 SCOPE 3 EMISSIONS METHODOLOGY AND BOUNDARY

Category	Percentage of primary supplier data	Methodology	Limitations
3.1 – Purchased goods and services	0%	Emissions of purchased goods and services are calculated using a spend-based approach with the "estell 6" tool from Systain Consulting (https://systain.com). Estell is a multi-regional, environmentally and socially extended input – output model that measures environmental and social effects in the supply chain based on monetary activity data. The tool is based on data from the OECD, World Bank, EXIOBASE[1] and U.S. BEA[2].	All upstream (cradle-to-gate) emissions of purchased goods and services
3.2 – Capital goods	0%	Spend-based calculation see category 3.1	All upstream (cradle-to-gate) emissions of purchased capital goods
3.3 – Fuel- and energy related activities	0%	Fuel- and energy related Scope 3 emissions are calculated based on activity data reported for Scope 1 and 2. DEFRA[3] emission factors are used to calculate emissions for the upstream emissions of purchased fuels. For the upstream emissions of purchased electricity and transmission and distribution losses emission factors from the IEA[4] "IEA Life Cycle Upstream Emission Factors" are applied.	a. For upstream emissions of purchased fuels: all upstream (cradle-to-gate) emissions of purchased fuels (from raw material extraction up to the point of, but excluding, combustion). b. For upstream emissions of purchased electricity: all upstream (cradle-to-gate) emissions of purchased fuels (from raw material extraction up to the point of, but excluding, combustion by a power generator). c. For transmission and distribution losses: all upstream (cradle-to-gate) emissions of energy consumed in a T&D system, including emissions from combustion. d. For generation of purchased electricity that is sold to end users: emissions from the generation of purchased energy.
3.4 – Upstream transportation and distribution	0%	Spend-based calculation see category 3.1	Scope 1 and Scope 2 emissions of transportation and distribution providers that occur during the use of vehicles and facilities.
3.5 Waste generated in operations	0%	Spend-based calculation see category 3.1	Scope 1 and Scope 2 emissions of waste management suppliers that occur during disposal or treatment.
3.6 Business travel	0%	Spend-based calculation see category 3.1	Scope 1 and Scope 2 emissions of transportation carriers that occur during use of vehicles (e.g., from energy use).
3.7 Employee commuting	0%	Emissions from employee commuting are calculated using the average-data method, utilizing average commuting statistics from the United States Census Bureau and Eurostat. For commuting activities, emission factors from DEFRA are applied.	Scope 1 and Scope 2 emissions of employees and transportation providers that occur during use of vehicles (e.g., from energy use).
3.8 – Upstream leased assets	0%	Emissions from upstream leased assets are covered in our Scope 1 and 2 reporting.	Scope 1 and Scope 2 emissions of lessors that occur during the operation of leased assets (e.g., from energy use).
3.9 – Downstream transportation and distribution	0%	This category has been assessed as not significant (below 1% of total Scope 3 emissions) and relevant for all justification criteria defined by the GHG Protocol: size, influence, risk, stakeholders, outsourcing, and sector guidance.	Scope 1 and Scope 2 emissions of transportation providers, distributors, and retailers that occur during the use of vehicles and facilities (e.g., from energy use).
3.10 – Processing of sold products	0%	Not applicable to Fresenius Medical Care since processing of sold products is not part of our business activities.	N/A
3.11 – Use of sold products	0%	Emissions from the use of sold products are calculated based on the annual sales volume of relevant products and the average energy use of our products over their expected lifetime. The energy use is multiplied by the most recent IEA electricity world factor.	Direct use-phase emissions of sold products to external parties over their expected lifetime.
3.12 – End-of-life treatment of sold products	0%	Emissions from the end-of-life treatment of our products are assessed based on product-specific life-cycle assessments (LCA) and annual sales volumes. The (screening) LCAs are performed using the SimaPro software. Proxies are applied for products where no LCAs are available.	Scope 1 and Scope 2 emissions that occur during the disposal or treatment of sold products.
3.13 – Downstream leased assets	0%	Not applicable to Fresenius Medical Care since leasing of assets is not part of our business activities.	N/A
3.14 – Franchises	0%	Not applicable to Fresenius Medical Care, since franchising is not part of our business activities.	N/A
3.15 - Investments	0%	This category has been assessed as not significant (below 1% of total Scope 3 emissions) or relevant for all justification criteria defined by the GHG Protocol: size, influence, risk, stakeholders, outsourcing, and sector guidance.	N/A

[1] EXIOBASE is a global, detailed, multi-regional, environmentally extended supply and use / input-output (MR EE SUT/IOT) database.
[2] U.S. Bureau of Economic Analysis.
[3] Department for Environment, Food & Rural Affairs.
[4] International Energy Agency.
[5] We are considering calculating Scope 3.5 emissions based on weight data in the future.

Methodology selection is based on the availability of data and recommendations of the GHG protocol.

T 2.35 DATA RELATED TO POWER PURCHASING AGREEMENTS (PPAS)

	2024
Number of PPAs[1] (of which operational)	5 (3)
Amount of electricity produced (GWh)	27.2
Amount of emissions reduced (CO_2e)	10,131

[1] Virtual Power Purchase Agreement (vPPA)

T 2.36 AMOUNT OF PURCHASED ENERGY ATTRIBUTE CERTIFICATES (EAC) WHICH WERE (UN)BUNDLED WITH ELECTRICITY[1]

	2024	Share in 2024 in %	2023	Share in 2023 in %
Unbundled EACs from vPPAs[2]	27,203	6	0	0
Unbundled EACs purchased[3]	400,000	91	250,000	97
Bundled EACs in green tariffs[4]	11,928	3	8,509	3
Total unbundled EAC[5]	**427,203**	**97**	**250,000**	**97**
Total bundled EAC[6]	**11,928**	**3**	**8,509**	**3**

[1] This table refers to all renewable electricity procured from the grid alongside bundled or unbundled Energy Attribute Certificates (EACs). It does not account for self-generated renewable electricity. The EACs are categorized by their bundling status and contractual instrument.
[2] EACs from vPPAs consist of Guarantees of Origin from three vPPAs in Germany, registered under the HKNR (Guarantees of Origin Register) in Germany.
[3] Unbundled EACs are exclusively purchased in the U.S. in the form of RECs. These RECs come from multiple regions and are recorded in their respective registries.
[4] All bundled EACs originate from a single green tariff in Colombia.
[5] The total unbundled EACs include both unbundled EACs from vPPAs and purchased unbundled EAC purchases.
[6] The total bundled EACs include EACs bundled with green tariffs.

Water

This chapter covers disclosures related to ESRS E3 "Water and Marine Resources".

Material Impacts, Risks and Opportunities:
Water

Our Water Footprint

Large volumes of water are required at both our production sites and dialysis clinics to provide life-saving care for patients. It is critical that the water we use for dialysis is of high quality. For this reason, we typically use municipal water, which is further treated in our dialysis clinics. We are committed to safeguarding water resources, using them responsibly, and developing strategies to continuously optimize our water footprint.

Impacts	Risks and opportunities	Management approach
Water*		
Our withdrawal of large volumes of water is primarily related to providing life-saving dialysis treatments and producing medical products. It could contribute to water stress or water risk in the surrounding area of the operating facilities.	**Risk** Our water consumption could be affected by and contribute to water stress or water risk within the surrounding of the operating facilities. Increasing regulations and changes in the market environment could lead to requirements for a faster water footprint reduction. Water is a necessary resource to provide high-quality products and services to our patients, it may not be possible to reduce our water footprint within a short time horizon. **Opportunity** Focusing on operational water efficiency could lead to potential cost savings.	• Water strategy addresses awareness, practice sharing, water management guidance, and focus areas • Sustainable water management by 2026 to manage and mitigate water risks and implement targeted measures to optimize our water footprint • Water stress assessment results are integrated into our corporate risk management system

*Marine resources is not material and related disclosures are not included in this chapter

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

Assessment of Material Impacts, Risks and Opportunities

The material impacts, risks, and opportunities related to water were identified in a double materiality assessment and are regularly reviewed during the risk management process. We assess our impact on water using the Aqueduct Water Risk Atlas from the World Resources Institute (WRI). The results help us identify areas of water stress and risk, as well as anticipate changes in water stress conditions. We also consider water stress in our climate scenario analysis, in accordance with the guidance of the Task Force on Climate-related Financial Disclosures (TCFD). This analysis covers multiple water risks, including water stress, drought stress, and heat stress.

We conducted an assessment to identify potential environmental risks to local communities and ecosystems, including water stress, around our production sites and clinics. We did not identify significant risks to local communities or ecosystems from our operations. Affected communities were not directly involved in the assessment but were considered through information provided by external organizations. The assessments focused on our own operations to measure our impact. We are considering extending this analysis to our value chain in the future.

The results of our water-related assessments are incorporated into our corporate risk management process. As part of our water strategy, we continuously review opportunities to optimize water withdrawal and initiate appropriate actions accordingly.

For details on the double materiality assessment process and the Risk and Opportunity Report see chapter "Sustainability Management".

IRO-1

Governance

The Global Sustainability department leads our strategic sustainability initiatives on global environmental topics, including water. It works closely with our business functions to implement activities. The Care Delivery segment, in collaboration with Real Estate Management, is responsible for environmental management in our dialysis clinics. The Care Enablement segment is accountable for sustainable manufacturing, product development, supply chain and sales operations. Our Management Board governs all strategic environmental matters. It approves global environmental policies and receives regular updates on their implementation. The Management Board also defines the overarching environmental strategy and sets global targets.

Policies

Our approach to environmental management is defined in our Global Environmental Policy. It outlines our principles and objectives, along with our minimum standards for environmental protection, including water management. As detailed in our policy, we are committed to reducing our water withdrawal through the efficient use of water, minimizing adverse environmental impacts, and assessing risks and mitigation strategies. The policy also addresses how we manage, monitor, and reduce our environmental impact across the value chain. We aim to raise awareness among key stakeholders and expect suppliers to comply with our standards. This includes the effective management of water, extending to areas such as water use and sourcing, water treatment, and the prevention and abatement of water pollution. The policy also emphasizes our commitment to designing environmentally friendly products and services. While our water-related actions and assessments primarily focus on areas at water risk, our policy does not currently explicitly mention our stated commitment to reducing water withdrawal. The policy applies to all employees, and we plan to review it in the next two years.

Additionally, we have standard operating procedures (SOPs) in place. They define how we manage global data and reporting on environmental indicators. In 2024, we updated our SOPs in line with the requirements of the EU Corporate Sustainability Reporting Directive.

E3-1

Actions

Developing our Water Strategy and Optimizing our Water Footprint

We are further developing a global water strategy to outline our commitments to water management. This strategy is expected to address risks related to our operations, focusing on sites likely to face water stress challenges. It includes awareness activities, practice sharing, internal guidance, and key areas for action. Water action plans will help to optimize the water footprint for our Care Delivery segment's clinic network, particularly in areas with extreme high-water stress. For the Care Enablement segment, the water strategy will support projects within our Green and Lean initiative at production sites.

The implementation of water strategy and optimization projects requires adequate resources. Project teams, drawn from various departments, are upskilled and trained according to the project's needs. Currently, our action plan does not require significant Capex/Opex, and therefore these are not disclosed in our financial statements.

In 2024, activities to optimize our water footprint were aligned with the objectives of our water strategy. We implemented eight water-related projects at our production sites, expected to save more than 53,000 m3 of water annually, representing about 0.9% of our water withdrawal at the production sites. At one of our biggest sites, L'Arbresle in France, we replaced the cooling tower with a new generation system, enabling significant water savings. At our Bogotá site in Colombia, optimizing the cleaning frequency of production tanks led to considerable water savings. In the Care Delivery segment, our actions primarily focus on our U.S. clinics. Projects in 2024 included improvements in the water system, targeting optimization of carbon tank backwash, which is expected to save approximately 340,000 m3 of water annually.

Conducting Water Stress and Risk Analysis

To efficiently manage our water impact, we focus on locations in extreme high-water stress. In 2024, our water stress assessments revealed that 11% of our dialysis clinics and 11% of our production sites are located in areas of extreme high-water stress. This assessment covered all our dialysis clinics and production sites.

We continued to analyze water stress based on various climate scenarios in 2024, identifying which sites are expected to be most impacted by 2030 and 2050. We also correlated water stress with climate risks, such as drought stress, to assess potential impacts on our business operations. The majority of identified clinics and sites affected by water stress and climate risks are in the U.S., which accounts for the largest share of our business. We are incorporating insights from this analysis into our Group-wide risk management system to detect, monitor, and mitigate possible risks as early as possible.

E3-2

2026 Target

Develop sustainable water plans for sites in extreme water stress areas

Targets

We aim to develop water action plans by 2026 that will define targets for optimization measures at production sites and dialysis clinics in areas with extreme high-water stress. The goal is to optimize our water footprint and develop sustainable water action plans to further improve water efficiency. While there are currently no quantified water targets, we plan to integrate those into our water strategy moving forward. We measure the effectiveness of our policies and actions based on the qualitative target mentioned above. We are regularly reviewing the status of our water action plans with stakeholders and management to ensure that we are on track for our 2026 goal.

E3-3

Metrics

Details on methodology can be found in the table "Methodology for water metrics". Water storage (E3-4, 28d) is not considered material based on an internal assessment and the nature of our business operations.

T 2.37 WATER

	2024
Reported water withdrawal compared to previous year (%)	—
Water withdrawal (M m³)[1,2]	35.2
Thereof municipal water	34.9
Thereof ground water	0.3
Water withdrawal in high water risk/stress areas (M m³)	7.4
Water withdrawal (m³ / € M revenue)	1,819
Water consumption (M m³)[3]	2.7
Water consumption in high water risk/stress areas (M m³)[4]	0.4
Water consumption (m³ / € M revenuee)	142.0
Water reuse/recycle (M m³)[5,6]	95.1
Water discharge (M m³)	32.4

[1] Water withdrawal data are part of our environmental data collection process and are based on meter readings and invoices. Water withdrawal figures also include estimations. For more details see TABLE 2.39.
[2] Water is primarily sourced from municipal supplies in accordance with local water quality standards and is regularly tested to ensure water quality meets operational and safety requirements.
[3] Water consumption for production sites: Water withdrawal – water discharge = water consumption | Water consumption applies only to production sites. In our clinics, we have determined that water in = water out.
[4] Location-based assessment based on an external tool that incorporates water risk/stress to receive a high-level overview of sites that may be affected.
[5] Care Enablement: Water reuse/recycling numbers are based on an extrapolation method which incorporates real data (for more details see table below). Care Delivery: Water reuse/recycling numbers are extrapolated on the reverse osmosis system information available (for more details see table below).
[6] Some water is reused/recycled multiple times, as it runs in closed loops (e.g. for cooling and heating). Therefore, the value of the reused/recycled water can exceed 100% of the actual water withdrawal.

T 2.38 METHODOLOGY FOR WATER METRICS AND LIMITATIONS

Business unit or function	Area	KPI	Data Sources	Methodology	Limitations
Care Enablement	Production sites	Water	Invoices	The majority of data are primary data collected in the internal platform, Resource Advisor. Estimations are applied only to a small number of cases when year-end data (e.g., November and December invoices) are unavailable.	• Water intensity: Water consumption per unit of activity (e.g., production, KPI per treatment) can vary widely depending on operational specifics and technology used. • Data quality issues: Secondary datasets or benchmarks may be outdated, inaccurate, or not tailored to the organization's context. • Changes in operational scope: Expansions, downsizing, or shifts in production methods during the reporting period can introduce inaccuracies. • Estimation models and methods: Simplified models or methodologies may omit important variables or fail to reflect complex interactions. • Measurement errors: Limited or incomplete primary data may include inaccuracies or inconsistencies due to manual reporting or sampling errors.
	Distribution centers	Water	Invoices	The majority of data are primary data collected in the internal platform. Estimations are applied when year-end data (e.g., November and December invoices) are unavailable. For some smaller logistics sites, full-year estimations are applied when only landlord billing is available, with consumption estimated using square footage.	
	Production sites	Water reuse/ recycling	Meter readings and expert interviews	Water reuse/recycling numbers are derived from an extrapolation method that incorporates real data from our largest plants, which accounts for at least 80% of our water withdrawal. Extrapolation for the remaining sites is informed by expert interviews.	
Care Delivery	Clinics U.S.	Water	Invoices	The majority of data are primary data and collected through multiple internal platforms. If data is missing, a central estimate is made based on the KPI per treatment.	
	Clinics worldwide excluding U.S.	Water	Invoices and meter readings		
	Vascular access centers, laboratories, pharmacies, physician practices	Water	Invoices	Central estimation using patient encounters and square meterage.	
	Clinics worldwide	Water reuse/ recycling	Case study	Water reuse/recycling numbers are derived from reverse osmosis systems. The extrapolation method is uses parameters including average water system size, average efficiency settings, average system flow, and system utilization.	
Other	Offices	Water	Reference values	Central estimation based on the number of employees per country and reference values from statistics.	

Resource Use and Circular Economy

This section covers disclosures related to ESRS E5 "Resource Use and Circular Economy".

Material Impacts, Risks and Opportunities:
Resource Inflow
Resource Outflow
Waste

Our Resource Footprint

In the health care industry, strict hygiene requirements apply to materials and the safe disposal of hazardous waste to prevent harm to patients, employees, and the environment. We are committed to reducing both hazardous and non-hazardous waste while continually improving waste management practices.

Information on Resource Inflows

Resource inflows primarily consist of raw materials used in manufacturing our dialysis products, such as machines and disposables. Key material inflows include plastics, chemicals, and (semi)-manufactured parts such as electronic components sourced from third-party manufacturers. Due to stringent product safety and quality requirements in the health care sector, the use of recycled content or biological materials in products is currently limited.

To determine resource inflows, we analyzed third-party products used in treatments and patient care alongside procurement data for our manufacturing processes. Material weights are determined using our procurement databases or estimated based on reference weights of materials and products.

For more information see TABLE 2.39 on page 85.

Impacts	Risks and opportunities	Management approach
Resource Inflow		
We use third-party chemicals and other raw materials to manufacture life-saving products and their packaging; our business model and regulatory requirements shape this usage. Some materials could have adverse social and environmental impacts during transportation and processing before they reach our production sites.	**Risk** The use of materials, primarily plastics and virgin granules, is increasingly regulated. Inability to adapt our products and services swiftly to meet regulatory and customer demands could jeopardize market approval or compliance with tender requirements. Replacing certain raw materials at a reasonable cost or switching suppliers poses challenges due to strict MedTech and health care regulations, as well as the specific attributes of our medical products. **Opportunity** Improvements in sourcing and reducing the eco-footprint of our products and services can mitigate negative impacts while fostering innovation. These changes could also lead to cost savings.	• Environmental criteria are integrated into the selection process for new suppliers • The Supplier Code of Conduct outlines expectations for business partners regarding environmental resource and waste management, as part of supplier contracts.
Resource Outflow		
Products and other materials leave our production sites. A significant proportion of our products are single-use plastic items with limited recyclability, often due to blood contamination. This may have potential adverse environmental impacts when these products and materials are disposed of. The disposal process is managed by suppliers.	**Risk** *See resource inflow.* **Opportunity** A circular economy strategy – including waste management, material use, product end-of-life, and product design – could lead to benefits such as increased efficiency in material use and processes. These improvements may drive operational advancements and economic advantages.	• We developed a circular economy strategy that addresses waste management, product design, material use, and product end-of-life. • The Global Portfolio Sustainability Assessment helps increase transparency regarding the environmental impact of our products and services.

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

Information on Resource Outflows

Our key product portfolio includes machines, disposables, and fluids for various dialysis therapy types. For machines, we focus on circular principles such as durability, repairability, and disassembly to ensure reliable patient care. Durability is covered within the product development process. Our dialysis machines are designed for a long lifespan and frequent use. An internal study of historic field data and operating hours in different countries estimates their durability at approximately 10 years. This study was conducted by internal experts but has not been externally validated. Currently, limited data are available for comparison with competitors' dialysis machines.

We provide on-site and preventive maintenance performed by certified technicians. They are supported by predictive models to minimize downtime and receive regular software updates. Repairability and disassembly are considered during the design phase of medical devices. Machines are designed to allow for the simple replacement of wear parts such as valves, detectors, and rotors. Spare parts are utilized by our technical service teams to extend machine lifespan. Due to regulatory requirements for patient safety and quality, our disposables and some of their packaging materials are currently not designed for circularity, limiting the implementation of circular principles. Nevertheless, we continue to explore opportunities for circularity within our product portfolio and packaging.

We also evaluate our product portfolio and packaging for recyclable content. While our machines can be recycled, the process depends on the availability of local infrastructure and specialized suppliers. Most of the packaging used for our machines, concentrates, disinfectants, and solutions is recyclable.

Our Care Delivery and Care Enablement segments generate different types of waste. Waste from patient treatments in our centers is primarily composed of disposable dialysis and medical products, including dialyzers and bloodlines. These disposables are not suitable for recycling, as they may come into contact with blood. The packaging of these products, which meet strict hygiene requirements, consists of multiple materials, making recycling more challenging.

Impacts	Risks and opportunities	Management approach
Waste		
Our global business generates a significant amount of hazardous and non-hazardous waste, primarily from treating patients in our clinics and producing life-saving products. Most waste stems from patient treatment, driven by the need for disposable medical products.	Risk The increasing number of regulations, rising costs, and evolving market requirements related to waste reduction present challenges for the highly regulated MedTech and health care industry. Opportunity *See resource outflow.*	• Green and Lean initiative projects are implemented to reduce waste at our production sites. • Multiple waste initiatives are underway across our clinic network, including waste audits in the U.S., to increase transparency on waste streams and reduce costs. • Increased tracking of global waste data and resource use helps identify opportunities for improvement.

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

Waste from manufacturing sites, dialysis clinics, and other facilities constitutes a significant proportion of our total waste. This includes chemical waste, solvents, plastics, and general waste.

E5-4, E5-5

Assessment of Material Impacts, Risks and Opportunities

The material impacts, risks, and opportunities related to resource use and circular economy were identified through a double materiality assessment and are regularly reviewed during the risk management process.

Insights from our environmental risk assessments are incorporated into the evaluation of resource use and circular economy. Our climate transition risk assessment, which focuses on financial impacts, also includes circular economy aspects. A structured assessment of our production sites, clinic assets, and related business activities examined how policy and market developments could affect our operations. External data sources and scenario analyses examined how potential laws and regulations may impact circular economy integration and waste management. This transition scenario analysis stress-tested our business model to anticipate potential risks and opportunities.

We evaluate our effects on people and the environment through impact and local community assessments. This includes reviewing how our waste generation affects ecosystems. These assessments were based on internal and external data, such as waste data, proximity to residential areas, external risk factors, and national waste management indices.

IRO-1

Governance

The Global Sustainability department leads our strategic sustainability initiatives related to environmental topics. It collaborates closely with our business functions to implement activities. The Care Delivery segment, in collaboration with real estate management, oversees the environmental management in our dialysis clinics. The Care Enablement segment is responsible for sustainable manufacturing, product development, supply chain, and sales operations.

The Management Board is the governing committee for all strategic environmental matters. It approves global environmental policies and receives regular status updates on their implementation. The Management Board also defines the overarching environmental strategy and sets global targets.

Policies

Our approach to environmental management is defined in our Global Environmental Policy. It outlines our principles, objectives, and minimum standards for environmental protection, including resource use and waste. We are committed to reducing waste through efficient resource use, minimizing adverse environmental impacts, and assessing risks and mitigation strategies. The policy also addresses how we manage, monitor, and reduce our environmental impact across the value chain. The policy applies to all employees.

We have developed a global circular economy strategy to assess circularity opportunities for our products and packaging. Within the next two years, we plan to update our environmental policy to include our approach to the circular economy. The updated policy will outline how we plan to transition away from using primary raw materials where possible and reinforce our commitment to sustainable sourcing. These aspects are currently not specifically addressed in the policy.

To manage the impacts, risks, and opportunities in our value chain related to resource use and circular economy, our Supplier Code of Conduct defines the standards we require from suppliers. They are expected to set environmental targets, define strategies, and implement policies to identify and mitigate environmental impacts in their operations and supply chains. The Supplier Code of Conduct covers potential impacts and risks related to resource use, waste management, and handling of hazardous substances. Environmental criteria are also included in the selection process for new suppliers.

For more information see chapter "Sustainability in the Value Chain".

E5-1

Actions

In general, the reported actions apply to all entities unless stated otherwise. Most actions are ongoing without a defined completion date, while some began during the reporting year. Whenever actions affect specific groups, regions, or timeframes, this is indicated.

Developing a Circular Economy Strategy

In 2024, we developed a global circular economy strategy through a structured process involving multiple internal stakeholders, including relevant business units, sustainability experts, and senior leadership. The Management Board approved the strategic principles. Our strategy is designed to optimize resource efficiency, reduce our carbon footprint, and comply with evolving regulatory requirements. It reflects our commitment to integrating circular economy principles into our operations and value chain.

Key actions include:

- Product design: We will focus on implementing product and packaging specifications that consider circularity while maintaining performance, patient safety, and regulatory compliance. To achieve this, we plan to expand the assessment of our product portfolio and packaging to identify circularity opportunities.
- Material use: We analyze the materials used for our products and packaging. We plan to collaborate with suppliers to develop solutions that reduce reliance on primary raw materials and decrease overall material consumption across our operations.
- Product end-of-life management: We aim to improve recovery, reuse, and recycling of selected products by analyzing opportunities in our value chain and partnering with suppliers, waste collectors, and research institutes.
- Waste management: We identify opportunities to minimize landfill disposal and support resource recovery efforts. The goal is to optimize waste disposal and improve recycling solutions across our operations.

We plan to begin implementing our circular economy action plan in 2025, with initial actions expected over the next two to three years.

Waste Management and Reporting

Waste is currently managed at a regional or local level due to varying local regulations and the nature of waste disposal. We aim to establish global processes and guidelines to improve waste segregation at the source, enabling better identification of materials for recycling or reuse. Implementation will partly depend on regulatory opportunities to influence local waste management infrastructure.

Key actions implemented in 2024 include:

- Waste audits and right-sizing of waste services: In 2024, we continued waste audits in the U.S. to improve transparency around waste types and explore ways to avoid and reduce waste. These audits help us evaluate waste generation and refine our waste estimation process. For example, we analyze waste disposal practices and reduce related disposal costs by installing smaller waste bins and optimizing bin collection schedules.
- Recycling projects: We advanced ongoing recycling projects, including the recycling of plastic canisters from dialysis centers in Germany. We are currently assessing the feasibility of expanding this project. Additionally, we launched a printer cartridge collection and recycling program for all U.S. locations. In 2024, we returned 7,447 cartridges, amounting to more than 11,000 kg of material sent for recycling.
- Waste efficiency: During the reporting year we implemented six waste efficiency initiatives at our manufacturing sites, which collectively prevented the generation of approximately 6,000 kilograms of waste. Additionally, a separate initiative in the U.S. involved conducting waste audits at our clinics to quantify the actual types and amounts of waste generated, replacing previously estimated data. This audit revealed that we have been overreporting waste across approximately 1,800 of our U.S. clinics. As a result, this reporting improvement allowed us to refine our waste generation values, accounting for a difference of about 16,000 metric tons.
- Waste reporting: In the reporting year, we expanded the scope of our resource use reporting to improve transparency. We established processes for reporting material inflows required to manufacture products and provide dialysis in our clinics. Global waste reporting processes for our business segments were also introduced, covering total waste, hazardous and non-hazardous waste, and waste treatment methods.

E5-2

Targets

Aligned with our Global Environmental Policy, we aim to minimize environmental impacts and reduce our overall footprint. As part of our circular economy strategy, we plan to develop global targets in the mid-term, including quantitative objectives for circularity indicators.

Currently, we have established local internal targets for waste management across all our manufacturing sites, aiming to improve recovery rates by 0.5 to 3% annually. These targets focus on increasing waste diversion from landfills and incineration, aligning with the recycling tier of the waste hierarchy. This hierarchy ranks waste management strategies based on their environmental impact, emphasizing the most sustainable options. Performance of our targets at production sites is evaluated by comparing recycling and recovery data from the current year with that of the previous year. Oversight is provided by the appointed environmental representatives at each manufacturing site.

These voluntary targets are approved by the management of our Care Enablement segment and depend on the performance of the manufacturing sites. By driving year-over-year improvements, these targets underline our commitment to improving waste management practices.

E5-3

Metrics

2023 datapoints prescribed by the ESRS are generally not restated. Exceptions include if the definition is unchanged compared to our disclosures for the same datapoint in the previous reporting period. Details on the methodology can be found in table "Methodology for resource use and circular economy metrics".

Resource Inflows

T 2.39 **TOTAL WEIGHT OF RESOURCE INFLOWS**[1]
METRIC TONS

	2024
Total weight of technical and biological materials	1,256,570
Biological materials sustainably sourced with certifications (%)	0
Total weight of secondary reused or recycled components	7,397
Secondary reused or recycled components (%)	0.6

[1] Estimations are applied to calculate the weight of materials, where primary data is not available. For this, the available weight per category of products and spend data is used. Spend data from November 2023 to October 2024 was retrieved for this analysis. The total weight of third-party products used for a standard dialysis treatment is multiplied by the number of treatments performed in a year.

E5-4

Resource Outflows and Waste

T 2.40 RECYCLABLE CONTENT IN PRODUCTS AND PACKAGING[1]
IN %

	2024
Machines[2]	24
Packaging	79

[1] Data used for the calculation have been obtained from lifecycle assessment calculations, product specifications, and packaging statements. They are weighted according to production volumes. Publicly available recycling rates from sources like Eurostat have been used to determine recyclability of components such as metals, wood, and cardboard. A representative product from each product group is used to calculate the wood and cardboard packaging components.
[2] Only machines are considered in the assessment of recyclable content, as other products are either blood-contaminated or consumed during use.

T 2.41 TOTAL WASTE AND BREAK-DOWN BY TYPE[1]
METRIC TONS

	2024
Total hazardous waste[2]	47,800
Total non-hazardous waste	151,607
Total waste	199,407
Total recycled waste	60,722
Total non-recycled waste	138,685
Share non-recycled waste (%)	70

[1] Data for the Care Enablement segment are manually collected and categorized by waste type and treatment method. They may include estimations. For the Care Delivery segment, data come from supplier reports and internal systems. Where primary data is unavailable, extrapolations or estimations are based on waste generation factors from similar activities. An internal study of in-center dialysis clinic waste assumes that the amount of non-hazardous waste equals the amount of blood-contaminated waste.
2 No radioactive waste was generated.

T 2.42 TOTAL AMOUNT HAZARDOUS AND NON-HAZARDOUS WASTE BY TREATMENT METHOD[1]
METRIC TONS

	Hazardous waste	Non-hazardous waste
	2024	2024
Preparation for reuse	0	702
Recyled	516	60,207
Other recovery operations	36	10,109
Total diverted from disposal	**552**	**71,018**
Incineration	2,931	11,423
Landfill	30	50,938
Other disposal operations	44,287	18,228
Total directed to disposal	**47,248**	**80,589**

[1] Data for the Care Enablement segment are manually collected and categorized by waste type and treatment method. They may include estimations. For the Care Delivery segment, data come from supplier reports and internal systems. Where primary data are unavailable, extrapolations or estimations are based on waste generation factors from similar activities. If primary data on the treatment method are unavailable, hazardous and non-hazardous waste amounts are estimated using general assumptions or reference values from statistical databanks in respective countries.

T 2.43 METHODOLOGY FOR WASTE METRICS AND LIMITATIONS

Business unit or function	Area	KPI	Data Sources	Methodology	Limitations
Care Enablement	Production sites	Waste	Invoices, waste manifests and own measurement	Most data is sourced from internal databases. If data (e.g., for November and December) is unavailable, estimates supplement the dataset.	• Data quality issues: secondary datasets or benchmarks may be outdated, inaccurate, or not tailored to our Company's context. • Changes in operational scope: expansions, downsizing, or shifts in production methods during the reporting period can introduce inaccuracies. • Measurement errors: limited or incomplete primary data may include inaccuracies or inconsistencies due to manual reporting or sampling errors.
	Distribution centers	Waste	Reference values	A standardized methodology, using reference values and square meters, is applied to estimate data across sites.	
	Clinics U.S.	Waste	Supplier report	The majority of the data, particularly for hazardous waste, is collected through internal data management systems. For non-hazardous waste, estimations are applied based on reference values such as bin container size, pickup frequency, or the KPI per treatment when direct measurements are unavailable.	
	Clinics worldwide excluding U.S.	Waste – hazardous waste	Invoices, waste manifest and own measurement		
	Clinics worldwide excluding U.S.	Waste – non-hazardous waste	Reference values		
	Vascular access centers	Waste	Supplier report and reference values	The majority of the data, particularly for hazardous waste, is collected through internal databases. For non-hazardous waste, a central estimate is applied based on patient encounters and reference values.	
	Laboratories	Waste	Supplier report and reference values	The majority of the data, particularly for hazardous waste, is collected through internal databases. For non-hazardous waste, estimations are applied based on reference values such as bin container size and pickup frequency.	
Care Delivery	Pharmacies, physician practices	Waste	Supplier report and reference values	Data is estimated across sites using a standardized methodology based on reference values and square meters.	
	Offices	Waste	Reference values	Data is estimated across sites using a standardized methodology based on reference values and the number of employees per country.	
Other	Overall	Resource inflows: weight of materials	Procurement databases and reference weight values from materials and products	Calculations are primarily based on estimations, as only a limited amount of actual weight data is available from procurement databases. Where actual weight data is missing, calculations rely on reference values (such as kg/EUR) applied to spending per item category or other reference values.	

EU Taxonomy

We report on our economic activities in accordance with the EU Taxonomy Regulation (EU Taxonomy). The focus is on activities that potentially make a substantial contribution to the environmental objectives of the regulation.

The delegated acts of the EU Taxonomy, their annexes, and supplementary publications contain wording, definitions, and requirements that leave room for interpretation. Consequently, our conclusions may change over time due to standardized interpretations and new publications by the EU Commission.

Eligibility Assessment

We conduct an impact analysis of our operations annually to assess which of our economic activities are eligible for EU Taxonomy reporting. An activity is considered Taxonomy-eligible if it meets the definition in one of the EU Taxonomy annexes. Experts from our business areas verified the conclusions of this analysis.

Health care services, including our dialysis patient care, and medical devices, which make up most of our business, remain outside the EU Taxonomy's scope. Although our core business activities are not currently covered by the regulation, we disclose Taxonomy-eligible revenue, capital expenditures (Capex), and operating expenditures (Opex) for the production of medicinal products. Some dialysis solutions we produce are considered medicinal products and fall under the regulation's environmental objective of pollution prevention and control.

Additionally, activities related to energy efficiency equipment, energy performance devices, and renewable energy technologies remain within our reporting scope. By definition, these activities contribute to greenhouse gas emission reductions. The eligible activities described above contribute to climate change mitigation and are therefore reported under this environmental objective.

For information on the implementation of energy management systems and the installation of solar panels see chapter "Climate Change".

Alignment Assessment

According to the regulatory timeline, 2024 is the first year alignment assessments are conducted for all eligible economic activities. These assessments evaluate their substantial contribution to the regulation's environmental objectives. Alignment can only be reported if an activity meets all three technical screening criteria:

1. substantially contribute (SC) to at least one environmental objective,
2. do no significant harm (DNSH) to any other environmental objectives, and
3. comply with minimum safeguards.

Compliance with the minimum safeguards is assessed at the Company level. In addition, all eligible economic activities are individually evaluated for compliance with the criteria to "substantially contribute" (SC) and "do no significant harm" (DNSH). Per our assessment, the Company's efforts to implement appropriate measures in human rights, anti-bribery and anti-corruption, taxation, and fair competition align with EU Taxonomy standards.

For our medicinal products, SC and DNSH criteria were assessed at the product and production site levels. Taxonomy alignment is reported for the products and production sites in scope.

Our activities related to energy efficiency equipment, energy performance devices, and renewable energy technologies meet the criteria for substantial contribution to climate change mitigation. In 2024, we implemented climate risk and vulnerability assessments to fulfill the DNSH criteria for other environmental objectives. As a result, our individual measures related to energy performance devices and renewable energy technologies are reported as Taxonomy-aligned.

For energy efficiency equipment, we also had to confirm that certain restricted materials were not included in individual measures. Due to limited access to supplier information, we cannot report our energy efficiency equipment activities as Taxonomy-aligned.

KPIs

The EU Taxonomy defines three key performance indicators (KPIs) that must be disclosed: the proportion of Taxonomy-eligible and Taxonomy-aligned shares of revenue, Capex, and Opex. Key information for each KPI is summarized below.

We calculated the three KPIs based on figures from our financial reporting system, ensuring reconciliation with the corresponding items in the consolidated financial statements. To determine 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. This approach ensures that our revenue, Capex, and Opex are not counted more than once.

Revenue

As of 2023, a smaller portion of our product portfolio is covered by the regulatory scope of the EU Taxonomy. Eligible revenue consists of sales to external customers of dialysis solutions classified as medicinal products and is compared to total revenue.

Capex

The EU Taxonomy categorizes Capex into three types:

> Capex A refers to assets and processes related to Taxonomy-eligible economic activities. For example, our investments in machines used to manufacture eligible medicinal products are reported under Capex A. Expenditures are allocated to the respective eligible product at the product line and site levels.

> Capex B includes investments in assets and processes covered by a Capex plan. Currently, this is not considered relevant for medicinal products within the scope of our Taxonomy reporting.
> Capex C refers to the purchase of output or individual measures that contribute to greenhouse gas reductions. Individual measures related to energy efficiency equipment, energy performance devices, and renewable energy technologies are reported as Taxonomy-eligible Capex C.

Opex

In line with the definitions of Capex A to C, Taxonomy-eligible Opex covers activities such as maintenance and repair expenditures for the manufacturing of medicinal products. These are classified as Opex A and allocated to the respective eligible products across different product lines and sites.

Similar to Capex B, Opex B is not relevant for us. Additionally, Opex related to energy efficiency equipment, energy performance devices, and renewable energy technology measures is reported as Taxonomy-eligible Opex C.

Outlook

In 2025, we plan to explore opportunities to standardize the alignment assessment process. We will continue monitoring developments in the EU Taxonomy and publications from the EU Commission.

T 2.44 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	1.6	–	**98.4**
Medicinal products	1.6	–	
Capex	**0.9**	**0.1**	**99.0**
Medicinal products	0.8	–	
Energy efficiency equipment	–	0.1	
Energy performance devices	0.1	–	
Renewable energy technologies	0	–	
Opex	**2.9**	**0.1**	**97.0**
Medicinal products	2.8	–	
Energy efficiency equipment	–	0.1	
Energy performance devices	0.1	–	
Renewable energy technologies	–	–	

[1] For the full tables on revenue, Capex, and Opex, as well as detailed KPI definitions see the Annex to the Sustainability Statement. Tables for nuclear energy and fossil gas are not included, as we have no relevant business activities in these areas.

Social

Sustainability Statement
49 General Information
51 Sustainability Management
64 Environment
90 Social
91 Patients
98 Product Stewardship
103 Working for Fresenius Medical Care
118 Human Rights
122 Sustainability in the Value Chain
126 Ethical Conduct in Clinical Research
128 Protecting Data
133 Governance



Patients

This chapter covers disclosures related to ESRS S4, "Consumers and End-users", with a focus on our dialysis services. In the context of our business model, the terms "consumers" and "end-users" specifically refer to our patients.

Material Impacts, Risks and Opportunities:
Quality of Care
Patient Experience
Health Equity

Serving our Patients

Our patients' health and well-being are our highest priority, and our commitment extends to everyone under our care. As part of this dedication to delivering safe, high-quality health care to individuals with kidney disease, we continuously monitor the performance of our products and services. Our primary focus is on the quality, safety, accessibility, and transparency of treatments and products, as well as the overall patient experience. This also includes our efforts to safeguard patient privacy and protect information.

Dialysis is a life-sustaining treatment for people with kidney failure – a particularly vulnerable group whose health and well-being are directly affected by our operations and value chain. These patients rely on access to treatment and information, safe medical products, and reliable, high-quality services. Our business model and strategy are centered on delivering effective care to all our patients and supplying products to our clinics and other dialysis providers. Interacting with patients is an integral part of our business strategy. It shapes how we manage patient-related impacts, risks, and opportunities, as well as how we establish performance management.

SBM-2, SBM-3

Impacts	Risks and opportunities	Management approach
Quality of Care		
Through our products and services, we aim to deliver safe, high-quality care for patients with chronic kidney disease. We maintain a strong focus on quality and safety.	**Risk** Providing high-quality care is the foundation of our business model. Financial risks are linked to staffing shortages, limited payment for dialysis, and patient hospitalization and mortality. **Opportunity** A track record of delivering high-quality care can enhance our reputation with patients and payors, supporting sustained business success. Adherence to treatment prescriptions and reduced mortality rates can also lead to cost benefits. The successful implementation of our home treatment strategy, combined with a broader patient growth strategy, has the potential to expand our ability to serve more patients effectively.	• Design high-quality care delivery models that can be implemented in health care settings worldwide • Adapt care to meet unique regulations, payment models, patient populations, and operational structures in each market • Measure and assess the quality of care based on internationally recognized clinical practice guidelines • Continuously monitor and assess quality of care, implementing corrective or preventive actions as necessary • Define and track indicators and targets to identify opportunities for clinical performance improvement, understand factors affecting performance, and take action to enhance outcomes • Leverage innovation and digitalization solutions to improve both quality of care and access to care • A Global Disaster Response Team supports patients and employees during natural disasters and crises
Patient Experience		
Through our commitment to high-quality services and personalized care, we positively impact patient outcomes across our global clinic network. A positive patient experience contributes to optimal treatment outcomes, enhanced safety, and greater engagement in their treatment.	**Risk** Lower patient satisfaction can negatively affect treatment adherence and optimal treatment outcomes, which can lead to increased hospitalization and mortality risks. It may also impact patient retention within our services. **Opportunity** Patient satisfaction (measured using the patient Net Promoter Score, NPS) is one of our key performance indicators for assessing how satisfied patients are with our services. Addressing patient grievances and improving satisfaction levels can positively impact patient experience and strengthen our brand recognition.	• Maintain feedback channels for patients and foster dialogue, with a non-retaliation policy to protect patients and their representatives • Build partnerships with patient organizations to deepen our understanding of patient needs and improve the services we provide • Include patient satisfaction as a factor in the compensation of the Management Board

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

*Considered as entity-specific disclosures

Assessment of Material Impacts, Risks and Opportunities

The material impacts, risks, and opportunities related to our patients across our value chain were identified in a double materiality assessment. These risks are regularly reviewed as part of our risk management process.

For a description of the double materiality assessment process, see chapter "Sustainability Management".

SBM-3

Impacts	Risks and opportunities	Management approach
Health Equity*		
We believe that every patient should have equitable opportunities and support to achieve the highest possible level of health. Our commitment to health equity includes expanding our knowledge and services to identify and address inequities in care and health outcomes.*		• Expand knowledge and services to reduce inequities in care and health outcomes • Manage our approach to health disparities and advance health equity globally*

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

*Considered as entity-specific disclosures

Commitment to Sustaining Lives – Impact on Patients

Quality of Care

As a global provider of life-sustaining dialysis care, we operate across various health care systems worldwide. This complexity requires us to adapt to unique regulations, payment models, and operational structures in each market where we serve patients. Our management approach to delivering high-quality care is designed to navigate these differences. Our care teams have a deep understanding of local health policies and the ability to adapt care delivery models accordingly.

Patients' Experience, Satisfaction and Feedback

Patient satisfaction is a key aspect of providing care. It is important to us that our patients feel comfortable, safe, and satisfied with the care they receive. We measure this using the Net Promoter Score (NPS), which is also incorporated into the compensation of the Management Board.

As part of our global patient experience program, we conduct patient experience surveys at least every other year in individual markets and calculate results annually on a global level. In addition, we encourage patients to provide open feedback through our various grievance channels to better understand and address concerns. We comply with patients' rights to privacy and confidentiality.

[Health Equity

Social and systemic factors, such as a person's ethnicity or place of residence, affect access to quality care and opportunities to thrive. We believe that every patient, regardless of race, ethnicity, nationality, age, ability, gender identity, sexual orientation, religion, or socioeconomic status, should have equitable opportunity and support to achieve the highest level of health possible.

We provide care in communities worldwide, supporting a diverse patient population. Our commitment to health equity means expanding our knowledge and services to identify opportunities to reduce disparities in care and health outcomes.]

SBM-3

Governance

The Global Medical Officer (GMO) is led by our Global Chief Medical Officer, who is also a member of the Management Board. The GMO drives our medical strategy and oversees activities that support the advancement of medical science and patient care. Multiple stakeholders across the Company regularly review clinical insights. These findings help guide care processes and continuously improve the quality of care we provide. Our global Care Delivery organization is led by the CEO of Care Delivery, who is also a Management Board member. Care Delivery works closely with the GMO to coordinate the delivery of care through a network of providers, clinics, and services for patients with end-stage kidney disease.

Policies

We have adopted various global and local policies to manage patient care in our Care Delivery segment. The Global Patient Care Policy outlines our approach to managing patient experience, patient grievances, and quality of care. We also have policies in place addressing Patient Rights and Responsibilities to inform all patients about their rights. Our commitment to continuously

improving the quality and safety of care and upholding patients' rights is included in our Global Patient Care Policy, Code of Ethics and Business Conduct, Human Rights Statement, Company Statement on Bioethics, and Global Health Equity Statement. Our commitments include training clinical staff in selected regions on topics such as discrimination, unconscious bias, informed consent, patient rights, personal data protection, and the right to raise concerns and grievances.

Our global policies are approved by members of the Management Board, and our employees have access to these policies. When applicable, the policies align with internationally recognized principles, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

For information on policy commitments related to human rights (ESRS S4-2, 16a-c, 17) see the chapter "Human Rights".

S4-1

Engaging our Patients

Engagement with patients is an ongoing process. Patient engagement efforts are overseen by the CEO of Care Delivery and the experience team within Global Human Resources. We encourage patients to actively participate in their care plans.

Our Care Delivery teams collaborate with patient support and education organizations like the European Kidney Patient Federation, Dialysis Patient Citizens, Renal Support Network, the Medical Education Institute, and local patient groups. These partnerships help us stay informed about patient concerns, preferences, and expectations, allowing us to improve our services. They also support joint efforts to enhance patient education on treatment options. We aim to empower patients and their families to make informed decisions about their health.

Patients and caregivers can provide feedback, make suggestions, raise concerns, and report grievances – anonymously if desired. Our Code of Ethics and Business Conduct outlines our non-retaliation policy, providing patients with confidence in reporting without fear of reprisal. We are committed to resolving issues in a timely manner, in line with our regional standard operating procedures and local requirements.

Patients are provided with information on feedback and grievance channels. These include hotlines, our Compliance Action Line, and email addresses. We also offer feedback forms on our website, accessible at any time. Some clinics have complaint and suggestion boxes. Potential risks identified through these channels are investigated, and preventive or corrective actions are taken as needed. The effectiveness of actions is measured case by case. Internal audits also assess the effectiveness of our processes.

For information on the number of grievances received see section "Metrics".

For information on processes to remediate negative impacts and channels for patients and other stakeholders to raise concerns (ESRS S4-3, 25a-d, 26) see chapter "Compliance and Business Ethics".

S4-2, S4-3

Actions

In general, the actions reported relate to all patients unless stated otherwise. Most actions are ongoing and do not have a defined completion date. Some were initiated during the reporting year. Actions that affect specific groups, regions, or timeframes are indicated.

Quality of Care

We continually measure and assess the quality of care in our dialysis clinics using selected quality measures informed by internationally recognized clinical practice guidelines. Peer-reviewed sources for these guidelines include the 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. These are supplemented by reviews of peer-reviewed literature and analysis of internal aggregated patient-level treatment data.

We also consider industry-specific clinical benchmarks and set our own targets for patient care. Committed to providing safe, high-quality care across diverse patient populations, we have implemented quality systems to meet these commitments. These systems define and track indicators and targets that help identify opportunities to improve clinical performance, understand performance factors, and define areas for further quality improvement.

Global indicators of patient care include the hospitalization rate and quality index. The hospitalization rate is an important indicator, as hospitalization and time spent in the hospital may reflect patients' medical complexity, acuity of care needs, regional practice patterns, and health care infrastructure. If the hospitalization rate changes, we promptly evaluate contributing factors and identify opportunities to reduce hospitalization and/or the length of stay.

The quality index enables us to continuously measure and improve our quality of care on a global scale. We monitor country-level performance for quality index components and other indicators based on local quality systems. In this process, we consider local health care system conditions. Global quality performance is monitored quarterly. We have established a threshold for performance deviations of 2% and initiate timely investigative measures when necessary. Our quality improvement initiatives are based on regular interdisciplinary assessments that reflect local needs and the dynamic environment of local health care delivery. The consistently high quality index indicates persistent high-quality care, even in a changing health care environment.

For data on hospitalization rates and the quality index, see section "Metrics".

Clinical data is continuously tracked in our clinics using laboratory results, medical records, and clinic-level documentation. Data quality is regularly reviewed, and data processing complies with data privacy laws. We apply a quality and regulatory management system to aggregate and review our clinical quality data, identifying opportunities for quality improvement. Through this system and internal audit processes, we define corrective and preventive actions where applicable and assess their effectiveness.

The development of global continuous quality improvement training is an important initiative to advance systemic approaches to the quality of care in our centers. It also supports the education of our medical community on sound methods for implementing quality improvement projects. In 2024, we launched required quality improvement training for clinic medical directors in the U.S. and several other countries. We plan to expand this training to additional countries in 2025. The training is customized for each country level to address unique needs, cultural considerations, and local requirements.

C 2.45 **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 increase the number of patients we care for in the U.S., we continue to improve our operational workflows to support ongoing patient growth. We have identified several opportunities to expand access to care through improvements to our admissions process. This includes faster admission response times, streamlined medical record collection, and reduced administrative burden on clinical care teams. Our Continuity of Care team supports patient retention by assisting with treatment scheduling and clinic placement, fostering a positive patient experience. We also continue to implement initiatives to retain and develop employees, such as support during onboarding, professional education, and wellness programs.

A clinical deterioration identification and alert process has been launched in Asia-Pacific to optimize patient safety and reduce clinical incidents. This process facilitates the early detection of clinically deteriorating patients. If a patient's health declines, we undertake appropriate escalation measures, such as transfer to the next level of care. A comprehensive handover system has also been implemented to support communication and reduce clinical incidents during internal patient handover and transfers.

We are committed to increasing the number of patients receiving home dialysis treatments. Home dialysis offers patients greater flexibility, satisfaction, and control over their time and kidney disease management. In the U.S., where home therapy adoption rates are higher, we have launched initiatives to identify barriers to home therapy and interventions to improve patient success with this modality. Our NxStage systems for home hemodialysis therapy now include GuideMe Software, designed to simplify treatment, improve ease of learning, and enhance the user experience.

Increased access to kidney transplantation is a key focus in providing person-centered kidney replacement therapy. For many patients with end-stage kidney disease (ESKD), kidney transplantation is the optimal therapy for improving quality of life. To enhance access to the kidney transplant waiting list in our Fresenius Kidney Care (FKC) clinics in the U.S., we expanded a standardized transplant referral platform across all 2,600 clinics. Designed in collaboration with kidney transplant professionals, this platform aggregates 167 data points into a single document, which can be efficiently assembled and electronically delivered to any transplant program, regardless of the electronic medical record system in use. In 2024, the number of transplant referrals sent increased by 11% compared to 2023.

Additionally, the Fresenius Medical Care Foundation (the Foundation), a U.S. public charity established in 2018, supports patients, families, and communities most impacted by kidney disease. Its mission is to raise awareness of kidney disease and transplantation as a life-saving solution. In 2024, the Foundation granted $125,000 to the U.S.-based American Society of Transplantation to survey organ transplant recipients about their experiences with current immunosuppressant agents.

We continued working with the Medical Education Institute, a U.S. public charity, to roll out its "My Kidney Life Plan" program in Germany and Sweden. The program helps people with chronic kidney disease learn about different treatment options and choose the one that best suits their lifestyle and medical needs.

Digital applications, including those utilizing artificial intelligence (AI), are increasingly important in supporting clinical decision-making, enhancing care processes, and improving treatment outcomes. We are developing an AI framework for clinical workflows that considers both AI's potential benefits and risks for the future of patient care. Using data and advanced analytics, we improve patient care globally through over 25 AI and advanced analytics-driven tools and algorithms. These include an arteriovenous fistulae risk score module for vascular access management to determine vascular access failure and an anemia control model for anemia management in patients.

We are also exploring AI applications to integrate into our operations. In a pilot project, we use an AI tool that organizes and summarizes outputs from our digital algorithms into an easy-to-read format, supporting dietitians in decision-making and documentation regarding patient medication.

We offer patients digital platforms to actively manage their health and improve clinical outcomes. These platforms enable virtual interactions, keeping patients and care teams connected. They provide easy access to the latest treatment data, which is vital for monitoring and improving medical outcomes, patient experience, and the effectiveness of care. In 2024, we launched Kinexus, a product assisting in remote peritoneal dialysis prescription management for patients using continuous ambulatory peritoneal dialysis (CAPD) or automated peritoneal dialysis in Spain, where over 2,000 treatments have been remotely monitored.

We provide two patient engagement platforms accessible via apps. Our PatientHub app is predominantly used in the U.S., while MyCompanion is available in Europe, Africa, Asia-Pacific and Latin America, with a new launch in the Philippines during the reporting year. The PatientHub app enables remote telehealth visits, secure messaging for home dialysis patients, and access to lab results and current medication lists.

For more information on our services and digital offerings see "Our products and services" in section "Business model" in chapter "Overview of the Group".

Patients' Feedback and Experience

We continuously evaluate our services to advance patient education, service quality, and patient-centered care. Feedback from patient surveys, among other sources, informs the development of educational programs that help clinical staff provide comprehensive health-related information. Our regional and local Care Delivery teams oversee patient education and initiatives. These include awareness campaigns, patient apps, posters, videos, fact sheets, guides, and Company website information. Materials are available in multiple languages, and designed to support diverse learning needs.

Patient safety education covers infection prevention, emotional health, fall prevention, medication, nutrition, and treatment adherence. Educational materials for patients vary by country based on identified needs. To encourage active involvement, we provide education on symptoms and possible complications so patients can recognize, prevent, and report issues to their care team. All patient education materials undergo suitability, readability, and appropriateness reviews before publication.

While treatment-related grievances were previously recorded, they were not categorized separately until now. In the reporting year, we added this category to our internal grievance catalogue, allowing more accurate classification and grievance handling process improvements. Additionally, we reviewed all regional grievance processes to identify potential areas of improvement.

We provide local training to support staff in adhering to patient grievance guidelines. These sessions align with local and regional requirements and are held annually or biennially upon hire. In some countries, staff also receive discrimination training. A detailed description of our complaint-handling approach is available on our website.

For more information on "Processes to remediate negative impacts," see the section above on "Engaging with our patients".

[Health Equity

In 2024, we established a Global Health Equity Steering Committee composed of global executives from across the organization. The Committee examines and evolves our approach to health disparities and advances health equity globally.

Starting in 2024, all dialysis facilities in the U.S., should demonstrate a commitment to health equity and implement a strategic health equity plan as part of the Centers for Medicare and Medicaid Services End-Stage Renal Disease Quality Incentive Program. The Fresenius Kidney Care Health Equity Strategic Plan outlines organizational goals, objectives, actions, and resources aimed at reducing health disparities and advancing health equity for people with end-stage kidney disease. As part of our focus on addressing health-related social needs, we implemented a quality improvement initiative across more than 2,600 clinics in the U.S., focusing on improving food security for dialysis patients.

We developed education modules to enhance health care providers' knowledge and understanding of social determinants of health (SDOH) in the U.S. Educating providers on SDOH is foundational to improving how we identify and address health disparities. The modules are tailored to specific clinical roles and assigned based on employees' clinical responsibilities.]

Responding to Emergencies

We provide access to dialysis even in challenging circumstances, such as during natural disasters. This commitment is essential to our patients and key to maintaining positive outcomes during emergencies, particularly in quality of care, patient experience, and health equity. Dialysis patients are especially vulnerable to care disruptions during natural disasters and geopolitical conflicts, as they depend on continuous treatment for survival.

In 2024, we expanded our crisis preparedness and communications by establishing a global, unified Disaster Response Team aligned with a global structure. We regularly test our emergency response procedures and assess service safety.

During the reporting year 2024, we again provided essential and medical support to areas impacted by crises and disasters. This included donating dialysis supplies to organizations requiring and requesting assistance in areas affected by natural disasters and geopolitical conflicts. In February, wildfires in Viña del Mar, Valparaiso, Chile displaced several of our patients. We provided gift cards to help them purchase essentials such as clothing, food, cleaning supplies, furniture, and building materials. Additionally, we donated medical products to the Okhmatdyt Hospital of the Ministry of Health and the Kyiv Center of Nephrology and Dialysis in Ukraine. In India, we contributed to the Prime Minister's Citizens

Assistance and Relief in Emergency Situations Fund to support those facing emergencies and distress.

We are expanding our engagement with regional, national, and international aid organizations and governments. Our goal is to help patients in underserved countries access our products and services during emergencies that disrupt dialysis care. Organizations like the United Nations fund programs that provide products and services to patients in clinical settings and during disasters. We are registered on the UN Global Marketplace, a procurement portal, and participate in the tendering processes to support such programs.

S4-4

Addressing Potential Negative Impacts

As part of our materiality assessment, we did not identify any material negative impacts on our patients. We monitor patient-related topics through our due diligence processes and ongoing patient engagement. By tracking developments in our business, industry, and regulatory environment, we can identify potential or emerging issues and adjust our strategies as needed.

S4-4

Targets

We set targets to guide how we manage and care for patients, following general principles that support performance management. Indicators are selected based on their relevance to our business. Processes and methodologies are validated to align with business strategies. Targets are reviewed regularly, and indicator performance is measured against them – typically on a monthly, quarterly, or yearly basis.

Patient Experience and Satisfaction

We measure patient satisfaction in our dialysis clinics globally using the Net Promoter Score (NPS), in line with our commitment to patient experience. The NPS reflects patients' overall satisfaction with our services. Our actions to shape the patient experience have been effective, as we maintained a global NPS score of 72 (2023: 72).

We have set a global target of achieving an NPS of at least 70 every year, which exceeds the health care industry standard. The target was established based on research conducted with an independent health care consulting and research company. Our NPS threshold demonstrates our commitment to continuously improving patients' experiences despite challenges, such as staffing shortages. Additionally, we aim to gain feedback from at least 75% of our patients, in line with the objective stated in our Patient Care Policy. We also measure the share of patients who would recommend Fresenius Medical Care.

For patient survey data see section "Metrics".

Home Treatments in the US

In the U.S., we have set an aspirational target to perform 25% of treatments in a home setting by 2027. This target supports our strategy to empower patients in their treatment choices and offer a comprehensive portfolio of modalities, in line with our commitment to patient-centered, high-quality care. In the reporting year, 16% of treatments in the U.S. were performed in a home setting. Our efforts to improve patient retention are taking effect, as fewer patients are transitioning back to in-center treatments from home treatment.

For further details on providing home dialysis for our patients see section "Metrics".

Annual Target

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



2027 Target

Perform **25%** of dialysis treatments in the U.S. in a home setting

Sustainable Portfolio

We have set a global target related to our sustainability portfolio assessment, which covers aspects of our services, including the material topic of quality of care.

For information on the product sustainability assessment target see chapter "Product Stewardship".

S4-5

Metrics

T 2.46 PATIENT METRICS

Quality[1]	2024	2023
Global hospitalization rate (days)[2]	9.6	9.4
Global Quality index[3]	81	81
Patient experience & feedback		
Global Patient Net Promoter Score[4]	72	72
Patients that would highly recommend our services (%)[5]	78	78
Global Patient survey coverage rate (%)[6]	92	91
Global Patient survey response rate (%)[7]	74	74
Number of patient grievances received globally[8]	21,863	22,408
Home treatment[9]		
Treatments in the U.S. performed in a home setting (%)	16	16
Number of our patients worldwide receiving dialysis at home (as of December 31)	31,332	31,258
Percentage of our patients worldwide receiving dialysis at home (as of December 31)	10	9

1 Our global quality assessment includes patients aged 18 and older who have been actively treated in our clinics for more than 90 days. The 90-day minimum is set to accurately reflect patients' status based on the care provided at our centers. The age threshold is set because the vast majority of our dialysis patients are over 18, representing approximately 99% of our dialysis patient base.
2 The global hospitalization rate reflects the average length of hospital care (in days) per patient. In 2024, we further harmonized the U.S. component of the methodology. Data for 2023 has been restated.
3 The Global Quality Index is composed of three equally weighted quality indicators: dialysis effectiveness, anemia management, and vascular access. Each indicator is expressed as a percentage, ranging from 0 and 100, representing the proportion of dialyzed patients meeting specific quality criteria. The Global Quality Index is calculated as the average of these three indicators.
4 The Net Promoter Score (NPS) is measured through our patient experience survey, where we ask: "On a scale of 0 (highly unlikely) to 10 (highly likely), how likely are you to recommend Fresenius Medical Care to others for dialysis treatment?" Patients who respond with 9 or 10 are considered "promoters", while those responding between 0 and 6 are considered "detractors". The NPS is calculated by subtracting the percentage of detractors from the percentage of promoters, resulting in a score ranging from –100 to 100. Each country is required to survey patients at least once every two years, with some opting for an annual survey and others following an every-other-year schedule. The overall NPS is derived by aggregating the most recent survey results from each country.
5 "Patients who would highly recommend our services" refers to the percentage of patients classified as "promoters" based on the Net Promoter Score (NSP) question – those who rated their likelihood to recommend our services as 9 or 10.
6 The coverage rate represents the percentage of patients eligible for the survey relative to the total FME patient population.
7 The response rate is the percentage of surveyed patients who participated and answered at least the NPS question, compared to the total eligible patient population.
8 A grievance is an official statement submitted by a patient or their representative regarding something perceived as wrong, unfair, or non-compliant with applicable regulations, requirements, or codes of conduct. We collect and report the absolute number of grievances received during the reporting period. The reported number of grievances should be interpreted in the context of the patient population size and its changes over time.
9 Home treatment is calculated based on the number of treatments administered to home patient, including those on Peritoneal Dialysis (PD) and Home Hemodialysis (Home HD).
10 A grievance is an official statement submitted by a patient, or a patient representative, over something believed to be either wrong, unfair, or non-compliant with applicable regulations, requirements, or codes of conduct, in the operations of a clinic. We collect absolute number of grievances received during the reporting period. The reported number of grievances should be interpreted in the context of the patient population size and change over time.
11 Home treatment is calculated based on the number of treatments administered by home patient. Home patients includes Peritoneal Dialysis (PD) and Home Hemodialysis (Home HD).

Product Stewardship

This chapter covers disclosures relating to ESRS S4 "Consumers and End Users", with a focus on our products. Some disclosure requirements for ESRS S4 will be provided in the chapter "Patients".

Material Impacts, Risks and Opportunities:
Product Stewardship
Innovation and Research & Development

Focus on Quality and Patient Safety

The well-being of our patients is our top priority. We are committed to delivering safe, high-quality health care to individuals with kidney disease. This commitment extends to all current and future patients in our care, as well as those treated with our products. Our business model is centered on the care we provide to patients. We produce dialysis machines and related products used in our facilities and supplied to other dialysis providers. The performance of our products is continuously monitored, with a focus on quality, safety, accessibility of treatment, and the patient experience. This also includes safeguarding the privacy of patient data.

For a brief decription of our patients (ESRS S4-1, 10a(i-iv)) see chapter "Patients".

SBM-2, SBM-3

Assessment of Material Impacts, Risks and Opportunities

For all our medical devices, diagnostics, and pharmaceuticals, we assess and manage risks to and impact on the health and safety of our patients. Material impacts, risks, and opportunities related to our patients across the value chain were identified through a dou-

Impacts	Risks and opportunities	Management approach
Product Stewardship		
We manage quality and safety in our product business throughout the entire product life cycle, from design and development to operations and application. Our aim is to develop and manufacture safe, high-quality products that improve health outcomes for our patients and support caregivers to provide comprehensive care.	**Risk** Issues in manufacturing processes could lead to quality issues and product recalls, potentially resulting in adverse financial impacts or reputational damage.	• Manage quality and safety across the entire product life cycle of our product business while maintaining compliance with relevant governmental regulations • Implement a global management system, including responsibilities, document controls, training, risk management, and audits • Assess and manage the risks to, and impact on, the health and safety of our patients related to medical devices, diagnostics, and pharmaceuticals • Evaluate product impact and improve environmental performance
Innovation and Research & Development		
We continuously aim to set standards across the renal care continuum and value chain through innovation, developing, and applying new technologies. We strive to improve patient outcomes and define standards of care.*	**Risk** Failure to innovate may impact our future market-position, profitability, and business success.* **Opportunity** Continued investment in research and development may provide opportunities to meet the future and evolving needs of kidney care, value-based care, and changes in health care systems. Developing sustainable products and services may increase their attractiveness, increase our market share, and strengthen our financial position.*	• Manage ideation and generation of innovation • Implement an innovation management IT system and track an innovation

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

*Considered as entity-specific disclosures

ble materiality assessment. These risks are regularly reviewed as part of our risk management process.

For a description of the double materiality assessment process and the Risk and Opportunity Report see chapter "Sustainability Management".

SBM-3

Our Life-Saving Products – Impact on Patients

[Innovation Management

Innovation and digitalization are important strategic elements contributing to our success. We develop solutions that improve access to and advance the quality of care patients receive.

To enhance our competitiveness and foster a culture of innovation, we implemented an innovation management IT system across our Care Enablement organization. This system drives innovation, efficiency, and continuous improvement. To stay at the forefront of innovative technologies, we invest in research & development and collaborate with external partners, including academic institutions.

For details on our innovation management see the section "Research and development" in the chapter "Overview of the Group".]

Managing the Product Life-Cycle

Our approach to product life-cycle management incorporates social and environmental considerations along the value chain, with a strong focus on patient safety and health outcomes. We manage quality and safety in our product business across the entire product life cycle, from design and development to operation and application. Thanks to our global network of production sites, we control the procurement, production, distribution and supply processes effectively.

Product and Services Assessment

We launched a Portfolio Sustainability Assessment to evaluate the sustainability performance of our products and services. This assessment aims to provide greater transparency regarding the sustainability of our portfolio by considering social and environmental impacts, including quality, patient experience, and access to health care. It provides a foundation for strategic portfolio decisions that systematically integrate our sustainability impact.

SBM-3

Governance

Our Care Enablement segment, led by the CEO Care Enablement and member of the Management Board, is responsible for our product portfolio, product stewardship, and innovation. Key responsibilities include overseeing product safety and quality throughout the value chain. We monitor potential risks associated with medical products, ensure product effectiveness and quality across their lifecycle, and manage product innovation. Regarding innovation, the Care Enablement segment oversees the development of our products and user experience. The Global Medical Office is responsible for our clinical digitalization strategies and the utilization of digital clinical data for research and operations. The Management Board is regularly updated on our global quality and safety performance.

Policies

Our Global Product Business Policy outlines safety and quality standards for product development, manufacturing, clinic use, customer training, design innovation, and complaint handling. It encompasses our requirements for quality, environmental, and health and safety across the organization in relation to products. This policy serves as a framework for establishing and reviewing specific management system goals and objectives while maintaining the effectiveness of the global management system.

The policy applies to all sites and segments involved in the product business under Care Enablement and Global functions. It is overseen by the CEO of Care Enablement and the Head of Management Systems & Regulatory Conformity. Additionally, our Code of Ethics and Business Conduct reflects our commitment to quality and innovation.

For details on the Code of Ethics and Business Conduct see chapter "Compliance and Business Ethics".

S4-1

Managing Potential Product Issues

We are subject to governmental regulations in nearly every country where we operate. This includes, for example, EU legislation on the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), the Restriction of Hazardous Substances (RoHS), and 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).

Through our Global Management System, we define responsibilities, document controls, conduct training, and perform risk management and audits required to fulfill national and international regulations. 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. To measure the effectiveness of our quality management systems and certifications, we have set a global target related to audit findings at our sites.

All of our medical devices undergo assessments according to IEC 62366 to optimize usability and customer experience. We prioritize users in our development activities to ensure our products meet their needs and solve their problems. This involves a human-centered design process, including design thinking workshops and front-end research activities with users such as dialysis and intensive care nurses, physicians, service technicians, and hospital IT specialists. We also co-create methods to optimize the user expe-

rience of our products. These activities are carried out early in the development process, allowing us to provide valuable input to our engineers and improve products iteratively while they are still being developed. The role Head of Operational System, Quality & Regulatory is responsible for assessing regulatory requirements, involving patients, and ensuring that the results are incorporated into our approach. The heads of our product segments are responsible for their operational implementation.

We work with suppliers to maintain and improve the quality of our products. In case of identified quality issues or non-conformities to specifications, we develop and initiate quality improvement actions with the supplier. Additionally, we may audit suppliers based on anticipated risks.

Post-Market Surveillance

Post-market surveillance (monitoring products once they are released to the market) is an integral part of our quality management. If any safety issues arise with our products, we follow a clear protocol and take corrective action. In case of concerns during the production process or non-conformity with specifications, we conduct additional or precautionary testing. Depending on the severity of the issue, this could range from publishing further information and data about the product after market introduction to recalling the product from the market. Customers may be directly informed of corrective actions. Customers and patients can also provide feedback and raise concerns through our grievance channels.

For more information on processes to remediate negative impacts and channels for patients and other stakeholders to raise concerns (ESRS S4-3, 25a-d & 26), see chapter "Compliance and Business Ethics".

S4-2. S4-3

Actions

Certification, Audits, Processes and Training

We regularly conduct internal audits to review the design and operational effectiveness of our management systems, as well as compliance with internal and regulatory standards. This includes quality management systems certified to standards such as ISO 9001 and ISO 13485. All 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 performed in accordance with local regulations, Good Manufacturing Practice (GMP), current Good Manufacturing Practice (cGMP), ISO 9001, ISO 13485, or the Medical Device Single Audit Program (MDSAP).

We have defined KPIs to monitor our quality objectives and prevent adverse events. All audit findings are documented, escalated based on their criticality, and used to determine and implement appropriate corrective and preventive measures.

In 2024, we launched a global initiative called "QualityQuest" within the Care Enablement segment. The primary objective of this initiative is to cultivate a unified global understanding of what quality means for each employee, covering our products, processes, product safety, regulatory compliance, and its role in the success of our business. The program will help employees better understand how quality impacts their work, and the expectations tied to their roles. Updates on the successful achievement of quality outcomes will be communicated internally, and the program aims to foster a culture of continuous improvement. We plan to complete this action in 2025.

We continued to consolidate our management systems for quality, environmental management, and occupational health and safety into a unified global management system as part of the global FME25 transformation program. During the reporting year, we established the Management System framework and began implementing several core processes. Additionally, we initiated the implementation of a global learning platform for quality, occupational health and safety, and legal regulations. We plan to complete this action in 2025.

Globally, we provide training to employees on hygiene and other quality-related topics, as well as on new standard operating procedures when they are introduced. Training is based on employees' job profiles and their respective responsibilities in maintaining product quality and safety. Training sessions occur at various intervals, with some being conducted annually.

Post-Market Surveillance

We comply with legal and regulatory requirements for monitoring the adverse effects of drugs (pharmacovigilance) and medical devices. We constantly collect, review, and transparently report information related to adverse events and product complaints. Risk and impact assessments are performed in accordance with international standards, such as ISO 14971 and ICH Q9. If products pose a specific risk to a particular group of patients, we inform customers and patients accordingly.

[Innovation in Products

In 2024, we developed and implemented an innovation engagement score to measure internal participation in innovation. The aim is to continuously increase targeted idea generation and cross-functional exchange. We expect this score to help us manage engagement in innovation at an early stage of product development and as part of product improvements during the product life cycle.

For details on product development see the section "Research and development" in chapter "Overview of the Group".]

Environmental Performance of Products

To better understand the environmental contribution of our products, we have integrated relevant criteria into our Portfolio Sustainability Assessment. This assessment helps us evaluate the environmental impact of our products and provides transparency based on simplified product life-cycle assessments (screening-LCAs). We also evaluate the use of critical materials, as well as the application of circular economy principles to our products and packaging. We plan to complete this action by implementing all products in the assessment in 2025.

We conduct screening-LCAs for most of our active medical device product lines and are gradually applying them to disposables as well. These assessments identify the life-cycle phase with the highest impact and the processes and materials that require focus to improve the eco-performance of our products and services. Additionally, we have conducted detailed comparative product life-cycle assessments for key disposables.

S4-4

Addressing Potential Negative Impacts

As part of our materiality assessment, we did not identify any material negative impacts regarding our products. Through our due diligence processes, quality systems, and understanding of industry developments and the regulatory environment, we monitor issues and develop approaches to address potential and evolving challenges.

S4-4

Targets

Our targets regarding product stewardship focus on relevant areas of our own operations and aim to improve and uphold high standards that directly impact patients and their medical outcomes. In setting these targets, we consider feedback from patients and customer requirements.

Audit Score

We measure the effectiveness of our quality management systems and certifications annually using an average global audit score. This score reflects the ratio of all major and critical findings at all our production sites to the number of external audits conducted. It was set based on long-term experience in managing product quality and safety. A score below 1.0 indicates that our management systems are effective. We have set an annual target to achieve an average global audit score that does not exceed 1.0 in order to maintain the effectiveness of our quality management systems and certifications. Performance in external audits is constantly reviewed, and measures are taken accordingly. In 2024, we achieved an audit score of 0.1 (2023: 0.4). The score was improved due to measures initiated during the year to address the major and critical findings.

Sustainable Portfolio

In 2022, we set a target to implement the Portfolio Sustainability Assessment as a standard operating procedure for evaluating all products and services by 2026. The target defined annual interim targets to progressively increase the scope of the assessment. This objective reflects our commitment to managing our product and service portfolio in a sustainable manner. By the end of 2024, we assessed our portfolio, covering more than 85% (2023: more than 60%) of relevant revenue, thereby achieving the interim target of 75% we had set for 2024. This included 4 service groups, 6 product groups, and almost 100 product types. The implementation is overseen by the responsible project steering committee.

The percentage coverage has increased slightly due to the adjustment of the valuation framework of the relevant portfolio.

Annual Target

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

2026 Target

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

[Innovation Engagement Score

We plan to measure engagement in our innovation activities using our innovation engagement score. This will help steer progress at an early stage of product development and guide improvements during the product life-cycle. We expect to improve and uphold high standards. In 2024, we measured engagement for the first time and have not yet set a target for the innovation engagement score. We will consider setting a target over the mid-term.]

S4-5

Metrics

The table combines all metrics regarding production sites, certifications, audits and product recalls.

T 2.47 **PRODUCT STEWARDSHIP METRICS**

	2024	2023
Certification of our production sites (in %)[1]		
ISO 9001/1348	73	75
GMP/cGMP	39	44
MDSAP	27	28
Certification audits[2]	59	58
Audit Score[3]	0.1	0.4
Recalls[4]		
Recalls in U.S. of drugs and devices in form of removels, corrections, or alerts	10	7
Recalls outside of U.S. of medical devices	6	3
Recalls outside of U.S. of medicinal products	1	0

[1] Production sites per region and country, including certification type and status, are collected at the regional level and consolidated at the global level for the financial year. The percentage of each certification type across all production sites is calculated.
[2] Audit data, including region, production sites, and findings, are extracted from the database and consolidated at the global level for the financial year.
[3] The Audit Score is calculated based on findings in comparison with external audits over the full financial year. Findings are assigned a corresponding factor according to their criticality (minor, major, or critical).
[4] All recalls for products manufactured by Fresenius Medical Care are in scope. The number of recalls is collected at the regional level and consolidated at the global level to obtain the recall KPI for the financial year. We acknowledge the increase of the number of recalls for 2024. However, there is no indication of a common underlying root cause. Detailed analysis has shown that a range of products were affected, across different markets, and for varying reasons.

Working for Fresenius Medical Care

This chapter covers disclosures related to ESRS S1 "Own Workforce".

Material Impacts, Risks and Opportunities:
Working Conditions
Equal Treatment and Opportunities for All
Employer Attractiveness
Employee Engagement
Occupational Health and Safety

Overview: Our Global Team

At the end of 2024, Fresenius Medical Care had 117,510 employees worldwide. This includes permanent (95%), temporary (<1%), and non-guaranteed hours workers (5%), all of whom are engaged in an employment relationship with the Company globally. In addition, our workforce includes non-employees, such as self-employed individuals and contractors. It also comprises individuals engaged through third parties, including temporary agency workers who support our workforce at certain locations throughout the year. The year-over-year decline in the number of employees is largely due to the divestiture of businesses related to our portfolio optimization.

The majority of our employees work in the Care Delivery segment (72%), followed by the Care Enablement segment (22%). The region with the largest number of employees is North America (62%), followed by Europe, the Middle East, and Africa (23%). For more details see chart "Employees across regions".

During the year under review, we hired over 25,000 new employees. In 2024, the average tenure of our employees was 8.4 years, and our voluntary turnover rate was 15.9%.

SBM-3

Impacts	Risks and opportunities	Management approach
Working Conditions		
The Company positively impacts our employees' livelihoods by offering competitive wages and benefits, the possibility for flexible working (where applicable), secure employment, and, in accordance with local legal requirements, respect for employees' rights to collective bargaining. The same principles apply to non-employees where legally possible.	**Risk** Driving growth across our services business, as well as developing and manufacturing our products, requires skilled labor. Labor costs and expenses related to recruitment and retention may continue to rise, especially in tight labor markets.	• Clear framework for working conditions based on policies and guidelines aligned with the respective local regulatory requirements. • Provide compensation and benefit packages that attract and retain motivated staff. • Track and monitor working time in alignment with local regulatory requirements and implement recommendations from Global Internal Audit in relevant countries. • Implement measures to manage and address staff shortages in relevant markets.
Insufficient measures for responsible working time organization and the failure to adhere to our Social and Labor Standards Policy may negatively impact employees' well-being and job satisfaction.	**Opportunity** Offering competitive working conditions can result in hiring and retaining qualified employees who support the development and success of our Company.	
Equal Treatment and Opportunities for All		
Through our business practices, policies, and corporate culture, we create a workplace that offers equal opportunities through training and career development for all employees, as well as support for the needs of specific groups of employees or individuals.	**Risk** Implementing the EU Pay Transparency Directive of 2023 may entail considerable additional administrative costs for the Company.	• Developed policies that address equal treatment and opportunities. • Defined DE&I strategy to support a globally inclusive culture and set diversity targets to support our strategy implementation. • Apply fair pay and compensation principles to employees as per our Fair Pay Statement. • Remediation of individual situations following investigation of complaints.
	Opportunity Creating a workplace based on equal opportunities and equality is expected to lead to better business outcomes, including increased employee engagement and retention, motivation, and the ability to respond to change in a more agile manner.	

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

Assessment of Material Impacts, Risks and Opportunities

Our employees play an essential role in achieving our mission to serve patients and meet business imperatives. The material impacts, risks, and opportunities related to our workforce were identified through a double materiality assessment. These risks are regularly reviewed as part of our risk management process.

In the context of our operations, we assessed whether certain employee groups may face greater exposure to impacts. We concluded that no specific group should be considered at higher risk of harm. Therefore, all material impacts, risks, and opportunities apply to our entire workforce.

Senior leaders from our business segments and global functions responsible for managing employee-related matters participated in the materiality assessment. Their role was to represent the workforce's perspectives and provide insights into impacts, risks, and opportunities. These functions include Global Human Resources, the Human Rights Office, Global Occupational Health and Safety (OHS), and leaders from the Care Delivery and Care Enablement segments.

For a description of the double materiality assessment process see chapter "Sustainability Management".

SBM-3

Impacts	Risks and opportunities	Management approach
Employer Attractiveness		
We train, develop, and provide attractive employment opportunities to qualified employees. We have a positive impact on people's livelihoods, careers, and personal development.	**Risk** Inability to attract qualified candidates for critical roles, reputational issues, or other organizational reasons can decrease the attractiveness of the Company in the labor market, leading to higher labor and recruiting costs. **Opportunity** Improvement of the employer brand and employee value proposition, as well as improved HR management, can increase the attractiveness of the Company, thereby supporting recruitment and retention.	• Commitment to remain an attractive employer and continue to recruit, engage, and retain excellent employees and top talent. • Further strengthening of our talent acquisition process and programs. • Total rewards packages to reflect the relative value of each job, support career progression, and reward and incentivize measurable performance. • Offer opportunities for expanded career planning and benefits and provide all employees with a range of individual learning and development opportunities.
Employee Engagement		
Employee engagement is critical to our business to drive productivity, innovation, and commitment around a common vision and mission. We offer employees the opportunity to provide feedback on the Company's strategy, business model and future success.	**Risk** Lack of employee engagement can result in lower productivity and higher employee turnover. This could have a financial impact on the Company, including the need for temporary backfills, overtime, and recruitment and training costs. **Opportunity** High employee engagement can boost productivity and contribute to building a strong employer brand, enabling us to retain top talent.	• Global Engagement Policy outlines our approach to conducting regular engagement surveys and responding to the results. • Use of surveys to identify strengths that we can continue to build on, uncover opportunities for improvement, and address concerns related to our culture and work environment. • Facilitate managers to take action following the survey.

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

Human Resources Strategy

Our business model and strategy are primarily focused on achieving positive outcomes for patients through our products and services. To accomplish this, we rely on our workforce. The Human Resources (HR) strategy is designed to support this goal by enabling us to effectively manage our workforce to meet patient needs. When shaping our strategy, we consider the views and interests of our employees. Offering attractive working conditions, equal opportunities, and a safe and healthy workplace are key

components of our approach. Opportunities related to employer attractiveness and employee engagement may arise from the positive impacts on our workforce. Both formal and informal employee dialogue and engagement processes provide insights that guide our workforce-related strategies.

Our Human Resource strategy supports our key business priorities while also addressing external market forces and the current internal talent landscape. Strategic HR business partnering is tailored to the needs of our business segments and functions, tackling talent challenges and opportunities across the organization. HR also plays a key role in employee-related matters as we align our business with markets that hold the greatest potential for sustained profitable growth. During these adjustments, HR provides due diligence, impact validation, and change management. Our goal is to minimize impacts on employees and ensure a smooth transition.

SBM-2, SBM-3

Impacts	Risks and opportunities	Management approach
Occupational Health and Safety		
Healthy and safe working environments can prevent injuries and harm to our workforce and may positively impact their physical and mental well-being and work ability.		• Global OHS management system and policy in place. • Implementation of global OHS incident tracking software at all sites in North America and at global manufacturing sites. • Provision of employee training on health and safety topics.
As a Company, we are dedicated to maintaining safe and healthy workplaces for our workforce. While we track incidents, strive to minimize exposure to hazards and provide workforce training to ensure tasks are performed safely, incidents may still occur.		

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

Commitments to our Own Workforce

Hiring and retaining talent, inspiring long-term commitment, and supporting employee development are fundamental to our global business success. As part of our Human Resources strategy, we continuously work towards creating a work environment where our employees can thrive. Our strategies and actions apply to all of our employees. We aim to cultivate a company culture where every employee feels valued, respected, and part of a successful team.

By including our Supplier Code of Conduct in our contractual relationships, we extend commitments related to OHS, equal treatment, and working conditions to non-employees.

Employer Attractiveness and Working Conditions

We strive to remain an attractive employer by recruiting, engaging, and retaining top talent, thereby strengthening our competitive position. Being an attractive employer supports our recruitment strategies, helps us build strong global teams that meet the needs of patients and stakeholders, and boosts overall performance. Where applicable, employees may request flexible working arrangements, which we accommodate when possible.

As we operate in a regulated environment, it is essential to our success that we continually develop our employees' skills and provide training according to best practices to maintain operational and regulatory compliance. We offer a range of learning and development opportunities that enable employees to take charge of their own learning.

We are committed to fair pay and compensation principles that promote internal equity. Employees receive competitive total compensation packages designed to reflect the relative value of each role, support career progression, reward and incentivize measurable performance, and consider local market practices, including living wages. Our long-term incentive plan aims to enable leaders and key talents to participate in our Company's long-term value creation.

Negative impacts related to working time and OHS are linked to specific incidents. We closely monitor complaints, concerns, and reports – including audit reports and investigation results – and other stakeholder feedback in the markets where we operate. We address these impacts through policies, procedures, and processes, which are continuously enhanced. The effectiveness of these measures is monitored.

Employee Engagement

We believe in fostering an inclusive and collaborative work environment, in which every employee can contribute ideas and perspectives. To support this, we conduct global Employee Engagement Surveys to gather anonymous, open, and honest feedback. These surveys play a key role in identifying strengths, opportunities for improvement, and concerns related to our culture and work environment. We take action based on survey results.

Diversity, Equity, and Inclusion

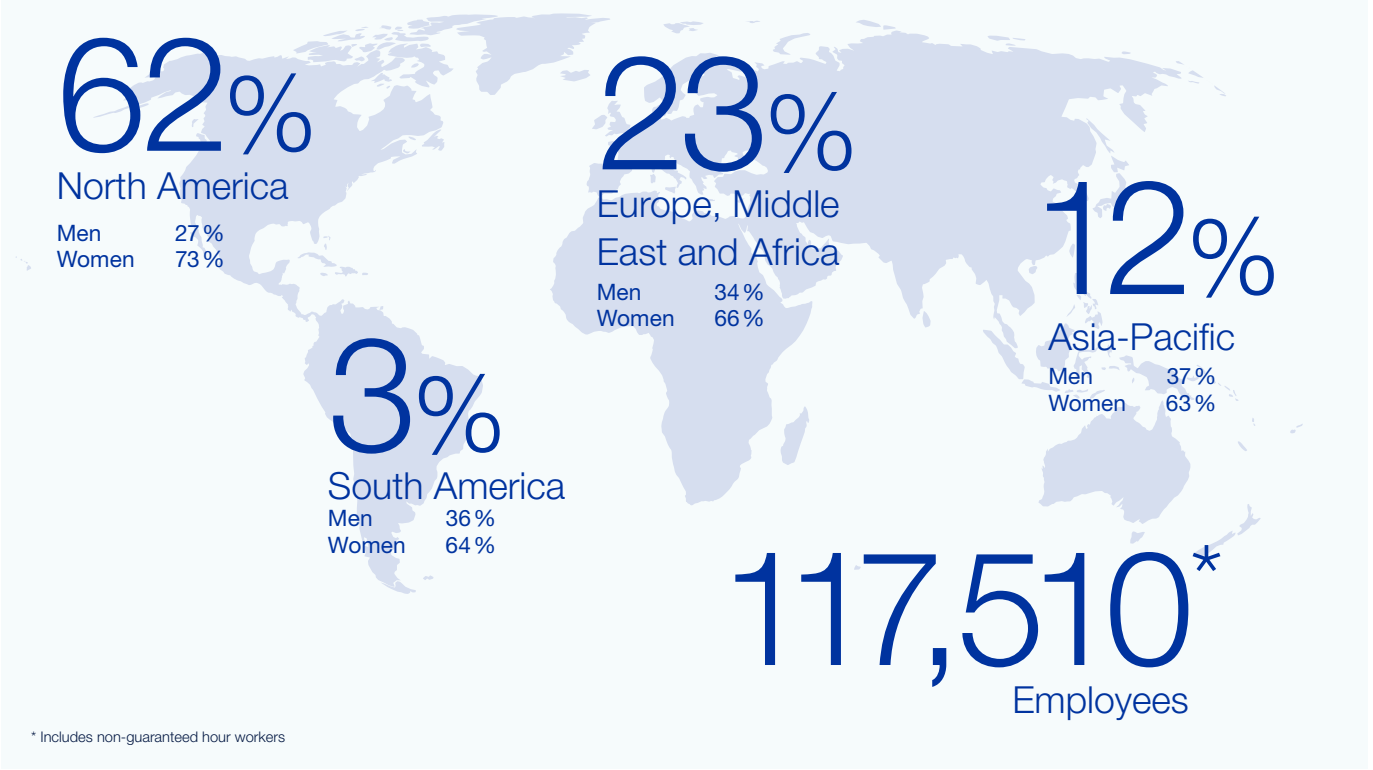
We believe that supporting diversity, equity, and inclusion (DE&I) benefits all employees and contributes to our long-term business success. Our aspiration is to foster a globally inclusive culture where every employee can thrive. We focus on three areas:

> Encouraging an inclusive and high-trust culture.
> Increasing leadership awareness and accountability for a shared understanding of DE&I.
> Supporting succession planning in line with our diversity targets for managers.

We have set diversity targets to support our strategy implementation. We may review and update our targets, following relevant regulatory, legal and business developments in the future.

Our sustainability efforts, including those on diversity, equity and inclusion, are designed to comply with any applicable laws, in particular anti-discrimination laws and other legal requirements of the various jurisdictions in which we operate. We are monitoring relevant legal developments, including early 2025 Executive Orders issued in the U.S., and will review our activities in relevant Company entities as appropriate to facilitate ongoing compliance with applicable laws, in particular anti-discrimination laws, and related risk mitigation efforts.

C 2.48 EMPLOYEES ACROSS REGIONS



Occupational Health and Safety

We are committed to providing a safe and healthy work environment for our workforce in line with applicable Occupational Health and Safety (OHS) standards. Our focus is on identifying, mitigating, and preventing potential OHS hazards and risks to protect our employees and non-employees. The OHS expert group develops globally aligned action plans that define and prioritize key measures for the Company.

In alignment with our OHS management practices, we conduct internal reviews and audits to monitor compliance with corresponding regulations, policies, and procedures. External audits are also conducted by relevant authorities. Some of our production sites and dialysis clinics are certified according to international health and safety standards. These include ISO 45001 in Europe, the Middle East, and Africa, and the Australian Council of Health Care Standards (ACHS) in Asia-Pacific.

SBM-3

Governance

Our Global Human Resources function manages our employment-related processes worldwide. Since June 2024, it reports to our Management Board member responsible for Legal, Compliance, and Human Resources, who is also the formally appointed Labor Director (Arbeitsdirektor). Previously, this function reported to the CEO.

The Global Occupational Health and Safety (OHS) function, part of our Global Legal function, drives the Company's OHS strategy and standards and provides regular reports to the Management Board. An OHS Council oversees the operational implementation of strategies and the global OHS management system. This function is supported by a network of representatives from all business segments and regions across the Company.

Policies

Our global HR policies provide the framework for recruitment and employee management throughout their career. They build on the foundation of our Code of Ethics and Business Conduct.

Global policies are developed through a defined process. Policy owners collaborate with various functional experts, including Global HR, Global Legal, and Global Compliance. The Human Rights Office is frequently consulted to help prevent negative impacts on employees and support policy commitments. The process aligns policies with our Code of Ethics and Business Conduct. All global policies apply to the whole company. They are overseen by the Management Board and made accessible to our employees through internal platforms.

Policy owners work with relevant functions, teams, and steering committees on implementation, communication, and awareness. In some cases, local implementation may involve consultation with local works councils. Our global policies generally have a binding effect, and violations may result in corrective or disciplinary action. The Global Internal Audit function reviews key policy implementation, while impacts, metrics, and effectiveness are reported to steering committees and the Management Board or its individual members.

The Global Social and Labor Standards Policy outlines human rights and social and labor minimum standards for all employees. It covers communication with our employees, working conditions, non-discrimination, non-harassment, workplace safety, employee privacy, freedom of association, collective bargaining, information and consultation.

Additionally, it addresses child labor, forced labor, non-retaliation, and handling of workplace complaints. The policy highlights our goal to support our employees in managing their working time responsibly. We also honor rest periods, leave of absence, and annual leave in accordance with local laws and practices. This policy is guided by the Universal Declaration of Human Rights and the principles of the International Labour Organization.

The Global Occupational Health and Safety Policy outlines our core principles for our workforce. It includes references to management systems, awareness training, monitoring, and continuous improvement. This policy supports our commitment to a safe and healthy working environment. All employees are covered by our OHS management system.

Further relevant policies outline specific commitments related to equal treatment and opportunities for all, as well as our approach to managing various employee-related areas. These include:

> The Global Diversity, Equity, and Inclusion Policy
> The Fair Pay Statement
> The Voice of the Employee and Engagement Policy
> Global Employee Value Proposition Policy

The Global Diversity, Equity, and Inclusion Policy outlines our objectives and strategy for fostering an inclusive culture in which all employees feel valued and empowered to contribute their unique talents and perspectives. The policy outlines how all employees, managers, as well as members of the Management Board, are responsible for living up to our DE&I commitments. It is overseen by the CEO and the Management Board member responsible for Legal, Compliance, and Human Resources, with updates managed by the Global DE&I Team.

The Fair Pay Statement describes our commitment to compensating employees based on job-related qualifications without bias or discrimination. The policy prohibits consideration of factors such as age, ethnic origin, gender disability status, gender, religion, sexual orientation, and any other criteria as protected by local laws and regulations. It is overseen by the Management Board member responsible for Legal, Compliance, and Human Resources.

The Global Employee Value Proposition Policy outlines our ambition to be an employer of choice. It details our promise to current and future employees to uphold our values, mission, and purpose, offer attractive jobs, and provide development opportunities and benefits. Its purpose is to supports us to to attract top talent, maintain an effective hiring pipeline, and improve employee retention while reducing turnover. It is overseen by the Management Board member responsible for Legal, Compliance, and Human Resources.

The Voice of the Employee and Engagement Policy describes our process for conducting regular employee engagement surveys. We are committed to asking, listening, assessing, following up, and taking action as part of our continuous dialogue with our employees. Based on employee feedback, we are dedicated to improving organizational culture, the work environment, and the employee experience. The survey is overseen by the Senior Vice President of Global People Analytics and Experience.

For policy commitments related to human rights (ESRS S1-1, 20a, 20c, 21, 22, 24b) see "Human rights".

S1-1

Engaging our Employees on Impacts

We believe that open and direct communication is essential to connecting with our employees. Employee engagement is an ongoing process that begins during recruitment and continues throughout the entire employment journey. We communicate information related to impacts directly to our employees through established channels, including the intranet and town hall meetings. Employees are also informed on how they can raise concerns and submit reports. The intranet offers comprehensive information on all relevant compliance procedures, and posters displayed at all our locations are accessible to both employees and non-employees. Additionally, we equip managers with resources to facilitate direct engagement with their teams.

We are committed to responding promptly and fairly to questions, concerns, or issues. We encourage all employees to speak directly with their managers or an HR representative if they have any concerns. They can also use our Compliance Action Line or any other internally available reporting channels. Health- and safety-related incidents, risks, and concerns can be reported through our established feedback channels.

We engage with employees and their formally elected or duly established representative bodies in good faith and follow applicable information and consultation procedures.

The Head of Global Human Resources oversees employment-related matters and employee engagement in accordance with relevant policies. The Global Communications team manages general employee communications, including those regarding material impacts.

For more information on processes to remediate negative impacts and channels for employees to raise concerns (ESRS S1-3, 32 & 33), see the chapter "Compliance and Business Ethics" (Identifying, reporting, and investigating concerns).

Employee Engagement

Employee engagement is key to our business success. Engaged employees are more motivated, aligned with the Company's mission, vision, and goals, and dedicated to cultivating a positive company culture. This contributes to reduced employee turnover, lower related costs, and improved performance and innovation. Engagement is also expected to have a positive impact on how our employees contribute to delivering our life-sustaining dialysis treatments.

Through our annual Global Employee Engagement Survey (GEES), employees can provide feedback. These surveys help us identify strengths we can continue to build on. Based on the results, we also identify actions to improve our culture and work environment. Managers are expected to implement specific measures to create positive impact within their teams and areas of responsibility.

The survey includes questions related to diversity, equity, and inclusion. This helps us assess whether our culture allows everyone to feel included and supports our employees' sense of belonging. It also allows us to gain insights into perspectives of employees who may be particularly vulnerable to impacts, improving the effectiveness of our engagement efforts. For example, we ask employees for feedback on their trust in our existing feedback channels and non-retaliation policy.

Dialogue with Employees and their Representatives

We follow applicable information and consultation procedures with formally elected or duly established collective bodies that represent our workforce, including works councils, recognized unions, and 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 various employee groups within Fresenius Medical Care, depending on local laws and practices. These agreements complement our standard procedures, such as compensation guidelines, employee handbooks, and standard employment contracts. In accordance with respective local laws and regulations, we are committed to respecting the principles of freedom of association and the right to effective collective bargaining.

In Germany, we regularly engage with our works councils. Fresenius Medical Care has various works council agreements in place that define rights and duties at the workplace, as well as processes and procedures related to technology tools, software solutions, flexible work programs, and more. Throughout the reporting year, our management engaged in regular exchanges with works councils and their committees.

Following the deconsolidation from Fresenius SE, Fresenius Medical Care employees were no longer represented by a European works council. The process to establish a Fresenius Medical Care European Works Council was initiated during the reporting year.

S1-2, S1-3

Actions

The following actions generally apply to our entire global workforce unless stated otherwise. Most are ongoing without a defined completion date, while some were initiated during the reporting year. Where actions apply only to specific groups, regions, or timeframes, this is indicated.

Building a Strong Workforce

We are enhancing the use of assistive technologies in our talent acquisition processes and programs. These technologies improve candidate flow and shorten the time-to-hire, enhancing the overall candidate experience. Online processes allow us to respond more flexibly to candidates for critical roles. We also use selection tools and assessments that follow best practice standards.

During the reporting year, several initiatives were launched in the U.S. as part of the Care Delivery segment to attract, engage, and retain employees, yielding positive impacts. These actions support growth strategies, given the importance of this business to the Company's overall success. A centralized team was established to drive hiring and improve retention in key growth markets. The team focuses on candidate sourcing, recruitment marketing, reducing time to offer, and pre-onboarding activities. These actions are monitored to assess their effectiveness, with a particular emphasis on employer attractiveness.

In the U.S., we continued our Engagement Check-In program for direct patient care employees in 2024. This program encourages clinic and field leadership to hold one-on-one conversations with employees to understand what is working well and where improvements can be made. Clinic leadership is also advised to schedule Engagement Check-Ins with new recruits during their first few months of employment. Internal analysis of new hires revealed that retention rates for nurses and patient care technicians were higher among those who participated in an Engagement Check-In. Employees may take part in multiple Engagement Check-Ins throughout their tenure.

To drive action based on the Global Employee Engagement Survey, managers received training to help them understand the results, involve their teams, and develop action plans at the team-level. In 2024, a new Action Planning feature was introduced, enabling managers to create action plans directly within the platform. This feature promotes transparency by allowing better tracking of actions and desired outcomes for teams.

A new global exit survey was launched in 2024 to better understand why employees voluntarily leave the Company. We plan to use the insights gained from the survey, such as the top reasons for departure, to identify appropriate actions for engaging and retaining staff.

We received various employer awards globally during the reporting year, highlighting our commitment to providing an excellent workplace. These awards recognized achievements in best workplace practices, diversity, employee health, and remote working. Additionally, we received the CNA Safety in Excellence Award in the U.S. for the 23rd consecutive year, reflecting the success of our safety programs and initiatives.

Providing Training and Supporting Development

Increasing the use of our online learning platforms allows employees to pursue career goals and interests in a self-directed manner. A new global learning platform, The University at Fresenius Medical Care, was introduced during the reporting year. The expanded range of available trainings has enhanced the learning experience for employees worldwide. By developing leadership and professional skills, we aim to create opportunities for growth while improving employee retention and engagement.

To evaluate the effectiveness of our training and programs, training evaluation surveys were conducted in the U.S. We plan to expand these surveys globally in the coming years using our new global learning management system.

Individual learning needs are identified through conversations with employees about their development and careers. The performance management module in our global HR system facilitates collaboration between managers and employees in planning, monitoring, and reviewing development goals and performance. This shared accountability is key to fulfilling commitments to our patients, employees, and shareholders.

The online performance review module became accessible to over 60% of permanent employees in 2024, with more than 90% participating in the performance review process.

Developing Consistent Pay Structures

We determine pay using a methodology that incorporates market and benchmark data to establish components, ranges, and pay grades. We pay in a consistent and fair manner, taking into consideration role responsibilities, internal equity, job location, relevant experience, and individual performance. To track the effectiveness of compensation-related measures, we conduct regular pay audits and routinely analyze compensation data across roles, locations, and demographics to identify and address disparities. We are committed to responding promptly to any complaints related to equal pay and taking appropriate remedial action to resolve identified pay issues.

In 2024, we continued to refine our global rewards strategy. Over the mid-term, we plan to further refine our global compensation and benefits offering. Our key priorities will be to review our global job architecture and harmonize programs, processes, and standards – such as incentive plans, salary structures, benefit offerings, and eligibility. We provide additional overtime pay based on local regulations and contractual terms.

Sustainability-related KPIs are included in the short-term and long-term variable compensation plans for the Management Board. In 2024, these KPIs were cascaded to additional employee groups as part of global short- and long-term incentive plans. These employee groups include senior executives globally, as well as other key positions.

Building a Diverse Workforce

In 2024, we initiated a program to gain insights into global perspectives and perceptions of DE&I. We conducted global focus groups to understand how cultural factors might affect a global DE&I program, among other considerations. We provide foundational learning for leaders to embed DE&I across the Company. This includes our Journey to Cultural Competency program, completed by over 43,000 employees in the U.S.

One of the ways we promoted a diverse and supportive environment is by encouraging employees to form and join an employee resource group (ERG), where they can build community, develop leadership skills and connect with colleagues across the globe. We created the Women's Employee Network to advance initiatives across the organization. ERGs, such as those for women or for different ethnic groups, were specifically designed to foster a sense of inclusion and belonging in the workplace. In 2024, all 16 of our active ERGs were open to global membership with 50% now having global members. More than 7,000 employees participated in one or more ERGs.

As part of the continuous communication and education on DE&I, we actively celebrate global recognition days for specific groups. These included International Women's Day, Pride month, Inclusion and Belonging Recognition Week, International Day of Persons with Disabilities, and German Diversity Day.

We have maintained targets related to diversity, equity and inclusion to track and assess the effectiveness of our policies and actions.

For more information on gender diversity in the Management and Supervisory see the "Diversity concept and targets" section of the "Corporate Governance Declaration".

Managing Health and Safety Performance

Reported actions reflect our approach to strengthening a culture of safety and preparedness. We empower employees to actively contribute to creating safe and secure work environments. Workplace hazards are addressed through a structured approach established by the Occupational Health and Safety (OHS) expert group, aligned with global action plans. Recognizing that accidents can happen in any setting, we are committed to openly addressing their impacts and prioritizing learning from these events. This commitment drives the continuous refinement of OHS practices, creating a safer and more resilient workplace for all.

Our employees receive regular health and safety training in line with local and regional guidelines to increase awareness of potential hazards in their work environment. Those working in potentially higher-risk environments undergo specialized programs designed for their specific workplace settings. In our dialysis clinics, training courses focus on the safe use of sharps and disposables, hand hygiene, infection prevention, and emergency management. At our production sites, employees receive training on the safe handling of work equipment and chemicals, emergency prevention and response, and other key topics.

OHS is managed globally by standardizing data capture and centralizing incident monitoring data. Our global OHS software enables real-time data collection in relevant countries. The tool is available at all our locations in North America as well as production sites globally. We increase transparency of the data collected and it allows our locations to improve their approach to incident risk management. In 2025, we plan to expand its availability to countries that currently rely on manual data collection. This will enhance global consistency in safety practices and provide better insights for preventive measures. To measure the success of our health and safety efforts, we track and analyze accidents at local and regional levels, identify root causes, and take corrective actions to minimize recurrence.

We invest in advanced safety measures. For example, we implement technology to support health and safety initiatives within our internal logistics and distribution functions in the U.S. Over the years, we have installed alarms and pedestrian walkways to reduce risks in production and logistics environments. In 2024, we initiated the introduction of AI-supported dashcams to further improve driver safety by delivering real-time hazard alerts and enabling predictive, personalized training. The full implementation of these measures is planned for 2025.

Culture Journey

In 2024, we launched our FME Culture Journey to strengthen our organizational culture and core values that are aspirational, fit for purpose, engaging, and inspiring for our diverse global workforce. Our company culture should support our ambition to unlock value as a leading kidney care provider. The success of this cultural journey will be measured over time through improvements in various areas, including employer attractiveness, employee engagement, and retention.

Recognizing our employees for their contributions is a key component of our culture. In 2024, we implemented our Achievers recognition platform in most countries worldwide. Achievers is a digital platform that allows employees to share meaningful recognition with one another. We monitor involvement to refine our strategies for enhancing engagement with the platform. This initiative supports our efforts to foster an inclusive and supportive work environment by acknowledging the diverse talents across our global workforce and advancing a sense of belonging.

Supporting Employees in Need

We are committed to supporting employees facing unforeseen emergencies resulting from personal hardships or natural disasters. The CARES Fund was created following Hurricane Katrina to help U.S. employees facing financial hardship. It receives donations from Fresenius Medical Care and employees. In 2024, we expanded the CARES Fund to all employees globally. The Fund is managed by an independent philanthropy services firm, which reviews and evaluates all applications for assistance and administers grants. The CARES Fund awarded grants totaling about $1 M (€1 M) to support 1,024 employees in 2024.

S1-4

Addressing Potential Negative Impacts

Potential workforce-related impacts are monitored through our due diligence processes. This involves reviewing complaints and incidents, listening to our employees, and tracking relevant developments in our business, footprint, and industry. In addition, we assess changes in the regulatory environment. If we identify potential or emerging issues, we develop strategies to address them.

For more details on the employee-related risk assessment see chapter "Human Rights".

Potential impacts on our workforce may arise as businesses adapt their models to achieve greener and climate-neutral operations. As described in the "Environment" chapter, we have not yet published a transition plan. Given our business model, we currently do not expect a transition plan to have a material impact on our own workforce.

We provide employees with training on compliance and privacy to protect both the Company and its workforce. Our mandatory compliance training program is a key element in raising awareness and preventing violations.

Our approach to addressing negative impacts on employees regarding OHS is described above under "Actions to address impacts, risks, and opportunities".

Managing Working Time

In 2024, we continued analyzing working conditions, including working time. The analysis was conducted in select countries to better understand the local context. Based on the results, recommendations included addressing working time in select countries for certain employee groups. Local HR teams are responsible for implementing appropriate measures. The effectiveness of these measures is monitored through our annual risk management process, which includes reviewing the number and type of complaints, the substance of concerns, internal audit reports, and follow-up exchanges, among others.

We provide training for managers and supervisors in affected countries on managing working time with their teams. Where we see gaps or trends – such as an increase in complaints or concerns – we conduct targeted assessments of potential negative impacts. Managers and supervisor are asked to support employees in taking their full annual leave. When assigning working hours, including overtime, we follow a consistent approach that complies with local laws and considers employees' legitimate requests, where feasible. Overtime work may be required based on the Company's assessment of patient and business needs. Additionally, when legislative updates occur, such as the introduction of the "Right to Disconnect" by local laws, we provide relevant guidance to managers.

SBM-3, S1-4

Targets

We set targets to support how we manage our employees, following general principles that support performance management. The indicators are selected based on their relevance to our business, with processes and methodologies validated to align with business strategies.

Measuring Employee Engagement

By 2027, we aim to achieve an employee engagement score in line with the health care industry benchmark of 63%. This target was set in 2022, reflecting the global health care benchmark based on aggregated data from the survey provider's relevant industry clients at that time. Measuring employee engagement helps us understand potential issues, manage workforce-related risks and identify opportunities. Based on the results, we implement strategies and measures to enhance employee engagement.

Our overall employee engagement score reflects how positively employees speak about working at Fresenius Medical Care, their intent to stay with the Company, and how inspired they feel to do their best work every day. During the reporting year, we conducted our fifth Global Employee Engagement Survey. Our Global Employee Engagement score for the reporting period was 56%, an increase from the previous year (2023: 55%). Given the continued challenges faced during the reporting year – including the health care labor shortage and ongoing organizational transformation under the FME25 Program – the results demonstrate our commitment to building an engaged global team.

We continue to monitor how employees experience a sense of belonging at work, recognizing it as a key driver of overall employee engagement and a vital part of nurturing a diverse and inclusive culture.

To enhance our survey methodology, we implemented two key changes. First, we changed the survey provider and platform. Second, to be more inclusive in our outreach to employees, we expanded our inclusion criteria to include groups such as apprentices, trainees, interns, and casual workers.

Our Employee Engagement Score in 2024 does not consider these groups. The score and response rates cover the same scope of employee types as in 2023. This approach allows us to compare the results year over year. For the 2025 survey results, we plan to provide year-over-year comparisons that include the full scope of responses.

Working Condition and Employer Attractiveness

Our Global Employee Engagement Survey provides key insights into our working conditions and employer attractiveness. While we have not set specific targets for these areas, we use the survey to measure the effectiveness of our actions, policies, and workforce management. With regard to working conditions, we ask our employees various questions related to training, work-life balance, and well-being. Employer attractiveness is reflected in questions on whether they are considering leaving the Company or would recommend it to others. Scores for all questions are benchmarked against the health care industry standard for each question, as well as measured against progress from the previous year. Scores are communicated to teams globally, and actions are developed to address areas of improvement.

2027 Target

Achieve an Employee Engagement Score of at least 63%



Fostering a Diverse Workforce

We maintained diversity targets to support our policy goals and strategy aimed at fostering diversity in our workforce, including, by the end of 2027, 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 also participate in the long-term incentive plan. As of December 31, 2024, the proportion of women in the first two levels below the Management Board was 35% (2023: 34%).

We have also maintained a goal of increasing the representation of women in management positions to reflect their proportion in our global workforce by 2030. As of December 31, 61% of our managers were female (2023: 61%), while women accounted for 70% of our total workforce. Furthermore, we continue to aim for an increase in the proportion of ethnically diverse managers in the U.S. year-over-year through 2030. At the end of 2024, 34% of managers in the U.S. self-identified as belonging to a non-white race/ethnicity category as defined by the U.S. Equal Employment Opportunity Commission, compared to 32% in 2023.

The diversity targets were developed through a global, cross-functional effort and informed by a benchmark including industry peers. Initial targets for women in top management were set in 2020 and revised in 2022, factoring in organizational changes arising from the FME25 transformation program. To evaluate gender diversity, data from internal employee databases was used, along with insights from external consultants. Metrics on ethnically diverse managers in the U.S. relied on voluntary, self-reported data of employees.

Occupational Health and Safety

We responsibly manage the OHS program and track the effectiveness of our global OHS policy, however, no global targets have been set. We will assess the possibility of setting targets over the mid-term. Effectiveness is monitored through local trainings, incident investigations and remedial measures, and compliance with applicable laws and regulations. Driving awareness and facilitating a proactive culture of health and safety are important elements of the program.

S1-5

Metrics

We are in the process of transitioning the reporting of employee-related metrics from the financial systems to our Fresenius Medical Care human resources data system (HR data system). The HR data system provides the granular data needed to report the data points required by ESRS S1. Due to differences in data extraction dates and consolidation, small discrepancies may exist in the overall global headcount and fulltime equivalent (FTE) figures between the two systems.

Our global employee headcount, FTE, and staff costs are provided from financial systems based on consolidated data as of December 31, 2024. This data aligns with figures stated in the financial reporting and will be disclosed in the tables below for any data requiring the total headcount or FTE. All other employee metrics and disaggregation are reported based on data from the HR data system as of December 31, 2024, unless otherwise stated. Due to this difference, sums of disaggregated data in the relevant tables do not add up to the total. Data for 2023 prescribed by ESRS has not been restated, except where definitions remain unchanged compared to disclosures for the same datapoint in the previous reporting period.

Employee metrics include both active employees and those on leave at the time of reporting. Metrics include all regular, fixed-term, temporary, and casual employment categories, unless stated otherwise. Employees with non-guaranteed hours are classified as casual employees working on an as-needed basis, in accordance with local laws. Definitions of fixed-term, temporary, and casual employment categories may vary by jurisdiction. Employee data pertaining to legal entities and joint ventures outside of the HR data system is gathered separately and merged with the principal dataset. The Management Board is excluded from all headcount metrics. Percentages may not total 100% due to rounding.

Disclosures made in this report shall be interpreted in accordance with the requirements of the European Sustainability Reporting Standards. Nothing herein changes the at-will nature of employment in jurisdictions where applicable.

General Information on our Workforce

The overall reduction in our employee headcount from 2023 to 2024 is primarily due to planned portfolio optimization divestitures of Care Delivery operations within the regions of Latin America (Chile, Curacao, Ecuador, Guatemala, Peru) and the EMEA region (Türkiye).

T 2.49 WORKFORCE OVERVIEW

	2024	2023
Global employee headcount	111,513	119,845
Global employee headcount (including non-guaranteed hours employees)	117,510	
Global employee (FTE)[1,2]	103,594	112,382
Staff costs in € M	7,789	7,768
Average staff costs per employee (€ / FTE)	73,652	67,302

[1] 2024 Global headcount includes >3,300 employees in the employment status "On Leave" with an FTE of zero.
[2] Global FTE is the sum of FTE for all active, regular, fixed-term, temporary employees.

T 2.50 2024 WORKFORCE BY REGION, COUNTRY, AND GENDER SPLIT

	2024	
Region / Country	**Number of employees (headcount)**	**Proportion of total global Headcount**
Gender		
Female	82,381	70
Male	35,121	30
Other[1]	5	0
Not disclosed[2]	225	–
Region[3]		
North America	72,430	62
Europe, Middle East, Africa	27,525	23
Asia-Pacific	14,179	12
Latin America	3,598	3
Top 3 countries by headcount[3]		
USA	65,718	56
Germany	7,746	7
Mexico	6,578	6
Total[4]	**117,510**	**100**

[1] Other refers to employees who have self-identified as a gender that is neither male nor female within the HR data system.
[2] Not disclosed refers to employees without any recorded gender in the HR data system. These instances are in the process of being resolved.
[3] Region and country are based on the employee work location.
[4] See explanatory text on data sources with regards to total headcount and sums of disaggregated data stated in the introductory notes to the section "Metrics".

T 2.51 2024 WORKFORCE BY REGION, COUNTRY, AND GENDER SPLIT BY EMPLOYMENT TYPE AND CONTRACT TYPE

	Employment type[1]			Contract type[1]		Total[2]
Region / Country	**Permanent employees**	**Temporary employees**	**Non-guaranteed hours employees**	**Full-time employees**	**Part-time employees**	**Part-time employees**
Total	111,416	319	5,997	104,520	13,212	117,510
Gender						
Female	77,201	256	4,924	71,684	10,697	82,381
Male	33,989	63	1,069	32,620	2,501	35,121
Other[3]	5	0	0	4	1	5
Undisclosed[4]	221	0	4	212	13	225
Region[5]						
North America	66,816	15	5,599	64,508	7,922	72,430
Europe, Middle East, Africa	27,011	284	230	23,289	4,236	27,525
Asia-Pacific	14,008	4	167	13,680	499	14,179
Latin America	3,581	16	1	3,043	555	3,598
Top 3 countries by headcount[5]						
USA	60,123	2	5,593	58,664	7,054	65,718
Germany	7,607	17	122	5,919	1,827	7,746
Mexico	6,565	13	0	5,716	862	6,578

[1] 6,894 employees have been allocated to the employment type 'permanent employees' and the contract type 'full-time employees' as estimations. The primary data for these breakdowns is not available.
[2] See explanatory text on data sources with regards to total headcount and sums of disaggregated data stated in the introductory notes to the section "Metrics".
[3] Other refers to employees who have self-identified as a gender that is neither male nor female within the HR data system.
[4] Not disclosed refers to employees without any recorded gender in the HR data system. These instances are in the process of being resolved.
[5] Region and country are based on the employee work location.

T 2.52 WORKFORCE BY BUSINESS SEGMENT (IN %)

	2024
Care Delivery	72
Care Enablement	22
Global Functions and Administration	6
Global Medical Office	<1

All data provided from the Fresenius Medical Care human resources data system.

T 2.53 EMPLOYEE RETENTION[1]

	2024
Total Turnover rate (%)[2]	21.2
Total number of employees who exited	25,379
Voluntary Turnover rate (%)[3]	15.9
External hire rate (%)[4]	21.0
Average service length in years	8.4

[1] All data is provided from the HR data system. Data includes all permanent (regular, fixed-term), temporary (temporary), non-guaranteed hours employees (casual, meaning employees working on an as-needed basis).
[2] Total turnover rate calculation: The count of employees who exited the organization during the reporting year divided by the average headcount in the year (excluding employees who exited due to divestiture). Average headcount is calculated by adding the headcount on the last day of each month and dividing by 12.
[3] Voluntary turnover rate calculation: The count of employees who voluntarily exited the organization during the reporting year divided by the average headcount in the year. Average headcount is calculated by adding the headcount on the last day of each month and dividing by 12.
[4] Hire rate calculation: The count of employees who joined the organization during the reporting year divided by the average headcount in the year. Average headcount is calculated by adding the headcount on the last day of each month and dividing by 12.

Workforce Demographics and Gender Distribution

T 2.54 WORKFORCE DEMOGRAPHICS

Age	2024
Average Age (years)	44
Proportion of employees under 30 years (%)	14
Proportion of employees between 30 to 50 years (%)	54
Proportion of employees over >50 years (%)	32

All data provided from the HR data system.

T 2.55 GENDER AT DIFFERENT LEADERSHIP LEVELS (%)

Gender – Management Board (%)	2024	2023
Female	33	40
Male	67	60
Other	0	0
Total management board employees	**6**	**5**

Women at different leadership levels (%)	2024	2023
Supervisory Board	50	33
First management level[1]	31	24
Second management level[2]	36	36

[1] First management level includes all managers worldwide who directly report to a member of the Management Board and participate in the long-term incentive plan.
[2] Second management level 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.

S1-9

Training and Skills Development

T 2.56 TRAINING AND SKILLS DEVELOPMENT

	2024	2023
Employees participating in training courses on digital learning platforms[1]	135,688	142,951
Average number of training hours per employee (hours)[2]	53	

[1] Includes employees that exited during the year.
[2] Represents training recorded or completed online and classroom training recorded in our time management system.

S1-13

Employee Engagement

T 2.57 GLOBAL EMPLOYEE ENGAGEMENT SURVEY

	2024[1]	2023
Global Employee Engagement Score (%)	56	55
Number of respondents to the Global Employee Engagement survey	71,847	71,486
Response rate to the Global Employee Engagement survey (%)	68	68

[1] 2024 results exclude non-guaranteed hours employees to align with 2023 results.

Adequate Wages

Adequate wages refer to wages that are sufficient to cover the costs of all essentials in accordance with national or sub-national economic and social conditions. It is generally recognized that paying a living wage contributes to the well-being of the wider community. Benchmark data for 2024 was provided by the Wage-Indicator Foundation. In 2024, 99.96% of our employees earned the relevant living wage benchmark or more. Deviations from this benchmark data were recognized in the countries listed in the following table.

T 2.58 ADEQUATE WAGES (% EMPLOYEES THAT EARN BELOW THE APPLICABLE ADEQUATE WAGE BENCHMARK)

	Proportion of country employees earning less than Adequate Wage in 2024
Kazakhstan	8.5
Ukraine	2.3
Thailand	1.3
Bosnia & Herzegovina	1.1
Czechia	0.8
Poland	0.5

S1-10

Remuneration Metrics

For the disclosure of compensation-related metrics, regular, fixed, and temporary employees as of October 31, 2024, are considered. Fixed compensation components are based on annualized data from the global HR data system. The short- and long-term incentive components are based on actual payments made in 2024. Any additional pay elements, such as overtime, shift premiums, commissions, and employer paid benefits, are reported based on actual payroll information from January 1, 2024, to October 31, 2024, and have been extrapolated for November and December 2024 (2/12).

Reasonable effort for the global payroll data collection process was applied. Data was gathered for employees in all locations. Countries without WageIndicator Foundation benchmarks are excluded from the adequate wages analysis.

Gender Pay Gap

The pay gap is defined as the difference between the average pay levels of female and male employees, expressed as a percentage of the average pay level of male employees. The high proportion of females in lower-paying roles (e.g., nurses and patient care technicians), contributes to the difference in pay across genders. 70% of our global workforce is female, rising to 78% in our Care Delivery operations.

Annual Total Remuneration Ratio

The annual total remuneration ratio expresses the ratio of the highest-paid individual to the median annual total remuneration for all employees. The highest-paid individual is our Chief Executive Officer. The employee earning the median annual total remuneration was determined based on the sum of total compensation components.

Further details on the remuneration of the Chief Executive Officer and the Management Board, including information on how the Supervisory Board determines compensation structures and levels, can be found in the "Compensation Report".

T 2.59 REMUNERATION[1]

	2024
Gender pay gap (%)	14.3
Annual total remuneration ratio	1:75

[1] Includes Management Board

S1-16

Collective Bargaining Coverage and Social Dialogue

The data is compiled via an annual data collection process, with data submission reflecting data as of December 31 of the calendar year. The data collection involves the Company's Global HR function and the appointed HR responsible persons in the respective regions and countries.

In the European Economic Area (EEA), there is no country in which we have "significant employment" (countries with >50 employees and representing >10% of total employees, per the specification in ESRS S1-8, 60b & 63a). We provide a breakdown of collective bargaining coverage globally, for all regions, and for the EEA as a whole.

T 2.60 COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE[1]

	Collective Bargaining Coverage[1]		Social dialogue[1]
Coverage Rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl)
0–19 %		North America (9%) Asian Pacific (12%)	
20–39 %		Global (21%) EMEA (non-EEA) (23%)	
40–59 %			
60–79 %	EEA (62%)	Latin America (63%)	
80–100 %			

[1] In some countries, data on union membership is not available (due to local privacy regulations) and therefore the final number may not reflect the full coverage.

S1-8

Health and Safety

T 2.61 HEALTH AND SAFETY

	2024
The percentage of employees covered by health and safety management system	100
Number of fatalities as a result of work-related injuries and work-related ill health	0
Total recordable injury number	2,709
Total recordable injury rate (TRIR)[1]	14.38
Total lost time injury rate (LTIR)[2]	3.87

[1] Defined as the total number of recordable work-related injuries per 1,000,000 hours worked (methodology aligned with ESRS S1-14, AR 89.)
[2] Defined as the total number of work-related lost time injuries per 1,000,000 hours worked(methodology aligned with ESRS S1-14, AR 89.)

S1-14

Incidents, Complaints and Severe Human Rights Impacts

We disclose incidents of discrimination and harassment reported in 2024, as well as complaints raised in 2024 that fall into one of the categories as specified in ESRS S1, including matters defined in paragraph 2 of the ESRS S1-standard. This data does not include health and safety-related incidents, which are separately reported in the table "Health and safety".

We apply a diligent approach to categorization to disclose true, complete, and accurate data. To identify own workforce-related complaints and incidents, we rely on current categorizations in our applicable case reporting tools, which were designed to capture the broad range of issues that personnel may raise. Because these categorizations were designed for complaint management purposes prior to the CSRD's reporting requirements, they do not exactly correspond with all CSRD subcategories of own workforce issues, and certain categories may capture a broader range of incidents than the CSRD's definition. We are considering potential refinements to the incident categorizations to facilitate more precise reporting in future reporting periods.

The correct understanding and categorization of an incident or a complaint is not always available at the time an incident is reported, or a complaint is raised. Where proper categorization was not possible at the time of reporting despite good-faith efforts, this incident or complaint will be reported with the disclosures in the next reporting year. This approach enables us to conduct our quality checks on accurate and truthful data. In our disclosure, we do not differentiate between substantiated cases and unsubstantiated cases.

Consistent with CSRD requirements, data on incidents is presented in aggregated form to respect the legitimate confidentiality requirements of rightsholders and other stakeholders. This data should not be viewed as an admission of any legal violation or waiver of any confidentiality protections.

T 2.62 INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

	2024
Number of incidents of discrimination, including harassment[1]	270
Number of complaints in relation to working conditions, workplace situation and other work-related rights filed through own channels	529
Number of identified severe human rights incidents connected to our workforce, including how many are cases of non-respect of the UNGPs, ILO Declaration, or OECD Guidelines[2, 3]	0
Total amount of fines, penalties and compensation for damages as a result of incidents of discrimination, including harassment, or other workplace related complaints (€)[4]	9,836
Total amount of fines, penalties, and compensation for damages as a result of severe human rights incidents above[2]	0.00

[1] Data is compiled from the global Compliance Action Line system and from other available reporting and tracking tools for relevant incidents.
[2] To determine severity, we evaluate incidents using criteria in relevant CSRD definitions.
[3] Disclosure includes cases of non-respect of the UN Guiding Principles on Business and Human Rights (UNGP), the ILO Declaration on Fundamental Principles and Rights at Work (ILO Declaration), and the OECD Guidelines for Multinational Enterprises (OECD Guidelines UNGP).
[4] Reconciliation monetary amounts disclosed with the relevant amount presented in chapter "Economic report" in section "Results of operations, financial position and net assets-Results of operations" in table "Results of operations", line item "Selling, general and administrative costs", amount: €(3,143) M.

S1-17

Human Rights

This chapter covers disclosures relating to ESRS S1 "Own Workforce", ESRS S2 "Workers in the Value Chain" and ESRS S4 "Consumers and End Users".

Material Impacts, Risks and Opportunities:
Human Rights

Commitment to Human Rights

We respect human rights and uphold labor and employment standards. This is a fundamental part of our global values and reflects our commitment to ethical business practices and sustainability. Our human rights due diligence process enables us to identify, prevent, and mitigate potential adverse impacts on relevant rightsholders. Our commitment extends to implementing relevant measures, raising awareness in our daily work, and continuously improving our human rights due diligence processes.

Human Rights Due Diligence Program

Our activities are guided by the principles specified in the UN Universal Declaration on Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (ILO Declaration). They are also guided by the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines. Our measures reflect relevant local legislation, including the German Act on Corporate Due Diligence in Supply Chain (German Due Diligence Law, LkSG).

In line with the UNGPs, our human rights due diligence approach is based on regular human rights impact analysis and prioritization, including preventive, mitigative, and remedial measures. This

Impacts Human Rights	Management approach
We positively impact the livelihoods of our workforce by fostering a work environment free from discrimination, harassment, forced labor, and child labor. Our policies and due diligence practices promote human rights and create a workplace where employees can thrive, enhancing their job satisfaction and overall well-being.	• Policy and commitment to Human Rights based on our Global Code of Ethics and Business Conduct • All affected stakeholders can address concerns and grievances through various channels, including the Compliance Action Line • Employees are trained on human rights, incl. on discrimination as part of the compliance training • Human rights expectations towards business partners included in contractual agreements
Without robust policies and diligent human rights oversight, we may fail to identify, prevent, or mitigate potential adverse impacts on our workforce. This may lead to incidents of discrimination and harassment, as well as a failure to fully respect the human rights. Such gaps may not only harm employee well-being but also result in lower job satisfaction.	
Respecting human rights and acting with integrity are core to our global values and our commitment to ethical business practices and sustainability. Our human rights due diligence process enables us to identify, prevent, and mitigate potential adverse impacts within the value chain.	• Policy and commitment to human rights based on our Supplier Code of Conduct • Human rights expectations for business partners included in contractual agreements • Human rights a component of our minimum requirements in the supplier selection and tender process, which suppliers must adhere to • Human rights governance, including the Human Rights Office, allows proper due diligence, monitoring, and management of human rights impacts • Affected individuals can address concerns and grievances through various channels, including the Compliance Action Line
Respecting human rights and acting with integrity are core to our global values and our commitment to ethical business practices and sustainability. Our human rights due diligence process enables us to identify, prevent, and mitigate potential adverse impacts within the value chain.	



approach is supported by a robust governance framework and structured around three strategic pillars:

1. Understanding our impact: The first pillar focuses on identifying relevant human rights impacts arising from our operations on employees, as well as those associated with our business activities and relationships. If we detect an increased human rights impact in our value chain or a relevant change in our own operations, we conduct ad hoc risk assessments focused on the impact on workers.
2. Raising awareness: The second pillar emphasizes communication and training. We inform and educate teams in business segments and functions on how to identify and assess potential human rights impacts resulting from our business operations and value chain. We also provide guidance on how to address these issues and impacts.
3. Continuous improvement: The third pillar focuses on the ongoing integration of human rights considerations into our business and functional processes. We are committed to taking appropriate corrective and remedial action where issues are identified.

Our human rights due diligence processes are internally documented. We monitor the effectiveness of our due diligence processes and related measures across various levels and functions, including through audits. No risk of forced labor and child labor has been identified in our own operations. Additionally, no concrete risk of forced labor or child labor has been identified in the value chain in any specific region or commodity.

We engage with sector-specific associations and peer networks to exchange experiences and best practices related to human rights. These include working groups at MedTech Europe and the German Association of the Chemical Industry (VCI). We are also involved in the Global Industrial Relations Network (GIRN), a global network of corporate human rights specialists established by the International Organisation of Employers (IOE).

For brief descriptions of our "Own workforce" (ESRS S1, 14a-b, 15), "Value chain workers" (ESRS S2, 11a, 12) and "Consumers and end-users" (ESRS S4, 11) see the respective chapters "Working for Fresenius Medical Care", "Sustainability in the value chain", and "Patients".

SBM-2, SBM-3

Assessment of Material Impacts, Risks and Opportunities

The material impacts, risks, and opportunities related to human rights across our own operations and value chain were identified in a materiality assessment. They are regularly reviewed as part of our corporate risk management process.

For a description of the double materiality assessment process see chapter "Sustainability Management".

SBM-3

Governance

Our Human Rights Office, within the Global Legal function, monitors and supports our global human rights activities. It supports our business and functional teams in implementing human rights policies and procedures. This includes defining measures, determining appropriate impact management approaches, and implementing actions within their respective areas of responsibility.

A cross-functional Steering Committee, composed of senior leaders from our business segments and functions, guides the further development of our Human Rights program. The Human Rights Office provides regular updates to the Management Board, which oversees our Human Rights Due Diligence Program.

Policies

Our Human Rights Statement outlines our strategic framework on human rights, including labor rights, and is accessible on our website. It considers our impact on human rights and summarizes our policy commitments to our own workforce and workers in the value chain. This includes working conditions, non-discrimination and non-harassment, an environment free from forced and child labor, the protection of employees' privacy, and our commitment to our patients.

Aligned with our Code of Ethics and Business Conduct, this approach is complemented by additional policies, including our Global Social and Labor Standards Policy and our Global Policy on Prohibition of Discrimination, Harassment, Sexual Harassment and Bullying. The human rights of patients and value chain workers are also addressed in the Patient Rights and Responsibilities Policies and our Supplier Code of Conduct, respectively. Overseen by our Management Board, these policies are available to employees through internal tools. They address the prohibition of child labor, forced labor, and human trafficking in detail. Additionally, our commitment to equal and equitable opportunities extends to affected rightsholders, including our employees, workers in the value chain, and patients.

The Global Prohibition of Discrimination, Harassment, Sexual Harassment, and Bullying Policy reaffirms our commitment to maintaining a workplace free from all forms of discrimination, harassment, bullying, and retaliation. We firmly state that we do not tolerate any form of discrimination, including discrimination based on racial or ethnic origin, skin color, sex, sexual orientation, gender expression and identity, disability, age, religion, political opinion, citizenship, national extraction, social origin, or any other criteria protected by local laws and regulations. The policy defines globally consistent principles for fostering such an environment, outlines responsibilities and reporting procedures and specifies that violations will lead to appropriate remedial measures. These typically include corrective actions such as counseling and training for individuals or teams, termination of employment, or policy revisions. In

select cases, additional support services may be provided for affected employees.

Impacts related to discrimination arise from specific incidents. We closely monitor complaints, concerns, and reports, including audit findings, investigation results, and other stakeholder feedback in the markets where we operate.

Our policies also outline our human rights due diligence process, including strategic pillars, assessments of potential negative impacts, key focus areas, and preventive, mitigating, and remedial measures, along with the complaint mechanism. Aligned with the UNGPs, the ILO Declaration, and the OECD Guidelines, they cover both scope and due diligence-related processes. Compliance is monitored through a range of mechanisms, including internal audits, complaint handling, surveys, exchanges with employees and their representatives, and internal risk assessment processes.

For details on the policies mentioned in this section see chapters "Working for Fresenius Medical Care", "Sustainability in the Value Chain" and "Patients".

S1-1, S2-1, S4-1

Engaging with Stakeholders on Impacts

Our human rights due diligence process, including policy development, is guided by the interests of those potentially affected. We stay informed through direct dialogue and exchange, where employees can ask questions and raise concerns, as well as through our employee and patient engagement surveys.

Where unions, works councils, or other employee representative bodies are formally established to represent employees' interests, we are committed to regularly exchanging with them in good faith. We do so in accordance with local laws and established practices. We take feedback and comments from employees, patients, and other stakeholders seriously, responding to input received through our communication channels. This includes concerns, complaints, and issues received through our complaint handling process.

We also hold an annual exchange with our German Works Council regarding the implementation of the German Due Diligence Law. The insights gathered help us identify strengths and opportunities to enhance our culture and work environment.

Handling Complaints

Various channels are available for employees, patients, workers in the value chain, as well as other stakeholders, to report potential human rights violations. We are committed to appropriately following up on each report or complaint. If a report is substantiated or we uncover relevant findings, we take appropriate remedial action, update business processes, and implement other corrective or improvement measures as needed.

In 2024, we did not receive any reports of severe human rights incidents within our own workforce, value chain, or in relation to our patients. There were also no recorded cases of non-respect with the UN Guiding Principles for Business and Human Rights.

For more information on handling complaints see chapter "Compliance and Business Ethics".

S1-2, S1-3, S2-2, S2-3, S4-2, S4-3

Actions

Understanding Risks

In 2024, we continued assessing potential negative impacts in our own operations and among suppliers. Our impact assessment approach for our own operations was updated to align with the requirements of the German Due Diligence Law. The scope was expanded to include all employees and incorporated more targeted questionnaires for local teams, particularly on non-discrimination and harassment. Additionally, we increased the number of country- and site-level assessments as part of our corporate risk management process. We also developed a methodology for assessing impacts related to investment decisions and new products.

As part of our efforts to better understand the impacts on workers in the value chain, in 2024, we prioritized an analysis of our value chain activities in the medical gloves product group. Results are expected in 2025.

Raising Awareness

Throughout 2024, we continued to engage relevant groups on our responsibility to respect human rights. To enhance awareness and support application, we communicated the Human Rights Statement via our Company intranet. A human rights chapter was added to the Code of Conduct training, which is used for onboarding and refresher training as per local training concepts.

For details on our compliance training see chapter "Compliance and Business Ethics".

Based on our assessment of potential negative impacts and internal insights, we periodically communicate our human rights policies, including social and labor standards and our non-discrimination/non-harassment policy, to managers, and relevant teams. These stakeholders are responsible for implementing requirements and promoting our values and commitments within their functions.

The Human Rights Office supports leadership teams and relevant functions in creating training and communication materials. During the reporting period, more than 500 employees received training on relevant labor and human rights topics. Procurement teams in Canada and Australia were also trained on the prohibition of forced and child labor in accordance with local regulations.We plan to further enhance our human rights training program in alignment with key stakeholders.

Continuous Improvement

Based on local impact assessment results and findings from our complaint-handling process, we are developing targeted action plans to strengthen preventive and mitigative measures. These country-specific or function-specific plans encompass a range of initiatives, such as raising awareness, providing training, upskilling managers, clarifying roles and responsibilities, and redistributing policies and best practices to ensure alignment and a positive impact. The effectiveness of measures is typically assessed in the short-term, usually within one year.

We have established processes to evaluate the effectiveness of our human rights-related policies and actions. These include internal audits, country- or location-based assessments, and follow-ups on mitigation measures for identified impacts. We use various metrics to gather relevant data and insights. These include the number of employees educated on human rights, the volume of complaints and incidents per country, severity assessments on discrimination and harassment-related complaints, as well as turnover rates, unused leave, and overtime hours.

In 2024, the share of internal audits with human rights topics increased to 75%, compared to 54% in 2023.

S1-4, S2-4, S4-4

Targets

To uphold our commitment to continuous improvement, as outlined in our Human Rights Statement and in alignment with the international standards mentioned above, we aim to complete an in-depth country-level assessment of potential negative impacts on employees' labor rights in all countries where we operate by 2030.This assessment requires an exchange with local teams via written questionnaires, interviews, and the collection of relevant data and insights. Since the initiative began in 2023, we have assessed 27 countries, eight in 2023 and 19 in 2024. We plan to expand this to 40 countries by 2026. As we work toward this target, we will strengthen our efforts to directly engage with potentially affected stakeholders and actively consider their views and perspectives.

S1-5, S2-5, S4-5

Sustainability in the Value Chain

This chapter covers disclosures related to ESRS S2 "Workers in the Value Chain". For information related to human rights, see chapter "Human Rights".

Material Impacts, Risks and Opportunities:
Occupational Health & Safety
Working Conditions
Equal Treatment and Opportunities for All

Our Value Chain

Fresenius Medical Care is a global health care company with about 55,000 suppliers worldwide and a total spend exceeding €7.6 BN. We understand the responsibilities of managing a complex supply chain and are aware of our potential impact on workers in our value chain. We have established policies and procedures to act in accordance with applicable supply chain standards. Our responsible procurement principles underscore our commitment to promoting sustainable business practices in our daily operations and throughout the value chain. We require all our suppliers to uphold high ethical standards in their business conduct.

We operate a vertically integrated business model across the dialysis value chain, which includes both the manufacturing of products and the provision of services in our clinics. Therefore, affected workers in our value chain are primarily located in the upstream segment. This includes employees of direct manufacturing suppliers delivering goods to our production sites, as well as workers providing services, including those rendered directly at our locations. In addition, this group includes people working in joint ventures and sales intermediaries.

SBM-2, SBM-3

Impacts	Management approach
Occupational Health & Safety Our requirements for safe and secure working environments can prevent injuries and harm and may positively impact the physical and mental well-being and work ability of suppliers' employees.	• Global Procurement department and Human Rights Office share responsibility for addressing impacts related to workers in the value chain • Supplier Code of Conduct is part of contractual requirements for suppliers • Expected standards are defined for suppliers on topics such as human rights, health and safety, working conditions, and environmental protection • Global approach to identify, assess, and mitigate procurement-related ESG risks in our supply chain • Impacts on workers in the value chain are assessed • Channels are provided for workers in the value chain to raise grievances or concerns
Working Conditions We require suppliers to adhere to local wage standards, offer secure employment, and according to the respective local legislation, respect employees' rights to collective bargaining. This may positively impact the working conditions of suppliers' workers.	
Equal Treatment and Opportunities for All Educating our suppliers on measures that promote equal treatment and opportunities for all may have a positive impact on workers in the value chain.	

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

Assessment of Material Impacts, Risks and Opportunities

A double materiality assessment identified material impacts, risks, and opportunities related to workers across our value chain. These impacts are regularly reviewed as part of our risk management process. We have assessed our potential impact on workers in the value chain as an indirect impact.

We monitor topics related to our value chain and develop approaches to address potential and evolving issues. This is done through our due diligence processes, supplier engagement, and awareness of developments within our business and industry.

For details on the double materiality assessment process see chapter "Sustainability Management".

SBM-3

Contributing to Positive Impact on Workers in the Value Chain

We set high standards for our direct suppliers on human and workers' rights. By engaging, influencing, and collaborating with them to improve their commitments and management, we may indirectly impact workers in our value chain. Based on our assessment, the primary areas of potential positive material impacts are occupational health and safety, working conditions, and equal treatment and opportunities for all, as well as human rights. We are developing measures to better understand this effect, including analyzing how specific groups of workers in our value chain may be impacted by our business activities.

Relationship with Suppliers

We primarily affect workers in our value chain through our business relationships with suppliers and the policy requirements we establish for our business partners. We expect suppliers to share our sustainability commitment and demonstrate sustainable environmental and ethical business practices across their supply chains. We set standards for suppliers regarding the treatment of their employees, particularly addressing human and workers' rights, health and safety, working conditions, and equal treatment. We engage with suppliers to understand their commitments and management approaches. We also work to influence and collaborate with them to support their alignment with our standards. Through these business interactions, we may indirectly contribute to improving the livelihoods of people, ensuring that their rights are respected and they have access to decent work. Stable relationships with suppliers may further strengthen our positive impact on workers in the value chain.

We recognize the importance of diverse sourcing, while always considering quality and price. Our supplier base in the U.S. included approximately 1,100 suppliers from diverse backgrounds, including veteran-owned businesses, with an annual spend of around $190 M (€183 M).

Due Diligence and Risk Management

We identify, assess, and mitigate ESG risks in our supply chain to uphold our sustainability commitments and comply with evolving global regulations. This includes annual ESG assessments of our supplier base worldwide. These assessments allow us to identify risks related to human rights, environmental standards, and ethical business practices. We implement targeted mitigation measures to address identified issues, safeguard our operations, and strengthen our partnerships by fostering trust and transparency throughout our supply chain. We also work with our suppliers to increase transparency regarding our impact on workers in the value chain.

Our ESG assessments evaluate suppliers' sustainability performance based on country and industry-related factors. We also consider relevant legal requirements, such as the German Supply Chain Due Diligence Act, the UK and Australian Modern Slavery Acts, and Bill S-211 in Canada.

Responsible Sourcing of Minerals and Metals

The sourcing of mineral raw materials is another aspect of our commitment to sustainable procurement. The sourcing of minerals is linked to the working conditions of workers in the value chain, particularly when these minerals are extracted from regions with potentially poor labor standards. We are subject to the provisions of Section 1502 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), relating to "Conflict Minerals". As outlined in our Conflict Minerals Policy, we adopt standards in line with the Organization for Economic Cooperation and Development's (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

We encourage our suppliers to foster similar commitments within their supply chain regarding conflict minerals disclosures. This commitment supports efforts to eliminate human rights abuses, disregard for workers' rights, and inadequate health and safety standards, as well as poor working conditions.

Suppliers who do not comply with our Conflict Minerals Policy are reviewed for continued business.

For policy commitments related to human rights (ESRS S2-2, 11b-d) see chapter "Human Rights".

S2-2

Governance

Our Chief Procurement Officer is responsible for managing and developing our global procurement organization. This role is supported by a global network of approximately 380 procurement professionals who manage activities in alignment with responsible procurement practices, focusing on sustainability, ethical sourcing, and compliance with regulatory standards. Key responsibilities include building category strategies, negotiating, and procuring goods and services essential for our operations. The Chief Procurement Officer reports to our Chief Financial Officer and provides regular updates to the Management Board on the progress and effectiveness of implemented strategies.

A Sustainable Procurement team was established within our Global Procurement Function to foster collaboration across various departments and promote sustainable procurement practices throughout our operations. This team assesses relevant risks and opportunities and drives appropriate measures to mitigate and/or elevate them. Measures include the development and implementation of regulations and standards to respect human rights, including workers' rights along the value chain, as well as regulations on climate, the environment, and sustainability in general.

The Human Rights Office, situated within our Global Legal Function, serves as the primary contact point for human rights matters, both internally and externally.

Our Compliance Function, led by our Chief Compliance Officer, is responsible for making complaint procedures publicly available to allow everyone, including workers in the value chain, to contact us and report potential, perceived, or actual misconduct.

Policies

We have introduced policies and procedures to ensure compliance with applicable supply chain standards and to continuously improve our sustainability performance. These policies are guided by international standards such as the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (ILO Declaration), the UN Guiding Principles, and the EU Green Public Procurement Guidelines. Our policies are overseen by the Management Board and are available to employees via internal tools.

Our Global Supplier Code of Conduct is a key component of our contractual requirements with suppliers and is publicly available on our website. It outlines our key principles on topics such as integrity and ethics, human rights and labor conditions (including the prohibition of forced and child labor), occupational health and safety, the environment, quality, and governance and management systems. These principles serve as a foundation for protecting workers in the value chain. In 2024, we revised our Supplier Code of Conduct and plan to roll out the updated Code of Conduct for Business Partners in early 2025, publishing it on our website. The new code reflects changes in relevant international standards, external expectations, and legal requirements.

The Global Third Party Spend Policy and our Code of Ethics and Business Conduct provide guidance to our employees on how to engage with business partners and workers within our value chain. Our responsible procurement principles are also documented in the Third Party Spend Policy. They reflect our commitment to promoting sustainable business practices in our daily operations, including, but not limited to, favorable working conditions, a safe and secure work environment, as well as equal treatment and opportunities for all workers in our value chain.

Our Conflict Minerals Policy Statement reaffirms our commitment to avoiding harm to value chain workers related to the sourcing of minerals and is available on our website.

For details on our Code of Ethics and Business Conduct see chapter "Compliance and Business Ethics".

For policy commitments related to human rights (ESRS S2-2, 17a-c) see chapter "Human Rights".

S2-1

Engagement with Value Chain Workers

We use available channels to communicate with value chain workers. Our Compliance Action Line is available to all value chain workers, allowing them to raise concerns. If an issue is raised by a worker within our value chain, we engage directly with the individual who reported the issue. We conduct ad hoc assessments and investigations whenever there are indications of human rights or environmental violations within our value chain. We evaluate all concerns raised to help improve our business processes. This includes working with suppliers to remediate any confirmed allegations of worker mistreatment and to improve conditions for workers.

As part of our new Code of Conduct for Business Partners, we require business partners to inform their employees about our Compliance Action Line and the process for reporting concerns. We may also request suppliers to verify their compliance with contractual obligations, such as ensuring that grievance channels are known to their workforce. If suppliers fail to meet these obligations, corrective actions will be required. Suppliers are also expected to cooperate with us, or with any authorized third party acting on our behalf, in conducting self-assessments, third party-assessments, providing documentation (such as certifications and statements), or participating in on-site audits.

In preparation for the EU Corporate Sustainability Due Diligence Directive (CSDDD), we are currently reviewing our assessment approach. This includes extending the scope of our assessments from direct suppliers to indirect suppliers that we do not directly engage with. We also plan to enhance our engagement with workers in the value chain to evaluate the awareness and effectiveness of the established communication measures. Insights gained will be used to improve our previously limited analysis of the perspectives of workers, particularly those who may be marginalized or vulnerable to impacts.

For information on processes to remediate negative impacts and channels for value chain workers and other stakeholders to raise concerns (ESRS S2-3, 27b-d & 28) see chapter "Compliance and Business Ethics".

For disclosures on human rights issues and incidents connected to our value chain (ESRS S2-3 27a) see chapter "Human Rights".

S2-2

Actions

Identifying, Mitigating, and Preventing Risks

We aim to work with suppliers who not only add value to our business but also are committed to sustainable business practices and have a positive impact on society and the environment. ESG considerations are integral to our supplier relationships, and we focus on cultivating long-term partnerships.

Our tender process begins with an ESG assessment, covering 15 criteria, including five mandatory requirements that every supplier must comply with. These criteria require future suppliers to recognize the right to collective bargaining, commitment to pay at least the minimum wage in accordance with local law, as well as compliance with applicable local occupational health and safety (OHS) regulations. Suppliers that fail to meet these mandatory criteria are

disqualified from the sourcing process. This evaluation approach helps us identify suppliers who adhere to our standards.

Our contract management processes address situations where suppliers do not agree to our Supplier Code of Conduct or request modification. In such cases, we may conduct a mutual recognition assessment to evaluate whether the supplier's sustainability standards align with ours. If a mutual recognition clause cannot be incorporated into the contract, we evaluate whether the risk can be mitigated through appropriate contract clauses. This approach allows us to maintain consistent and reliable ESG compliance across our supplier base.

We are currently developing a governance concept to formalize the tracking of our actions.

Training

In 2024, we expanded training for our global procurement team on sustainability and responsible sourcing practices. Key training areas included ESG assessments with a focus on human rights, occupational health and safety, working conditions, equal treatment and opportunities, supplier diversity, engagement with suppliers to track and reduce emissions in our value chain (Scope 3), and our overall sustainable supply strategy. Over 60% of the invited procurement employees actively participated in these training sessions during the reporting year.

The Sustainable Procurement team will continue to provide training opportunities, equipping all procurement professionals with the knowledge and tools needed to integrate sustainability into their daily decision-making and supplier interactions. By embedding these principles into regular business discussions, we aim to foster a culture of sustainability that permeates across our global operations.

S2-4

Targets – Tracking Effectiveness

We conduct annual global ESG assessments for our entire supplier base. These assessments enable us to identify and address potential risks related to human rights, environmental standards, and ethical business practices. By identifying, assessing, and mitigating procurement-related ESG risks, we ensure compliance with evolving global regulations and uphold our sustainability policy commitments.

We are currently revisiting our ESG risk assessment methodology to adopt an approach targeting specific categories, supplier bases, and industries. This process includes a thorough review of our ESG risk platform to ensure a more efficient strategy for engaging with our suppliers. Our aim is to improve risk identification and mitigation processes while strengthening collaboration with suppliers on sustainability initiatives. As of today, we have not engaged proactively with workers in our value chain to set any time-bound targets.

S2-5

Ethical Conduct in Clinical Research

This chapter covers entity-specific disclosures that are not covered in a topical ESRS.

Material Impacts, Risks and Opportunities:
Bioethics in Research and Development

Commitment to Ethical Research

To address health care challenges, we conduct research and clinical trials to continuously improve patient care and develop new treatments. At the same time, our pre-clinical and clinical research activities aim to maintain the quality of our products and services. When conducting our research, we adhere to strict ethical guidelines that demonstrate our respect for human and animal life.

Assessment of Material Impacts, Risks and Opportunities

The material impacts, risks, and opportunities related to ethical conduct in pre-clinical and clinical research across our value chain were identified through a double materiality assessment. These risks are regularly reviewed as part of our risk management process.

For the description of the double materiality assessment process see chapter "Sustainability Management".

SBM-3

Advancing Health Care

We are committed to contributing to the advancement of health care. Our research builds on data simulations, such as virtual trials, and clinical trials. While budgets and durations are evaluated, the value of research is determined by the application of findings in the field and the sustainability of treatment outcomes. We share our research results with the public to extend their value. In 2024, we published 165 scientific documents worldwide.

In addition to our internal research, we collaborate with external partners. These include individual experts and academic institutions, such as renowned universities' research institutes. Collaboration makes new and safer therapies possible, provides better insight into unmet patient needs, and delivers quality research data.

Governance and Policies

The Head of Clinical Research in the Global Medical Office manages our pre-clinical and clinical research activities. They provide regular updates to the Management Board.

The Company Statement on Bioethics outlines ethical principles for conducting clinical trials globally. We are committed to protecting human beings participating in trials and minimizing the impact on animals. We also responsibly manage emerging technologies, such as stem cell research and nanotechnology. This statement applies to clinical trials we conduct and, through the Supplier Code of Conduct, to those conducted by certified third-party research organizations on our behalf.

The statement refers to underlying policies and procedures we have implemented. These address the engagement of research participants, the monitoring of ongoing studies, the reporting of potential safety concerns, the implementation of corrective and preventive measures, as well as related trainings.

Through this statement, we align with international standards, including the Declaration of Helsinki and the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) Guideline for Good Clinical Practice (GCP). The statement is governed by the Management Board and the Global Chief Medical Officer. It is accessible on the Fresenius Medical Care website and through internal platforms. A new global policy on ethical conduct in pre-clinical and clinical research is planned to replace the statement in 2025.

Impacts
Bioethics in Research and Development



Developing innovative products and treatments, while continuously improving patient care, is essential to our business. Our commitment to responsible research can positively impact our clinical research standards.

Management approach

- Manage all research activities under the responsibility of the Clinical Research Department in the Global Medical Office
- Commit to ethically advancing health care, as outlined in our Bioethics Statement
- Centralize monitoring of all completed, ongoing, and planned clinical trials and research collaborations worldwide
- Evaluate compliance with policies and regulatory requirements through internal and external audits



Engaging our Participants in Clinical Research

All clinical trial participants sign an informed consent form before the study begins. We safeguard their personal data throughout the trial. To promote inclusivity and uphold ethical standards, we provide consent forms and guidelines in local languages. This allows participants to fully understand their rights and options.

Clinical trial participants and their caregivers can report concerns or adverse events through a clearly defined grievance process, in full compliance with regulatory requirements. To allow participants to further benefit from their participation, we conduct trials exclusively in regions where the product or treatment is intended to be marketed. After the clinical trial ends, eligible participants may continue to receive the investigational product or procedure, pending required market registrations. In the meantime, comparable products or procedures are offered to participants to maintain continued access to required treatments.

Addressing Potential Negative Impacts

As part of our materiality assessment, we did not identify any material negative impacts regarding our research participants. Safeguards are implemented throughout all clinical trial phases to address potential and evolving issues. Before conducting any clinical trial, we assess the potential risks and benefits of the individual study. All clinical trials are reviewed and approved by independent ethics committees, as required by local laws. They are also regularly monitored for safety and quality of data. When necessary, corrective actions are taken, and preventive measures are implemented to avoid recurrence.

All employees involved in clinical trial management are required to complete role-specific training on the global management system. This training covers the GCP, regulatory requirements, and ethical clinical trial conduct.

For more information on general processes to remediate negative impacts and channels for stakeholders to raise concerns see chapter "Compliance and business ethics".

Actions

The actions we report outline our measures for ethical research.

In 2024, we implemented a global database to centralize collection of data related to all completed, ongoing, and planned clinical trials and research collaborations worldwide. The global roll-out of this database will continue in 2025. This initiative aims to facilitate monitoring of our global research footprint.

Maintaining inspection readiness is critical for ensuring compliant clinical trial conduct and preparedness for regulatory review. In 2024, we prioritized key strategies, including:

- Ongoing training for staff on Good Clinical Practices (GCP)
- Regular internal and external audits and inspections to identify and resolve potential issues
- Systematic generation of clinical evidence

These measures reinforce our commitment to upholding the highest standards in clinical research. Internal and external audits verify compliance with policies and regulatory requirements. We track the number of critical findings for internal reporting and take remediating measures when necessary. The next TÜV audit of our clinical research management is scheduled for 2025.

Targets

Research is a process without a predetermined outcome. To maintain objectivity, we do not define management targets for our research. We have processes in place to track and monitor all ongoing research activities. External audits are used to evaluate the effectiveness of our measures as we aim to uphold our ethical standards in research.

Metrics

T 2.63 **CLINICAL RESEARCH METRICS**

	2024	2023
Ongoing clinical trials[1, 2]	22	
Completed clinical trials[1, 3]	2	3

[1] Clinical trials refer to company-initiated studies.
[2] The number of clinical trials per fiscal year includes all global company-initiated studies that have been internally approved and are in the preparation, clinical or evaluation phase.
[3] The number of completed clinical trials per fiscal year includes all global company-initiated studies that have been completed with the final study report available or prematurely terminated.

Protecting Data

This chapter covers disclosures related to ESRS S1 "Own Workforce" and ESRS S4 "Consumers and End Users".

Material Topics:
Data Protection
Information Security

Commitment to Data Protection and Information Security

As an international health care Company, we are entrusted with handling a large amount of personal data, containing sensitive information. This data pertains to our employees, patients, customers, suppliers, and other stakeholders.

Data plays a crucial role in our strategic development and future success. To manage our workforce effectively, we collect, process, and manage personal data related to our employees. For our patients, we collect, use, and disclose their health information to provide treatment and other medical services. Understanding their health data is essential to improving personalized care and treatment outcomes, ultimately enhancing patient satisfaction. In this context, data also serves as the foundation for leveraging advanced technologies, such as artificial intelligence (AI).

We are dedicated to continuously enhancing our global cybersecurity and privacy capabilities to protect personal data and sensitive information, while supporting strategic initiatives. Our data privacy program is designed to safeguard the rights of all those whose data we hold and process. We are committed to respecting individuals' rights regarding their personal data, meeting the expectations of rightsholders and other stakeholders, and providing appropriate transparency in our data processing activities.

Impacts	Risks and opportunities	Management approach
Data Protection		
We are entrusted with a large amount of personal information of employees, patients, customers, suppliers, and other stakeholders. The way we manage this data has an impact on our stakeholders' right to privacy.	Risk Data breaches and the exposure of personal information, such as employee and patient medical data, pose a business, legal, and reputational risk. These breaches may lead to fines from regulatory authorities, potential litigation, legal fees, and impact business operations. Moreover, data breaches can entail reputational damage.	• Global Privacy Principles serve as the basis of our global data protection activities • Maintain policies, procedures, trainings and operational processes to meet business needs for data protection and information security • Identify, assess, mitigate, and monitor risks associated with the handling and processing of personal and sensitive data • Implement strategies, processes, and technologies to safeguard sensitive information from unauthorized access, misuse, or loss • Manage and measure performance as part of our global cybersecurity program oversight • Conduct privacy and cybersecurity trainings to increase awareness
Data protection, information security, and the privacy rights of data subjects may be compromised due to of inadequate security protocols, insufficient technical and organizational measures, or human errors. Such incidents can result in the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to personal data.		
Information Security		
Impact combined with Data Protection	Risk Neglecting potential cybersecurity risks and lacking appropriate safeguards can lead to business continuity issues, additional costs, and hinder our ability to provide adequate care for our patients.	

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

We maintain policies, procedures, training, and operational processes that meet business needs and uphold principles such as data minimization and purpose limitation.

For information on the interests, views, and rights of stakeholders (SBM-2), their interaction with the strategy and business model (SBM-3), and a brief description of our own workforce (ESRS S1, 14a, b, 15) and consumers and end-users (ESRS S4, 11) see the respective chapters "Working for Fresenius Medical Care" and "Patients".

SBM-2, SBM-3

Assessment of Material Impacts, Risks and Opportunities

The material impacts, risks and opportunities related to protecting data across our value chain were identified in a double materiality assessment. These risks are regularly reviewed as part of our risk management process.

For a description of the double materiality assessment process see chapter "Sustainability Management".

SBM-3

Governance

The Global Information Security Program Office is responsible for overseeing information security, privacy assurance, and records management. This function reports to the Chief Information Officer, who, in turn, reports to the Chief Financial Officer (CFO).

Our Global Privacy Assurance team is responsible for the data privacy program and works closely with the Global Legal Privacy team within the Global Legal Function. Both teams are supported by other functional experts and key stakeholders across the business, including a network of over 40 privacy liaisons. In addition, we have Data Protection Officers in jurisdictions where legally required, such as our EU Data Protection Officer and a Health Insurance Portability and Accountability Act (HIPAA) Privacy Officer in the U.S. The Management and Supervisory Boards receive regular updates on data protection and the cybersecurity program.

Policies

We issue policies, standards, and operational guidance at both the global level, such as the Global Privacy Principles, as well as at regional or country levels and for specific projects and initiatives. These policies comprise processes related to information security and data protection. The aspects they cover encompass access controls, incident response, impact assessments, data subject rights, and data governance. They are designed to comply with applicable obligations, local laws, and business needs while considering the different regulatory and legal frameworks in the countries where we operate.

Our Global Privacy Principles outline key guidelines for the collection, control, and processing of personal data. These principles are modeled on main privacy laws and cover aspects such as our commitment to transparency in data processing activities, purpose limitation, the lawfulness of data processing, and data minimization. They are designed to maintain the trust of our patients, employees, and other stakeholders when handling their personal information, and to respect their privacy and protect their personal and health data.

The Global Privacy Principles serve as our foundational privacy document and are made available to all employees through internal tools in multiple languages. We also expect our service providers to process personal data in a manner consistent with these guidelines.

The Management Board approved and oversees the Global Privacy Principles.

For policy commitments related to human rights (ESRS S1-1, 20a, 20c, 21 & 22 and ESRS S4-4, 16a-c & 17) see chapter "Human Rights".

S1-1, S4-1

Protecting Data of Stakeholders and the Company

We are subject to various state, national and international data protection laws and regulations. They include the European General Data Protection Regulation (GDPR), (HIPAA), U.S. state consumer data privacy laws, and other local laws.

When transferring personal data, we comply with applicable laws and our data protection policies. If data is shared with third parties for processing, or if third parties are given access to employees' or patients' personal data, we require appropriate contractual commitments. These include business associate agreements and data processing agreements.

We inform data subjects about how we process their data and provide them with privacy notices. Individuals and affected parties may ask questions, report incidents, and raise concerns directly with our data protection or privacy officers. Alternatively, they can use available reporting channels such as the Compliance Action Line and the privacy incident reporting tools.

For information on processes to remediate negative impacts and channels to raise concerns see chapter "Compliance and Business Ethics", as well as chapters "Patients" and "Working for Fresenius Medical Care".

Managing Data Privacy of Stakeholders

We assess the scope, purpose and legal basis when handling data, featuring activities such as accessing, collecting, using, sharing, or transferring personal information. We actively inform our patients, employees, and customers about the data we collect, process, and disclose, and how we process their data. We also inform them about the legal basis for processing and their rights under applicable privacy laws, including the right to access and the right to data rectification. In Germany, our works councils are consulted when initiating new data processing activities related to employees and their data.

Our privacy teams continue to improve tools and processes for third-party risk management, privacy program management, and privacy incident management. Reporting is another focus area, involving process automation to improve efficiency and consistency in incident reporting management. Additionally, we conduct third-party cybersecurity risk assessments for service providers

and external entities. When a third-party vendor processes personal data, we assess their administrative, physical, and technical capabilities to evaluate compliance with our Company policies and applicable regulatory requirements. We also review and assess internal initiatives involving personal data processing.

Protecting our Digital Environment

We have adopted the standards set out in the globally recognized U.S. National Institute of Standards and Technology Cyber Security Framework (NIST CSF). This framework guides our activities in identifying, protecting, detecting, responding to, and recovering from cybersecurity incidents. Managing and measuring performance is an essential part of overseeing our global cybersecurity program. We also certify selected systems for ISO 27001 to support protecting patient data and adherence to globally accepted information security standards. No material data breaches were recorded in 2024.

Providing Secure Medical Devices

Medical devices, connected products, and data-driven solutions are becoming increasingly central to modern health care. In this context, integrating cybersecurity into our products is critical for protecting patient data. Our privacy approach follows privacy-by-design principles, integrating privacy requirements into the design of products and services during development.

Cybersecurity is a key component of our digital strategy for managing risks related to connected medical devices and sensitive health data. This entails governance processes such as compliance with international cybersecurity standards, regular audits, and real-time risk monitoring to detect vulnerabilities.

Key actions involve testing products for security flaws, continuous monitoring of device performance post-market, and training employees and third parties on cybersecurity protocols. These measures enhance the safety of our products and protect both patients and the health care ecosystem from evolving digital threats.

S1-2, S4-2

Actions

We engage in a collaborative, cross-functional approach to address relevant privacy, data protection, and data security considerations across a global privacy framework. We consider our global business models and the different global and regional business needs and perspectives. Our actions are designed to address both impacts and risks. We are prepared to respond swiftly and effectively to privacy incidents, by mitigating possible risks to the Company that are related to data protection and potential negative impacts on data privacy and security.

Various actions are ongoing, without a specified or defined completion date, and some were initiated during the reporting year. Actions that only affect specific groups, regions, or timeframes, are indicated.

Implementing our Information Security and Privacy Programs

We continuously strive to protect our global organization and stakeholders from cyberattacks. Our cyber operations function leverages automation to improve the detection, response, and prevention of attacks. The Cybersecurity and Privacy Action Team drives operational effectiveness through response scenarios and testing that involve cross-functional engagement. This team also supports identifying privacy incidents and taking necessary actions for remediation and regulatory reporting.

During the reporting year, we made progress on key initiatives outlined in our ongoing security roadmap. This allowed us to meet our annual objectives and improve our risk management and global operations. We implemented strategic initiatives focused on cybersecurity governance, cyber operations, cyber risk management, and data security programs to increase our cybersecurity effectiveness.

A cyber risk metrics dashboard was launched in the reporting year to track and report on 87 key risk indicators on a monthly basis. This dashboard allows us to monitor, detect, analyze, and respond to global cyber risk trends. We also updated a global IT governance, risk and compliance platform to track and manage related activities. It helps to obtain a comprehensive view of controls, risks, and issues that may impact our business. We consolidated our endpoint detection and response systems globally. Our platform now provides a single view of threats across our global environment, unifying response actions and reducing complexity.

Raising Awareness

Employee awareness and training are essential to our ability as a Company to thwart cyberattacks. Privacy and security awareness are part of our mandatory annual training. We offer a range of e-learning and classroom training courses, combining general training with measures tailored to specific employee groups. Training in the U.S. aligns with specific requirements, such as those required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). In the European Union, training meets the provisions of the EU General Data Protection Regulation (GDPR).

We are in the process of transforming our annual security and privacy essentials training by creating a globally uniform, mandatory program, which we expect to implement by 2025. This training is expected to enhance our ability to better educate and promote awareness of security and privacy across the organization. Due to the transition, in 2024, we trained 98% of our staff in Europe, the Middle East and Africa, Asia-Pacific, and Latin America (more than 44,000 participants). With the new training in place, we expect to consistently train global employees on cybersecurity and privacy.

In 2024, we created targeted e-learnings courses pertaining to cybersecurity incident response planning and the fundamentals of data and information classification.

In October 2024, we launched a month-long global event dedicated to educating employees on how to work and live securely in a digitally connected world. The event's primary objectives were to provide practical guidance on protecting the workforce from cyber threats, clarify breach and data leak headlines, and make cybersecurity relevant and actionable for everyone.

Integrating Artificial Intelligence into our Business

In 2024, we continued to develop our AI governance framework, outlining how certain types of AI will be used and how underlying data will be protected within the Company. As part of this effort, we are identifying and assessing opportunities and risks associated with AI tools and applications, considering local or regional legal requirements and standards, particularly those subject to the EU AI Act. We will continue to review and develop policies and standards to address AI's evolving opportunities and risks over the short- to mid-term.

S1-4, S4-4

Actions to Prevent, Mitigate, and Remediate Potential Negative Impacts

Prevention and Mitigation

Preventing data breaches and cybersecurity incidents is central to our commitment to protecting data and avoiding potential negative impacts on data rights-holders. It also helps mitigate risks to the Company that may arise from potential negative impacts on data subjects. Data breaches and cybersecurity incidents may result in fines from government bodies, exposure to litigation, and impact business operations and the Company's reputation.

To keep our data protection policies effective, we regularly update them to address emerging risks, as well as changes in legal requirements or Company structure. Through our corporate risk management and due diligence processes, we monitor information security, cybersecurity, and privacy topics. We also develop approaches to address potential and evolving issues. In line with our data minimization principle, we aim to collect only the data necessary for specific activities and design secure data processing. Our privacy training programs equip all employees to understand our data protection obligations and handle data securely.

We deploy security technologies such as encryption, multi-factor authentication, and intrusion detection systems to protect data. Moreover, we invest in platforms and tools to create a unified privacy framework that standardizes and centralizes practices. This framework also supports incident response, managing notification requirements, and tracking compliance. We perform due diligence on third-party vendors and partners to verify their compliance with data protection standards. Furthermore, we plan to further adopt advanced privacy technologies.

Remediating Impacts

We have implemented a process for handling data breaches, as detailed in our standard operating procedure for "External Reporting of Privacy Breaches". It defines our procedures and assigns specific roles to personnel at both the country and global levels. When an incident is reported, we analyze its scope, scale, and severity, determining who is affected and how, and prioritize actions based on urgency and potential harm.

Stakeholder consultations, incorporating feedback from internal business and functional teams, and regulators, guide our decision-making process and inform appropriate remedial actions. These actions are aligned with applicable laws and regulations.

In the event of a data breach, we will follow all applicable notification and reporting requirements and notify affected data subjects. As per applicable requirements, we will specify the nature of the incident, the data involved, and the measures we are taking or proposing to address the situation. Where appropriate, we will also describe steps taken to mitigate any potential adverse effects. If sensitive or health-related information is impacted, we may offer identity protection, credit monitoring, and fraud resolution services to the affected individuals.

For information on processes to raise concerns (ESRS S1-3, 33 and ESRS S4-3, 26) see chapter "Compliance and Business Ethics".

S1-3, S4-3

Targets

To track and assess the effectiveness of our privacy and cybersecurity measures, we rely on key performance indicators, incident reporting, audits, and training and awareness initiatives. While we implement comprehensive measures to protect data and systems, we have not set outcome-oriented targets.

The privacy platform and incident response tools implemented during the reporting year provide comprehensive internal metrics and insights into the effectiveness of our privacy and cybersecurity program. Monitoring metrics such as training, incident reporting, and reportable breaches at both the country and global levels helps us identify potential issues. If any issues arise or negative trends are detected, we monitor the situation and take necessary action.

All full-time employees are required to complete training through online tools within a specified deadline. If employees do not complete the training on time, reminders are sent, and their manager is notified. The same online tools track progress and issue a certificate of completion to the employee.

Through our certifications and audits, we also measure the effectiveness of our processes. Internal roadmaps outline projects and initiatives designed to enhance our data protection and cybersecurity program. These initiatives aim to improve the maturity of our program, featuring periodic reviews of completed projects.

S1-5, S4-5

Governance

Sustainability Statement
49 General Information
51 Sustainability Management
64 Environment
90 Social
133 Governance
134 Compliance and Business Ethics



Compliance and Business Ethics

This chapter covers disclosures related to ESRS G1 "Governance", as well as specific disclosures for ESRS S1 "Own Workforce", ESRS S2 "Workers in the Value Chain", and ESRS S4 "Consumers & End-Users".

Material Impacts, Risks and Opportunities:
Anti-Bribery and Anti-Corruption
Non-Retaliation / Protection of Whistle-Blowers
Anti-Competitive Behavior
Political Engagement and Lobbying Activities

Building a Strong Culture of Compliance

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. Our patients, employees, customers, investors, and other stakeholders trust us to deliver products and services of the highest quality. They also expect us to conduct business with honesty, integrity, and respect for human rights and employee interests.

A strong compliance culture is the foundation for mitigating compliance risks. It helps us to prevent, detect, and respond to potential misconduct and violations. We want to create an environment where compliance is recognized as everyone's responsibility. Our mandatory training program is a key element in creating this culture, raising awareness, and preventing violations. Employees are trained on our principles and guidelines to develop a clear understanding of expected and acceptable behavior. Our employee performance appraisal system integrates the Company's core values (see CHART 2.64 on page 137).

Impacts	Risks and opportunities	Management approach
Anti-Bribery and Anti-Corruption		
We do not tolerate any form of corruption or bribery, whether it involves a health care professional, government official, private parties, or a transaction for the purchase or sale of goods or services. We prevent bribery and corruption by providing firm support for our employees to make the right decisions and adhere to ethical business conduct.	**Risk** Prosecution or conviction in cases of bribery and corruption will directly impact our business due to fines and reputational damage. Negligence in preventing and detecting misconduct may result in violations of regulations concerning corrupt business practices, which could lead to fines and punitive actions against individuals. **Opportunity** Building a strong culture of compliance can become a business asset.	• Foster a strong compliance culture as the foundation to mitigate compliance risks • Implemented a mandatory training program focusing on key compliance risk areas, with additional training based on job profiles • Due diligence procedures to assess and approve third parties as business partners, and training for high-risk business partners • Conduct regular risk assessments across markets and business segments
Anti-Competitive Behavior		
We can prevent anti-competitive practices by pursuing fair competition and conducting our business in compliance with all applicable antitrust, competition, and fair dealing laws. We prevent anti-competitive practices by training our employees and providing guidance to help them make the right decisions.*	**Risk** We are subject to laws of general applicability, including anti-trust laws. Not abiding by these laws may have a material adverse effect on our business, results of operations, and financial condition.	

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

*Considered as entity-specific disclosures

We provide extensive information to all employees on compliance matters through our internal platforms. Through dedicated campaigns, such as Compliance Week, we underline the importance of a strong compliance culture for our business success. The Management Board communicates directly with employees to promote our values and strengthen our compliance culture.

G1-1

Governance

Our Chief Compliance Officer is responsible for managing and developing our global compliance program. She is supported by a global network of more than 150 compliance professionals. They collaborate with our business segments to advise on and implement the compliance program worldwide. Our Global Legal Function oversees trade governance and antitrust. Compliance and legal functions report to the Management Board member responsible for Legal, Compliance, and Human Resources, effective June 2024. The Management Board and Supervisory Board receive regular updates on compliance performance.

Assessment of Material Impacts, Risks and Opportunities

A double materiality assessment identified material impacts, risks, and opportunities in compliance and business ethics across our value chain. The Company reviews risks regularly as part of its risk management process.

For the description of the double materiality assessment process see chapter "Sustainability Management".

SBM-3

Impacts	Risks and opportunities	Management approach
Non-Retaliation / Protection of Whistle-Blowers		
We offer employees, patients, business partners, and other stakeholders a range of channels to raise concerns. By adhering to laws and regulations, issuing our own policies, and fostering a strong "speak-up" culture, we aim to create a safe environment for employees to address any issues. We clearly communicate our policy on non-retaliation.	**Risk** Not adhering to our established processes in protecting whistle-blowers may lead to fines and reputational damage. Providing insufficient training may be perceived as not taking appropriate steps to mitigate known risks. **Opportunity** A positive speak-up culture helps to avoid risks and issues.	• Non-retaliation policy protects whistle-blowers • Compliance Action Line available to all stakeholders to report potential or actual compliance issues or other grievances • Investigation of all cases of potential misconduct and disciplinary action, as required
Political Engagement And Lobbying Activities		
Given our reliance on public health care systems, we represent our interests with key stakeholders and provide information to support deci-sions that can positively impact patients with renal diseases. As a leader in our industry, our insights may influence the development of the health care sector.	**Risk** Engaging in political engagement and lobbying activities may negatively impact our reputation. **Opportunity** Political engagement and lobbying activities provide financial opportunities and help mitigate costs. By engaging with policymakers, we support well-informed policy decisions.	• Engaging in constructive dialogue with policymakers and other external stakeholders to improve access to care and patient outcomes • Activities that address the broader needs of patients with chronic kidney disease • Advocacy on a bipartisan basis in compliance with applicable laws, with policies defining standards for lobbying efforts

Positive impact · Negative impact · Own operations · Upstream value chain · Downstream value chain · Short-term · Medium-term · Long-term

*Considered as entity-specific disclosures

Policies

The compliance program has its foundation in our Code of Ethics and Business Conduct. This binding framework governs how our employees interact with patients, colleagues, business partners, government officials, and other stakeholders. The Code covers patient care, product and service quality, anti-corruption and anti-bribery, health and safety, data privacy, supplier selection, non-retaliation for whistle-blowers, fair competition, political activities, human rights and further topics. It is available on our website. Specific policies, principles, guidelines, and standard operating procedures support the management of business ethics matters.

The Anti-Bribery and Anti-Corruption Policy outlines our commitment to complying with local and international laws and regulations. It prohibits employees and third parties acting on our behalf

from engaging in bribery or corruption. The policy provides clear principles and requirements for ethical business conduct, reinforcing our dedication to integrity and lawful operations.

Our compliance-related global policies are approved by the Management Board. They apply to employees, contract workers, and relevant third parties across all subsidiaries worldwide. Policies are available to employees through internal tools and platforms.

Political engagement is governed by policies that outline how interactions with and contributions to public officials and institutions should be managed. In addition to our compliance policies, the Corporate Giving Policy and the Political Engagement and Advocacy Statement are the most relevant for these topics.

Expectations for suppliers are described in the Supplier Code of Conduct, with details provided in chapter "Sustainability in the Value Chain".

G1-1

Identifying, Reporting and Investigating Concerns

Our compliance program defines ethical standards, including how we address misconduct. We make complaint procedures publicly available and encourage employees to report potential, perceived, or actual misconduct that violates laws, our Code of Ethics and Business Conduct, or other Company guidelines. We have procedures to monitor adherence to these standards and internal controls.

We inform our workforce through various channels about how they can raise issues and make reports. Our intranet provides detailed information on all relevant compliance procedures, and posters are displayed at all our locations, accessible to employees and non-employees. As part of our annual Global Employee Engagement Survey, we ask employees for feedback on whether they trust our reporting channels and non-retaliation policy.

Reports can be made in several ways. Employees can contact their managers or reach out directly to Compliance, Legal or HR. We also provide an external reporting hotline (Compliance Action Line) operated by an independent and certified third-party vendor. Our employees and related third parties can use this hotline to report potential violations of laws or Company guidelines. Where legally permitted, reports can be made anonymously. The hotline is available 24/7 and supports multiple languages.

We also receive non-compliance-related reports through the same channels. These may concern patient care, information security, supply chain, or human resource matters. These reports are forwarded to the appropriate departments. In 2024, we received 2,835 reports via our reporting channels. Each report is reviewed based on up to 55 allegation categories, including anti-corruption (<1%), data protection (2%), and human resources/workplace (40%).

We investigate all cases of potential misconduct, take corrective action as needed, and track implementation. Of 132 compliance investigations closed in 2024, approximately 56% were found to be actionable. An investigation is considered actionable if it results in process improvements, policy adjustments, internal control enhancements, or disciplinary action.

We have a non-retaliation policy to protect employees and whistle-blowers, including patients and workers in the value chain, from reprisals. Through the Compliance Action Line tool, we can communicate directly with whistle-blowers and other stakeholders. This process allows them to remain anonymous. If they agree, we schedule meetings with them directly.

For commitments regarding animal welfare (ESRS G1-1,10f) see chapter "Ethical Conduct in Clinical Research".

G1-1, G1-3

Training and Awareness

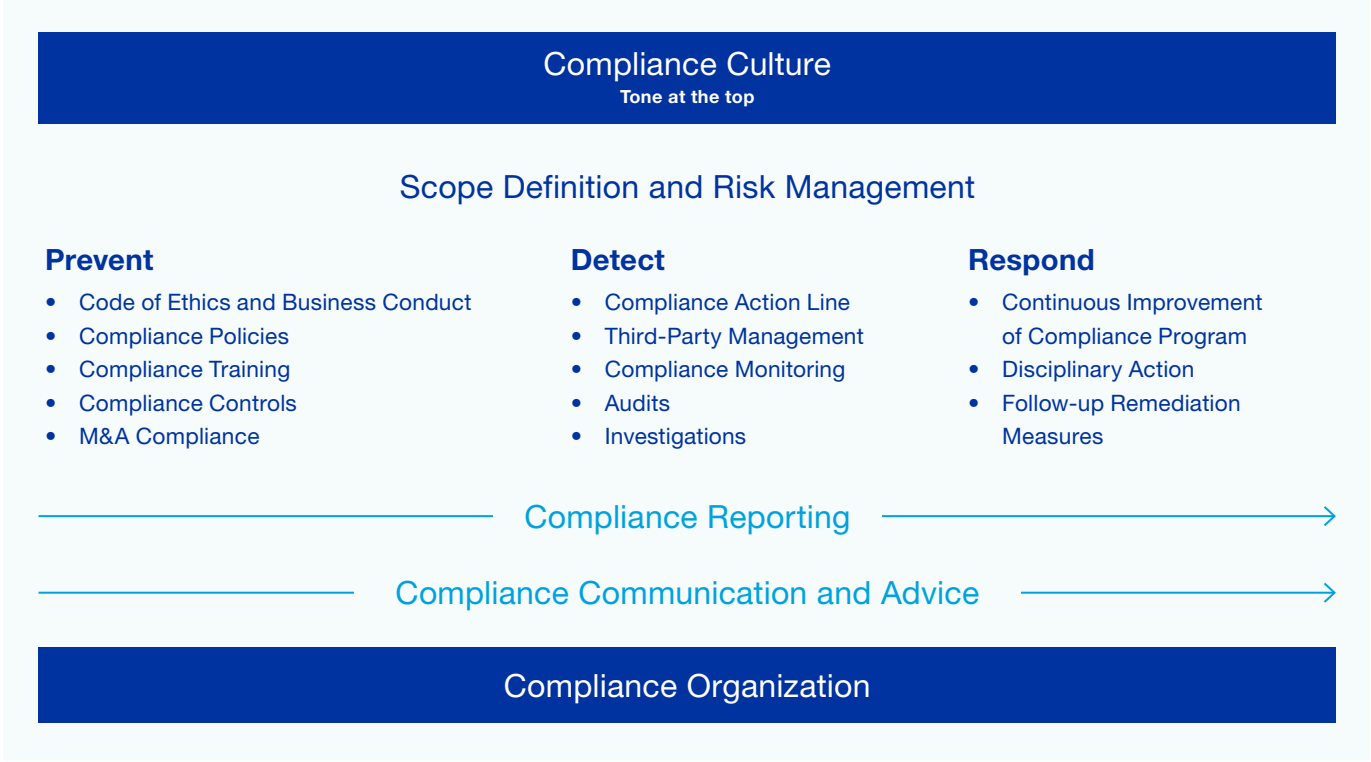
We require all employees to participate in mandatory compliance training annually or every other year, depending on their role. This approach covers 100% of our functions at risk. The training covers topics from our Code of Ethics and Business Conduct, which change annually based on factors such as new policies, laws, regulations, or risk assessment results. Our compliance program recognizes that employees face different compliance risks based on their roles and responsibilities. We provide specialized training tailored to specific business transactions and functions at risk on local and regional levels. This includes roles that may interact with government officials or health care professionals in the sales of our products.

We offer our employees, including part-time staff, a range of e-learnings and classroom training courses based on their job's risk profile. These cover various compliance-related topics, including anti-competition. Employees are trained on when to seek approvals or legal support for sensitive transactions and how to engage appropriately with stakeholders, including competitors. Training attendance is documented for all sessions. When implementing a new policy, we provide initial training sessions to its primary users.

To further promote a culture of ethical business conduct, we have developed a classroom training program for our senior leaders to train their teams on ethical leadership, ethics, and integrity in decision-making. Management Board and Supervisory Board members also receive training on compliance and business ethics.

G1-3

C 2.64 **COMPLIANCE CULTURE SUPPORTED BY OUR COMPLIANCE MANAGEMENT SYSTEM**



Investigating Misconduct

We investigate all cases of potential misconduct, including potential violations of our non-retaliation policy. Investigators are independent and qualified professionals, ensuring a fair and unbiased process. Corrective measures are determined on a case-by-case basis, and we track their implementation. We train a group of employees specifically to handle reports related to bullying and harassment.

Our global disciplinary action guidelines outline our worldwide standards and procedures for responding to misconduct. Misconduct includes violations of laws and policies as well as workplace misbehavior, among other issues. We have established Disciplinary Action Committees that assess disciplinary cases and determine appropriate responses. The Global Disciplinary Action Committee oversees the process to maintain consistency. Cases involving senior executives are reported to the Management Board. In 2024, no convictions for violations of anti-corruption or anti-bribery laws occurred, and no fines were paid.

As part of internal audit procedures, the Global Internal Audit (GIA) function reviews the implementation and effectiveness of the applicable compliance standards. Internal audits of subsidiary operations and business functions are conducted according to an annual audit plan. In cases where deficiencies are identified, GIA reports these to the relevant functions. On a quarterly basis, GIA follows up on the implementation of mitigation plans. Overdue recommendations are reported to the Management Board.

G1-3

Actions

Managing Third-Parties

In the reporting year, we assessed and approved approximately 21,700 third parties. As part of our onboarding process, we provided specialized training on anti-corruption and our Code of Ethics and Business Conduct to high-risk business partners worldwide. This included sales partners such as distributors, resellers, wholesalers, and commercial or sales agents, as well as other third parties involved in selling our products who may interact with government officials or health care professionals.

Monitoring Adherence to Standards

We assess compliance risks as part of our risk management program. Before establishing new business relationships – as part of our ongoing monitoring – we evaluate third parties for potential compliance issues.

To detect risks early, we have implemented various controls, including audits, investigations, and risk assessments. Throughout the year, we perform a global risk assessment covering 19 legal and compliance risks, such as bribery, corruption and antitrust, across our markets and business segments on a rotating schedule. Special assessments take place in response to significant business changes or identified high-risk areas. If we detect

heightened risks, we implement additional remediation measures, such as extra training and communication, which our compliance professionals track. Risks are also identified through reporting channels, including concerns raised by employees or third parties. In 2024, compliance was a focus in 86% of our country audits. We conducted 16 anti-corruption-related audits of third-party business partners.

G1-3

Managing Political Contribution and Lobbying Activities

We are subject to various legislative and regulatory processes that affect our business. Therefore, we periodically engage in policy discussions and collaborate with third parties as part of our lobbying efforts. Our policies stipulate that our interactions and contributions shall comply with all applicable laws and shall not inappropriately influence or compensate public officials for political favors. These principles also apply to our interactions with associations.

Governance

Management Board members responsible for the Care Delivery and Care Enablement segments oversee activities relating to political influence and lobbying. The Government Affairs team manages all government and political affairs within the U.S. and reports to the CEO Care Delivery. The Market Access, Health Economics & Political Affairs team manages government and political affairs activities outside the U.S. and reports to the CEO Care Enablement. Memberships in local trade associations and medical and patient societies are managed locally, in alignment with the globally responsible teams mentioned above and applicable internal policies.

None of our Management Board members have held roles in public administration or regulatory bodies in the two years prior to the 2024 reporting period.

Advocating for Improving Access to Care and Patient Outcomes

We strive to engage in constructive dialogue with policymakers and other external stakeholders to improve access to care and patient outcomes. Our public policy activities span a broad range of issues at various levels of policy-making.

We support patients' right to equal access to health care and share their input in political decision-making processes for health care delivery models. We also collaborate in trade associations, medical and patient societies, and build coalitions to pool resources and present a unified position to lawmakers. We support the advancement of innovative programs and technologies to address the broader needs of patients with chronic kidney disease. The goal is to improve their lives, slow disease progression, and improve clinical outcomes.

Representatives of our government and political affairs teams attend parliament hearings, provide testimony to legislative committees, and engage with public authorities through direct meetings and other dialogue settings. We advocate for legislative and regulatory changes that support innovation in health care delivery models. This includes changes to support value-based payment models, home dialysis, organ transplantation, as well as maintaining payment models that ensure adequate access to care for renal patients. To do so, we commit ourselves to responsible and transparent political engagement and advocacy that supports this purpose. In the U.S., for example, we provide education and insight to support the fine-tuning of an array of mandatory and voluntary payment models from the Centers for Medicare & Medicaid Services (CMS) to best meet the needs of our patients.

All direct or indirect political contributions in the U.S. must be made and reported in accordance with applicable federal, state, and local campaign finance laws. In 2024, recipients of our corporate political contributions included political parties and committees, as well as political candidates in the U.S. We have not made any in-kind political contributions. Outside the U.S., we do not make any financial or in-kind contributions – directly or indirectly – to political parties, their elected representatives, or persons seeking political office.

In the U.S., employees may contribute to their employer's political activity. Voluntary political contributions by our employees are made through a Political Action Committee (FRE-PAC). It is organized as a voluntary, non-partisan committee in accordance with federal U.S. law and is funded solely through employee contributions, with limited administrative support from us. FRE-PAC is overseen by the FRE-PAC Board, which is comprised of U.S. employees and is chaired by the Head of Government Affairs. Contributions made through the Political Action Committee are reported on a monthly basis to the Federal Election Commission (FEC) and can be found at FEC.gov. Any involvement by non-U.S. persons in U.S. political activity and in FRE-PAC is prohibited by U.S. law. In Germany, where our head office is based, lobbying activities are publicly reported through the Lobbyregister Deutscher Bundestag; R001098 (Fresenius Medical Care AG).

G1-5

Annual Target

Train at least

90%

of employees on our Code of Ethics and Business Conduct

Target

In the area of compliance and business ethics, we have set an annual target to train 90% of our global employees on our Code of Ethics and Business Conduct. This serves as an effective measure to instill and reinforce our expectations and appropriate behaviors among our employees. The compliance training covers topics such as corruption and bribery risks, conflicts of interest, and speaking up to raise compliance concerns. Globally, we trained almost 33% of our employees on our Code of Conduct in the reporting year. The lower training rate compared to the last reporting year can be attributed to the implementation and rollout of a new global training tool in January 2025. We therefore delayed training for some regions who would have otherwise received training in October. This was approved by our Management Board.

Metrics

T 2.65 BUSINESS CONDUCT

	2023	2023
Number of participants in compliance training		
Employees	80,302	114,157
Management Board	6	5
Supervisory Board	12	8
Violation of anti-corruption and anti-bribery laws		
Number of convictions for violation of anti-corruption and anti- bribery laws	0	
Amount of fines for violation of anti-corruption and anti- bribery laws	0	
Political influence and lobbying activities (€)		
Financial Direct Political Contributions[1]		
Political parties	67,379	
Persons seeking political office / Political Campaigns	373,472	
Political committees	142,266	
Financial Indirect Political Contributions[1]		
Political parties	115,507	
Persons seeking political office / Political Campaigns	118,394	
Political committees	59,679	

[1] Contributions made through FRE-PAC.

T 2.66 REPORTS RECEIVED AND PROCESSED

	2024		2023	
Number of reports received through our reporting channels	2,835		3,832	
Number of reports processed by different departments				
Compliance	161		88	
Legal	16		19	
Patient Care	1,130		1,491	
Human Resources	1,117		1,104	
Other	411		1,256	
Number and percentage of reports per allegation category		**%**		**%**
Anti-Corruption	10	<1	73	<1
Data Protection	48	2	849	22
Human Resources / Workplace	1,142	40	1,098	29

Annex to the Sustainability Statement

Supplementary information to the Sustainability Statement and EU Taxonomy

Core Elements of Due Diligence

The table includes an overview of information related to due diligence disclosed in the Sustainability Statement.

T 2.67 **CORE ELEMENTS OF DUE DILIGENCE**

Chapter	Page
a) Embedding due diligence in governance, strategy and business model	
Sustainability Management	53-61; 63
b) Engaging with affected stakeholders in all key steps of the due diligence	
Sustainability Management	54-55
Climate Change	65-69
Water	79-80
Resource Use and Circular Economy	83-84
Pollution and Biodiversity	57
Patients	92-93; 96
Product Stewardship	99-100
Working for Fresenius Medical Care	104-111
Human Rights	120
Sustainability in the Value Chain	124-125
Ethical Conduct in Clinical Research	127
Data Protection	129
Compliance and Business Ethics	136-138
c) Identifying and assessing adverse impacts	
Sustainability Management	54-61;63
Climate Change	65-66
Water	79
Resource Use and Circular Economy	83
Pollution and Biodiversity	57
Patients	92
Product Stewardship	98-99
Working for Fresenius Medical Care	104
Human Rights	118; 120-121
Sustainability in the Value Chain	122-123
Ethical Conduct in Clinical Research	126
Data Protection	129
Compliance and Business Ethics	135
d) Taking actions to address those adverse impacts	
Sustainability Management	63
Climate Change	69-71
Water	80
Resource Use and Circular Economy	84
Patients	93-96
Product Stewardship	100-101
Working for Fresenius Medical Care	105-111
Human Rights	120-121
Sustainability in the Value Chain	123-125
Ethical Conduct in Clinical Research	127
Data Protection	130-131
Compliance and Business Ethics	136-137
e) Tracking the effectiveness of these efforts and communicating results	
Sustainability Management	52-53; 60
Climate Change	71
Water	80
Resource Use and Circular Economy	85
Patients	96
Product Stewardship	101
Working for Fresenius Medical Care	111-112
Human Rights	121
Sustainability in the Value Chain	125
Ethical Conduct in Clinical Research	127
Data Protection	132
Compliance and Business Ethics	139

Incorporations by Reference

The table provides an overview of all disclosure requirements that are incorporated by reference from other sections of the annual report.

T 2.68 LIST OF INCORPORATIONS BY REFERENCE

Disclosure Requirement	Chapter	Page
ESRS 2, 29a	Compensation Report; Introduction and implementation of the Compensation System 2024+; Guiding principles of the Compensation System 2024+	216
ESRS 2, 29b	Compensation Report; Short-Term Incentive – MBBP 2024+; Sustainability target	225
ESRS 2, 29c	Compensation Report; Compensation System 2020+ and Compensation System 2024+ in comparison; New performance targets for the long-term variable compensation	218
ESRS 2, 29d	Compensation Report; Short-Term Incentive – MBBP 2024+; Sustainability target	225
ESRS 2, 29e	Compensation Governance for Management Board	218
ESRS 2, 40a(i)	Overview of the Group; Business model; Our products and services	28
ESRS 2, 40a(ii)	Overview of the Group; Business model; Operations and company structure	28
ESRS 2, 40e	Overview of the Group; Corporate strategy and objectives; Integrating sustainability	34
ESRS 2, 40f	Overview of the Group; Business model; Our products and services, Major markets and competitive position	30
ESRS 2, 40g	Economic report; Macroeconomic and sector-specific environment; Macroeconomic environment	152
ESRS 2, 42a	Overview of the Group; Business model; Operations and company structure	28
ESRS 2, 42b	Overview of the Group; Business model; Operations and company structure	28
ESRS 2, 42c	Overview of the Group; Business model; Operations and company structure, Manufacturing & Supply Chain	28, 31

Disclosure Requirements Context Index

The table includes a list of all ESRS disclosure requirements and where in the Sustainability Statement they are reported.

T 2.69 DISCLOSURE REQUIREMENTS – GENERAL DISCLOSURES

ESRS 2		Chapter	Page
BP-1	General basis for preparation of sustainability statements	General Information	49-50
BP-2	Disclosures in relation to specific circumstances	General Information	49-50
GOV-1	The role of the administrative, management and supervisory bodies	Sustainability Management	60-62
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability Management	60-62
GOV-3	Integration of sustainability-related performance in incentive schemes	Sustainability Management	60
		Compensation Report	213
GOV-4	Statement on due diligence	Sustainability Management	63
GOV-5	Risk management and internal controls over sustainability reporting	Sustainability Management	63
SBM-1	Strategy, business model and value chain	Sustainability Management	52,54
		Overview of the Group	28
		Economic Report	152
		Working for Fresenius Medical Care	28
SBM-2	Interests and views of stakeholders	Sustainability Management	54
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability Management Topical chapters (in the respective section "Assessment of material impacts, risks, and opportunities")	54-57
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Sustainability Management	54-57
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Sustainability Management	54-57
		Annex to the Sustainability Statement	141-143

T 2.70 DISCLOSURE REQUIREMENTS – ENVIRONMENT

ESRS E1 – Climate change		Chapter	Page
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	Climate Change	69
		Sustainability Management	60
E1-1	Transition plan for climate change mitigation	Sustainability Management	71-73
ESRS 2, SBM-3	Material impacts, risks, and opportunities, and their interaction with strategy and business model	Climate Change	65-69
ESRS 2, IRO-1	Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	Climate Change	65-69
E1-2	Policies related to climate change mitigation and adaptation	Climate Change	69
E1-3	Actions and resources in relation to climate change policies	Climate Change	69-71
E1-4	Targets related to climate change mitigation and adaptation	Climate Change	71-73
E1-5	Energy consumption and mix	Climate Change	73-74
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	Climate Change	74-78
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not reported	
E1-8	Internal carbon pricing	Climate Change	71
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Not reported	
ESRS E3 – Water and marine resources			
ESRS 2, IRO-1	Description of the process to identify and assess material water and marine resource-related impacts, risks and opportunities	Water	79
E3-1	Policies related to water and marine resources	Water	79-80
E3-2	Actions and resources related to water and marine resources	Water	80
E3-3	Targets related to water and marine resources	Water	80
E3-4	Water consumption	Water	81
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks, and opportunities	Not reported	
ESRS E5 – Resource use and circular economy			
ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related, risks and opportunities	Resource Use and Circular Economy	83
E5-1	Policies related to resource use and circular economy	Resource Use and Circular Economy	84
E5-2	Actions and resources related to resource use and circular economy	Resource Use and Circular Economy	84-85
E5-3	Targets related to resource use and circular economy	Resource Use and Circular Economy	85
E5-4	Resource inflows	Resource Use and Circular Economy	82-83
E5-5	Resource outflows	Resource Use and Circular Economy	82-83
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	Not reported	

T 2.71 DISCLOSURE REQUIREMENTS – SOCIAL

ESRS S1 – Own workforce		Chapter	Page
ESRS 2, SBM-2	Interests and views of stakeholders	Working for Fresenius Medical Care	104-105
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	Working for Fresenius Medical Care	103-106; 111
		Human Rights	118-119
		Protecting Data	128-129
S1-1	Policies related to own workforce	Working for Fresenius Medical Care	107
		Human Rights	119-120
		Protecting Data	129
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Working for Fresenius Medical Care	108
		Protecting Data	129-130
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Working for Fresenius Medical Care	108
		Compliance and Business ethics	136
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Working for Fresenius Medical Care	109-111
		Human Rights	120-121
		Protecting Data	130-131
		Compliance and Business ethics	137
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Working for Fresenius Medical Care	111-112
S1-6	Characteristics of the understanding's employees	Working for Fresenius Medical Care	113-114
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Not reported	
S1-8	Collective bargaining coverage and social dialogue	Working for Fresenius Medical Care	116
S1-9	Diversity metrics	Working for Fresenius Medical Care	115
S1-10	Adequate wages	Working for Fresenius Medical Care	115
S1-11	Social protection	Not reported	
S1-12	Persons with disabilities	Not reported	
S1-13	Training and skills development metrics	Working for Fresenius Medical Care	115
S1-14	Health and safety metrics	Working for Fresenius Medical Care	117
S1-15	Work-life balance metrics	Not reported	
S1-16	Compensation metrics (pay gap and total compensation)	Working for Fresenius Medical Care	116
S1-17	Incidents, complaints and severe human rights impacts	Working for Fresenius Medical Care	116
		Human Rights	121

T 2.71 DISCLOSURE REQUIREMENTS – SOCIAL (CONTINUATION OF PREVIOUS PAGE)

ESRS S2 – Workers in the value chain		Chapter	Page
ESRS 2, SBM-2	Interests and views of stakeholders	Sustainability in the Value Chain	122
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	Sustainability in the Value Chain	122
S2-1	Policies related to value chain workers	Sustainability in the Value Chain	123-124
		Human Rights	119-120
S2-2	Processes for engaging with value chain workers about impacts	Sustainability in the Value Chain	123
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Sustainability in the Value Chain	124
		Human Rights	120
		Compliance and Business Ethics	136
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Sustainability in the Value Chain	124-125
		Human Rights	120-121
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Sustainability in the Value Chain	125
		Human Rights	120-121
ESRS S4 – Consumers and end-users			
ESRS 2, SBM-2	Interests and views of stakeholders	Patients	91
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and busines mode	Patients	91-92
		Product Stewardship	98-99
		Protecting Data	128-129
S4-1	Policies related to consumers and end-users	Patients	92-93
		Product Stewardship	99
		Human Rights	119-120
		Protecting Data	129
S4-2	Processes for engaging with consumers and end-users about impacts	Patients	93
		Product Stewardship	99-100
		Protecting Data	129-130
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Patients	93
		Product Stewardship	100
		Human Rights	120
		Compliance and Business Ethics	136
ESRS S2 – Workers in the value chain		**Chapter**	**Page**
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Patients	93-96
		Product Stewardship	100-101
		Human Rights	120-121
		Protecting Data	130-131
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Patients	96
		Product Stewardship	101

T 2.72 DISCLOSURE REQUIREMENTS – GOVERNANCE

ESRS G1 – Business conduct		Chapter	Page
ESRS 2, GOV-1	The role of the administrative, supervisory and management bodies	Sustainability Management	60-62
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	Compliance and Business Ethics	54-57
G1-1	Business conduct policies and corporate culture	Compliance and Business Ethics	134-136
G1-2	Management of relationships with suppliers	Not material	
G1-3	Prevention and detection of corruption and bribery	Compliance and Business Ethics	135-138
G1-4	Incidents of corruption or bribery	Compliance and Business Ethics	139
G1-5	Political influence and lobbying activities	Compliance and Business Ethics	138-139
G1-6	Payment practices	Not material	

Datapoints Derived from other EU Legislation

The table below includes all datapoints that derive from other EU legislation according to ESRS 2, Appendix B. It indicates whether they are material to our business and where in the report the information disclosed.

T 2.73 DATAPOINTS DERIVED FROM OTHER EU LEGISLATION

Disclosure Requirement	Related Data point	Topic	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS 2 GOV-1	21 (d)	Board's gender diversity	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Sustainability Management	61
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II		Sustainability Management	61
ESRS 2 GOV-4	30	Statement on due diligence	Indicator number 10 Table #3 of Annex 1				Sustainability Management	63
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex I		Not material	
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Not material	

T 2.73 DATAPOINTS DERIVED FROM OTHER EU LEGISLATION (CONTINUATION OF PREVIOUS PAGE)

Disclosure Requirement	Related Data point	Topic	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS E1-4	34	GHG emission reduction targets	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Climate Change	71
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Climate Change	73
ESRS E1-5	37	Energy consumption and mix	Indicator number 5 Table #1 of Annex 1				Climate Change	73
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	Indicator number 6 Table #1 of Annex 1				Climate Change	73
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Climate Change	75
ESRS E1-6	53-55	Gross GHG emissions intensity	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Climate change	76
ESRS E1-7	56	GHG removals and carbon credits				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-9	66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk					Not material	
ESRS E1-9	66 (c)	Location of significant assets at material physical risk					Not material	
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy efficiency classes					Not material	
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			Delegated Regulation (EU) 2020/1818, Annex II		Not material	

T 2.73 DATAPOINTS DERIVED FROM OTHER EU LEGISLATION (CONTINUATION OF PREVIOUS PAGE)

Disclosure Requirement	Related Data point	Topic	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	
ESRS E3-1	9	Water and marine resources	Indicator number 7 Table #2 of Annex 1				Water	80
ESRS E3-1	13	Dedicated policy	Indicator number 8 Table 2 of Annex 1				Water	80
ESRS E3-1	14	Sustainable oceans and seas	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E3-4	28 (c)	Total water recycled and reused	Indicator number 6.2 Table #2 of Annex 1				Water	81
ESRS E3-4	29	Total water consumption in m^3 per net revenue on own operations	Indicator number 6.1 Table #2 of Annex 1				Water	81
ESRS 2-SBM 3 - E4	16 (a) i		Indicator number 7 Table #1 of Annex 1				Not material	
ESRS 2-SBM 3 - E4	16 (b)		Indicator number 10 Table #2 of Annex 1				Not material	
ESRS 2-SBM 3 - E4	16 (c)		Indicator number 14 Table #2 of Annex 1				Not material	
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E4-2	24 (d)	Policies to address deforestation	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS E5-5	37 (d)	Non-recycled waste	Indicator number 13 Table #2 of Annex 1				Resource Use and Circular Economy	86
ESRS E5-5	39	Hazardous waste and radioactive waste	Indicator number 9 Table #1 of Annex 1				Resource Use and Circular Economy	86
ESRS 2-SBM3 - S1	14 (f)	Risk of incidents of forced labour	Indicator number 13 Table #3 of Annex I				Human Rights	119
ESRS 2-SBM3 - S1	14 (g)	Risk of incidents of child labour	Indicator number 12 Table #3 of Annex I				Human Rights	119
ESRS S1-1	20	Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Human Rights	119

T 2.73 DATAPOINTS DERIVED FROM OTHER EU LEGISLATION (CONTINUATION OF PREVIOUS PAGE)

Disclosure Requirement	Related Data point	Topic	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		Human Rights	107
ESRS S1-1	22	processes and measures for preventing trafficking in human beings	Indicator number 11 Table #3 of Annex I				Human Rights	119
ESRS S1-1	23	workplace accident prevention policy or management system	Indicator number 1 Table #3 of Annex I				Working for Fresenius Medical Care	107
ESRS S1-3	32 (c)	grievance/complaints handling mechanisms	Indicator number 5 Table #3 of Annex I				Compliance and Business Ethics	136
ESRS S1-14	88 (b, c)	Number of fatalities and number and rate of work-related accidents	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Working for Fresenius Medical Care	117
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	Indicator number 3 Table #3 of Annex I				Working for Fresenius Medical Care	117
ESRS S1-16	97 (a)	Unadjusted gender pay gap paragraph	Indicator number 12 Table #1 of Annex I				Working for Fresenius Medical Care	116
ESRS S1-16	97 (b)	Excessive CEO pay ratio	Indicator number 8 Table #3 of Annex I				Working for Fresenius Medical Care	116
ESRS S1-17	103 (a)	Incidents of discrimination	Indicator number 7 Table #3 of Annex I				Working for Fresenius Medical Care	117
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I			Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	Working for Fresenius Medical Care	117
ESRS 2-SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	Indicators number 12 and n. 13 Table #3 of Annex I				Human Rights	124
ESRS S2-1	17	Human rights policy commitments	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Human Rights	119
ESRS S2-1	18	Policies related to value chain workers	Indicator number 11 and n. 4 Table #3 of Annex 1				Sustainability in the Value Chain	124
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Indicator number 10 Table #1 of Annex 1			Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Human Rights	120
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8				Delegated Regulation (EU) 2020/1816, Annex II	Human Rights	120

T 2.73 DATAPOINTS DERIVED FROM OTHER EU LEGISLATION (CONTINUATION OF PREVIOUS PAGE)

Disclosure Requirement	Related Data point	Topic	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Chapter	Page
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	Indicator number 14 Table #3 of Annex 1				Human Rights	120
ESRS S3-1	16	Human rights policy commitments	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S3-1	17	non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S3-4	36	Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S4-1	16	Policies related to consumers and end-users	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Human Rights	119
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Human Rights	120
ESRS S4-4	35	Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				Human Rights	120
ESRS G1-1	10 (b)	United Nations Convention against Corruption	Indicator number 15 Table #3 of Annex 1				Compliance and Business Ethics	135
ESRS G1-1	10 (d)	Protection of whistle-blowers	Indicator number 6 Table #3 of Annex 1				Compliance and Business Ethics	136
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Compliance and Business Ethics	139
ESRS G1-4	24 (b)	Standards of anti- corruption and anti- bribery	Indicator number 16 Table #3 of Annex 1				Compliance and Business Ethics	137

Supplementary information on EU Taxonomy

T 2.74 PROPORTION OF REVENUE FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Financial year 2024		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	Revenue	Proportion of Revenue, Year 2024	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 2023	Category (enabling activity)	Category (transitional activity)
		€ M	%	% Y; N; N/EL	% 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)																			
Manufacture of medicinal products	PPC 1.2	302.1	1.6	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	–		
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		302.1	1.6				1.6										–		
Of which Enabling		–	–																
Of which Transitional		–	–																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of medicinal products	PPC 1.2	–	–	N/EL	N/EL	N/EL	EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.5		
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		–	–				–										1.5		
A. Revenue of Taxonomy-eligible activities (A.1+A.2)		302.1	1.6				1.6										1.5		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Revenue of Taxonomy-non-eligible activities		19,034	98.4																
TOTAL		**19,336**	**100.0**																

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
EL – Taxonomy eligible activity for the relevant objective
N/EL – Taxonomy non-eligible activity for the relevant objective
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 section "Results of operations, financial position and net assets-Results of operations-Revenue" in chapter "Economic Report".

T 2.75 PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES DISCLOSURE COVERING YEAR 2024

Financial year 2024		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	Absolute Capex	Proportion of Capex, year 2024	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 2023	Category (enabling activity)	Category (transitional activity)
		€ M	%	% Y; N; N/EL	% 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)																			
Manufacture of medicinal products	PPC 1.2	11.6	0.8	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	–		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	1.5	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	–		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.1	0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	–		
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		13.2	0.9	0.1			0.8										–		
Of which Enabling		–	–																
Of which Transitional		–	–																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of medicinal products	PPC 1.2	–	–	N/EL	N/EL	N/EL	EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1.7	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	N	Y	Y	Y	0.0		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	–	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	–	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		1.7	0.1	0.1			–										0.4		
A. Capex of Taxonomy-eligible activities (A.1+A.2)		14.9	1.0	0.2			0.8										0.4		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		1,359.8	99.0																
TOTAL		**1,374.7**	**100.0**																

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
NEL – Not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL – Taxonomy eligible activity for the relevant objective
N/EL – Taxonomy non-eligible activity for the relevant objective

The Capex KPIs are defined as Taxonomy-eligible and Taxonomy-aligned Capex A or C as a proportion of total Capex for the reporting year. Total Capex includes 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 covers additions from revaluations and impairments for the relevant fiscal year but excludes fair value changes. It also includes additions from business combinations but it does not include goodwill. For total Capex, see the sections "Property, Plant, and Equipment", "Intangible Assets and Goodwill", and "Leases" in the notes to the consolidated financial statements, under the columns "Additions" and "Changes in Consolidation Group".

T 2.76 PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES DISCLOSURE COVERING YEAR 2024

Financial year 2024		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	Absolute Opex	Proportion of Opex, year 2024	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 2023	Category (enabling activity)	Category (transitional activity)
		€ M	%	% Y; N; N/EL	% 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)																			
Manufacture of medicinal products	PPC 1.2	16.8	2.8	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	–		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.6	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	–		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	–	–	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	–		
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		17.4	2.9	0.1			2.8										–		
Of which Enabling		–	–																
Of which Transitional		–	–																
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of medicinal products	PPC 1.2	0.0	0.0	N/EL	N/EL	N/EL	EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.2		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.4	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	N	Y	Y	Y	0.1		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1[1]		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	–	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0		
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0.4	0.1	0.1			0.0										2.4		
A. Opex of Taxonomy-eligible activities (A.1+A.2)		17.8	3.0	0.2			2.8										2.4		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities		574.4	97.0																
TOTAL		**592.7**	**100.0**																

[1] Adjustments have been made to prior-year KPIs to address identified discrepancies (previously 0.0%).
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
EL – Taxonomy eligible activity for the relevant objective
N/EL – Taxonomy non-eligible activity for the relevant objective

The Opex KPI is defined as Taxonomy-eligible and Taxonomy-aligned Opex as a proportion of total Opex for the reporting year. Total Opex includes direct non-capitalized costs related to research and development, building renovation measures, short-term leases, and maintenance and repair. For details on research and development expenses, see section "Notes to the Consolidated Statements of Income" in the notes to the consolidated financial statements. Short-term leases were determined in accordance with IFRS 16 (see "Leases" in the notes to the consolidated financial statements). Maintenance and repair expenditures include staff costs, service costs, and material costs for daily servicing, as well as regular and unplanned maintenance and repairs. These can be found under cost of revenue, selling, general and administrative expenses, and research and development expenses in the income statement.

Economic Report

The dialysis market is a sustainable growth market with rising demand for products and services to treat patients with chronic kidney disease.

Macroeconomic and Sector-Specific Environment

Macroeconomic Environment

Dependency on Economic Cycles and Other Macroeconomic Factors

Our business is exposed to economic cycles only to a relatively small extent. This sets us apart from manufacturers of consumer goods, for instance, whose products are subject to more cyclical demand.

Key drivers influencing our business include the government remuneration systems and respective rates. Looking at reimbursement rates in certain countries, it is important to recognize that these rates are covering a wider range of services on a highly individual level. Dialysis is a vital medical service, which is why it is usually paid for by the responsible health care system.

The macroeconomic environment remains challenging with regards to the labor market, resulting in meaningfully higher personnel expense. While we have seen signs of a stabilization of the labor market, such challenges continued in 2024. [ESRS 2, 40g]

For further information see section "Overall business development - Highlights" in this chapter.

Exchange Rate Developments

As Fresenius Medical Care has a worldwide presence, the results of its operations are significantly impacted by exchange rate developments. Movements in the U.S. dollar and the euro are especially crucial as we generate a major part of our revenues in the U.S. The global exchange rate development in fiscal year 2024 compared to fiscal year 2023 was characterized by a weakening of the euro against the U.S. dollar over the course of the fiscal year, particularly in the fourth quarter of 2024. On average over the course of the year, the euro traded almost unchanged against the U.S. dollar compared to fiscal year 2023.

In addition, Fresenius Medical Care's operating results are influenced by changes in the exchange rate between the euro and other local currencies. This is partly due to intra-Group sales from large production sites in the euro zone to Group companies with different functional currencies, but also because the euro is the currency we use for financial reporting. Regarding intra-Group sales, individual subsidiaries are exposed to fluctuations in the exchange rate between the invoicing currencies and the currencies in which they conduct their local operations. Fresenius Medical Care reduces transaction risks, i.e. risks from foreign currency exposures or exchange rate fluctuations, through a global network of production facilities, which is geared toward demand in the Company's dialysis product business, as well as through foreign exchange derivatives. As the production facilities are often based in the markets they serve, costs are incurred in the same currency in which revenue is generated. The risk of exchange rate fluctuations is relatively low for health care services because they are provided locally and are therefore invoiced in the respective currency.

Sector-specific Environment

Chronic kidney disease (CKD) is a global epidemic. The number of patients requiring renal replacement therapy is increasing worldwide: At the end of 2024, about 5.2 M patients (2023: 5.0 M) underwent dialysis treatment or received a donor organ.

Further information can be found in the TABLE 2.77 on the next page.

A successful kidney transplant is considered the most effective treatment for ESRD, offering those patients a chance for a longer, healthier life. However, the number of organs donated worldwide has been significantly lower than the number of patients on transplant waiting lists for many years. Despite extensive efforts, particularly in regional initiatives, to raise awareness of kidney donation and promote willingness to donate, the global proportion of patients receiving a kidney transplant compared to other treatment methods has remained relatively unchanged and comparatively low over the last ten years.

The prevalence of CKD varies between regions. There are several reasons for this:

- Countries differ in the demographics of their populations, as these vary across the world.
- Risk factors for kidney disease, such as obesity, diabetes and hypertension, varies widely.
- The genetic predisposition for kidney disease differs significantly around the world.
- Access to dialysis remains restricted in many countries, meaning that many patients suffering from CKD are not treated and therefore do not appear in available statistics.
- Cultural factors, such as nutrition, play a role.

T 2.77 **PATIENTS WITH END-STAGE RENAL DISEASE**
IN M (ROUNDED)

	2024	Share in %	2023	Share in %
Patients with end-stage renal disease	**5.2**	**100**	**5.0**	**100**
of which patients with transplants	1.0	19	1.0	19
Of which dialysis patients	**4.2**	**81**	**4.1**	**81**
In-center hemodialysis	3.7	72	3.6	72
Peritoneal dialysis	0.4	8	0.4	8
Home hemodialysis	<0.1	1	<0.1	1

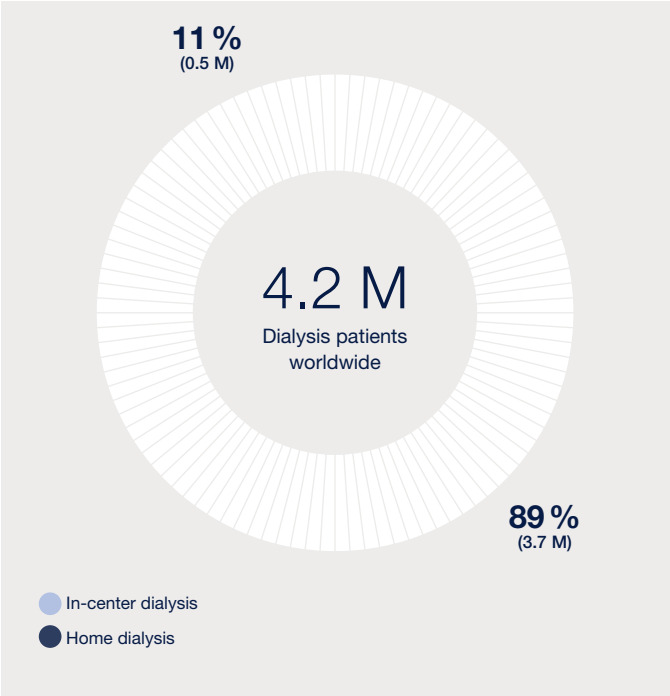
Source: Company information and estimates.

The number of dialysis patients rose worldwide by around 4% to 5% in 2024 (2023: 4%).

New drug classes like Glucagon-like peptide-1 (GLP-1) receptor agonists or Sodium-Glucose-Transporter 2- (SGLT2) inhibitors have shown in clinical studies to slow the progression of CKD and improve cardiovascular mortality. In our analysis of the population impact model (a computational tool to predict the size and age distribution of future patient populations with kidney disease for the coming decade, based on various public-health scenarios), the sensitivity bands of the various scenarios of GLP-1 receptor agonist and SGLT2 inhibitor utilization in the CKD population suggest a slight increase in the total CKD population and a slight reduction in the ESRD population growth rate that remains materially consistent with the patient population forecasts which do not include the utilization of these drugs. Considering the positive cardiovascular effects of the drugs, reducing mortality, as well as the progression delaying effect on the CKD population, we see a balanced effect of the drugs on the patient population.

For further information see NOTE 2 A) of the notes to the consolidated financial statements.

C 2.78 **IN-CENTER VS. HOME DIALYSIS**



Comparison of Dialysis Treatment Methods

In 2024, most dialysis patients were treated in one of around 51,000 dialysis centers worldwide (2023: 50,000), with an average of approximately 80 patients per center (2023: 80). However, this figure varies considerably from country to country.

Hemodialysis is by far the most common form of therapy for ESRD. Worldwide, a total of 89% of dialysis patients were treated with this therapy at dialysis centers in 2024 (2023: 89%). Home hemodialysis (HHD) is an alternative to treatment at a dialysis center. Worldwide, a total of around 1% of all patients are currently treated with HHD (2023: around 1%). In 2024, 10% of all dialysis patients were treated with peritoneal dialysis (PD) (2023: 10%). In the same period, around 11% of dialysis patients were treated with home dialysis (2023: 11%), and about 15% (2023: 15%) of all dialysis patients in the U.S. were treated with home dialysis.

The CHART 2.78 shows a comparison of in-center and home dialysis.

For acute renal failure, the predominant treatment method is continuous renal replacement therapy. Over 50% or slightly more than 1 M acute patients were treated with this method in 2024 (2023: over 50% or around 1 M). The number of patients requiring continuous renal replacement therapy to treat acute kidney failure is set to rise from slightly more than 1 M patients in 2024 to over 1.5 M per year at the end of the next decade. In this field, we have a market share of approximately 30% (2023: 30%).

Dialysis Market Volume

According to our estimates, the volume of the global dialysis market remained relatively stable at around €80 to 84 BN in 2024 (2023: €80 to 84 BN). We estimate the following approximate breakdown for this market volume: around €16 BN (2023: €16 BN) for dialysis products and the remainder for dialysis services (including dialysis drugs).

Other Health Care Services

In addition to dialysis treatments, Fresenius Medical Care's other health care services include value and risk-based care programs, pharmacy services, vascular specialty services as well as ambulatory surgery center services, physician nephrology practice management and ambulant treatment services.

Due to the large number of different services offered in the area of other health care services within our Care Delivery segment, we cannot provide a meaningful estimate of the market volume.

Our Services are Mostly Paid for by Health Insurers

The most important payors of Fresenius Medical Care's services are state-owned or public health insurers, and private health insurer.

Health Care and Reimbursement Systems Vary from Country to Country

As renal replacement therapy is a life-saving medical service, patients often do not have to pay for dialysis themselves. Instead, the costs are borne by the responsible health care system. The reimbursement systems for dialysis treatment – in other words, the structures used by health care systems to regulate reimbursement for dialysis services – differ from country to country and sometimes even within countries. The business activities of dialysis service providers and the reimbursement of dialysis therapy are affected by various factors including regional conditions, the treatment method, regulatory issues, and the type of provider (public or private).

The Reimbursement System in the U.S.

The delivery of health care services and products is highly regulated in most of the countries we operate in. Proposals for legislative reforms in these countries are often introduced to improve access to care, address quality of care issues, and manage health care system costs.

In the U.S., our biggest market, many of our patients are insured by the governmental health authority, the Centers for Medicare and Medicaid (CMS). CMS determines the reimbursement rates for its beneficiaries (Medicare patients). In 2024, around 18% of our total revenue was attributable to reimbursements by CMS (excluding Medicare Advantage).

Future changes in health care regulation are a key factor influencing our business. The U.S.-government has embedded drivers to manage the substantial health care costs. Historically, the magnitude of government reimbursement rate increases in the U.S. has been limited and is expected to continue in this manner. A reduction in Medicare, commercial insurance, Medicare Advantage plans, or patient access to commercial insurance, could have a material impact on our Care Delivery business.

On November 1, 2024, CMS issued a final rule for the reimbursement rate for chronic kidney failure treatments for 2025. They set this rate annually as part of their ESRD prospective payment system (PPS), known as the ESRD PPS rate. CMS anticipate the rate to result in an increase in total payments to ESRD facilities of 2.7%. The 2.7% increase reflects a 1.0% increase in the base rate per treatment to $273.82 (2024: $271.02), plus additional adjustments for inflation and productivity as mandated by the Affordable Care Act (ACA). While the final rule provides for a routine update to the wage index based on existing policy, the significant rise in labor costs over the past few years has not been offset.

Any significant reduction in Medicare reimbursement rates could have a material adverse effect on our business. To the extent that inflation, for example in the form of higher costs for personnel and disposables, is not fully compensated by an increase in reimbursement rates, the demand for our products and services could be reduced and the results of operations could be adversely affected.

In Marietta Memorial Hospital Employee Health Benefit Plan v. DaVita Inc., the Supreme Court ruled against DaVita, Inc. in favor of a self-funded employer-sponsored health plan that provided only out-of-network dialysis reimbursements to individuals with ESRD. This could make commercial insurance relatively less attractive to ESRD patients and Medicare relatively more appealing. The Marietta ruling could potentially lead to certain employer group health plans excluding reimbursement for dialysis services, with a material and adverse impact on our business, financial conditions, and results of operations, depending on the number of affected patients. While the Marietta ruling did not significantly impact our business in 2024, the absence of legislative action and a shift of commercially insured patients to Medicare and Medicaid could have negative implications in 2025 and beyond. Bills were introduced previously to Congress that would address the Marietta decision, but will need to be reintroduced in the current Congress. The Restore Protections for Dialysis Patients Act would restore the understanding of the Medicare Secondary Payer Act prior to the Marietta decision and ensures that patients cannot be discriminated against because of their need for dialysis. Both bills will need to be reintroduced before they are taken up in the 119th Congress which began on January 3, 2025. There can be no assurance that this proposal or any other legislation to address the Marietta decision will be enacted.

More information can be found in the chapter "Report on risks and opportunities".

In the U.S., reimbursement by private insurers and managed care organizations is higher than reimbursement by government institutions. Accordingly, payments from private insurers constitute a substantial portion of our profits, meaning our business is directly influenced by changes in the share of reimbursements by private insurers in the U.S. In 2024, 59% of the Group's health care services revenue was related to private insurers in the U.S.

Transitional Add-on Payments for New Drugs and Devices in the U.S.

CMS have finalized a change to the ESRD PPS transitional drug add-on payment adjustment (TDAPA) related policy for 2024, along with a new add-on payment adjustment for certain new renal dialysis drugs and products in existing ESRD PPS functional categories after the TDAPA period concludes.

Under the ESRD PPS drug designation process, CMS provides payment using a TDAPA for renal dialysis drugs and biologicals with the exception of drugs that are available only in oral forms. For drug and biologicals that fit into an existing ESRD PPS functional category, CMS will pay for the drug using the TDAPA for a transitional period of two years. At the end of this period, CMS will not update the base rate to reflect the cost and utilization of the drug. For drugs and biologicals that do not fit into an existing functional category, CMS will pay for the drug using the TDAPA for a period of at least two years to allow for sufficient cost and utilization data to be gathered. After this transitional period has expired, CMS will update the base rate to reflect the inclusion of the new drug or biological.

Effective January 1, 2025, oral only drugs (including phosphate binders) will be reimbursed under the ESRD PPS using the transitional drug add-on payment adjustment, and would no longer be paid for under Medicare, which could have an adverse effect on our business, financial condition, and results of operations in future periods.

Quality-based Reimbursement

The health care debate in some countries is currently focused on establishing reimbursement structures based on treatment quality (pay for performance). This transfers more responsibility to the medical service provider. The goal of reimbursement models of this kind is to maintain a high quality of care combined with lower overall costs for the health care system.

The reimbursement system in the U.S. is an example of a model based on qualitative criteria. For example, CMS defines quality standards for dialysis centers as part of its quality incentive program (QIP). Failure to reach these standards can lead to a reduction in annual reimbursements of up to 2%. CMS updates the set of quality measures each year, adding, revising or retiring measures.

Under the ESRD QIP, CMS assesses the total performance of each facility on a set of quality measures specified per payment year and applies up to a 2% payment reduction to facilities that do not meet a minimum total performance score. In the CY 2025 final rule, and effective January 1, 2025, CMS replaced the Kt/V Dialysis Adequacy Comprehensive clinical measure with a Kt/V Dialysis Adequacy measure topic, which is comprised of four individual Kt/V measures and scored based on a separate set of performance standards for each of those measures. CMS also removed the National Healthcare Safety Network Dialysis Event reporting measure from the ESRD QIP measure set beginning with PY 2027. In addition, new QIP requirements that facilities perform screening for social drivers of health began in 2025.

In the 2024 final rule, CMS assesses the total performance of each facility on a set of quality measures specified per payment year and applies to payment reduction to facilities that do not meet a minimum total performance score.

The CMS Five-Star Quality Rating System awards one to five stars to dialysis facilities based on a series of measurements related to a facility's clinical performance and patient outcomes. In the most recent ratings (2023), 65% of our more than 2,700 U.S. dialysis centers received a CMS rating of three stars or higher. This is higher than the combined national average of all U.S. clinics and is a clear reflection of our commitment to providing safe and effective care to our patients.

Value-based Care Programs with Private Payors

We have entered into value- and risk-based care programs with private payors to provide care to commercial and Medicare Advantage ESRD and CKD patients long-term. Under these payment arrangements, our financial performance is based on our ability to manage a defined scope of medical costs within certain parameters for clinical outcomes.

Other Reimbursement Models

In 2019, an Executive Order was signed in the U.S., directing the Department of Health and Human Services (HHS) to develop a payment model designed to test new compensation approaches for kidney care providers that focus on cost and quality outcomes. This model aims to expand the range of care and Medicare payment options, emphasizing delaying or preventing the onset of kidney failure, preventing unnecessary hospitalizations, and increasing transplant rates. This model also includes provisions for flexible advance payments for nephrologists, enabling them to diagnose and provide treatment earlier in the course of kidney disease. One of these payment models, the mandatory ESRD Treatment Choices (ETC) model, runs from January 2021 until June 2027, consists of two partial reimbursement programs. For a period of three years, home dialysis treatment claims will receive an upward adjustment. In addition, the model features a performance-based reimbursement adjustment that is dependent on home dialysis and kidney transplant waitlist rates for facilities included in the model. Performance based payment adjustments started in July 2022 and end in June 2027. These changes did not result in additional estimated savings to the Medicare program. At this time, our payment adjustments from the ETC model have resulted for us in a net positive adjustment. At December 31, 2024, a total of 975, or around 35%, of our U.S. dialysis centers were involved in the model.

Pursuant to the Executive Order, the former Secretary of the HHS announced voluntary Medicare reimbursement models aimed at

providing financial incentives for health care providers in the area of CKD and transplantation. Our applications for the voluntary Comprehensive Kidney Care Contracting (CKCC) model were accepted in June 2020, as well as 4 other applications that we submitted in the second performance year of the CKCC model. This model allows health care providers to assume various amounts of financial risk by forming Kidney Care Entities (KCEs). As of December 31, 2024, we participated in 23 KCEs, 20 of which began assuming financial risk within the first performance year on January 1, 2022, while 4 began assuming financial risk within the second performance year on January 1, 2023 and one KCE ended performance during 2024. The CKCC model is expected to run through 2026. In October 2024, CMS released the performance scores for 2022 participants in which the majority of KCEs organized by Interwell Health, qualified as high performers in various quality metrics. As of December 2024, approximately 54,000 patients were aligned to KCEs in which we participated.

U.S. Legislative Action and Ballot Initiatives

Further U.S. legislation or regulations may be enacted in the future through legislative and public referendum processes, which could substantially modify the amounts paid for services and products offered by us and our subsidiaries and mandate new or alternative operating models and payment models. Ballot initiatives that are successfully introduced at the state level in the U.S. require the vote of state citizens to directly adopt or reject proposed new legislation. These ballot initiatives require a material expenditure of resources by us to participate in public discourse regarding the proposed new legislation underlying the initiatives, which if passed, could further regulate multiple aspects of our operations including, for instance, clinic staffing requirements, state inspection requirements, and profit margins on commercial business. It is also possible that statutes may be adopted, or regulations may be promulgated in the future that impose additional eligibility requirements for participation in the federal and state health care programs. Such new legislation or regulations could have positive or adverse effects, possibly material, on our businesses and results of operations.

Potential Changes Impacting our Private Payors in the U.S.

The operation of charitable insurance premium assistance programs such as that offered by the American Kidney Fund is receiving increased attention by CMS and state insurance regulators and legislators. The result may be a regulatory framework that differs from the current framework or that varies from state to state. Even in the absence of actions by CMS or state regulators and legislatures to restrict the access that patients currently have to premium assistance programs, insurers are likely to continue efforts to thwart charitable premium assistance by premium assistance programs to our patients. If successful in a material area or scope of our U.S. operations, these efforts would have a material adverse impact on our business and operating results.

Overall Business Development

Highlights

Legacy Portfolio Optimization

We continue to review our business portfolio, specifically with a view to exiting unsustainable markets and divesting non-core businesses and the cessation of certain research and development programs to enable more focused capital allocation towards areas in our core business that are expected to have higher profitable growth. During the year ended December 31, 2024, the impacts from Legacy Portfolio Optimization mainly comprise the items described in vii., above, under "Net leverage ratio (Non-IFRS Measure)" in section "Performance management system" within the chapter "Overview of the Group" (see NOTE 4 of the notes to the consolidated financial statements).

Overall, the impacts from Legacy Portfolio Optimization resulted in a negative effect on operating income of €288 M for the year ended December 31, 2024 (€204 M for the year ended December 31, 2023).

FME25 Program

Overall, the costs related to the FME25 Program resulted in a negative impact to operating income of €180 M for the year ended December 31, 2024 (€153 M for the year ended December 31, 2023). For the year ended December 31, 2024, recurring savings related to the FME25 Program were €567 M (€346 M for the year ended December 31, 2023).

In the discussion of our results for the year ended December 31, 2024 compared to the year ended December 31, 2023 below, the effects of the costs and savings related to the FME25 Program are presented on a net basis.

The impacts from Legacy Portfolio Optimization and the costs related to the FME25 Program are treated as Special Items.

Third-party Cyber Incident

On February 21, 2024, one of our third party service providers was subject to a cyber-attack leading to the shutdown of its systems (the Third-party Cyber Incident). As this third party provided us with a range of financial clearinghouse services, the cyber-attack on its systems led to delays in claim processing impacting our consolidated financial statements, primarily affecting accounts receivable balances and cash flows. As of December 31, 2024, the impacts related to the Third-party Cyber Incident have been substantially resolved and are no longer material.

Other Trends

We continue to face significant challenges in the labor market resulting in meaningfully higher costs. While we have seen signs of a stabilization of the labor market, such challenges continued and costs increased in 2024 as we made investments in our employees. Additionally, overall treatments decreased for the year ended December 31, 2024 compared to the year ended December 31, 2023 primarily as divestitures in connection with Legacy Portfolio Optimization had a negative impact on overall treatment volume. Specifically in the U.S., volumes were negatively affected by the cancellation of less profitable acute care contracts contributing to a 0.2% decline in Same Market Treatment Growth (as defined below) for the year ended December 31, 2024 in addition to the impacts from divestitures noted above, as indicated in the discussion of our consolidated revenue and operating segment results and in the tables under "Key Performance Indicators," below. [ESRS 2, 40g.]

Comparison of Actual Business Results with the Outlook

Our business conditions in 2024 have developed in line with our expectations. In the second quarter 2024, we updated our assumption regarding U.S. Same Market Treatment Growth from initially around +0.5% to +2% to flat to 0.5% until the end of 2024. U.S. Same Market Treatment Growth adjusted for the cancellation of less profitable acute care contracts has fulfilled this updated assumption. The business development was still impacted by higher personnel expenses, inflationary cost increases as well as by unfavorable foreign currency transaction effects, partially offset by savings from the FME25 Program, exceeding our savings target. We met our outlook for the fiscal year 2024.

Our 2024 outlook was based on the outlined assumptions in chapter "Outlook" in the Group Management Report of the Annual Report 2023, presented at Constant Currency and excluded Special Items. Special Items include costs related to the FME25 Program, the Humacyte Remeasurements, the Legal Form Conversion Costs and the impacts from Legacy Portfolio Optimization and other effects that are unusual in nature and have not been foreseeable or not foreseeable in size or impact at the time of providing the outlook. We have adjusted the actual results for 2024 accordingly to make them comparable with the outlook.

The costs related to the FME25 Program mainly include severance payments and related personnel expenses, IT costs, consulting expenses, impairment of fixed, intangible and right-of-use assets as well as regulatory costs. The costs related to the FME25 Program affect both segments, Care Delivery and Care Enablement, as well as Corporate.

The impacts from Legacy Portfolio Optimization are mainly driven by gains and losses from divestitures, impairment losses resulting from the measurement of assets held for sale or from write-downs of related non-current assets (see NOTE 4 and NOTE 5 E) of the notes to the consolidated financial statements). The impacts from Legacy Portfolio Optimization affect primarily Care Delivery.

The Legal Form Conversion Costs primarily include costs related to legal and management consultancy as well as to the establishment of dedicated administrative functions required to manage certain services which have historically been administered at the Fresenius SE group level and paid through corporate charges as well as costs primarily related to the requisite relabeling of our products. The Legal Form Conversion Costs are assigned to Corporate.

The Humacyte Remeasurements are assigned regarding the impact from the remeasurement of our investment in Humacyte, Inc. to Corporate and regarding the impact from the remeasurement of receivables related to a royalty stream to Care Enablement.

The targeted growth rates were based on the results in 2023 excluding Special Items. To provide a comparable basis for the 2024 outlook, the prior year basis was adjusted accordingly for the business impacts from closed divestitures in 2023 and a settlement agreement in 2023 related to a previous complaint we filed against the U.S. government in 2019 which sought to recover amounts owed to us under the Tricare program (Tricare Settlement).

A reconciliation of the results 2024 and 2023 to the respective results 2024 and 2023 on outlook base can be found at the end of this section.

We expected revenue growth at a low to mid-single digit percentage rate at Constant Currency for the fiscal year 2024. We generated revenue on outlook base of €19.5 BN in 2024 (2023: €19.0 BN), resulting in an increase of 2%, which was at the lower range of our expectations.

Both segments, but particularly Care Enablement, contributed to the expansion of our business. Care Delivery revenue growth was negatively impacted by closed or sold operations (primarily related to Legacy Portfolio Optimization). Further details on the development of revenue can be found in section "Results of operation, financial position and net assets".

At the beginning of the year we expected operating income excluding Special Items to increase at a mid- to high-teens percentage rate at Constant Currency. Due to the developments in the first nine months 2024 we tightened our operating income growth outlook and expected operating income to grow by 16% to 18%. Operating income on outlook base in 2024 was €1.8 BN (2023: €1.5 BN), an increase of 18%. This met the upper end of our adjusted target corridor.

The table below shows the actual results and our outlook for the fiscal year 2024:

T 2.79 RESULTS AND OUTLOOK PRIMARY KEY PERFORMANCE INDICATORS FOR 2024
IN € M

	Results 2024		Outlook 2024
	As reported	Outlook base[2]	Excl. Special Items (at Constant Currency)[1, 3]
Revenue	19,336	19,454	Low to mid-single digit percentage rate growth
Operating income	1,392	1,812	16 — 18% growth (initially: mid to high-teens percentage rate growth)

[1] Outlook 2024 was based on the outlined assumptions in chapter "Outlook" in the Group Management Report of the Annual Report 2023 and excluded Special Items. Special Items include costs related to the FME25 Program, the Humacyte Remeasurements, the Legal Form Conversion Costs and the impacts from Legacy Portfolio Optimization and other effects that are unusual in nature and have not been foreseeable or not foreseeable in size or impact at the time of providing the outlook. The growth rates were based on the results in 2023 excluding Special Items. Additionally, the results in 2023 were adjusted for the business impacts from closed divestitures in 2023 and the Tricare settlement.
[2] The results 2024 are presented at Constant Currency and exclude Special Items in order to make business performance comparable with the outlook 2024. A reconciliation of the results 2024 and 2023 to the result 2024 and 2023 on outlook base can be found in the following tables.
[3] For further information on Constant Currency, see the chapter "Overview of the Group" section "Performance management system".

The following tables provides a reconciliation of the results 2024 and 2023 to the respective results 2024 and 2023 on outlook base:

T 2.80 OPERATING PERFORMANCE (OUTLOOK BASE)
IN € M

		Special Items						
	Results 2024	FME25 Program	Humacyte Remeasurements	Legal Form Conversion Costs	Legacy Portfolio Optimization	Results 2023 excl. Special Items	Currency translation effects	Results 2024 at Constant Currency (outlook base)[1]
Revenue	19,336	—	—	—	—	19,336	118	19,454
Operating income	1,392	180	(72)	9	288	1,797	15	1,812

[1] For further information on Constant Currency, see the chapter "Overview of the Group" section "Performance management system".

T 2.81 OPERATING PERFORMANCE (OUTLOOK BASE)
IN € M

		Special Items						
	Results 2023	FME25 Program	Humacyte Remeasurements	Legal Form Conversion Costs	Legacy Portfolio Optimization	Divestitures[2]	Tricare settlement	Results 2023 (outlook base)
Revenue	19,454	—	—	—	—	(214)	(191)	19,049
Operating income	1,369	153	(15)	30	204	(20)	(181)	1,540

[2] Business impacts from closed divestitures in 2023.

Results of Operations, Financial Position and Net Assets

The following sections summarize our consolidated results of operations, financial position and net assets as well as key performance indicators by reporting segment, as well as Corporate, for the periods indicated. We prepared the information consistent with the manner in which management internally disaggregates financial information to assist in making operating decisions and evaluating management performance.

Results of Operations

Revenue and operating income generated in countries outside the eurozone are subject to currency fluctuations. As a significant portion of our operations are derived from our businesses in the U.S., the development of the euro against the U.S. dollar can have a material impact on our results of operations, financial position and net assets and the impacts of foreign currency transaction and translation effects are included in the discussion of our key and secondary performance indicators below.

Year ended December 31, 2024 compared to year ended December 31, 2023

T 2.82 **RESULTS OF OPERATIONS**
IN € M

			Change in %		
	2024	2023	As reported	Currency translation effects	Constant Currency[1]
Revenue	19,336	19,454	(1)	(1)	0
Costs of revenue	(14,579)	(14,529)	0	1	1
Selling, general and administrative costs	(3,143)	(3,196)	(2)	1	(1)
Research and development	(183)	(232)	(21)	0	(21)
Income from equity method investees	135	122	11	0	11
Other operating income	760	515	48	0	48
Other operating expense	(934)	(765)	22	1	23
Operating income	1,392	1,369	2	(1)	3
Operating income margin	7.2	7.0			
Interest income	72	88	(19)	(1)	(18)
Interest expense	(407)	(424)	(4)	0	(4)
Income tax expense	(316)	(301)	5	1	6
Net income	741	732	1	(1)	2
Net income attributable to noncontrolling interests	(203)	(233)	(13)	0	(13)
Net income attributable to shareholders of FME AG	538	499	8	(1)	9
Basic and diluted earnings per share in €	1.83	1.70	8	(1)	9

[1] For further information on Constant Exchange Rates, see "I. Performance management system" above.

Key Performance Indicators

The following discussions include our two operating and reportable segments and the measures we use to manage these segments. For further information, see NOTE 29 of the notes to the consolidated financial statements.

Consolidated

Revenue decreased as compared to the year ended December 31, 2023 primarily driven by the effect of closed or sold operations (primarily related to Legacy Portfolio Optimization), the absence, in 2024, of the Tricare Settlement and a negative impact from foreign currency translation, partially offset by an increase in organic growth in both Care Delivery and Care Enablement.

Care Delivery

The decrease in Care Delivery revenue as compared to the year ended December 31, 2023 was driven by the effect of closed or sold operations (primarily related to Legacy Portfolio Optimization) and the absence, in 2024, of the Tricare Settlement, partially offset by an increase in organic growth. Organic growth was supported by value and risk-based care programs, reimbursement rate increases and a favorable payor mix, partially offset by increased implicit price concessions. As of December 31, 2024, the number of patients treated in dialysis clinics that we own or operate in Care Delivery decreased as compared to December 31, 2023, primarily driven by divestitures in connection with our Legacy Portfolio Optimization plan. Treatments in our Care Delivery segment decreased as compared to the year ended December 31, 2023, mainly due to the effect of closed or sold clinics (primarily related to Legacy Portfolio Optimization). During the year ended December 31, 2024, we acquired 3, opened 30 and combined, closed or sold 283 dialysis clinics.

T 2.83 **REVENUE**
IN € M, EXCEPT DIALYSIS TREATMENT, PATIENT AND CLINIC DATA

			Change in %				
	2024	2023	As reported	Currency translation effects	Constant Currency[1]	Organic growth	Same Market Treatment Growth[2]
Revenue	19,336	19,454	(1)	(1)	0	4	
Care Delivery segment	15,275	15,578	(2)	0	(2)	4	0.3
Thereof: U.S.	12,798	12,665	1	0	1	4	(0.1)
Thereof: International	2,477	2,913	(15)	(2)	(13)	4	1.4
Care Enablement segment	5,557	5,345	4	(1)	5	5	
Inter-segment eliminations	(1,496)	(1,469)	2	0	2		
Dialysis treatments	47,617,071	51,654,540	(8)				
Patients	299,352	332,548	(10)				
Clinics	3,675	3,925	(6)				

[1] For further information on Constant Exchange Rates, see "I. Performance management system" above.
[2] Same market treatment growth represents growth, in treatments, adjusted for certain reconciling items including (but not limited to) treatments from acquisitions, closed or sold clinics and differences in dialysis days (Same Market Treatment Growth).

U.S.

In the U.S., the increase in revenue was driven by an increase in organic growth, partially offset by the absence, in 2024, of the Tricare Settlement and the effect of closed or sold operations (primarily related to Legacy Portfolio Optimization). Organic growth in the U.S. was supported by value and risk-based care programs, reimbursement rate increases and a favorable payor mix, partially offset by increased implicit price concessions. In the U.S., 206,436 patients (December 31, 2023: 205,308) were treated in dialysis clinics that we own or operate. Treatments remained relatively stable at 31,213,447 for the year ended December 31, 2024 as compared to 31,210,375 for the year ended December 31, 2023, primarily as Same Market Treatment Growth was limited by the cancellation of less profitable acute care contracts (-0.2%). We owned or operated 2,624 dialysis clinics in the U.S. at December 31, 2024 as compared to 2,615 dialysis clinics at December 31, 2023. During the year ended December 31, 2024, we opened 27 and combined, closed or sold 18 dialysis clinics.

International

In International, the decrease in revenue was driven by the effect of closed or sold operations (primarily related to Legacy Portfolio Optimization) and a negative impact from foreign currency translation, partially offset by an increase in organic growth and an increase in dialysis days. There were 92,916 patients, a decrease of 27% (December 31, 2023: 127,240) treated in dialysis clinics that we own or operate in International, primarily driven by divestitures in connection with Legacy Portfolio Optimization. Treatments in International decreased by 20% to 16,403,624 for the year ended December 31, 2024 as compared to 20,444,165 for the year ended December 31, 2023 driven by the effect of closed or sold operations (primarily related to Legacy Portfolio Optimization), partially offset by Same Market Treatment Growth and an increase in

dialysis days. We owned or operated 1,051 dialysis clinics in International at December 31, 2024 as compared to 1,310 dialysis clinics at December 31, 2023. During the year ended December 31, 2024, we acquired 3, opened 3 and combined, closed or sold 265 dialysis clinics.

Care Enablement

Care Enablement revenue increased as compared to the year ended December 31, 2023 primarily driven by higher revenues related to in-center disposables, machines for chronic treatment, home hemodialysis products and products for acute care treatments, partially offset by a negative impact from foreign currency translation. The development was driven by volume increases for our products across all of our geographical regions. Additionally, pricing momentum outside of China remained positive. In China, pricing was negatively impacted by volume-based procurement.

Consolidated

The increase in our operating income was largely driven by a positive impact from business growth, net savings associated with the FME25 Program and a positive impact from value and risk-based care programs, partially offset by higher personnel expense, the absence, in 2024, of the Tricare Settlement, inflationary cost increases and an unfavorable impact from Legacy Portfolio Optimization.

Care Delivery

Care Delivery operating income decreased primarily as a result of an unfavorable impact from Legacy Portfolio Optimization, the absence, in 2024, of the Tricare Settlement, higher personnel expense and inflationary cost increases, partially offset by a positive impact from business growth, a positive impact from value and risk-based care programs and net savings associated with the FME25 Program.

T 2.84 OPERATING INCOME (LOSS)
IN € M

			Change in %		
	2024	2023	As reported	Currency translation effects	Constant Currency[1]
Operating income (loss)	1,392	1,369	2	(1)	3
Care Delivery segment	1,190	1,516	(22)	(1)	(21)
Care Enablement segment	267	(67)	n.a.		n.a.
Inter-segment eliminations	(17)	(13)	30	5	25
Corporate	(48)	(67)	(29)	(1)	(28)
Operating income (loss) margin	7.2	7.0			
Care Delivery segment	7.8	9.7			
Care Enablement segment	4.8	(1.2)			

[1] For further information on Constant Exchange Rates, see "I. Performance management system" above.

Care Enablement

For the year ended December 31, 2024, Care Enablement recorded operating income as compared to an operating loss for the year ended December 31, 2023, primarily due to a favorable impact from business growth (driven by positive volume and pricing developments which were partially offset by volume-based procurement in China), a favorable impact from Legacy Portfolio Optimization, net savings from the FME25 Program and a positive impact from the remeasurement of receivables related to a royalty stream that we are entitled to base on sales made by Humacyte, Inc. in the U.S., partially offset by inflationary cost increases and unfavorable foreign currency transaction effects.

Secondary Performance Indicators and Other Contributors to Profit and Loss

Costs of revenue remained relatively stable as compared to the year ended December 31, 2023 as increased value and risk-based care program expenses (primarily related to higher memberships) in Care Delivery, higher personnel expense in Care Delivery and inflationary cost increases were mostly offset by lower costs associated with business growth in Care Delivery (partially offset by higher costs in Care Enablement), the absence, in 2024, of the results of operations for businesses previously divested under Legacy Portfolio Optimization primarily within Care Delivery, net savings from the FME25 Program and a positive impact from foreign currency translation. In Care Delivery, costs of revenue decreased slightly to €12,120 M from €12,151 M for the comparable period. In Care Enablement, costs of revenue increased by 2% to €3,915 M from €3,834 M for the comparable period. In addition to a 1% positive impact from foreign currency translation, costs of revenue increased by 3% at Constant Currency.

Selling, general and administrative (SG&A) expense decreased for the year ended December 31, 2024 as compared to the prior year comparable period driven by lower costs associated with business growth.

The decrease in research and development expense for the year ended December 31, 2024 as compared to the prior year comparable period was largely driven by lower personnel costs for research and development projects, higher capitalization of development costs and lower costs related to activities in the field of regenerative medicine, partially offset by increased Research and development activity.

The increase in income from equity method investees was primarily driven by higher earnings attributable to Vifor Fresenius Medical Care Renal Pharma Ltd.

The increase in other operating income was primarily driven by foreign exchange gains, a positive impact from Humacyte Remeasurements and the impacts from Legacy Portfolio Optimization.

The increase in other operating expense was primarily driven by the impacts from Legacy Portfolio Optimization, foreign exchange losses and an unfavorable impact from the valuation of vPPAs, partially offset by the absence, in 2024, of the results of operations for businesses previously divested under Legacy Portfolio Optimization.

For additional information regarding other operating income and expense, see NOTE 5 E) of the notes to the consolidated financial statements.

Net interest expense remained relatively stable at €335 M from €336 M as a favorable impact from refinancing activities and favorable effects from foreign currency swaps were mostly offset by higher net interest expense on taxes related to a settlement, lower interest associated with receivables related to a royalty stream that we are entitled to base on sales made by Humacyte, Inc. in the U.S., a negative impact from the Third-party Cyber Incident and unfavorable foreign currency translation effects.

The effective tax rate increased to 29.9% from 29.1% for the same period of 2023 primarily driven by a negative impact from Legacy Portfolio Optimization, partially offset by lower tax provisions related to the recognition of a previously unrecognized deferred tax asset and tax law changes. For information regarding the impact of Pillar Two tax legislation, see NOTE 5 G) of the notes to the consolidated financial statements.

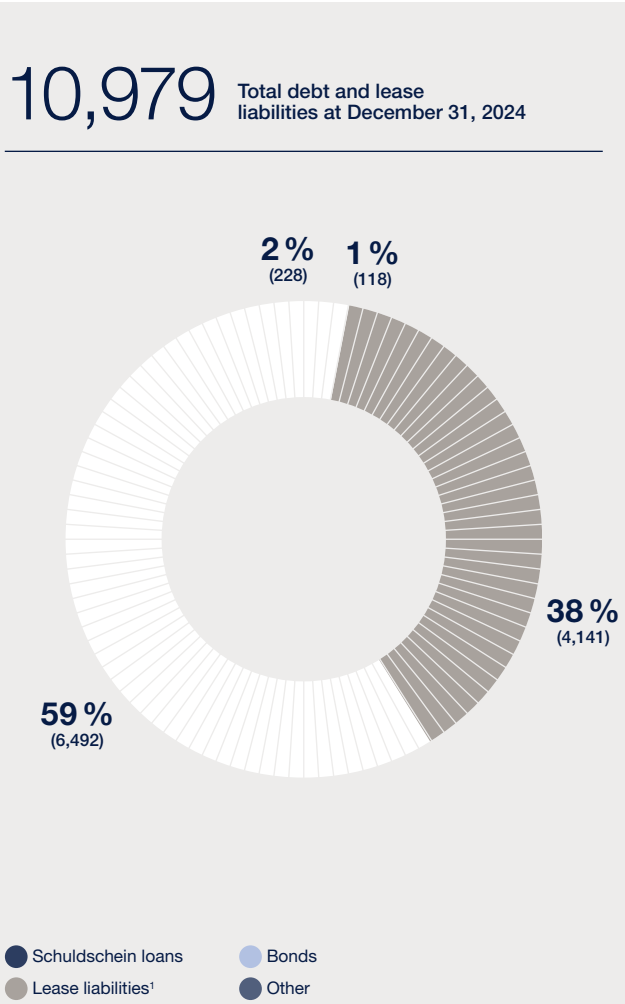
The decrease in net income attributable to noncontrolling interests was primarily due to lower earnings in fully consolidated entities in which we have less than 100% ownership, partially offset by a favorable impact from Legacy Portfolio Optimization.

The increase in net income attributable to shareholders of FME AG was as a result of the combined effects of the items discussed above.

Basic earnings per share increased primarily due to the increase in net income attributable to shareholders of FME AG described above. The average weighted number of shares outstanding for the period was unchanged at 293.4 M in 2024 (2023: 293.4 M).

We employed 111,513 people (total headcount) as of December 31, 2024 (December 31, 2023: 119,845). This 7% decrease was largely due to the divestiture of certain businesses in connection with Legacy Portfolio Optimization.

C 2.85 **FINANCING MIX**
IN MIO €



[1] Includes lease liabilities with related and unrelated parties

Financial Position

Our investment and financing strategy did not change substantially in the past fiscal year as our business model, which is based on stable and high cash flows, allows for a reasonable proportion of debt. We regard our refinancing options as being very stable and flexible. During the past fiscal year, the focus of our investing activities was on our health care services business.

Financing Strategy

Our financing strategy aims at ensuring financial flexibility, managing financial risks and optimizing financing costs. Financial flexibility is ensured through maintaining sufficient liquidity. Refinancing risks are limited due to the Company's balanced maturity profile, which is characterized by a wide range of maturities of up to 2031. Corporate bonds in euro and U.S. dollar form the basis of our mid- and long-term financing instruments. Corporate bonds in euro are issued under our €10 BN debt issuance program. For short-term financing we use our €1.5 BN commercial paper program and bilateral credit lines. The €2 BN Syndicated Credit Facility serves as a backup facility and was undrawn at December 31, 2024.

The chart on the left summarizes our main financing debt mix as of December 31, 2024.

In our long-term capital management, we focus primarily on the net leverage ratio, a non-IFRS measure (see section "Performance management system" in the chapter "Overview of the Group"). Our self-set target for the net leverage ratio is 3.0 - 3.5x, which management considers appropriate for the Company. The following table shows the reconciliation of net debt and adjusted EBITDA and the calculation of the net leverage ratio as of December 31, 2024 and 2023.

T 2.86 **RECONCILIATION OF ADJUSTED EBITDA AND NET LEVERAGE RATIO TO THE MOST DIRECTLY COMPARABLE IFRS ACCOUNTING STANDARDS FINANCIAL MEASURE**
IN € M, EXCEPT FOR NET LEVERAGE RATIO

	December 31, 2024	December 31, 2023
Debt and lease liabilities[1]	10,988	12,187
Minus: Cash and cash equivalents[2]	(1,185)	(1,427)
NET DEBT	**9,803**	**10,760**
Net income	741	732
Income tax expense	316	301
Interest income	(72)	(88)
Interest expense	407	424
Depreciation and amortization	1,536	1,613
Adjustments[3]	450	409
ADJUSTED EBITDA	**3,378**	**3,391**
NET LEVERAGE RATIO	**2.9**	**3.2**

[1] Debt includes the following balance sheet line items: short-term debt, current portion of long-term debt and long-term debt, less current portion as well as debt and lease liabilities included within liabilities directly associated with assets held for sale.
[2] Includes cash and cash equivalents included within assets held for sale (see NOTE 4 of the notes to the consolidated financial statements).
[3] Acquisitions and divestitures made for the last twelve months with a purchase price above a €50 M threshold as defined in the Syndicated Credit Facility (2024: -€23 M; 2023: -€35 M), non-cash charges, primarily related to pension expense (2024: €52 M; 2023: €56 M), impairment loss (2024: €207 M; 2023: €139 M) and special items, including costs related to the FME25 Program (2024: €164 M; 2023: €106 M), Legal Form Conversion Costs (2024: €9 M; 2023: €30 M), Legacy Portfolio Optimization (2024: €113 M; 2023: €128 M) and Humacyte Remeasurements (2024: -€72 M; 2023: -€15 M).

The key financial risks we are exposed to include foreign exchange risk and interest rate risk. To manage these risks, we enter into various hedging transactions that have been authorized by the Management Board. Counterparty risks are managed via internal credit limits, taking into account the external credit ratings of the respective hedging counterparty. We do not use financial instruments for trading or other speculative purposes (for liquidity and financing risks, see section "Other risks" in the chapter "Risks and opportunities report" as well as NOTE 26 of the notes to the consolidated

financial statements). For information on our credit ratings, see NOTE 21 of the notes to the consolidated financial statements. A rating is not a recommendation to buy, sell or hold securities of the Company, and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Fresenius SE, under a transitional service agreement, conducts treasury services for us until the separation and establishment of an independent treasury team has been finalized. We have established guidelines for risk management procedures and controls which govern the use of financial instruments. These guidelines include a clear segregation of duties with regards to execution on the one hand and administration, accounting and controlling on the other. Throughout 2024, these transitional service agreements were terminated, with very few exceptions which will continue through the beginning of 2025.

Effect of Off-balance-sheet Financing Instruments on our Financial Position, Assets and Liabilities

We are not involved in off-balance-sheet transactions that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, cash requirements or capital resources.

Sources of Liquidity

Our primary sources of liquidity are typically cash provided by operating activities, cash provided by short-term debt, proceeds from the issuance of long-term debt and divestitures. We require this capital primarily to finance working capital needs, fund the FME25 Program and acquisitions, operate clinics, develop free-standing renal dialysis clinics and other health care facilities, purchase equipment for existing or new renal dialysis clinics and production sites, repay debt and pay dividends (see "Net cash provided by (used in) investing activities" and "Net cash provided by (used in) financing activities" below) and to satisfy put option obligations to holders of minority interests in our majority-owned subsidiaries.

As of December 31, 2024, our available borrowing capacity under unutilized credit facilities amounted to approximately €3.5 BN, including €2.0 BN under the Syndicated Credit Facility, which we maintain as a backup for general corporate purposes (see NOTE 17 of the notes to the consolidated financial statements).

At December 31, 2024, we had cash and cash equivalents of €1,180 M (December 31, 2023: €1,403 M).

Free cash flow (Net cash provided by (used in) operating activities, after capital expenditures, before acquisitions and investments) is a Non-IFRS Measure and is reconciled to net cash provided by (used in) operating activities, the most directly comparable IFRS Accounting Standards measure (see section "Performance management system" in the chapter "Overview of the Group").

The following table shows the cash flow performance indicators for 2024 and 2023 and reconciles free cash flow and free cash flow in percent of revenue to Net cash provided by (used in) operating activities and Net cash provided by (used in) operating activities in percent of revenue, respectively:

T 2.87 **CASH FLOW MEASURES**
IN € M, EXCEPT WHERE OTHERWISE SPECIFIED

	2024	2023
Revenue	**19,336**	**19,454**
Net cash provided by (used in) operating activities	**2,386**	**2,629**
Capital expenditures	(699)	(685)
Proceeds from sale of property, plant and equipment	14	16
Capital expenditures, net	**(685)**	**(669)**
Free cash flow	**1,701**	**1,960**
Net cash provided by (used in) operating activities in % of revenue	**12.3**	**13.5**
Free cash flow in % of revenue	**8.8**	**10.1**

Net Cash Provided by (Used In) Operating Activities

Net cash provided by (used in) operating activities is impacted by the profitability of our business, the development of our working capital, principally inventories, receivables and cash outflows that occur due to a number of specific items as discussed below. The decrease in net cash provided by operating activities in percent of revenue as compared to the year ended 2023 was driven by a negative impact from the phasing of dividend payments received from equity method investments and the absence, in 2024, of the Tricare Settlement, partially offset by a favorable effect from certain working capital items (mainly accounts receivable from related parties and inventories). Delays in collections of trade accounts receivable in the U.S. (including significant delays in the first half of 2024 from the Third-party Cyber Incident) were partially mitigated by the substantial resolution of the impacts related to the Third-party Cyber Incident during the second half of 2024.

The profitability of our business depends significantly on reimbursement rates for our services. For the year ended December 31, 2024, approximately 78% of our revenue was generated by providing health care services, a major portion of which is reimbursed by either public health care organizations or private insurers. In 2024, approximately 18% of our consolidated revenue was attributable to reimbursements from U.S. federal health care benefit programs such as Medicare and Medicaid. Legislative changes could affect Medicare reimbursement rates for a significant portion of the services we provide as well as the scope of Medicare coverage. A decrease in reimbursement rates or the scope of coverage could have a material adverse effect on our business, financial position and results of operations and thus on our capacity to generate cash flow. See the above section "Macroeconomic and sector-specific environment" in this chapter.

We intend to continue to address our current cash and financing requirements using net cash provided by operating activities, issuances under our commercial paper program (see NOTE 16 of the notes to the consolidated financial statements) as well as from the use of our bilateral credit lines. We expect that we will have adequate sources of financing available to us. Our Syndicated Credit Facility is also available for backup financing needs. In addition, to finance acquisitions or meet other needs, we expect to utilize long-term financing arrangements, such as the issuance of bonds (see "Net cash provided by (used in) financing activities," below).

Net cash provided by (used in) operating activities depends on the collection of accounts receivable. Commercial customers and government institutions generally have different payment cycles. Lengthening their payment cycles could have a material adverse effect on our capacity to generate cash flow. In addition, we could face difficulties enforcing and collecting accounts receivable under the legal systems of, and due to the economic conditions in, some countries. Accounts receivable balances, net of expected credit losses, represented Days Sales Outstanding (DSO) (Non-IFRS Measure) of 63 days at December 31, 2024, a decrease as compared to 67 days at December 31, 2023.

DSO by segment is calculated by dividing the respective segment's trade accounts and other receivables from unrelated parties (including receivables related to assets held for sale) less contract liabilities, converted to euro using the average exchange rate for the period presented by the average daily sales for the last twelve months of that segment, including sales or value-added tax, converted to euro using the average exchange rate for the period. In order to ensure comparability of line items included in the consolidated balance sheets and consolidated statements of income, trade accounts and other receivables from unrelated parties (including receivables related to assets held for sale) and contract liabilities as of December 31, 2024 are adjusted for a decrease in the amount of €78.5 M and an increase in the amount of €1.5 M, respectively (December 31, 2023: an increase of €65.2 M and €2.0 M, respectively) which represents the impact on these line items from foreign currency translation. Additionally, daily revenues in the amount of €(0.6) M and €(0.4) M for the twelve months ended December 31, 2024 and December 31, 2023, respectively, are adjusted in relation to amounts related to acquisitions and divestitures made within the reporting period with a purchase price above a €50 M threshold, to increase consistency with the respective adjustments in the determination of adjusted EBITDA (See "— I. Performance management system — Net leverage ratio (Non-IFRS Measure)" above) and in the amount of €1.0 M and €0.9 M for the twelve months ended December 31, 2024 and December 31, 2023, respectively to include sales or value-added tax and other smaller effects.

The development of DSO by reporting segment is shown in the table below.

Due to the fact that a large portion of our reimbursement is provided by public health care organizations and private payors, we expect that most of our accounts receivable will be collectible.

For information regarding litigation exposure as well as ongoing and future tax audits, see NOTE 25 of the notes to the consolidated financial statements.

T 2.88 **DEVELOPMENT OF DAYS SALES OUTSTANDING**
IN DAYS

	December 31, 2024	December 31, 2023	Explanation of movement
Care Delivery	53	59	A positive effect from Legacy Portfolio Optimization
Care Enablement	95	97	Improvement of payment collections in certain geographical regions
FME AG	**63**	**67**	

Net Cash Provided by (Used In) Investing Activities

Net cash used in investing activities was €85 M for 2024 (2023: €544 M). The TABLE T 2.89 shows a breakdown of our investing activities for 2024 and 2023.

The majority of our capital expenditures was used for maintaining existing clinics and centers, capitalization of machines provided to our customers, capitalization of certain development costs, expansion of production capacity and equipping new clinics and centers. Capital expenditures accounted for approximately 4% of total revenue in 2024 (2023: 3%).

Investments in 2024 were primarily comprised of purchases of debt securities and equity investments. Divestitures in 2024 mainly related to the divestment of equity investments (including divestitures under our Legacy Portfolio Optimization program) and debt securities.

Investments in 2023 were primarily comprised of purchases of debt securities. Divestitures in 2023 were mainly related to the divestment of equity investments (including divestitures under our Legacy Portfolio Optimization program) and debt securities. Acquisitions in 2023 related primarily to the purchase of dialysis clinics. Additionally, purchases of intangibles in 2023 related primarily to emission rights certificates.

In 2025, we anticipate capital expenditures around €0.9 BN and expect to limit acquisition and investment spending, while focusing on the organic growth of our business. Our anticipated capital expenditures are driven by the need to position us well to capture growth opportunities, including the limited launch of high-volume hemodiafiltration (HVHDF) to targeted U.S. clinics beginning in 2025, as well as to maintain quality levels and patient experience. Additionally, we plan accelerated capital expenditures in new production facilities as well as into research and development activities for a more globalized product portfolio.

T 2.89 CASH FLOWS RELATING TO INVESTING ACTIVITIES
IN € M

	Capital expenditures, net, including capitalized development costs		Acquisitions, investments, purchases of intangible assets and investments in debt securities		Proceeds from divestitures and the sale of debt securities	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Care Delivery	353	330	37	55	658	195
Care Enablement	332	339	68	82	47	67
TOTAL	**685**	**669**	**105**	**137**	**705**	**262**

Further information regarding our acquisitions, investments and divestitures, see NOTE 4 and NOTE 5 E) of the notes to the consolidated financial statements.

Net Cash Provided by (Used In) Financing Activities

Net cash used in financing activities was €2,569 M in 2024 (2023: €1,859 M).

In 2024, cash was mainly used in the repayment of debt (including short and long-term debt, the accounts receivable securitization program as well as lease liabilities), payment of dividends and distributions to noncontrolling interests.

In 2023, cash was mainly used in the repayment of lease liabilities (including lease liabilities from related parties), the repayment of long-term debt (including the repayment at maturity of bonds in an aggregate principal amount of €650 M), the payment of dividends, distributions to noncontrolling interests and the repayment of short-term debt (including borrowings under our commercial paper program and short-term debt from related parties), partially offset by proceeds from long-term debt and short-term debt (including borrowings under our commercial paper program and short-term debt from related parties).

On May 22, 2024, we paid a dividend of €1.19 per share for 2023 (€1.12 per share for 2022 paid in 2023). The total dividend payment was €349 M in 2024 (2023: €329 M).

The CHART 2.90 summarizes our significant long-term financing instruments as well as their maturity structure at December 31, 2024.

For a description of our short-term debt, long-term sources of liquidity and contractual cash flows (including interest) resulting from recognized financial liabilities and derivative financial instruments recorded in the consolidated balance sheets, see NOTE 16, NOTE 17 and NOTE 26 of the notes to the consolidated financial statements.

The TABLE 2.91 summarizes our available sources of liquidity at December 31, 2024.

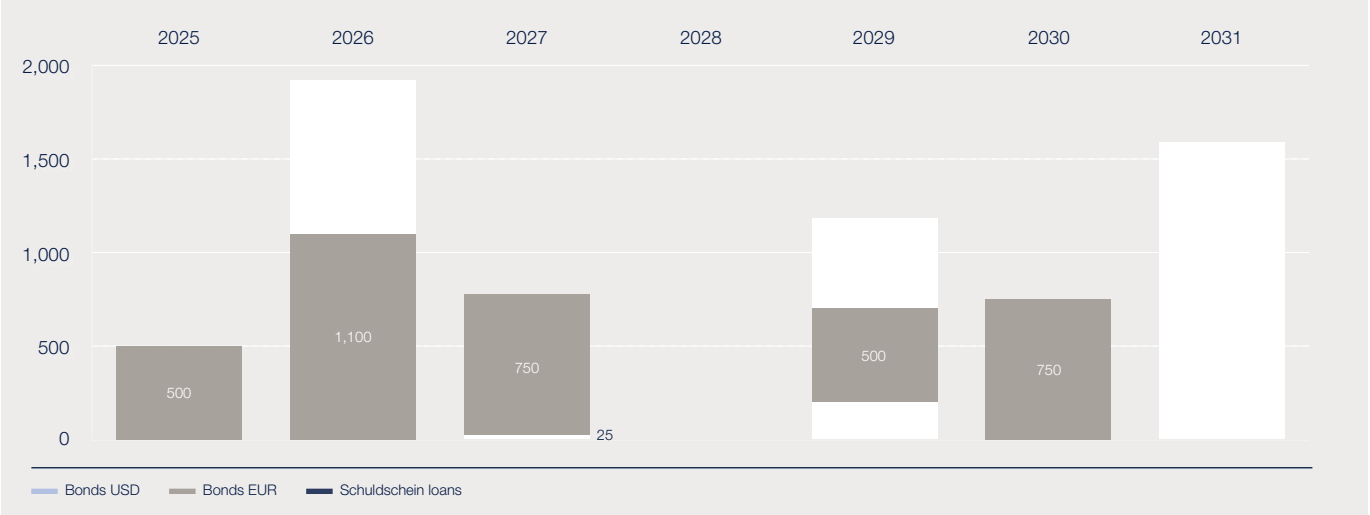
An additional source of liquidity is our commercial paper program, under which up to €1,500 M of short-term notes can be issued on a flexible and continuous basis. As of December 31, 2024, we did not utilize the commercial paper program. As of December 31, 2023, we utilized €400 M of the commercial paper program.

At December 31, 2024, we had short-term debt from unrelated parties (excluding the current portion of long-term debt) in the total amount of €2 M.

For information regarding other contractual commitments see NOTE 25 of the notes to the consolidated financial statements.

Although current and future economic conditions could adversely affect our business and our profitability, we believe that we are well positioned to continue to operate our business while meeting our financial obligations as they come due, and to resume growing our business as macroeconomic conditions improve and headwinds subside. Because of the non-discretionary nature of the health care services we provide, the need for health care products utilized to provide such services and the availability of government reimbursement for a substantial portion of our health care services, our business is generally not cyclical. A substantial portion of our accounts receivable is generated by governmental payors. While payment and collection practices vary significantly between coun-

C 2.90 MATURITY STRUCTURE OF OUR SIGNIFICANT LONG-TERM FINANCING INSTRUMENTS (BASED ON NOMINAL AMOUNTS OUTSTANDING)
IN € M



T 2.91 AVAILABLE SOURCES OF LIQUIDITY
IN € M

		Expiration per period of			
	Total	Less than 1 year	1–3 years	3–5 years	Over 5 years
Syndicated Credit Facility	2,000	–	–	2,000	–
Other unused lines of credit	1,508	938	570	–	–
	3,508	**938**	**570**	**2,000**	**–**

tries and even between agencies within one country, government payors usually represent low to moderate credit risk. However, limited or expensive access to capital could make it more difficult for our customers to do business with us, or to do business generally, which could adversely affect our business by causing our customers to reduce or delay their purchases of our health care products (see section "Results of operations" above in this chapter). If the conditions in the capital markets worsen, this could increase our financing costs and limit our financial flexibility.

At our Annual General Meeting scheduled to be held on May 22, 2025, our Supervisory Board will propose to the shareholders a dividend of €1.44 per share for 2024, payable in 2025 (for 2023 paid in 2024: €1.19). The total expected dividend payment is approximately €423 M compared to dividends of €349 M for 2023 paid in 2024.

Our principal financing needs in 2025 relate to the repayment of bonds at maturity in July 2025. The dividend payment in May 2025, anticipated capital expenditures and, to a lesser extent, exercises of put options as well as further acquisition payments are expected to be covered by our cash flow, including the use of existing credit facilities and, if required, additional debt financing. We have sufficient flexibility to meet our financing needs in 2025.

Dividend Policy

We generally pay annual dividends on our shares in amounts that we determine on the basis of FME AG's prior year's balance sheet profit (Bilanzgewinn) as shown in the statutory unconsolidated financial statements that we prepare under German law on the basis of the accounting principles of the HGB. The payment of dividends is subject to approval by a resolution of the general meeting of shareholders. We adhere to our dividend policy of developing dividends in line with the development of net income excluding Special Items.

Net Assets

Total assets as of December 31, 2024 decreased by €363 M (1%) to €33,567 M compared to the prior year. Apart from a 4% positive impact resulting from foreign currency translation, total assets decreased by 5% to €32,222 M from €33,930 M at December 31, 2023.

Non-current assets increased by €415 M (2%) to €25,644 M and represented 76% of total assets (2023: 74%). Apart from a positive effect from foreign currency translation of 5%, non-current assets decreased primarily due to divestitures, classification as assets held for sale and write-downs of related non-current assets in connection with Legacy Portfolio Optimization.

Current assets decreased by 9% to €7,923 M, including a positive effect from foreign currency translation of 2%, primarily driven by a decrease in assets classified as held for sale as a result of divestitures in connection with Legacy Portfolio Optimization. Additionally, a decrease in cash and cash equivalents primarily as a result of repayment of debt as well as in trade accounts and other receivables from unrelated parties primarily due to divestitures and the classification as assets held for sale in connection with Legacy Portfolio Optimization contributed to the decrease in current assets.

Total liabilities amounted to €17,798 M at December 31, 2024 and decreased by €1,305 M (7%) from €19,103 M at December 31, 2023, including a negative effect from foreign currency translation of 3%, primarily driven by a decrease in debt, other current and non-current financial liabilities, lease liabilities, due to repayments, as well as liabilities directly associated with assets held for sale as a result of divestitures in connection with Legacy Portfolio Optimization.

Current liabilities accounted for €577 M of our debt (2023: €944 M), a decrease of €367 M (39%). This decrease was primarily due to the repayment of borrowings under the commercial paper program and bonds denominated in U.S. dollar as well as the full repayment of debt under the accounts receivable securitization program, partially offset by the reclassification of bonds denominated in euro to the current portion of long-term debt.

Long-term debt decreased to €6,261 M from €6,960 M in the prior year, a decrease of €699 M (10%), including a negative effect from foreign currency translation of 3%, mainly due to the reclassification of bonds denominated in euro to the current portion of long-term debt and the premature repayment of a bilateral term loan.

Shareholders' equity at December 31, 2024 increased by €942 M (6%) to €15,769 M as compared to the prior year. Apart from a positive effect from foreign currency translation of 4%, the increase in shareholders' equity was primarily driven by net income and changes in fair value of put option liabilities recognized in equity, partially offset by dividend payments and distributions to noncontrolling interests. The equity to assets ratio increased to 47% at December 31, 2024 as compared to 44% at December 31, 2023 primarily driven by a decrease in debt and an increase in shareholders' equity.

ROIC increased to 3.5% at December 31, 2024 as compared to 2.8% at December 31, 2023 primarily driven by an increase in operating income, including adjustments for acquisitions and divestitures made during the last twelve months with a purchase price above a €50 M threshold. ROIC excluding Legacy Portfolio Optimization costs was 4.2% at December 31, 2024. Goodwill, included in the item "invested capital", has a significant impact on the calculation of ROIC. The weighted average cost of capital (WACC), including weighted risk premiums for country risks, was 6.3%. For further information on ROIC, see the chapter "Overview of the Group" section "Performance management system" — "Return on invested capital (ROIC) (Non-IFRS Measure)".

For supplementary information on capital management and our capital structure, see NOTE 21 of the notes to the consolidated financial statements.

Management's General Assessment

Fresenius Medical Care has again delivered against its commitments to profitably grow its business and we met the top end of our 2024 target. We successfully executed against our strategic turnaround and transformation plan, advancing the Legacy Portfolio Optimization and realizing significant FME25 savings ahead of plan. The momentum we have created, enables us to further raise our FME25 savings target from €650 M to €750 M. Our continued focus on improving operational performance resulted in a meaningful progress in the operating income margin towards our 2025 margin targets. Over the course of the past financial year, both business segments contributed to the positive development. In Care Delivery, a key milestone was underlying U.S. Same Market Treatment Growth remaining positive for the second consecutive quarter and turning positive for the full year 2024. Care Enablement recorded accelerated volume growth alongside continued positive pricing momentum. The strong operating income improvement of Care Enablement is testimony to delivering on our ambitious transformation plan.

Subsequent Events

Refer to NOTE 30 of the notes to the consolidated financial statements.

Outlook

The outlook describes how Fresenius Medical Care expects to perform in fiscal year 2025. These statements take into account all events known at the time the financial statements were prepared which could affect the development of our business in 2025.

Business Policy

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. Our products and health care services are at the core of our strategy, and we are dedicated to improving the lives of people living with kidney disease through a combination of medical device innovation, manufacturing expertise, and comprehensive patient care. Through our two operating segments, Care Delivery and Care Enablement, we provide the full spectrum of health care services, systems, devices, technologies, products, and pharmaceuticals to support individuals with kidney disease at every stage of their journey. As the incidence of kidney diseases increases worldwide due to drivers like obesity, diabetes, and hypertension, we remain committed to improving and expanding our dialysis services and therapies and advancing kidney research to promote the well-being of our patients.

In 2025, we will concentrate on three key areas: the renal care continuum, critical care solutions, and complementary assets. Through the renal care continuum, we aim to improve kidney care with new renal care models, value- and risk-based care, kidney transplantation, and future innovations. Over the next few years, we will use our competence in the critical care business to address a variety of health challenges and continue to leverage our core competencies through partnerships, investments, and acquisitions. This approach constitutes our commitment to long-term sustainable development and growth.

Sector-specific Environment – Dialysis Market

The Company expects the number of dialysis patients worldwide to grow by about 4% to 5% in 2025. The lower global growth rates from 2020 compared to previous years have primarily been attributed to the COVID-19-related excess mortality of people with ESRD. From 2022 onwards, a recovery in global growth rates is observed, and we anticipate that worldwide patient growth will be around 4% to 5% per year in the future. Some significant regional differences are likely to remain: The Company anticipates below average growth rates in the U.S., Japan and Western and Central Europe. The number of patients with chronic kidney disease is already relatively high in these countries and regions and patients generally have reliable access to treatment, normally dialysis. In economically weaker regions we expect the growth rates partly to be considerably higher. We expect patient numbers to continue growing in the coming years – see the following table showing patient numbers in the Care Delivery segment.

T 2.92 EXPECTED GROWTH IN PATIENT NUMBERS

	Growth 2025
U.S.	0% to 1%
International	5% to 6%
WORLDWIDE	**4% to 5%**

Source: Internal estimates.

Our growth strategy is based on an in-depth analysis of the major trends affecting Fresenius Medical Care:

- Demographic factors: Demographic factors are one of the main reasons for the continued growth of dialysis markets. As average life expectancy rises worldwide, the share of older people in the population is also growing. However, kidney function deteriorates with age. Therefore, demographic change is an important indicator for the future number of dialysis patients, which is expected to increase from around 4.2 M worldwide in 2024 to around 7 M in 2035.
- Increase in lifestyle diseases: Diseases such as hypertension and diabetes are on the rise around the world. They can cause damage to the entire organism and also often impair kidney function in the long-term.
- Improved access to medical care: Thanks to ongoing efforts to establish and expand balanced and sustainable health care systems in many countries around the globe, a growing number of patients are gaining access to suitable dialysis treatments for the first time. We expect this trend to continue and drive demand for high-quality products and treatments.
- Changes in the health care industry: The health care industry is constantly changing. We believe that demand for the holistic care of chronic patients will continue to rise. In future, the focus when treating kidney patients will no longer be simply on offering individual dialysis products or services, but also on combining all fields of application related to dialysis and coordinating them more effectively.

Hemodialysis will remain the treatment of choice, accounting for 89% to 90% of all dialysis therapies. Peritoneal dialysis will continue to be the preferred treatment for 10% to 11%of all dialysis patients.

The volume of the worldwide dialysis market last year was influenced by exchange rate effects, amongst other things, and amounted to about €80 to 84 BN according to preliminary estimates. Going forward, we expect an increase of 2% to 4% per year. This is based on the assumption that exchange rates will remain stable in the forecasting period. The overall volume of the dialysis market could thus reach around €84 BN to €88 BN by 2025 and over €100 BN by 2030. We expect patient growth to be slightly higher than value growth, mainly due to mix effects between countries.

In addition, the reimbursement and ancillary services utilization environment significantly influences our business. In the U.S., our biggest sales market, the reimbursements of governmental institutions are lower than the reimbursements of private insurers. Therefore, a change in the portion of reimbursements by private insurers in the U.S. would have a significant impact on our business.

Key Performance Indicators Development of Fresenius Medical Care in 2025

Fresenius Medical Care's outlook for 2025 is at Constant Currency and excludes Special Items. Special items include the costs related to the FME25 Program, the impacts from Legacy Portfolio Optimization, the Legal Form Conversion Costs and the Humacyte Remeasurements and other effects that are unusual in nature and have not been foreseeable or not foreseeable in size or impact at the time of providing the outlook. These targets are based on the following assumptions:

Revenue assumptions:

> U.S. same market treatment growth of above +0.5%.
> Legacy Portfolio Optimization (realized in 2024) negatively impacts revenue growth by around 1%.
> Value-based care business growth of around €100 M to around €1.9 BN.

Operating income assumptions:

> Incremental sustainable FME25 savings of around €180 M with related one-time costs of around €100 M to €150 M.
> Business growth of €500 M to €600 M.
> Higher labor costs of €150 M to €200 M.
> Cost inflation of €100 M to €150 M.
> Costs related to Legacy Portfolio Optimization of around €50 M to €100 M.

We are closely monitoring the current fluid situation with regards to U.S. tariffs on imports as well as potential knock-on effects including possible retaliatory measures. At this stage we estimate the potential impact to be very limited due to the nature of our products, our footprint and supply chain.

The growth rates are based on the results in 2024 excluding Special Items. For a reconciliation of the results 2024 to the results 2024 excluding Special Items, see the table at the end of this chapter.

Revenue and Revenue Growth

We expect revenue growth to be positive to a low-single digit percentage rate at Constant Currency in 2025. This development is based on revenue in 2024.

Operating Income

We expect operating income to increase at a high-teens to high-twenties percentage rate at Constant Currency in 2025. This development is based on operating income in 2024 excluding Special Items. The implied operating income margin is around 11% to 12%.

The expected developments might be influenced by developments described in the risks and opportunities report.

Our outlook for the financial year 2025 is summarized in the TABLE T 2.93 on the next page.

T 2.93 OUTLOOK PRIMARY KEY PERFORMANCE INDICATORS 2025

	Results 2024	Outlook 2025 (at Constant Currency)
Revenue[1]	€19,336 M	Positive to a low-single digit percentage rate growth
Operating income[1]	€1,797 M	High-teens to high-twenties percentage rate growth

[1] Outlook 2025 is based on the assumptions outlined above and excludes Special Items. Special items include the costs related to the FME25 Program, the impacts from Legacy Portfolio Optimization, the Legal Form Conversion Costs and the Humacyte Remeasurements and other effects that are unusual in nature and have not been foreseeable or not foreseeable in size or impact at the time of providing the outlook. The growth rates are based on the results in 2024 excluding Special Items. For a reconciliation of the results 2024 to the results 2024 excluding Special Items, see the following table. For further information on Constant Currency, see section "Performance management system" in the chapter "Overview of the Group".

T 2.94 RECONCILIATION OF THE RESULTS 2024 TO THE RESULTS 2024 EXCLUDING SPECIAL ITEMS
IN € M

		Special Items				
	Results 2024	FME25 Program	Legacy Portfolio Optimization	Legal Form Conversion Costs	Humacyte Remeasurement	Results 2024 excl. Special Items
Revenue	19,336	–	–	–	–	19,336
Operating income	1,392	180	288	9	(72)	1,797

FME25: Accelerate the Momentum to Create Value

The FME25 Program has thus far been successfully implemented. We launched and stabilized a new global operating model, optimized our existing legacy portfolio, improved operating processes, and exceeded our savings targets. While we've made significant progress, the FME25 Program is ongoing and will continue through the end of 2025.

Looking ahead, we are committed to completing the execution of FME25 initiatives with a strong focus on continuing to improve processes, driving efficiency, and increasing profitability. These efforts will support the program's success and lay the groundwork for continued improvement beyond completion of the program.

In 2024, we realized significant FME25 savings ahead of plan. The momentum we have created, enables us to further raise our FME25 savings target from €650 M to €750 M in 2025. We assume related one-time costs of €700 M to of €750 M for the total FME25 Program by 2025.

Management's General Assessment

We are confident in the continued execution of our 2025 strategy. We have set the course to increase operating income at a high-teens to high-twenties percentage rate at Constant Currency, raising the implied operating income margin to around 11% to 12% in 2025.

Risks and Opportunities Report

As a company with global operations, we are naturally exposed to risks associated with our business activities. Ultimately, we can leverage opportunities for our business only if we are willing to take certain risks. Based on our many years of experience and our extensive knowledge of the markets, we are able to identify and assess risks and opportunities for our business.

Risk and Opportunity Management

We see risk management as the ongoing task of determining, analyzing and evaluating the spectrum of actual and potential risks arising from our business operations in our environment and, where possible, taking pre-emptive and corrective measures. Our risk management system provides us with a basis for these activities. It enables management to identify risks that could jeopardize our growth or going concern and to take steps to minimize any negative impact. Accordingly, it is an important component of our management and governance.

In addition, we ensure our long-term success by actively managing opportunities. The aim here is to identify and assess opportunities as early as possible and initiate appropriate measures so that opportunities can be turned into business success for Fresenius Medical Care. Long-term and mid-term opportunities are taken into account in our strategy and budget planning. We exploit opportunities that can be implemented at short notice as part of ongoing business operations, provided this is meaningful and in line with our business targets.

Main Features of the Risk Management and Internal Control System

Risk Management System

The main objective of the risk management system is to identify potential risks as early as possible to assess their impact on business activities and enable us, where necessary, to take appropriate countermeasures. Due to constantly changing external as well as internal requirements and conditions, our risk management system is continuously evolving. In the past fiscal year, we expanded our risk reporting to the Management Board and Supervisory Board by increasing the focus on the potential of combined risk effects and utilizing a holistic approach when analyzing, discussing, and presenting risk information. In addition, the risk accountability and operational responsibilities of individuals and committees were specified to further improve the quality of risk information and response measures.

The organizational structure of our corporate risk management as well as the described processes are shown in the following overview CHART 2.95 on the next page.

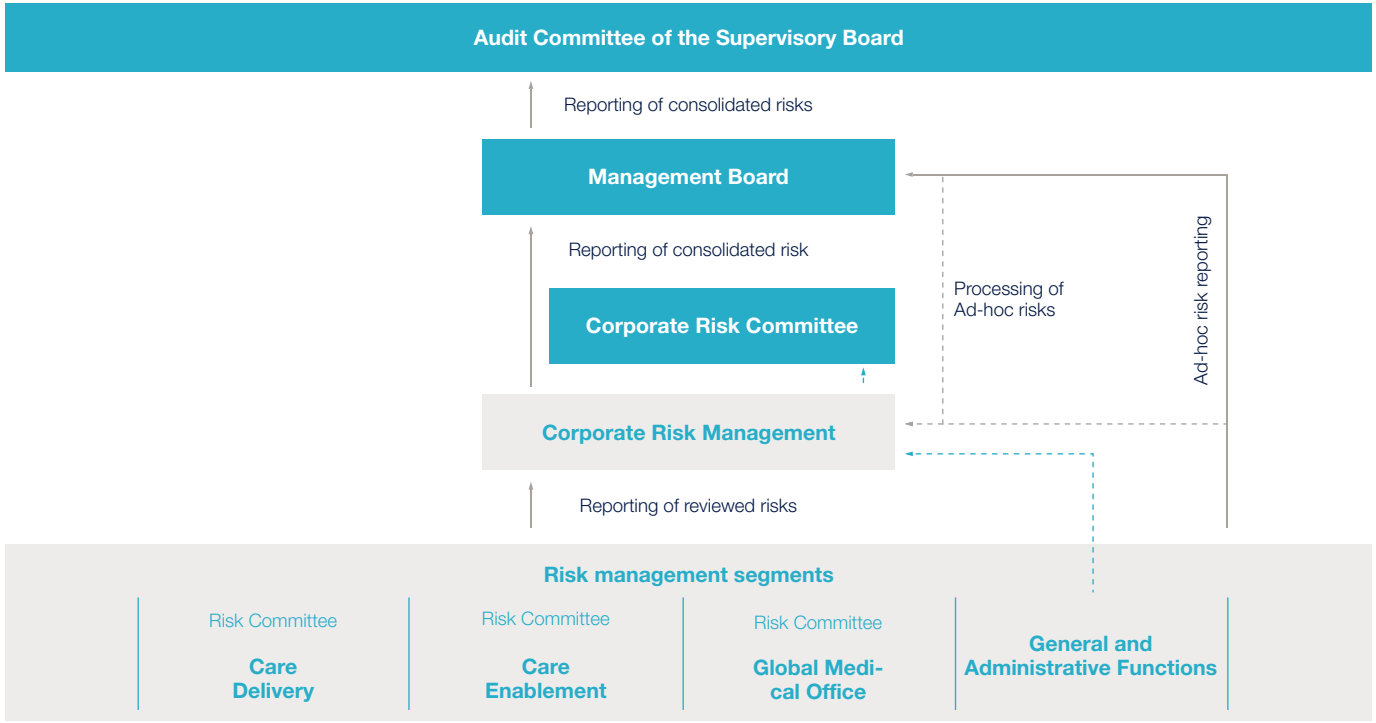
The structure of the internal risk management system is based on the internationally recognized framework for company-wide risk management, the "Enterprise Risk Management - Integrated Framework" of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Furthermore, the sustainability-related risk and opportunity management is part of the internal risk management system. Opportunities are not covered by the implemented risk management system except for sustainability-related opportunities. For further information on the approach to sustainability-related risks and opportunities, see section "Sustainability Management – Risk and opportunity management and internal controls over sustainability reporting" in the "SUSTAINABILITY STATEMENT".

As part of the risk management system, risk coordinators, utilizing risk management software, assume the task of coordinating risk management activities within our risk management segments, in particular for risk identification and assessment with individual risk owners by means of, among other things, workshops, interviews and queries. These activities relate to existing and potential emerging short-term as well as mid-term risks. Semi-annually, identified risk information is processed by the risk coordinators and reviewed by the respective heads of functions and segments which is followed by a discussion and review in risk committees. Subsequently, the central risk management function gathers the risks and risk responses from risk management segments, analyzes and discusses them in the corporate risk committee and communicates the compiled results to the Management Board. The analysis of the risk situation also includes determining the degree of a potential threat to the company's going concern by aggregating all risks with the aid of a software-supported risk simulation.

The Management Board and central risk management are promptly informed of new risks that are estimated to be high or develop into high risks in order to ensure appropriate responses (Information regarding the classification of risks as high, medium and low can be derived from the risk matrix depicted in section "Risks" in this chapter). The effectiveness of the risk management system is monitored by the Audit Committee of the Supervisory Board which is also a recipient of the risk reporting.

In addition to risk reporting, standard reporting to management is an important tool for managing and controlling risks, as well as for taking preventive measures in a timely manner. Therefore, our Management Board is informed on a monthly basis about the

C 2.95 **RISKS REPORTING**



industry situation, our operating and non-operating business, and the outcome of analyses of our earnings and financial position, as well as of the assets position on a quarterly basis.

The Global Internal Audit department is regularly informed about the results of the risk management system. This department determines risk focus areas and audits a selected number of our departments, subsidiaries and information technology (IT) applications worldwide each year. Determined risk focus areas are audited across all business segments. The department works according to the internationally accepted standards of the Institute of Internal Auditors, which was confirmed by a quality assessment in 2022. The next quality assessment is planned for 2027. The scope of internal auditing is widespread and involves, among other activities, periodic assessment of the effectiveness of controls (including legal and compliance controls) over business processes, IT security, the reliability of financial reporting and compliance with accounting regulations and internal policies. Since 2021, Global Internal Audit has conducted third-party audits of selected sales intermediaries in order to give assurance that business transactions with Fresenius Medical Care products are in accordance with applicable compliance standards. Our locations and units to be audited are determined annually on the basis of a selection model taking various risks into consideration. This annual audit plan is reviewed and approved by the Management Board and the Audit Committee of the Supervisory Board. All audit reports with material observations are presented to the Management Board. The Global Internal Audit department is also responsible for monitoring the implementation of measures mitigating identified deficiencies. The Management Board is informed about the mitigation status on a quarterly basis. The Audit Committee of the Supervisory Board is also informed of the audit results. In 2024, a total of 25 audits and 16 sales intermediary audits were carried out. Risk focus areas were compliance, the U.S. Foreign Corrupt Practices Act (FCPA), governance and ESG.

Nevertheless, it is important to note that a functioning and adequate risk management system cannot guarantee that all risks are fully identified and controlled.

Internal Control System[1]

Our internal control system aims on mitigating risks within various business processes by efficient and effective control mechanisms to ensure that business processes are reliable and that the related objectives are being met. The scope of our internal control system is not only limited to financial reporting processes to ensure that also compliance-related risks and operational business risks are being addressed by appropriate internal controls.

Our internal control system is oriented on the requirements of the internationally recognized "Internal Control - Integrated Framework (2013)" that has been published by COSO. The internal control system is divided into five components: control environment, risk assessment, control activities, information and communication, as well as the monitoring of the internal control system. Each of these components is regularly documented and assessed.

[1] The disclosures in this paragraph are so-called non-management report disclosures. Therefore, these are unaudited.

The ultimate responsibility for the implementation of an adequate and effective internal control system lies with the Management Board of Fresenius Medical Care. The Management Board has instructed several functions within Fresenius Medical Care to take care of the implementation of an internal control system within their area of responsibility and to apply a global internal control governance for the respective internal controls. Monitoring and reporting mechanisms exist to provide updates regarding the status of the internal control system towards the Management Board as well as the Audit Committee of the Supervisory Board. On top of that internal controls are also subject to audit activities by the Global Internal Audit department, which communicates audit results to the respective audit subjects (for example country organizations, global functions) and to the Management Board of Fresenius Medical Care. The Audit Committee of the Supervisory Board is also informed of the audit results.

Depending on the risks within the business processes and the underlying process design, controls vary in terms of their design and control requirements. Control issues identified via control testing activities may also require adaptions of the underlying controls. Controls within finance and finance related processes look different from compliance controls or controls within operational business processes. However, a sufficient risk mitigation is always the primary focus for all our controls that we have across our organization. Typical control types (non-exhaustive listing is provided here) that are in use within Fresenius Medical Care are related to preventive approvals of business transactions, detective management reviews, organizational control measures (for example segregation of duties), IT related control procedures (for example system backups or user access review) or quality/safety checks within operational business processes (for example within our production facilities or our clinics). In addition to the before mentioned control activities, Fresenius Medical Care has internal controls in place with respect to sustainability-related objectives. They include the measurement of the target achievement of the Management Board members with respect to their short-term and long-term incentive compensation. In the reporting year these referred to KPIs related to patient satisfaction and employee engagement as well as to CO_2e emissions. Control requirements focus on clearly defining data provider and data validator roles, alongside comprehensive documentation of control procedures. In 2024, we further enhanced the sustainability related internal control system by implementing controls for material sustainability KPIs related to patients, employees, and clinics. These enhancements include processes for collecting, validating, and testing sustainability data.

Our internal control system is subject to constant change and improvement to reflect changes within our organization, our business processes and also the external environment that we are operating in.

Similar to our risk management system there are inherent limitations to our internal control system, meaning that there is no absolute guarantee that all risks within the various business processes are 100% effectively mitigated and that respective objectives will be fully met.

Fresenius Medical Care has implemented several monitoring and reporting mechanisms to update the Management Board and the Audit Committee of the Supervisory Board about the status of its risk management system and internal control system. Based on this the Management Board has no indication that the risk management system and internal control system were not appropriate or not effective as of December 31, 2024.

Internal Control System over Financial Reporting

Our internal control system over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external reporting purposes in accordance with IFRS Accounting Standards as issued by the IASB and endorsed by the EU Commission. Our internal reporting process is designed for the reliable recording, processing and control of financial data and key figures. Figures and data are compared and discussed regularly on a monthly and quarterly basis with the previous year's values, budget targets and the latest projections. In addition, the Management Board and the departments responsible for preparing the consolidated financial statements discuss all parameters, assumptions and estimates that substantially affect the externally reported consolidated and segment results. The Audit Committee of the Supervisory Board also reviews current quarterly results and compares them with budgets and projections.

The internal control system contains guidelines and instructions designed for the appropriate and accurate recording and presentation of Company transactions within the financial reporting.

Further control mechanisms aimed at achieving reliable financial reporting and correct recording of transactions within the accounting and the consolidation process include automated and manual reconciliations, as well as the organizational separation of certain functions to prevent potential conflicts of interest. Furthermore, several preventive approval steps as well as detective plausibility checks are in place in various core finance and finance-related processes to ensure correct financial reporting. All process owners identify and assess the risks of their respective processes in terms of the implications for accounting and financial reporting. These process owners also determine that corresponding controls are in place to minimize these risks. Changes to accounting standards are discussed on an ongoing basis and considered in the preparation of the financial statements. Employees responsible for financial reporting are provided with regular training regarding changes in accounting standards. The consolidation is performed by a central department. The basis for the consolidation is derived from reporting packages and sub-group consolidated financial statements prepared and submitted by local group entities. The preparation of reporting packages and sub-group consolidated financial statements is performed according to central requirements and guidelines.

As we are also listed on the New York Stock Exchange, it is required to adhere to the requirements of the U.S. Sarbanes-Oxley Act

(SOX). Section 404 of this federal law stipulates that management of companies listed in the U.S. are responsible for implementing and adhering to an effective internal control system to produce reliable financial reporting. A yearly scoping takes place to determine entities, processes and controls which are subject to SOX requirements. The design and operating effectiveness of the internal control system over financial reporting are routinely tested and considered in regular internal audits. Control testing results are being regularly discussed with the respective stakeholders and remediation of control deficiencies is monitored. These criteria are also included in the annual audit by our independent registered public accounting firm. A quarterly certification process has been implemented as a formal accountability and responsibility mechanism for countries, segments, shared services centers as well as corporate entities which aims at the accuracy of financial reporting and the associated disclosure controls and procedures.

Our review of the internal control system over financial reporting complies with a specific U.S. Securities and Exchange Commission (SEC) guideline (Guidance Regarding Management's Report on Internal Control Over Financial Reporting) and is conducted with software support. Initially, regional internal control teams coordinate the assessment of the controls in each country, after which the results are consolidated for the whole Group. Controls within the shared service centers as well as on corporate level are assessed as well. Based upon this assessment, management evaluates the effectiveness of the internal control system for the current fiscal year. External advisors are consulted as needed. A corporate steering committee meets several times a year to review regulatory developments and changes of relevant internal control requirements, to discuss possible control deficiencies, and derive further measures. In addition, in its meetings, the Audit Committee of the Supervisory Board is informed regularly of the results of management's assessment.

As of December 31, 2024, management assessed our internal control system over financial reporting and determined that our internal control over financial reporting is effective.

Internal control systems over financial reporting are subject to inherent limitations, irrespective of how carefully these systems are designed. As a result, there is no absolute assurance that financial reporting objectives can be met, nor that misstatements will always be prevented or detected.

Compliance Management System[2]

We have a global compliance program that consists of key pillars of prevention, detection and correction to ensure we operate our business in accordance with the law and internal guidelines.

We prevent compliance violations through written policies and procedures, engagement of compliance officers across our organization and ongoing compliance trainings. We detect compliance issues through open lines of communication, investigations, as well as ongoing monitoring and reviews. We ensure appropriate corrective action, when necessary, through disciplinary committees.

Compliance controls, such as third-party due diligence, vendor and customer transaction monitoring as well as invoice reviews are key to preventing and detecting compliance issues and are embedded throughout our organization.

All employees follow a Code of Ethics and Business Conduct that covers key areas including patient care, product and service quality, anti-corruption and anti-bribery, health and safety, data privacy, supplier conduct, and human rights. Our compliance program has systems and processes in place to continually monitor and evaluate compliance risks, identify non-compliance risks early, and mitigate and correct breaches. Each business routinely conducts risks assessments to create transparency and work plans to ensure continued compliance. The results of the compliance risk assessments are also reflected in our enterprise risk management system.

Oversight of our compliance program is monitored and key findings are reviewed by our Management Board and the Audit Committee of the Supervisory Board. In addition, Compliance Officers report regularly to respective business partners and the Chief Compliance Officer to the Management Board. Finally, regular "continuous improvement" meetings are held between Compliance and business lines and other global functions to ensure collaboration and transparency regarding compliance issues.

We are continuously adapting and aiming to improve our compliance program and processes.

Risks

The following section describes significant risks which could have an impact on our business operations. In the course of the risk assessment an estimation of the risks takes place regarding the likelihood of occurrence and the potential impact in the respective assessment period, allowing a prioritization of the risks into the classifications low, medium and high. Besides quantitative factors, qualitative factors are also applied when assessing the potential impact of a risk. For the identification of strategic developments, besides the short-term consideration (one year), risks can also be assessed in terms of a mid-term effect within five years.

[2] The disclosures in this paragraph are so-called non-management report disclosures. Therefore, these are unaudited

C 2.96 RISKS WITH POTENTIAL SHORT-TERM EFFECT (ONE YEAR) AND MID-TERM EFFECT (BETWEEN ONE AND FIVE YEARS)



Risk Area

1	Regulatory environment	**13**	Personnel
2	Quality	**14**	Corruption and Fraud
3	U.S. federal health care programs	**15**	Information systems and business processes
4	Composition of our customer base	**16**	Liquidity and financing
5	Reimbursement by private insurers	**17**	Currencies and interests
6	Health care reforms	**18**	Litigation and potential exposures
7	Growth	**19**	Taxes
8	Competitors	**20**	Global operations
9	Research and development	**21**	Unpredictable events
10	Intellectual Property	**22**	Global economic conditions and disruptions in financial markets
11	Referral practices	**23**	ESG requirements
12	Procurement		

low risk medium risk high risk

¹ Likelihood: **unlikely:** 0 to 10 %, **possible:** > 10 to 50 %, **likely:** > 50 to 90 %, **almost certain:** > 90 to 100 %.

² Potential impact: **low:** small negative impact, **medium:** moderate negative impact, **major:** significant negative impact, **severe:** material negative impact.

The scales for classification of potential impact and likelihood as well as the localization of the risks within the risk matrix are depicted in the following illustration.

In detail our risk situation is as follows in CHART 2.96.

The above depicted risk areas as well as mitigating measures within these areas are described in the following section.

Sector-specific Risks

Regulatory Environment, Product Quality

Our operations in both health care services business and products business are subject to extensive governmental regulation in virtually every country in which we operate. We are also subject to other laws of general applicability, including anti-trust laws. The applicable regulations, which differ from country to country, cover areas that include:

- the quality, safety and efficacy of medical and pharmaceutical products and supplies;
- regulatory approvals and oversight of clinical and certain non-clinical research and development activities;
- product approvals and regulatory approvals for new products or product improvements;
- the operation and licensure of manufacturing facilities, laboratories, dialysis clinics, ambulatory surgery centers and other health care facilities;
- audits and reviews by enforcement authorities, including the Food and Drug Administration (FDA), for compliance with applicable drug regulations;
- product labeling, advertising and other promotion;
- accurate reporting and billing for government and third-party reimbursement including accurate and complete medical records to support such billing;
- the discounting of reimbursed drug and medical device products and the reporting of drug prices to government authorities;

- limits on our ability to make acquisitions or certain investments and the terms of those transactions;
- the collection, dissemination, access, use, security, protection and privacy of protected health information and other protected data;
- compliance with due diligence, warranty obligations and product liability rules; and
- compensation of medical directors and other financial arrangements with physicians and other referral sources.

In addition to the risks from non-compliance with the regulatory environment, as a manufacturing company we face the risk that products, as a result of unsuitable product designs or issues in the production process, do not fulfill our standards of quality and could lead to the possibility of not achieving expected treatment results which may result in product recalls that might lead to significant adverse financial results or reputational damage.

If we fail to comply with one or more of these laws or regulations or incur a quality incident, this may give rise to a number of adverse legal and financial consequences. These include, in particular, loss or suspension of governmental certifications, loss or suspension of licenses under the laws of governmental authority from which we generate substantial revenues, monetary and administrative penalties, recall actions and claims for damages, statutory or regulatory shipping holds, increased costs for compliance with government orders, complete or partial exclusion from government reimbursement programs, refunds of payments received from government payors and government health care program beneficiaries due to any failures to meet applicable requirements or complete or partial curtailment of our authority to conduct business. In the end, these types of risks may no longer be insurable. Including the considerable costs of legal defense, all the consequences mentioned above could have a material adverse effect on our business, results of operations and financial condition.

A number of the health care businesses in the U.S., that the Company operates, is owned or managed by entities in which one or more hospitals, physicians or physician practice groups hold an interest. We also have arrangements with physician practices to collaborate on our value and risk-based care programs with public and private payors. While the Company has structured its arrangements with physicians to comply with many of the criteria for safe harbor protection and waivers under the federal and state Anti-Kickback Statutes as well as other state fraud and abuse laws, its arrangements do not always satisfy all elements of such safe harbor. If one or more of our arrangements, including value and risk-based care programs, were found to be in violation of the Anti-Kickback Statute, the Stark Law or analogous state laws, or other similar laws worldwide, we could be required to restructure or terminate them. We also could be required to repay to Medicare, Medicaid as well as other federal health care program amounts pursuant to any prohibited referrals, and we could be subject to monetary penalties and exclusion from federal and state health care programs. Imposition of any of these penalties could have a material adverse impact on our business, results of operations and financial condition.

Our implemented compliance programs reduce the risk of legal violations by providing general and specific rules of conduct and procedures as well as regular training of the employees according to the relevant specifications. To ensure that our products and services comply with the quality requirements, we implemented appropriate quality management systems. The employees have access to procedures and work instructions to ensure that the applicable quality requirements are met. In addition, we conduct internal reviews of the production sites and clinics to monitor compliance with quality standards of our products and services. Regulatory initiatives and changes are closely monitored in order to quickly adapt to new regulations.

U.S. Federal Health Care Programs

As stated in the report in section "Macroeconomic and sector-specific environment" in the chapter "Economic Report", our dialysis clinics in the U.S. participate in the QIP within the ESRD PPS. Payment reductions of up to 2% of Medicare reimbursements can be made if the quality standards of the QIP are not met in the clinics. Should we fail to meet the QIP's minimum requirements to a greater extent, this could have a material adverse effect on our business, financial condition and results of operations.

Through our value and risk-based care programs, we assume the risk of both medical and administrative costs for certain patients in return for fixed periodic payments or potential reimbursement based on our achievement against set benchmark targets from governmental and commercial insurers. We currently participate in the CKCC model as well as in remuneration agreements with insurers. (Details and detailed descriptions of the above mentioned and other programs in which we participate can be found in section "Macroeconomic and sector-specific environment" in the chapter "Economic Report").

The profitability in our value and risk-based care programs depends in part upon our ability to negotiate favorable financial terms, to manage a patient's care, to collaborate with our payor partners, to coordinate with other health care providers, to accurately document patients' health conditions for risk adjustment, and to find cost efficient, medically appropriate sites of service for our patients. Any failure to do so would limit our ability to improve the quality of patient care and health outcomes and to reduce medically unnecessary costs, which could lead to poorer performance under value and risk-based care programs.

The reserves that we establish in connection with the operation of our value and risk-based care programs as well as estimations of the amount of revenues from health care services that we recognize in a reporting period are based upon assumptions and judgments concerning a number of factors which are subject to uncertainties. Those factors include trends in health care costs, expenses, patient hospitalization rates, the complicated billing and collection process, complex and changing laws and regulations subject to interpretation, determination of primary and secondary insurance coverage and other factors. Additionally, collections, refunds and payor retractions may continue to occur for up to three years or longer after services are provided. To the extent the actual

claims experience is less favorable than estimated based on our underlying assumptions, the timing and amount of our recognition of revenues as well as future earnings could be adversely affected or incurred losses could increase.

CMS relied on authority granted by the ACA to implement the CKCC model and seeks to deliver better health outcomes for ESRD patients while lowering CMS' costs. Efforts to repeal or replace the ACA, while unsuccessful to date, continue, which is described in this report in the risk area regarding health care reforms.

We cannot give any assurance that we will achieve the cost savings required or contemplated by these programs, which could have a material adverse effect on our operating results. In addition, we may experience higher write-offs of Medicare deductibles and other cost-sharing amounts due to secondary uninsured and underinsured patients, which could result in an increase in uncollectible accounts.

We mitigated the impact of the ESRD PPS and the other legislative initiatives referenced above with two broad measures. First, we work with medical directors and treating physicians to make clinical protocol changes used in treating patients consistent with the QIP and good clinical practices, and we negotiate pharmaceutical acquisition cost savings. In addition, we achieved greater efficiencies and better patient outcomes by introducing new initiatives to improve patient care upon initiation of dialysis, increase the percentage of patients using home therapies and achieve additional cost reductions in its clinics.

Moreover, constantly refined actuarial models are used to estimate revenues and as a basis for a monitoring process that evaluates actual experience and allows to develop interventions for at risk patients to reduce hospitalizations and other potentially avoidable medical expense, to improve quality outcomes and to deliver reductions in total population cost of care.

Composition of our Customer Base

Our health care product business and our dialysis services business differ across the regions in which we operate. In many cases, our products and services are paid, either directly or indirectly, by government institutions. We believe the risk of default from a government payor is generally low to moderate worldwide. However, particularly in the event of a budget approval impasse or government shutdown significant payment delays could result even if it does not create a default. On a country level, the payor base is characterized by distinct customer or payor groups which can range in volume from a few customers to a considerable amount of customer types which have varying levels of risk associated with default or non-payment of receivables as well as risks for dependencies based upon the competition within low volume customer base environments. In certain cases, a resulting dependency on the payment behavior and decision-making of our business partners (e. g. the decision to discontinue tender contracts) can affect the collectability of accounts receivable and can adversely affect our business, results of operations and financial condition.

Our measures aim to mitigate these risks by actively negotiating fixed duration contracts with major customers, developing new services or products and bidding with competitive margins as well as improving the quality of our services and products. In addition, outstanding receivables are closely monitored and followed up as part of a comprehensive receivables management system.

Reimbursement by Private Insurers

In the U.S. a portion of the dialysis treatments is reimbursed by private insurers and integrated care organizations; these reimbursements are in general higher than the reimbursements of the public health care systems. As a result, the payments we receive from private payors contribute a substantial portion of our profit. In 2024, approximately 59% of our consolidated Health Care services revenue were attributable to private payors in the U.S. If these payors succeed in rejecting reimbursements or lowering reimbursement rates in the U.S., change the extent or conditions of their networks or if the portion of reimbursements by private insurers in general drops, this could result in a significant reduction in our revenue and operating profit. A portion of our business that is currently reimbursed by private insurers or hospitals may become reimbursed by integrated care organizations, which may use payment methodologies that reduce reimbursement for our services.

Furthermore, the Marietta ruling makes it easier for health plans to design plan benefits for Medicare eligible ESRD patients in a way that makes private health insurance relatively less attractive to ESRD patients and Medicare relatively more attractive. As a result, potential efforts by employer group health plans and commercial insurers may limit benefits, reduce reimbursement for our services or eliminate reimbursement for some of our services. We cannot predict whether the U.S. Congress will enact any legislation that would reverse the potential effects of the Marietta decision.

A portion of our patients who are currently covered by private insurers may be unable to continue to pay the premiums and may become uninsured for dialysis services or elect to transition to government funded reimbursement programs that reimburse us at lower rates for our services if legislative or regulatory efforts to restrict or eliminate the charitable funding of patient insurance premiums are successful.

In addition, the health care insurance industry is experiencing continuing consolidation among insurers and pharmacy benefit managers, including increasing buyer power and impacts on referral streams. This may have an adverse impact on our ability to negotiate favorable coverage terms and commercially reasonable rates with such insurers.

We monitor the relationships with private health insurance companies continuously and try to hedge the business through long-term contracts to maintain profitability.

Health Care Reforms

A number of governments have been considering proposals to modify their current health care systems to improve quality of and access to health care and to control costs. Policymakers in several countries are also considering reforms that could change the methodology used to reimburse providers of health care services. Furthermore, standards and regulations compulsory for providing dialysis service can be subject to extensive changes.

In fiscal year 2024, we derived approximately 18% of our worldwide revenue from Medicare and Medicaid (excluding Medicare Advantage) reimbursements in the U.S. Consequently, changes in legislation, interpretation of government regulations by the courts or reimbursement practices regarding for example the End-Stage Renal Disease Prospective Payment System (ESRD PPS), the Physician Fee Schedule, the Clinical Laboratory Fee Schedule, and the Ambulatory Surgical Center Payment System could influence the volume of Medicare and Medicaid reimbursements for services provided and the insurance coverage. Spending cuts pursuant to U.S. Sequestration have also adversely affected our operating results in the past and will continue to do so.

A decrease in reimbursement rates, covered services or changes to standards, regulations or state funding in countries in which the Group operates, especially significant changes in the U.S. Medicare and Medicaid programs could reduce our revenue and profitability and have a material adverse effect on our business, financial condition and results of operations.

In this context it might happen that the annually adjusted ESRD PPS rates may not provide fully compensating reimbursement for the services or products consumed during service. This especially refers to the reimbursement of pharmaceuticals depending on their status as outside of or as part of the bundled rate. Pharmaceuticals included within the bundled rate are subjected to increased reimbursement pressure. If we are unable to secure appropriate reimbursement arrangements for the pharmaceuticals we provide in our dialysis clinics, we could experience a material adverse effect on our operating results. Furthermore, an increased utilization of bundled pharmaceuticals or decreases in reimbursement for pharmaceuticals outside the bundled rate may result in a material adverse impact on our results of operations.

In the U.S., there have been efforts to pursue significant changes to existing health care insurance programs including efforts to repeal or replace the ACA which, while unsuccessful to date, continue. In addition, options to restructure the Medicare program in the direction of a defined-contribution, premium support model (federal government granting a fixed amount per Medicare-beneficiary to purchase a health insurance plan) and to shift Medicaid funding to a block grant (payment of a fixed amount per state by the federal government for the whole or parts of the Medicaid program) or per capita arrangement (fixed amount per person that states receive from the federal government), with greater flexibility for the states, are also being considered.

In October 2017, the U.S. administration discontinued making cost-sharing reduction (CSR) reimbursements to insurers, arguing that Congress failed to appropriate funding. In response, many state departments of insurance (DOIs) either allowed or required insurers to mitigate their losses by increasing the 2018 premiums on their ACA plans. Many insurers also mitigated the impact to themselves by "silver loading", a practice whereby the premiums for silver-level plans, which are the most common health care plans under the ACA, were increased to offset the loss of CSR payments. Silver loading may also have mitigated the impact of premium increases to some low-income consumers by increasing their premium tax credits. In 2019 and 2020, all states either permitted or required silver loading. In 2017, several insurers sued the U.S. federal government to reinstate CSR payments. On June 21, 2021, the U.S. Supreme Court denied requests from multiple insurers to review lower court decisions that held they were not entitled to full unpaid CSR payments. As a result, insurers are entitled to the unpaid CSRs, but the total amount they are owed must be offset by any excess premium tax credits received from premium increases for 2018 and beyond. The Biden administration requested appropriations for CSR payments in its fiscal year (FY) 2025 budget request. Congress did not pass appropriations bills for FY 2025 and funding is maintained at current levels under a continuing resolution that expires on March 14, 2025. As a result, a reduction in the availability of insurance through insurance exchanges established by the ACA or expiration without renewal of insurance premium subsidies presently available under the ACA could reduce the number of our commercially insured patients and shift such patients to Medicare and Medicaid.

Challenges of this nature could have significant effects on our businesses, both positive and negative, but the outcomes are impossible to predict.

We closely monitor legislative and regulatory developments affecting the Company's businesses so that we are positioned to act proactively as needed.

Risks Relating to the Company's Business Growth

The health care industry experiences continuing consolidation particularly among health care providers, as well as pressure on reimbursement and increasing costs, which requires us to identify both growth opportunities and efficiencies in the way we operate. Continuing consolidation in our industry could adversely affect our ability to find suitable acquisition targets and to increase future growth and product sales. We also compete with other health care companies in seeking suitable acquisition targets and developing our core health care businesses. Our ability to make future acquisitions as well as to develop our core kidney care business depends, in part, on the appropriate strategic target selection, the availability of financial resources and the current restrictions imposed by competition laws. The integration of acquired businesses may cause problems, for example by assuming unknown liabilities, underperformance subsequent to integration, associated requirements from competition authorities or non-compliant business practices not disclosed by the seller or not uncovered

during due diligence, any or all of which may result in incurring unanticipated costs.

Our strategy includes the continuing transformation of our operating model into a significantly simplified structure of two global operating segments embodying a more centralized approach (FME25 Program) and reviewing our business portfolio, specifically with a view to exiting unsustainable markets and non-core businesses and the cessation of certain research and development programs to enable more focused capital allocation towards areas in our core business that are expected to have higher profitable growth.

In addition, to establish HVHDF as a new standard of care in the U.S. dialysis industry, we are planning a limited launch to targeted Fresenius Kidney Care clinics beginning in 2025 and a broader commercial launch in 2026 and beyond. For further information, see section "High-volume Hemodiafiltration" under "Opportunities".

Failure to realize the expected cost savings from the FME25 Program within our announced timeframe could adversely impact the market for our securities and availability of financing, which, in addition, could limit our future growth, including growth in either our revenues or earnings within our health care services and products businesses. Anticipated results from our Legacy Portfolio Optimization and the launch of HVHDF in the U.S. are based on our current estimates and may differ from actual results. Eventually, other risk areas described in this report, whose direct impacts are reflected in their respective assessments, could increase the uncertainty regarding these estimates and assumptions. Any or all of these factors generally could have an adverse effect on our business, financial condition and results of operations.

For further information, see section "Business Model" in chapter "Overview of the Group", section "FME25" in chapter "Outlook" and NOTE 29 of the notes to the consolidated financial statements.

Competitors

We face numerous competitors in both our health care services business and dialysis products business, some of whom may possess substantial financial, marketing or research and development resources. Competition from new and existing competitors and especially new competitive developments and innovations in technology, pharmaceuticals and care delivery models could materially adversely affect the future pricing and sale of our products and services. In 2023, a study on GLP-1 receptor agonists, regarding its effectiveness in treating CKD experienced by diabetic patients was terminated early as a result of the study having met certain prespecified clinical endpoints. GLP-1 receptor agonist utilization, together with SGLT2 inhibitors, in the CKD population suggest a slight increase in the total CKD population and a slight reduction in the ESRD population growth rate that remain materially consistent with the patient population forecasts which do not include the utilization of these drugs. While the positive cardiovascular effects of the drugs, reducing mortality, as well as the progression-delaying effect of the drugs on the CKD population indicate a balanced effect of these drugs on our patient population, we cannot ensure that further developments or changes in population will not lead to a material adverse effect on our business and results of operations. Further information regarding the impact of certain pharmaceuticals that reduce the progression of chronic kidney disease and our analysis of their impact on our cash flow projections and goodwill sensitivity assessments can be found in NOTE 2 A) of the notes to the consolidated financial statements.

In particular, technological innovation has historically been a significant competitive factor in the dialysis products business. The introduction of new products or services by competitors could qualify them for certain additional payments for new and innovative equipment or render one or more of our products or services less competitive or even obsolete, which could also, among other items, affect our sales and distribution of pharmaceuticals for which, to some extent, we are obligated to make certain minimum annual royalty payments.

To ensure our permanent competitiveness, we work closely together with physicians and scientists. Important technological and pharmaceutical innovations are intended to be quickly identified and further developed, if necessary, also by adapting our business strategy. Moreover, we secure our competitiveness by ongoing analyses of our market environment as well as the regulatory framework. The market activity, especially our competitors' products and newly launched dialysis-related products are thoroughly monitored. The cooperation between the various technical, medical and academic institutions within our company also ensures our competitiveness, which is finally further enhanced by our consequent execution of programs devoted to cost saving and efficiency increase.

Research and Development

The development of new products and therapies proposes a risk that the desired development goal will not be achieved or achieved significantly later than planned. Costly and extensive preclinical and clinical examinations are necessary until admission. All products, packaging, applications and technologies are constantly and systematically monitored, tested and improved. We address potential risks in the area of research and development by continually analyzing, evaluating and assessing whether the research and development projects fit into our overall strategy. As a vertically integrated company, we also benefit from direct contact with our patients and medical professionals. Due to this close proximity to the market, we have the potential to gather important information to develop and offer products and therapies that meet the needs of our customers.

Referral Practices

In providing services within our health care business, we depend upon patients choosing our health care facilities as the location for their care. Patients may select a facility based, in whole or in part, on the recommendation of their physician. Physicians and other

clinicians typically consider a number of factors when recommending a particular dialysis facility, dialysis home program, pharmacy, physician practice, vascular surgery center or cardiac catheterization center to an ESRD patient, including, the quality of care, the competency of staff, convenient scheduling, location and physical condition. Physicians may change their recommendations, which may result in the movement of new or existing patients to competing facilities, including facilities established by the physicians themselves. At most of our dialysis clinics and home programs, a relatively small number of physicians often account for the referral of all or a significant portion of the patient base. We have no ability to control these recommendations and referrals. If a significant number of physicians or other referral sources cease referring their patients to our facilities and home programs or stop purchasing or prescribing our dialysis products, this would reduce our health care revenue and could materially adversely affect our overall operations.

Intellectual Property

One of the typical intellectual property risks faced by us is inadequate protection of sensitive knowledge in the form of patents for technologies and products we developed. This means that competitors could copy our products without incurring comparable development costs. Moreover, a loss of sensitive knowledge could occur due to industrial spying or insufficient employee-non-compete restrictions. In addition, certain countries in which we market, manufacture or sell our products do not have laws which protect our intellectual property to the same degree as those in the U.S. or elsewhere and our competitors may gain market position by designing products that infringe upon our intellectual property rights. An inadequate protection of our intellectual property could have an adverse impact on our financial condition and results of operations.

In addition, we could infringe the patent of a competitor and thus be liable for damages; this could result in a ban on us further selling the affected product.

We mitigate the risks of inadequate protection of sensitive knowledge by, among other things, stipulating employee-compete-restrictions, where necessary and feasible, and by reviewing and controlling access to certain information and areas within the company. To avoid infringing patents of competitors standardized monitoring and assessment processes are in place.

Procurement

Our business is dependent on the reliable supply of several raw materials and finished components for production and service purposes. If we are unable to obtain sufficient quantities of these materials at times of limited availability of such materials, this could result in delays in production or loss of sales and hence have an adverse effect on our results of operations. In particular, the lingering macroeconomic inflationary environment together with geopolitical conflicts, have resulted in and could continue to lead to, among other consequences, material increases in costs for energy, supplies and transportation. Our implemented countermeasures may not offset a significant increase in prices which could result in an adverse effect on our results of operations going forward. Disruptions in supply, coupled with labor shortages, absenteeism and turnover as well as labor cost increases have resulted and could continue to result in a negative impact on our business which may also expose us to legal liability in the delivery of our goods and services. Similarly, price increases by suppliers (including inflation impacts) and the inability to access new products or technology could also adversely affect our results of operations. In certain necessary cases products are obtained from a sole supplier. A failure of such a supplier could adversely affect our ability to manufacture, distribute or sell our products in a timely or cost-effective manner. Due to the stringent regulations and requirements of regulatory agencies we may not be able to quickly establish additional or replacement sources.

We address potential risks in the area of Procurement by ensuring, where reasonably practicable, that we have contractually fixed prices and at least two sources for all supply and price-critical primary products (dual sourcing, multiple sourcing). Furthermore, we seek to mitigate disruptive goods shortages, if reasonable, by stockpiling and placing fixed orders as well as, where needed, with the help of additional task forces or our Regional Crisis Response Teams.

Personnel

Our continued growth in the health care business will depend upon the ability to attract and retain a skilled work-force, including highly skilled nurses, technicians and other medical personnel. We have seen challenges in the labor market, in particular in the U.S., which continue to impact our growth, specifically in U.S. health care services where labor constraints have affected our ability to increase treatment volumes. Our health care products business depends on the development of new products, technologies and treatment concepts to be competitive, and for that we need to attract the best and most talented people, especially in research and development. Competition for those em-ployees is intense and shortages for these sought-after employees, such as nurses or skilled engineers and research and development personnel as well as increased reliance on contracted nurses and other personnel, have increased our personnel and recruiting costs and may continue to do so and/or could impair our reputation for production of technological-ly advanced products. Greater employee absenteeism, turnover and longer recruiting cycles in recent years fur-ther contributed and may continue to contribute to the experienced shortages in personnel as well as the in-creased personnel costs. Moreover, we consider that future success in the provider business depends on the ability to attract and retain qualified physicians to serve as employees of or consultants to our health care ser-vices businesses.

Additionally, in recruiting, employing and retaining personnel we may be exposed to increasing risks relating to various labor and staffing laws, legislative, union or other labor-related activities or changes. These factors could also impact the integration of acquired companies into our operations, which could increase our costs, decrease our productivity and prevent us from realizing syn-

ergies from acquisitions. If we are unable to manage the risks mentioned, then our growth and results of operations could be adversely impacted.

We address potential risks in the area of Personnel by further developing our recruiting and retention strategies incl. the design of the overall package of compensation, benefits and employee experience, by continuing our training and development measures for employees and by having an adequate succession planning in place.

Corruption and Fraud

We operate many facilities and engage with other business associates to help us carry out our health care activities. In such widespread, global operations, it is difficult to maintain the desired level of oversight and control over the thousands of persons employed by many affiliated companies and its business associates. Training, oversight and compliance programs cannot ensure protection from deliberate, reckless or inadvertent acts of employees or third-party intermediaries that violate our compliance policies or anti-corruption laws. Such violations could disrupt our business and result in a material adverse effect on results of operations or financial condition.

On March 29, 2019, we entered into a non-prosecution agreement (NPA) with the U.S. Department of Justice (DOJ) and a separate agreement with the SEC in connection with its Cease and Desist Order (SEC Order) intended to resolve fully and finally the U.S. government allegations against us arising from DOJ and SEC investigations into conduct in countries outside the U.S. that violated the FCPA or other anti-bribery laws. As part of these agreements, we agreed to the appointment of an independent compliance monitor (the Monitor). On December 30, 2022, the Monitor certified to our implementation of an effective anti-corruption compliance program, and submitted her final certification report on January 31, 2023. The DOJ and SEC have accepted the Monitor's certification and the NPA and SEC Order expired on March 1, 2023 and March 29, 2023, respectively.

In 2015, we self-reported to the German prosecutor conduct with a potential nexus to Germany and continued to cooperate with government authorities in Germany in their review of the conduct that prompted our and the U.S. government investigations.

We continue to make significant investments in our compliance and financial controls and in our compliance, legal and financial organizations (including certain remaining recommendations of the Monitor) and are fully committed to compliance with the FCPA and other applicable anti-bribery laws.

Further information on these investigations can be found in NOTE 25 of the notes to the consolidated financial statements.

Information Systems and Business Processes

As we expanded our international operations in the past, our processes have become increasingly complex. Accordingly, we are more and more dependent on information and communication technologies and -systems to structure our processes and harmonize them between different regions. An insufficient design of those systems and business processes could lead to inefficient workflows, deficient internal and external communication and intransparencies regarding operations. A breakdown of these systems could temporarily lead to standstill of parts of our provider and product business and consequently cause heavy damages.

Prior to the Conversion, as part of the Fresenius SE Group, we received certain essential capabilities that we did not then and currently do not independently have (either in full or in part). As a result of our deconsolidation through the Conversion, certain functions and services previously provided by the Fresenius SE are to be established and/or provided internally. As part of the Conversion process, we entered into a series of transitional services agreements with Fresenius SE for various durations at a cost that we believe is comparable to the costs we incurred for such services prior to the Conversion. While we have made progress in establishing internal capabilities for some of these functions, we cannot guarantee that we will be able to establish or procure these functions after the transitional services period without experiencing material adverse effects on our business, financial condition and results of operations.

Regarding both our internal systems as well as systems of third-party service providers, cyber-attacks or privacy and data breaches could result in the misappropriation or compromise of sensitive information (particularly as medical records are a high-value target). We and our third-party service providers gather and handle personal information of our patients as well as financial data in many regions of the world and thus need to adhere to various data protection and privacy regulations. Increased reliance on, and utilization of telemedicine for delivery of health care services could also increase this risk. Furthermore, the intensified political confrontation with Russia as a result of the Russian invasion of Ukraine has increased the risk of cyber-attacks against our systems and data. Any loss, impermissible use, access or disclosure of this sensitive information or non-compliance with data protection and privacy related laws, regulations and standards, including those to report data breaches to regulatory agencies, could threat our position in competition, our reputation as well as our ability to continue normal operations.

Our IT systems have been attacked in the past, resulting, in certain patient data being illegally published. For information regarding litigation relating to cybersecurity incidents we experienced in 2023, see NOTE 25 of the notes to the consolidated financial statements included in this report.

When appropriate, we have filed complaints against the unknown attackers with the relevant authorities and we contacted the patients who were affected by the illegal data publication as well as other relevant regulatory agencies and stakeholders. Furthermore, we intensified our efforts to implement response measures, which include for example network monitoring for suspicious activity, endpoint threat protection and improvements in the back-up and data loss recovery plans. There was no material impact to the financial condition and results of operations as a result of these attacks.

We have adopted the globally recognized National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) to help us analyze, manage, and reduce our cybersecurity risk and protect our networks and information. NIST CSF is the foundation for our cybersecurity activities and drives the priorities of our multi-year cybersecurity roadmap and strategy.

We continue to enhance cybersecurity and privacy assurance processes, globalizing each where possible. We are actively implementing global systems to assess and monitor various processes, such as third-party risk management, privacy regulatory monitoring, and data loss prevention. Our critical company information is routinely backed up and disaster recovery plans are in place and regularly tested. Data centers are geographically distributed to maximize the availability of IT systems.

Our information technology security architecture consists of multiple security measures to protect our networks, systems, and information. Access to sensitive and critical information from outside our secured networks (i.e. information in the cloud) is protected through secure protocols and cryptographic measures. Comprehensive vulnerability scanning, patching and penetration testing capabilities are in place to ensure critical information is secured.

Furthermore, among others, company guidelines relating to data protection and privacy, which also regulate the assignment of access rights and third-party collaboration, must be considered, trainings for employees are conducted and governance structures are continuously adapted. Compliance is monitored with controls including those relating to Section 404 of SOX. Operational and security audits are carried out every year both internally and by external auditors.

Other Risks

Liquidity and Financing

The liquidity risk is defined as the risk that a company is potentially unable to meet its financial obligations or to fund other purposes. Our Management Board manages the liquidity of the Group by means of effective working capital and cash management as well as an anticipatory evaluation of refinancing alternatives. Our Management believes that existing credit facilities, cash flow from operating activities and additional short-term borrowings are sufficient to meet our foreseeable demand for liquidity.

Furthermore, inadequate indebtedness could jeopardize the successful execution of our business strategy, increase our vulnerability to general adverse economic conditions as well as limit our ability to maintain our Investment Grade rating and obtain necessary financing. A deterioration of our current rating could lead to a reintroduction of financial covenants, could limit our financial flexibility, increase our financing costs or limit access to funding. Potential adverse effects described in other risk areas could increase the possibility of a rating downgrade. At December 31, 2024, respectively December 31, 2023, the Group had financial debt and lease liabilities (including debt and lease liabilities included within liabilities directly associated with assets held for sale) of €10.99 BN respectively €12.19 BN.

Our measures aim to mitigate these risks by executing a prudent financial policy that includes the early refinancing of upcoming maturities, the active and conservative management of financial headroom and maintaining a balanced debt maturity profile.

Currencies and Interests

Geopolitical factors such as the Ukraine War as well as the impact from hyperinflationary economies, could intensify fluctuations in exchange rates, currency devaluations, and/or material increases in interest rates, for example, as a reaction from central banks to high inflation, any of which could adversely affect profitability.

We actively manage foreign currency and interest rate exposures that are part of our normal business activities. Risk management procedures for foreign currencies and interest rate exposures are based on strategies defined and, if necessary, adapted in close cooperation with the Management Board, including, for example, guidelines that cover all steps and levels of the risk management process. They define responsibilities for the determination of risks, the careful use of financial instruments for hedging purposes and for accurate financial reporting. The use of derivative instruments is restricted to micro hedges which are used in order to hedge exposures that arise in the ordinary course of business. We do not enter into transactions for trading or other speculative purposes. We enter into transactions with banks, which generally have ratings in a minimum required category (investment grade). The effectiveness of the hedging relationships of the hedging instruments and the hedged items is tested on a quarterly basis.

We enter into derivatives, particularly interest rate swaps and to a certain extent, interest rate options to protect against the risk of rising interest rates. These interest rate derivatives are designated as cash flow hedges and have been entered into in order to effectively convert payments based on variable interest rates into payments at a fixed interest rate. On December 31, 2024, no interest rate swaps were in place.

Derivative foreign currency contracts are entered into for the purpose of limiting the exchange rate exposure from sales and purchases as well as lendings and borrowings between our subsidiaries located in different countries and reporting in different currencies. A large portion of the transaction exposures arise from sales of products from our subsidiaries in the euro region to other international business units. The aggregate notional amount of foreign currency hedge contracts as of December 31, 2024, was €2,897 M, primarily for hedging euro exposure to the U.S. dollar and various other currencies. Economic hedges, which we use, are

accounted for as recognized hedges in the consolidated financial statements, when necessary.

The estimation and quantification of transaction risks from foreign currencies is determined according to the statistical risk measure Cash Flow at Risk (CFaR). CFaR indicates the maximum amount of a potential loss of the forecasted foreign exchange cash flow of the next twelve months that occurs with a probability of 95%. As of December 31, 2024, our CFaR amounts to €30.4 M.

To mitigate our counterparty risks we are also monitoring the probability of default of our counterparties and have constantly reviewed bank deposit limits in place.

Further information on market, default and liquidity risks is included in NOTE 26 of the notes to the consolidated financial statements.

Litigation and Other Exposures

Risks associated with investigations and litigations are continuously identified, assessed and reported within the Company. We are involved in various legal proceedings and investigations resulting from our business operations. A negative outcome of these legal proceedings or investigations leading to legal proceedings could have an adverse impact on our financial condition and results of operations.

External legal consulting support is always used to defend us against risks associated with litigations. If necessary, accounting measures like accruals are used.

For the matters in which we believe a loss is both reasonably possible and assessable, an estimate of the loss or range of loss exposure is provided in NOTE 25 of the notes to the consolidated financial statements. For other proceedings the Company believes that the loss probability is remote and/or the loss or range of possible losses cannot be reasonably estimated at this time.

For details on ongoing proceedings and further information on material legal risks to which we are exposed, reference is made to NOTE 25 of the notes to the consolidated financial statements.

Taxes

We are subject to potential changes in tax legislation as well as to ongoing tax audits in the U.S., Germany and other jurisdictions. We have received notices of unfavorable adjustments and disallowances in connection with certain of these audits. Additionally, tax legislation in countries in which we operate is subject to constant change and development. For example, legislation seeking to impose additional income taxes against discriminatory or territorial tax of foreign jurisdictions could have negative effects on the amount of income tax expense which are currently unpredictable. If we are unsuccessful in contesting above-mentioned notices or other unfavorable determinations or if tax legislation changes unfavorably in countries in which we operate, we could be required to make additional tax payments, which could have a material adverse impact on our business, financial condition and results of operations.

In general, tax-relevant issues are, as necessary, coordinated with internal tax experts regarding compliance with applicable tax laws. If necessary, statements and opinions by external consultants are obtained to minimize tax risks. In addition, we monitor our tax planning strategies to be in line with implemented internal policies and external tax regulations.

Further information on current tax-relevant issues can be found in NOTE 25 of the notes to the consolidated financial statements.

Global Operations

We operate dialysis clinics in around 40 countries and sell a range of equipment, products and services to customers in around 150 countries. Our global operations are subject to a number of risks, including but not limited to the following:

- The economic and political situation in certain countries or regions could deteriorate, become unstable or lead to armed conflicts, as exemplified by the Ukraine War.
- We could face difficulties in enforcing and collecting accounts receivable under some countries' legal systems.
- Local regulations could restrict our ability to obtain a direct ownership interest in dialysis clinics or other operations.
- Some countries or economic unions may impose charges or restrictions, such as local content requirements, which restrict the importation of our products; or give local manufacturers an advantage in tenders or provide large discounts to providers for certain purchases of our products.
- Potential increases in tariffs and trade barriers could occur affecting both the sale of our products and importation of products and product components, including upon any withdrawal by the United States or other countries from major multilateral trade agreements, or the imposition of sanctions, retaliatory tariffs and other countermeasures in the wake of trade disputes, geopolitical conflicts and wars in certain regions (for example the Ukraine War).
- We could experience transport delays or interruptions.
- International growth and expansion into emerging markets could cause us difficulty due to greater regulatory barriers than in the United States or Western Europe, the necessity of adapting to new regulatory systems, and problems related to entering new markets with different economic, social, legal and political systems and conditions.
- We may not prevail in competitive contract tenders.

We conduct humanitarian-related business and provide life-sustaining health care products and services directly or indirectly in sanctioned countries. We believe our humanitarian-related business is permitted by applicable sanctions regimes (or, in some cases is excluded from such regimes), and in light of the humanitarian nature of our products and services and the patient communities that benefit from our products, we expect to continue such activities, provided they continue to be permissible under or excluded from applicable export controls and economic sanctions. Product registration procedures in certain countries or economic

unions (e.g. Russia, Belarus or countries in the Eurasian Economic Union (EAEU) in the light of the current sanctions regime) may be affected in case technology/technical information on products or components to be submitted in such procedures is or becomes subject to current or future export or transfer restrictions for a relevant country and in case relevant licenses cannot be obtained, which ultimately may also have an impact on marketability of affected products. A violation of applicable economic sanctions or export controls laws and regulations, could subject us to enforcement actions, which vary between jurisdictions and depend on the factual circumstances of the given violation, but could include criminal penalties, imprisonment of responsible individuals, administrative or civil penalties, restricted access to certain markets and reputational harm, among others.

Our internal policies and procedures may not protect us from deliberate, reckless or inadvertent acts of our employees or agents that contravene our compliance policies or violate applicable laws.

Any one or more of these or other factors relevant to global operations could increase our costs, reduce revenues, or disrupt operations, with possible material adverse effects on our business and financial condition.

Developments of this nature are continuously monitored and analyzed and, if necessary, our crisis response team is additionally involved. Furthermore, a global trade governance compliance program is in place in order to ensure adherence to trade-related regulations such as export controls, trade sanctions and customs.

Unpredictable Events

We operate dialysis facilities or manufacturing facilities in many regions of the world, with diverse geographic, societal, political and economic conditions and we are subject to unpredictable events beyond our control such as natural disasters, terrorist attacks, social unrest or public health crises such as epidemics or pandemics from, for example, virus infections. Given the already compromised health condition of our typical dialysis patients, our patients represent a heightened at-risk population, particularly, but not limited to, during an epidemic or a pandemic which could lead to decreased treatments and increases in mortality rates in our patient population, resulting in an adverse impact on our operations. The COVID-19 global pandemic resulted in higher costs incurred to address staffing shortages, implement preventive measures to protect patients, employees and others, as well as in a material deterioration of supply chains and the conditions of the global economy and financial markets. Any such unforeseeable events could have a material adverse effect on our business, financial condition and results of operations.

We use "Fresenius" in our name and trademarks under a royalty-free license from Fresenius SE. Under amendments to that license entered into in connection with the Conversion, Fresenius SE has the right to terminate the license if, among other causes, a direct competitor of Fresenius SE acquires control of the Company or any other third party acquires control of the Company and Fresenius SE, acting reasonably, expects such acquisition to result in a not insignificant risk of negative impact on the Fresenius brand.

Through forward-looking planning and prevention programs, we are trying to limit possible effects of such events already in advance. To maintain operations in the event of an onset and to reduce potential impact on our patients and the organization, we have spare capacity and safety stock of certain resources as well as emergency and recovery plans in place. Residual risks are eventually covered when possible and expedient by taking out insurance.

Global Economic Conditions and Disruptions in Financial Markets

We are dependent on the conditions of the financial markets and the global economy. In order to pursue our business, we are reliant on capital, as are our renal product customers and commercial health care insurers. Limited or more expensive access to capital in the financial markets could adversely affect our business and profitability. Inflationary cost increases have also had and may continue to have an unfavorable effect on our business, especially if the prices and reimbursement rates for our products and services remain unchanged or do not adequately track against cost increases.

Among other things, the potential decline in federal and state revenues could create additional pressures to contain or reduce reimbursements for our services from public payors around the world, including Medicare, Medicaid in the U.S. and other government sponsored programs in the U.S. and other countries around the world.

Job losses or increases in unemployment rates could result in a smaller percentage of our patients being covered by employer group health plans and a larger percentage being covered by lower paying government reimbursement programs. To the extent that public and private payors are negatively impacted by a decline in the economy, we may experience further pressure on commercial rates, a further slowdown in collections and a reduction in the amounts we expect to collect.

The developments described above as well as devaluations of currencies, unfavorable interest rate changes and worsening economic conditions, uncertainty arising from geopolitical conflicts regarding a possible deterioration of the global macroeconomic outlook, including inflationary cost increases in various markets in connection with deteriorating country credit ratings could increase the risk of a goodwill impairment, which could lead to a partial or total goodwill write-off in the affected cash generating units, or have a negative impact on our investments and external partnerships. Furthermore, these factors as well as uncertainty and volatility in global financial markets, including the banking sector, could also adversely affect the valuations of certain of our investments as well as interest rate-sensitive assets or liabilities.

In addition, these developments may have adverse effects in other risk areas like U.S. federal health care programs, health care reforms, reimbursement by private insurers, liquidity and financing, currencies and interest, personnel, composition of our customer

base as well as procurement and are reflected in the respective assessments.

Any or all of the above-mentioned factors, or other consequences of the continuation, or worsening, of domestic and global economic conditions which cannot currently be predicted, could continue to have an adverse effect on our businesses and results of operations.

ESG Requirements

Our companies' ESG activities are facing increased scrutiny from stakeholders such as institutional and other investors, regulatory bodies and non-governmental organizations (NGOs). Failure to effectively identify, carry out and manage the necessary sustainability and related reporting activities as required or expected, as well as effectually manage the impact of factors beyond our control, could cause us to incur additional costs or damage our brand. We could also be subject to financial and other penalties imposed by the respective authorities in the jurisdictions in which we do business. In addition, a rise in prices for carbon emission rights stemming from the requirements of the European Climate Law could increase production costs. Such cost increases could have an adverse effect on our operations and results if we do not accurately plan for, and effectively implement, necessary sustainable business practices. Further information on potential cost increases can be found in the risk areas "Procurement" and "Global economic conditions and disruptions in financial markets" above. Additionally, we entered into several vPPAs with wind and solar energy project developers in Germany and in the U.S. in order to receive guarantees of origin and renewable energy certificates, respectively, to address our sustainability objectives. However, volatility in the valuation of financial instruments connected to energy prices or energy production volumes, including as a result of the heightened risk of volatility due to geopolitical conflicts in certain regions, could result in a material adverse effect on our business or results of operations.

In addition to environmental risks, we also face several social risks. Our continued growth in the health care business depends on the ability to attract and retain a skilled workforce, including highly skilled nurses and other medical personnel. Competition for those employees is intense and shortages for these sought-after employees could potentially lead to the closure of some clinics and the inability to treat parts of our patients. For further information on personnel risks, see the risk area "Personnel" above.

Furthermore, companies are increasingly expecting their suppliers to share their commitment to sustainability and demonstrate sustainable business practices across their supply chains, including the ability to identify and mitigate risks related to human rights in their entire value chain in connection with the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz) and other regulations, especially those passed or proposed within the EU. If we fail to comply with our legal obligations related to supply chain due diligence, we could face significant fines and be excluded from public tenders and contracts. We could also suffer reputational damage, especially given that our performance in this area is closely monitored by NGOs, investors and others.

In light of these expectations, among other aspects, we have incorporated sustainability as a performance target for the compensation of the Management Board. Should management fail to meet these outcomes, investors and/or debt providers may not deem us the correct fit for their investment or financing purposes, thereby negatively impacting our share price or our ability to source funding through debt financing. Our €2 BN syndicated multicurrency sustainability-linked revolving credit facility agreement, which serves as a backup facility, includes a sustainability component, pursuant to which the credit facility's margin for any outstanding borrowings will rise or fall depending on our sustainability performance.

A heightened focus on ESG topics by certain regulators and other stakeholders may result in more extensive regulatory requirements aimed at mitigating the effects of climate change and other current and future ESG-related developments as well as possible challenges in complying with differing ESG standards and possible increased opposition to initiatives we undertake to meet our ESG goals. Should further regulation (such as climate disclosures requirements for entities with operations in California, U.S.) or stakeholder expectations be more stringent in the future, we may experience increased compliance burdens and costs to meet regulatory obligations and we cannot currently estimate what impact existing and future regulations will have on our business, financial condition and results of operations.

For the upcoming years we have defined new sustainability targets that are linked to the compensation of the Management Board as stated above. We continuously analyze sustainability related regulations and trends as well as shareholder requirements. In case of new regulations, we have a dedicated approach in place in order to systematically implement such.

Changes in the Risk Situation

We operate in a constantly changing environment. Accordingly, the risk situation is also subject to constant change. Regarding the classification of single risks in terms of likelihood and potential impact, the following significant changes occurred compared to the previous year:

One-Year Period:

The risk Intellectual Property (10) was dismissed for the short-term perspective as we now assume material adverse effects potentially impacting our business would occur rather in the mid-term perspective or would be already covered in other risk areas.

The risk from Liquidity and financing (16) is now considered a low risk from a short-term perspective due to the improving financial performance of the company and the related change in outlook to 'stable' by all three relevant rating agencies.

The risk from COVID-19 was dismissed as no material risk remains specifically from COVID-19. Pandemic related risks are now considered in the risk area Unpredictable events (21).

An assessment of potential adverse effects from ESG requirements (23) resulted in a medium risk from a short-term perspectiv.

Five-Year Period:

The risk from Liquidity and financing (16) is now considered a low risk from a mid-term perspective due to the improving financial performance of the company and the expected positive development of the interest rate situation.

The risk related to Taxes (19) increased to a medium risk from a mid-term perspective due to ongoing tax proceedings which could result in higher tax payments for specific years in the past as well as for the future.

The risk from COVID-19 was dismissed as no material risk remains specifically from COVID-19. Pandemic related risks are now considered in the risk area Unpredictable events (21).

The risk from ESG requirements (23) is now considered a low risk from a mid-term perspective due to an adjusted assessment of the influence of ESG requirements on decisions of our customers and business partners which is based on accumulated past experience.

Opportunities Management

Opportunities Management System

As a vertically integrated dialysis company, we are in a position to identify industry-specific trends, requirements, and resultant opportunities at an early stage, which empowers us to adapt our strategies proactively and in line with our value drivers. We perform comprehensive quantitative and qualitative analyses to enable us to capture business opportunities. This involves systematically evaluating relevant market data, closely examining research projects and taking general social trends into consideration. Our analyses focus on general economic, industry-specific, regional and local developments as well as regulatory changes.

Opportunities

We offer almost all products and services that seriously and chronically ill people require across the renal care continuum. Our network of 3,675 dialysis clinics in around 40 countries is the largest of its kind in the world. As a result, we possess valuable dialysis expertise that is unique in the industry. Thanks to this wealth of experience, we know that high quality care is not only the key to a better quality of life for patients but can also make a significant contribution to reducing the costs of health care. In this context, we see vast opportunities in digitalization, which offers us new possibilities in kidney therapy, especially in the field of telemedicine and home dialysis. Digital enablement allows us to personalize therapeutic options more quickly. By applying analytics, artificial intelligence (AI) and machine learning, and predictive models, we can create actionable insights for better patient care and thereby improve therapy outcomes and economics.

Based on this understanding and our operating model, major opportunities arise that could have a positive impact on the results of operations, our financial position, and our net assets as things stand today. Unless otherwise stated, the opportunities mentioned apply to all segments.

Industry-specific and Business Operations Related Opportunities

Growth in Patient Numbers and Demographic Development

The increasing prevalence of diabetes and the globally widespread burden of hypertension, two conditions often preceding the onset of chronic kidney failure, propels the growth in dialysis patients, particularly in regions with advanced health care systems and an aging population. According to estimates, the global number of individuals suffering from CKD and requiring dialysis treatment is increasing at a rate of approximately 4% to 5% annually. It is expected to reach around 4.4 M patients in 2025 and around 7 M by 2035 (see the CHART 2.97 on the next page). In developing and emerging countries, the growing population and steadily improving access to dialysis due to increasing wealth are key factors further boosting the demand for dialysis products and services. Our commitment is to continue making a significant contribution to the treatment of people with kidney disease in the future.

Growing Demand for Holistic, Value- and Risk-based Health Care

Due to increasing cost pressure and the growing number of patients, demand for holistic and value- and risk-based health care models for patients with ESRD is evolving. Value-oriented models are transforming the role of health care providers. In these systems, we not only provide dialysis but also take responsibility for the medical well-being of patients in addition to dialysis treatment. We believe this development is a significant opportunity beyond the mere growth of dialysis patient numbers.

Value- and risk-based health care models help to deliver higher-quality treatment and better results at a lower cost. The aim here

is to establish sustainable partnerships with payors around the world to drive the transition from fee-for-service payment to pay-for-performance models.

We have supported this development from the start because we understand the needs of our dialysis patients. We have combined the coordination of all aspects of medical care in our other health care services business. This encompasses pharmacy services, vascular care ambulatory surgery center services, as well as value- and risk-based care programs.

With Interwell Health, we strengthen our leading position in the treatment of CKD in the U.S. Interwell Health employs a comprehensive value-based clinical care model that emphasizes early detection and prevention to slow the progression of CKD and to minimize the need for costly interventions. Interwell Health leverages a two-pronged approach that includes total patient care and provider enablement to serve patients with CKD from stage 3 to kidney failure in all 50 states and Puerto Rico. In partnership with more than 2,000 nephrologists, the Interwell Health interdisciplinary care team engages patients telephonically, digitally, at home, in the doctor's office, or in the dialysis center, leveraging machine learning algorithms to personalize care. Furthermore, Interwell Health provides an exclusive platform for kidney disease education, the most-adopted electronic health record system for nephrologists, practice consulting services, and patient engagement tools. With an integrated approach, this care model extends to over 2,600 dialysis centers, ensuring seamless coordination of care among dialysis providers, Interwell Health's care team, and medical professionals.

Expansion of Home Dialysis

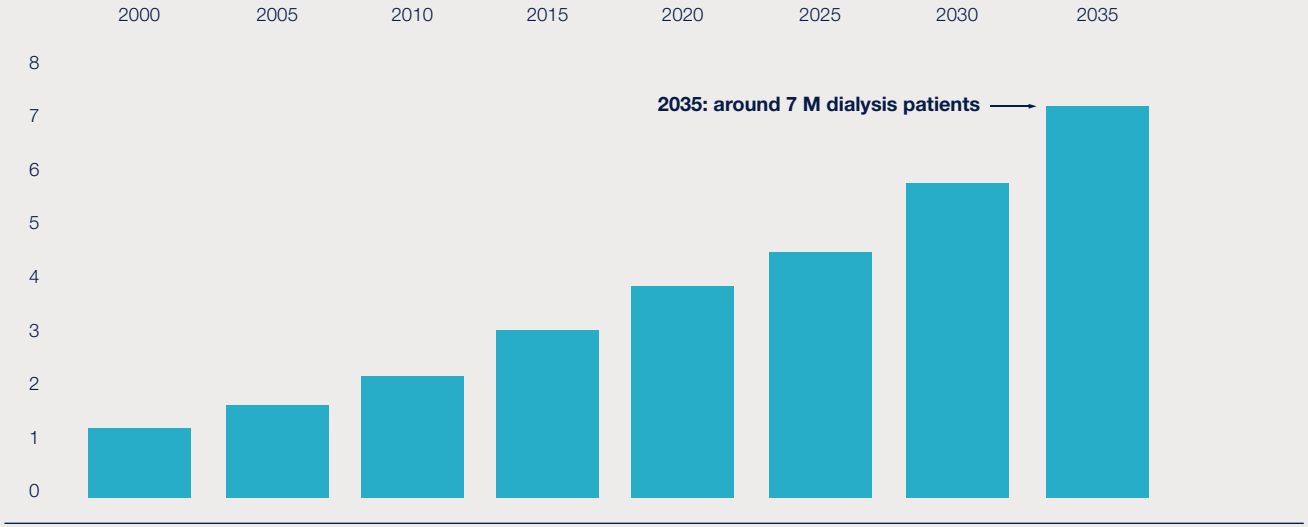
If patient numbers grow as strongly as anticipated, cost pressures continue to rise and centers reach full capacity, home therapies are expected to take on a more prominent role in dialysis, and not only as a result of the ETC Model. This will open up new growth opportunities for us. We offer a comprehensive product portfolio for home dialysis, including our NxStage products and solutions.

In 2024, more than 14,500 U.S.-based patients were using the Company's NxStage systems to perform Home Hemodialysis (HHD) therapy through both Fresenius Kidney Care and other providers. The number of patients starting dialysis treatment on NxStage equipment in the U.S. was on average 10% higher compared to the previous year.

We have also launched the newest version of our home dialysis machine, the NxStage® Versi®HD with GuideMe Software, featuring enhancements designed to simplify treatment, increase ease of learning, and improve user experience. These achievements highlight the efficacy and reliability of the NxStage system in delivering safe, high-quality care to patients in the comfort of their homes.

Digital solutions in the field of telehealth and applications underpin our plans and are essential to our ability to offer this form of therapy to more people. We focus firmly on the needs of our patients by presenting them with a wide range of therapy options. This gives them the freedom to choose what form of treatment is currently best for them. Self-determination is a key pillar of our vision to improve our patients' quality of life. In the U.S., in particular, home dialysis is becoming increasingly important. In 2024, around 15% of all dialysis patients in the U.S. were treated in a home setting. Based on its strategic business planning, we remain on track to reach our aspirational target for the further expansion of home dialysis, we aim to perform 25% of all treatments in the U.S. at home by 2027, the latest.

C 2.97 **NUMBER OF DIALYSIS PATIENTS WORLDWIDE – FORECAST TO 2035**
IN M



Source: Internal estimates

New Products and Technologies

Developing innovative products and technologies that deliver lasting added value for patients and remuneration systems right up until they are market-ready is another crucial factor in our long-term success. We advance dialysis-related innovations through our in-house research and development activities. In addition, we enhance existing products ourselves and adapt them to the markets in which we operate. We will continue to add innovative products and technologies to our range in the future to capture growth opportunities and meet the demand for integrated care as effectively as possible.

High-volume Hemodiafiltration

In 2025, we are positioned to establish a new standard of care in the U.S. dialysis industry with the introduction of HVHDF. This launch presents a significant opportunity to enhance patient outcomes and expand our impact within the U.S. dialysis market. In Europe and the Middle East, we have been successfully treating patients with HVHDF for over a decade, underscoring its established benefits and potential for broader application.

HVHDF is a kidney replacement therapy that combines both convection and diffusion to remove solutes from the body. Unlike conventional hemodialysis, which primarily uses diffusion, HVHDF incorporates high-volume convective therapy, infusing additional fluid and removing larger middle molecules.

This therapy gained additional attention in 2023 with the release of the European Union-funded CONVINCE study comparing the efficacy of HVHDF against high-flux hemodialysis (HF-HD). After beginning the study in 2018, researchers observed more than 1,300 participants over two-and-a-half years. The results showed a 23% decrease in all-cause mortality on average for patients treated with HVHDF, as well as an improvement in patient-reported outcomes.

In February 2024, our 5008X hemodialysis system became the first FDA-approved machine capable of delivering HVHDF in the U.S. Paired with our FX CorAL dialyzer, which is already available in the U.S., the 5008X combines advanced engineering and membrane technologies to make HVHDF possible.

Before 2004, the use of hemodiafiltration (HDF) in Fresenius Medical Care Nephrocare clinics in Europe, the Middle East, and Africa (EMEA) was limited. After 2004, HDF became the standard therapy in Nephrocare clinics in EMEA and has increased its share continuously among the dialysis techniques prescribed in the network. In 2024, 62% (2023: 57%) of Nephrocare patients in EMEA were treated with this dialysis technique. Starting January 2014, Nephrocare clinics in EMEA implemented HVHDF (an infusion volume greater than 21 L per session) as a new quality key performance indicator for patients undergoing post-dilution HDF.

To establish HVHDF as a new standard of care in the U.S. dialysis industry, we are planning a limited launch to targeted Fresenius Kidney Care clinics during 2025, and a broader commercial launch in 2026 and beyond.

New Forms of Kidney Therapy Through Digitalization and Artificial Intelligence (AI)

We aim to develop new forms of kidney therapy with the help of digital technologies such as artificial intelligence, the Internet of Things and use of Big Data. In North America, for example, we collect over one terabyte of patient data every day to calculate risk models and forecast multiple treatment paths. This data enables us to assess the health of patients more effectively. We can use the information not only to reduce negative outcomes for patients, but also to make costs, clinical workflows, production and development processes more efficient.

Our Apollo Dial DB is our first anonymized global dialysis database intended to advance patient care quality and outcomes by making kidney disease care more personalized and precise through data-driven insights. Harmonizing data from across the company's global clinical systems into the cloud and aggregating data from 40 countries across 6 continents on more than 350 patient treatment parameters, it is the foundation of our long-term AI strategy.

We are exploring how generative AI might streamline the process of collecting patient referral information, which can potentially expedite referrals and admissions and enhance data entry accuracy. We are also investigating the development of a ChatGPT-like tool to assist staff in offering targeted guidance for handling non-clinical tasks, with the goal of reducing staff burden and supporting clinical leaders. This includes examining how the tool could navigate intricate requirements related to Worker's Compensation and the Conditions for Coverage for ESRD Facilities. Furthermore, we aim to reduce patient attrition and improve their experience.

As part of our growth strategy, we are using digital technologies and the capability to analyze huge amounts of data to develop new forms of renal therapy. The information will be used to potentially make a diagnosis earlier, slow the progressive course of CKD, and enable intervention with new innovative therapies. Frenova's genomic registry will contain genetic sequencing data from CKD patients worldwide, which will be used by researchers to improve the understanding of kidney disease. Remnant samples of blood will be stored from samples already taken monthly from ESRD patients and will be used for genomic analysis. As the program expands to include individuals not on dialysis, samples of blood or saliva may be used for the same information. By combining clinical and genetic sequencing data from ethnically, demographically, geographically and pathologically diverse participants, this invaluable resource will help scientists better understand how genetic variations in patients can be utilized for more precise diagnoses and therapies that help improve outcomes by individualizing care. This is known as Precision Medicine.

The implementation of digital projects in telehealth and integrated health care are key to our ability to increase the share of home dialysis. We have already taken important steps with Kinexus, a digital solution that comprehensively connects our devices and our digital hubs for patients, providers, and care teams. In addi-

tion, we are digitalizing numerous business processes to provide even better support for those working from home. This offers us greater flexibility at a lower cost.

Growing Demand for Critical Care Solutions

The number of patients requiring continuous renal replacement therapy to treat acute kidney failure will continue to rise in the future. We expanded our acute care portfolio to include other extracorporeal critical care therapy areas, such as the treatment of acute heart, lung, and multi-organ failure. Hence in the medium term, we see major growth opportunities in critical care solutions.

Investments and Complementary Assets

We generate ideas for growth initiatives from market analyses and assess them as part of our annual budget planning, or more frequently if necessary. We manage the investments required for implementing projects using a detailed coordination and evaluation process. The Management Board sets the investment budget for Fresenius Medical Care as well as the focus of investment. Before realizing investment projects, an internal committee examines the individual projects and measures, considering their yield requirements and potential return on investment. Projects are undertaken only if they help to increase our value.

We will supplement and strengthen our existing network where feasible through additional partnerships, investments and acquisitions. This will help us create added medical value while saving costs.

Assessment of the Overall Risk Position and the Opportunities by the Management

Our risk management system forms the basis for assessing overall risk. The overall risk position of Fresenius Medical Care is determined by the individual risks described above. Changes in the Group's risk situation compared to the previous year occurred as stated in the paragraph of the same name. Neither one of the identified individual risks nor one of the risk areas described above are threatening the Company's continued existence and based on the comparison of the aggregated risk position with the established risk-bearing capacity, there are, to a reasonable degree of certainty, currently no indications that the going concern of Fresenius Medical Care is at risk. In the course of the Company-wide review as part of the integrated management system, we also monitor the effectiveness of the implemented risk management system and make improvements where necessary. The Management Board will continue to expand our risk management as well as the review of the associated management system to be able to identify, examine and evaluate potential risks even more quickly and initiate appropriate countermeasures. We believe that we have taken all necessary organizational steps to recognize potential risks early on and to respond to them appropriately.

We furthermore remain confident that our integrated global business model and our earning power provide us with a sound basis for our business development, allowing us to capture the opportunities arising for the Company. In view of our leading position in the dialysis market, our innovative strength, our dedicated staff and our structured processes for identifying risks early on and managing opportunities, we are convinced that we can continue to make the most of any opportunities that arise for our business in a responsible manner in the future.

Corporate Governance Fundamentals

The Company has the legal form of an AG. The Company's corporate structure consists of its Annual General Meeting, its Management Board and its Supervisory Board. Further information on the members of the Management Board and the Supervisory Board is set out in the appendix of the notes to the consolidated financial statements. The corporate governance structure is set out in the "Corporate Governance Declaration" in the chapter "Corporate Governance" in the Annual Report.

Corporate Governance Declaration

In fiscal year 2024, the Company made use of the option to publish the Corporate Governance Declaration (Erklärung zur Unternehmensführung) on the Company's website pursuant to sec. 315d German Commercial Code (HGB) in conjunction with sec. 289f para. 1 HGB. The Corporate Governance Declaration is available on the Company's website at:

https://www.freseniusmedicalcare.com/en/investors/corporate-governance/declaration-on-corporate-governance.

It is also set out in the chapter "Corporate Governance" in the Annual Report.

Changes in Management Structure

On January 1, 2024, Craig Cordola commenced his new role as a new Management Board member for the Care Delivery segment. Craig Cordola succeeded William (Bill) Valle, who had been with the Company since 2009 and had led the Care Delivery segment since 2022. Previously, Mr. Valle served as CEO for North America starting in 2017 and had been a member of the Management Board since 2017.

On March 13, 2024 we announced the appointment of Jörg Häring as our new Global Head of Legal, Compliance, and Human Resources. Mr. Häring joined us as a member of the Management Board, effective June 1, 2024, and also assumed the role of Labor Relations Director. Before he joined the Company, he was a member of the Management Committee, Chief Legal & Assurance Officer and General Secretary at the Spanish oil company Compania Espanola de Petroleos (CEPSA), with global responsibility for Legal, Corporate Audit, Risk and Compliance. Previously, he spent more than 20 years with the Siemens Group, including as General Counsel for almost 13 years, with a wide range of regional and industry responsibilities. Prior to joining Siemens in 2002, Mr. Häring worked at the law firm Cleary, Gottlieb, Steen & Hamilton, based in Frankfurt and Brussels. He holds a PhD in law and a degree in economics from the University of Tübingen (Germany) and has been admitted lawyer to the bar by Munich District Court II.

Compensation Report

The compensation paid to the Management Board and the Supervisory Board of the Company are included in the Compensation Report according to § 162 of the German Stock Corporation Act (AktG) which is part of the chapter "Corporate Governance" in the Annual Report.

Takeover-related Disclosures

The share capital held by the Company's shareholders as of December 31, 2024, totals approximately €293 M, divided into 293,413,449 non-par bearer shares, and a nominal value of €1 each. As of December 31, 2024, the Company does not hold any treasury shares.

The rights of the shareholders are governed by the German Stock Corporation Act (AktG) and the Company's Articles of Association. Each share shall be entitled to one vote at the Company's general meeting and is decisive for the shareholders' share in the Company's profit. This does not apply to treasury shares held by the Company, which do not entitle the Company to any rights. In the cases of Section 136 AktG, voting rights from the shares concerned are excluded by law. To the extent notification obligations regarding shareholdings or voting rights are not fulfilled, rights from the shares affected by this may temporarily not exist in accordance with Section 20 AktG or Section 44 of the German Securities Trading Act. There are no restrictions in the Articles of Association with regard to voting rights from the Company's shares or with regard to the transfer of the Company's shares.

As of December 31, 2024, Fresenius SE & Co. KGaA, Bad Homburg v. d. Höhe, Germany holds 94,380,382 shares of the

Company, which corresponds to a 32.17% holding and hence exceeds 10% of the Company's total share capital. Otherwise, the Company is not aware of any direct or indirect shareholdings in the capital that exceed 10% of the voting rights.

Fresenius SE & Co. KGaA, Bad Homburg v. d. Höhe, Germany, is entitled to appoint one of the members attributable to the shareholders to the Supervisory Board, if it holds shares in the Company representing at least 15% of the Company's share capital according to the Articles of Association of the Company; if Fresenius SE Co. KGaA holds shares in the Company representing at least 30% of the Company's share capital, it is entitled to appoint two of the members attributable to the shareholders to the Supervisory Board. Otherwise, no holders of shares have special rights that confer powers of control.

To the extent employees hold an interest in the Company's capital, they can exercise their control rights from the shares directly. The Company is not aware of any agreements to the contrary.

The appointment and removal of members of the Management Board by the Supervisory Board are governed by Sections 84 and 85 AktG and Section 31 of the German Co-Determination Act. In accordance with Section 6 (1) of the Articles of Association, the Management Board consists of at least two members. Pursuant to Section 33 (1) of the German Co-Determination Act, the Management Board must include a Labor Relations Director. Otherwise, the Supervisory Board determines the number of Management Board members.

Amendments to the Articles of Association of the Company can be made by the resolution of the general meeting of shareholders in accordance with Sections 119 (1) No. 6, 179 in conjunction with 133 AktG. The resolution of the general meeting of shareholders requires a majority of at least three quarters of the share capital represented when the resolution is passed. The Articles of Association entitle the Company's Supervisory Board to make amendments to the Articles of Association which concern only its wording without resolution of the general meeting.

The Management Board is entitled, subject to approval by the Supervisory Board, to increase the Company's share capital as follows in accordance with the resolutions passed by the shareholders at the general meeting:

> Authorization to increase on one or more occasions until August 26, 2025 the Company's share capital by up to a total of €35 M by issuing new bearer ordinary shares in return for cash contributions (Authorized Capital 2020/I).
> Authorization to increase on one or more occasions until August 26, 2025 the Company's share capital by up to a total of €25 M by issuing new bearer ordinary shares in return for cash contributions and/or contributions in kind (Authorized Capital 2020/II).

In both cases, the Management Board is entitled, with the approval of the Supervisory Board and in accordance with the resolutions passed at the general meeting, to take a decision on the exclusion of shareholders' pre-emption rights. The details of the authorizations are regulated in Article 4 (3) and (4) of the Company's Articles of Association. No use was made of these authorizations in fiscal year 2024.

The Company's share capital in fiscal year 2024 was subject to a conditional increase of up to €8.957 M. This conditional capital increase was only be carried out to the extent that options were issued in accordance with the Stock Option Plan 2011 based on the shareholders' resolutions of May 12, 2011 and May 12, 2016, provided the holders of such options exercises their rights and the Company did not issue any of its own treasury shares to settle those options. Options under the Stock Option Plan 2011 could be issued for the last time in 2015 and could be exercised for the last time in 2023. No shares were issued from the conditional capital in fiscal year 2024. The conditional capital, to the extent it had not previously been used, was canceled on May 27, 2024 by registration of the corresponding amendment to the Articles of Association with the commercial register. Since then, the share capital has no longer been conditionally increased.

In accordance with the resolution taken at the general meeting on May 20, 2021, which was amended in view of the Company's Conversion by resolution of the EGM on 16 May 2023, the Management Board is authorized to acquire treasury shares until May 19, 2026 and up to a maximum of 10% of the share capital in place on the date of the resolution. At no time shall the acquired shares together with the treasury shares held by the Company or attributable to it pursuant to Sections 71a ff. AktG exceed 10% of the Company's share capital. The acquisition can be made via the stock exchange or by means of a public invitation to submit offers for sale. The authorization may not be used for the purposes of trading in its own shares. The Management Board is authorized to use the shares of the Company acquired on the basis of this or an earlier authorization for all legally admissible purposes, in particular also (i) to redeem them without any requirement for a further resolution to be taken at the general meeting, (ii) to sell them to third parties in return for contributions in kind, (iii) rather than using conditional capital, to award them to employees of the Company and its affiliates (including to members of the executive managements of affiliates) and to use them to service rights or commitments to acquire shares of the Company, and (iv) to service bonds with option or conversation rights issued by the Company or by

affiliated companies as defined by Section 17 AktG. No treasury shares were acquired in fiscal year 2024.

Under certain circumstances, a change of control resulting from a takeover offer could impact several of the Company's long-term financing arrangements which include market standard change of control clauses. These clauses give creditors the right to call for early repayment of outstanding amounts in the event of a change of control. However, with regard to most of these financing agreements – in particular in case of bonds placed on the capital markets – this right to terminate only exists if the change of control occurs together with the Company's rating being downgraded below Investment Grade or withdrawn, and not reinstated to Investment Grade within 120 days.

The Company uses "Fresenius" in its name and trademarks under a license from Fresenius SE & Co. KGaA. Fresenius SE & Co. KGaA has the right to terminate the license if a direct competitor of Fresenius SE & Co. KGaA acquires control of the Company or any other third party acquires control of the Company and Fresenius SE & Co. KGaA, acting reasonably, expects such acquisition to result in a not insignificant risk of negative impact on the Fresenius brand. In both cases, "control" is defined as acquisition of 30% or more of the shares in the Company. In case of such termination, the Company may continue using the "Fresenius" name for 18 months to facilitate rebranding efforts.

The Company has not entered into any compensation agreements with the members of the Management Board or with employees in the event of a takeover bid.

Hof (Saale), February 28, 2025

Fresenius Medical Care AG

Management Board

Corporate Governance

196 Declaration on Corporate Governance
213 Compensation Report

Declaration on Corporate Governance

The Management Board and the Supervisory Board of Fresenius Medical Care are committed to responsible management that is focused on achieving a sustainable increase in the value of the Company. The implementation of long-term strategies, solid financial management, strict adherence to legal and ethical business standards, successful sustainability management to create lasting economic, ecological and social value, and a transparent communication of the Company are its key elements.

The Management Board and the Supervisory Board of Fresenius Medical Care AG (Company) report below on the fiscal year 2024 (the year under review) pursuant to Sections 289f, 315d of the German Commercial Code *(Handelsgesetzbuch – HGB)* and in accordance with principle 23 of the German Corporate Governance Code *(Deutscher Corporate Governance Kodex)* in the version dated April 28, 2022 (GCGC), as published in the German Federal Gazette *(Bundesanzeiger)* on June 27, 2022, on the Company's corporate governance *(Unternehmensführung)* and also comment on recommendations and suggestions of the GCGC.

The Declaration on Corporate Governance *(Erklärung zur Unternehmensführung)* is publicly available on the Company's website at www.freseniusmedicalcare.com in the "Investors" section in the sub-section "Corporate Governance".

Overview of the Legal Form of the Company

Fresenius Medical Care AG is a stock corporation under German law. Until its change of legal form effective on November 30, 2023, the Company was a partnership limited by shares *(Kommanditgesellschaft auf Aktien – KGaA)* which business was conducted by its general partner. The corporate bodies of the Company in the legal form of a stock corporation are its general meeting of shareholders (General Meeting), its supervisory board and its management board. The German Stock Corporation Act *(Aktiengesetz – AktG)* prescribes a two-tier management system for stock corporations, consisting of a management board and a supervisory board. The duties and competencies of the Management Board and the Supervisory Board as well as the requirements for their working methods and composition are essentially derived from the German Stock Corporation Act and the Company's Articles of Association as well as the rules of procedure for the Management Board, the Supervisory Board and its committees.

The Management Board manages the Company and conducts its business. Details of the composition of the Management Board can be found in the section "Management Board". Among other things, the Supervisory Board is responsible for the appointment and compensation of the members of the Management Board. It supervises and advises the Management Board and is involved in decisions that are fundamental to the company. Details of the composition of the Supervisory Board can be found in the section "Supervisory Board". The General Meeting is responsible for electing those shareholder representatives of the Supervisory Board that have not been appointed by Fresenius SE & Co. KGaA. Further, the General Meeting is responsible for electing the auditor and for resolutions on the allocation of distributable profits and significant structural measures. The duties and responsibilities of the three bodies are in each case statutorily defined and are strictly separated from one another.

The Articles of Association of the Company are available on the Company's website at www.freseniusmedicalcare.com in the "Investors" section in the sub-section "Corporate Governance".

Corporate Governance Structure

The corporate governance structure of the Company as of December 31, 2024 is shown in the CHART 3.1 on the next page.

Management Board

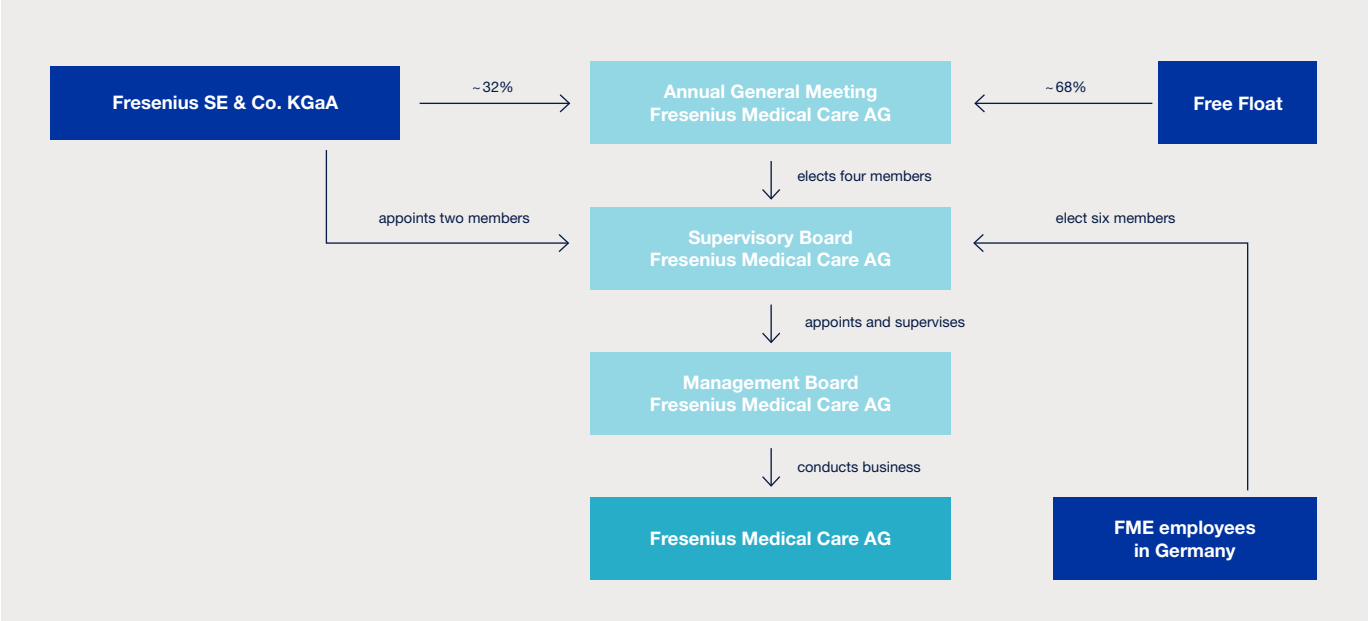
The Management Board manages the Company and conducts its business. Without prejudice to the overall responsibility of the Management Board, each Management Board member is responsible for his or her own area of departmental responsibility.

Composition

Ms. Helen Giza is the Company's Chief Executive Officer. Her responsibilities include in particular the development of the general business policy and strategy, including its communication, the coordination of the business divisions, investment policy (in close consultation with the members of the Management Board responsible for the respective department) and the coordination of the sustainability strategy (including environmental, social and governance – ESG) and its implementation. She is appointed as member of the Management Board until May 2027.

Mr. Craig Cordola, Ed.D. was appointed member of the Management Board responsible for the Care Delivery segment effective January 1, 2024. His area of responsibility is Fresenius Medical Care's global service business, including clinics as well as

C 3.1 **CORPORATE GOVERNANCE STRUCTURE OF FRESENIUS MEDICAL CARE AG AS OF DECEMBER 31, 2024**



T 3.2 **COMPOSITION OF THE MANAGEMENT BOARD AND DEPARTMENTAL RESPONSIBILITIES**

Management Board Member	Responsibilities
Helen Giza	Chairwoman of the Management Board
Craig Cordola, Ed.D.	Management Board member for Care Delivery
Martin Fischer	Chief Financial Officer
Dr. Jörg Häring	Management Board member for Legal, Compliance and Human Resources as well as Labor Relations Director
Franklin W. Maddux, M.D.	Global Chief Medical Officer
Dr. Katarzyna Mazur-Hofsäß	Management Board member for Care Enablement

In-center, Home and Critical Care services. He is appointed as member of the Management Board until December 2026.

Mr. Martin Fischer is Chief Financial Officer. In this function, he is responsible for the global finance organization of Fresenius Medical Care. This includes in particular the areas of financing, accounting, internal audit, taxes, IT-related matters as well as the implementation of transformation and reorganization projects. He is appointed as member of the Management Board until September 2026.

Dr. Jörg Häring has been appointed as a member of the Management Board effective June 1, 2024. Dr. Häring is responsible for the newly created Legal, Compliance and Human Resources department and has taken over these responsibilities from the Chairwoman of the Management Board, Ms. Helen Giza. Dr. Häring has also been appointed Labor Relations Director *(Arbeitsdirektor)* within the meaning of Section 33 of the German Co-Determination Act *(Mitbestimmungsgesetz – MitbestG)* effective June 1, 2024, succeeding Dr. Katarzyna Mazur-Hofsäß, who had previously been appointed Labor Relations Director on a transitional basis effective March 14, 2024 and who had already exercised the tasks incumbent on a Labor Relations Director before. He is appointed as member of the Management Board until May 2027.

Mr. Franklin W. Maddux, M.D. is the member of the Management Board responsible for the Global Medical Office. He oversees medical science and practice, clinical trials, clinical analysis, clinical care and quality standards, medical and patient data analysis, and digitalization strategy and opportunities. He is appointed as member of the Management Board until December 2027.

Dr. Katarzyna Mazur-Hofsäß is the member of the Management Board responsible for the Care Enablement segment. She is responsible for Fresenius Medical Care's global product business with regard to all products in the In-Center, Home and Critical Care business areas, such as dialyzers, concentrates, machines,

bloodlines, water treatment and other products. She is appointed as member of the Management Board until August 2026.

Information on the diversity of the Management Board can be found in the section "Diversity concept and targets".

Curricula Vitae

The members of the Management Board including their curricula vitae are introduced on the Company's website at www.freseniusmedicalcare.com in the "About us" section in the sub-section "Management Board". Information on positions held at group-internal and group-external listed and non-listed companies is also made available there.

Rules of Procedure

The Management Board manages the Company's business in accordance with applicable laws and the Articles of Association as well as the rules of procedure within the meaning of Section 77 paragraph 2 German Stock Corporation Act. The rules of procedure stipulate the principles of the cooperation. They also provide for the schedule of responsibilities which determines the departmental responsibilities of the individual Management Board members. The rules of procedure determine that meetings of the Management Board are held whenever the need arises, but at least twelve times a year. The meetings and the adoption of resolutions by the Management Board are chaired by the Chairwoman of the Management Board. If the Chairwoman is unavailable, this task resides with the Deputy Chairman, if appointed, or alternatively, if required, with the participating Management Board member most senior in terms of service. The Chairman of the meeting determines the order of the agenda items and the voting procedure. As a rule, the Management Board adopts its resolutions at meetings by simple majority of votes cast, and outside of meetings by simple majority of its members. In case of a tie, the Chairwoman of the Management Board in principle has the casting vote.

Without prejudice to the overall responsibility of the entire Management Board, each Management Board member is responsible for his or her own area of departmental responsibility. Based on the rules of procedure, the Management Board members are required to keep each other informed on an ongoing basis about all relevant business matters in their respective areas of departmental responsibility. In the case of interdepartmental matters, the Management Board members concerned are requested to coordinate with each other. The Chairwoman of the Management Board coordinates the affairs of the individual departments.

Matters of outstanding importance and significance are resolved upon by the entire Management Board pursuant to the rules of procedure. This in particular includes fundamental matters regarding the business, corporate policy or strategy of the Company or the group. If a decision by the entire Management Board is required under the rules of procedure but cannot be reached in a timely manner and if, after due assessment of the circumstances and in order to eliminate an imminent threat of severe adverse effects on the Company or the group, a delay cannot be justified, then the available members of the Management Board shall make such decision. The other members of the Management Board must be informed about such decision without undue delay.

In cases of fundamental business matters, the rules of procedure require the Management Board to obtain the prior approval of the Supervisory Board. These include transactions whose value exceeds a certain volume, the annual investment and financial planning, and the conclusion of intercompany agreements within the meaning of Sections 291 et seqq. of the German Stock Corporation Act by the Company. The adoption of new, or the abandonment of existing, business lines or markets is also subject to approval if the expected impact of the respective measure on the net assets, results of operations or financial position of the Company or the group exceeds a certain value.

The rules of procedure for the Management Board also regulate the Management Board's information duties in respect of the Supervisory Board. In particular, the Chairwoman of the Management Board shall keep in regular contact with the Chairman of the Supervisory Board and discuss with him questions relating to the strategy, planning, business development, risk situation, risk management and compliance of the Company and the group, and shall without undue delay inform the Chairman of the Supervisory Board about major events that are of material importance for the assessment of the status and performance as well as for the management of the Company and the group.

Age Limit

The Supervisory Board resolved upon an age limit for the Management Board members in accordance with recommendation B.5 of the GCGC. Management Board members who have reached the age of 65 years shall, as a rule, retire from the Management Board at the end of the relevant calendar year. The Supervisory Board will take this standard age limit into account for each appointment of Management Board members.

An exception to the standard age limit has been made for the reappointment of Mr. Franklin W. Maddux, M.D. for further five years in 2022 in order to ensure the continuity of corporate management in an area essential to the company's success in light of the transformation brought about by the FME25 program.

Supervisory Board

The Supervisory Board of the Company supervises the management of the Company by the Management Board, advises the Management Board and performs the other duties assigned to it by law and the Articles of Association. In accordance with principle 6 of the GCGC, supervision and advice include sustainability matters. The Supervisory Board is involved in strategy and planning as well as all matters of fundamental importance for the Company. The Supervisory Board is further responsible for the appointment, dismissal and compensation of the members of the Management Board.

Simultaneous membership in both the Supervisory Board and the Management Board is not permissible. The members of the Company's Supervisory Board are independent in their decisions and are not bound by requirements or instructions of third parties.

Composition

The Supervisory Board is composed as follows in accordance with the statutory provisions published in the German Federal Gazette *(Bundesanzeiger)* on December 7, 2023 pursuant to Sections 95, 96 paragraph 1, paragraph 2, 101 paragraph 1 sentence 1 of the German Stock Corporation Act and Sections 1 paragraph 1, 7 paragraph 1 sentence 1 no. 1, paragraph 2 no. 1, 15 paragraph 1 sentence 2 of the German Co-Determination Act and in accordance with the more detailed provisions of the Articles of Association of the Company.

T 3.3 **COMPOSITION OF THE SUPERVISORY BOARD**

Shareholder representatives	Employee representatives
Michael Sen (Chairman)	Stefanie Balling (Deputy Chairwoman)
Sara Hennicken	Ralf Erkens
Shervin J. Korangy	Beate Haßdenteufel
Dr. Marcus Kuhnert	Regina Karsch
Gregory Sorensen, M.D.	Frank Michael Prescher
Pascale Witz	Dr. Manuela Stauss-Grabo

Pursuant to Article 8 paragraph 1 of the Articles of Association of the Company, the Supervisory Board of the Company consists of twelve members, of whom, subject to the existence of the appointment right pursuant to Article 8 paragraph 2 of the Articles of Association, six members are to be elected by the General Meeting (shareholder representatives) and six members are to be elected by the employees (employee representatives) in accordance with the provisions of the German Co-Determination Act. Pursuant to Article 8 paragraph 2 of the Articles of Association, Fresenius SE & Co. KGaA, if it holds shares in the Company with a proportionate amount of the share capital of the Company of at least 15%, is entitled to appoint one of the Supervisory Board members representing the shareholders; if Fresenius SE & Co. KGaA holds shares in the Company with a proportionate amount of the share capital of the Company of at least 30%, it is entitled to appoint two of the Supervisory Board members representing the shareholders.

Unless the General Meeting specifies a shorter term of office, the Supervisory Board members are elected in accordance with Article 8 paragraph 3 of the Articles of Association of the Company until the end of the ordinary General Meeting which resolves on the discharge of the Supervisory Board members for the fourth fiscal year after commencement of the term of office. The fiscal year in which the term of office commences is not considered for this calculation. The same applies for the Supervisory Board members to be elected by the employees. The eligibility for election of those members of the Supervisory Board to be elected by the employees who must be employees of the company is subject to additional requirements. Among other requirements, they must have reached the age of 18 and have been with the company for one year. If a Supervisory Board member who must be an employee of the company loses eligibility for election, such member's office ends.

The elections of the shareholder representatives are conducted in accordance with recommendation C.15 of the GCGC as individual elections. In case of election proposals to the General Meeting, a curriculum vitae is provided for each candidate in accordance with recommendation C.14 of the GCGC, and any personal or business relationship of a candidate with the enterprise, the corporate bodies of the Company or a significant shareholder of the Company are disclosed in accordance with recommendation C.13 of the GCGC.

The Extraordinary General Meeting of the Company on July 14, 2023, which resolved on the change of legal form of the Company into the legal form of a stock corporation, also held elections to the Supervisory Board. Mr. Shervin J. Korangy, Dr. Marcus Kuhnert, Mr. Gregory Sorensen, M.D., and Ms. Pascale Witz were elected as members of the Supervisory Board of the Company. Fresenius SE & Co. KGaA, which then held shares in the Company with a proportionate amount of the share capital of the Company of approximately 32.2%, appointed Mr. Michael Sen and Ms. Sara Hennicken to the Supervisory Board. The election by the General Meeting and the appointment by Fresenius SE & Co. KGaA each took place for the period until the end of the General Meeting of the Company which resolves on the approval of the actions of the members of the Supervisory Board of the Company for fiscal year 2026.

Upon a motion of the Management Board of the Company, the competent local court in Hof (Saale), Germany, appointed Ms. Stefanie Balling, Mr. Ralf Erkens, Ms. Beate Haßdenteufel, Ms. Regina Karsch, Mr. Frank Michael Prescher and Dr. Manuela Stauss-Grabo as employee representatives to the Supervisory Board of the Company effective as of January 26, 2024. Ms. Balling, Ms. Haßdenteufel and Mr. Prescher are employees of the company in accordance with Section 7 paragraph 2 no. 1, paragraph 4 of the German Co-Determination Act. Dr. Stauss-Grabo was appointed as a representative of the executive employees of the company in accordance with Sections 7 paragraph 2 no. 1, 15 paragraph 1 sentence 2 of the German Co-Determination Act. Mr. Erkens and Ms. Karsch are representatives of the trade union IGBCE within the meaning of Section 7 paragraph 2 no. 1 of the German Co-Determination Act. IGBCE is the trade union

represented in the Company within the meaning of Section 7 paragraph 5 of the German Co-Determination Act.

The Supervisory Board of the Company thus includes the number of members representing each constituency (shareholders and employees) as required by law and the Company's Articles of Association. The judicial appointment of the employee representatives exists for the period until the election of the employee representatives by the employees of Fresenius Medical Care entitled to vote has been completed in accordance with the relevant statutory provisions. The election of the employee representatives is expected to be completed in the middle of 2025.

In its meeting on March 14, 2024, the Supervisory Board of the Company confirmed Mr. Michael Sen as Chairman and elected and Ms. Stefanie Balling instead of Ms. Sara Hennicken as Deputy Chairwoman.

The Supervisory Board of the Company does not include any members who were previously members of the Management Board of the Company or, prior to the Company's change of the legal form, of its general partner.

Curricula Vitae

Information regarding the members of the Supervisory Board of the Company including curricula vitae is available on the Company's website at www.freseniusmedicalcare.com in the "About us" section in the sub-section "Supervisory Board". In accordance with recommendation C.3 of the GCGC, information on their term of office on the Company's Supervisory Board and information on positions held at group-internal and group-external listed and non-listed companies is also made available there. Further information on the members of the Supervisory Board can be found in the qualification matrix in the section "Profile of skills and expertise as well as qualification matrix" of this Declaration on Corporate Governance.

Rules of Procedure

Details on the election, constitution and term of office of the Supervisory Board, its meetings and the adoption of resolutions, as well as its rights and obligations, are set out in the Company's Articles of Association available on the Company's website at www.freseniusmedicalcare.com in the "Investors" section in the sub-section "Corporate Governance". In accordance with recommendation D.1 of the GCGC, the Supervisory Board has furthermore adopted rules of procedure which set out, among other things, the modalities for convening meetings and the manner in which resolutions are adopted. The rules of procedure of the Supervisory Board of the Company are publicly available on the Company's website at www.freseniusmedicalcare.com in the "About us" section in the sub-section "Supervisory Board".

Accordingly, the Supervisory Board meets at least twice per calendar half year. The meetings of the Supervisory Board can be held by way of personal attendance or by way of a telephone or video conference. Individual Supervisory Board members may participate in meetings held by way of personal attendance by means of video and audio transmission or telephone. Resolutions shall in principle be adopted in meetings. Outside of meetings, resolutions may be passed in writing, by electronic means of communication (e.g., by email) or telephone or in combination of these forms upon order of the Chairman or, in the event of him being unable to act, by the Deputy Chairwoman.

The convocation period for meetings of the Supervisory Board is generally two weeks. The deliberations of the Supervisory Board are chaired by the Chairman of the Supervisory Board or, if the Chairman is unavailable, by the Deputy Chairwoman of the Supervisory Board. The Chairman of the meeting also determines the order of the agenda items and the voting procedure.

As a rule, the Supervisory Board decides by simple majority of votes cast unless other majorities are prescribed by law or the Articles of Association of the Company. In the event of a tied vote, the Chairman of the Supervisory Board has two votes in the second vote on the same matter if the repeated vote also results in a tie.

Unless the Chairman decides otherwise in the individual case, each member of the Management Board is entitled to participate in the meetings of the Supervisory Board and its committees. If the auditor is consulted as an expert in a meeting of the Supervisory Board or its committees, the Management Board shall not participate in this meeting unless the Supervisory Board or the committee deems its participation necessary. The Supervisory Board shall – in accordance with recommendation D.6 of the GCGC – also meet on a regular basis without the Management Board.

The Supervisory Board members are obligated to exclusively serve the interest of the Company. When making decisions, they may neither pursue any personal interest nor use any business opportunities to which the Company or any of its subsidiaries are entitled for their own benefit or the benefit of third parties. Each Supervisory Board member is obligated to disclose any conflicts of interest without undue delay to the Supervisory Board. This in particular applies to any conflicts of interest that may arise due to the provision of advice to clients, suppliers, lenders or other business partners or in connection with the role within a corporate body of clients, suppliers, lenders or other business partners.

The Chairman of the Supervisory Board coordinates the work and direction of the Supervisory Board and in principle also represents the Supervisory Board with respect to third parties.

The provisions of the rules of procedure for the Supervisory Board of the Company also apply to its committees, unless their rules of procedure contain deviating provisions.

Age Limit

In September 2024, the Supervisory Board reconfirmed an age limit for Supervisory Board members in accordance with recommendation C.2 of the GCGC. As a rule, only persons who have not yet completed the age of 75 at the time of their election or appointment are to be members of the Supervisory Board. The standard age limit in principle applies to all Supervisory Board members. The Supervisory Board will take the standard age limit into account when proposing candidates for election to the Supervisory Board. The composition of the Supervisory Board is in line with the specified age limit.

Independence

According to recommendation C.7 of the GCGC, more than half of the shareholder representatives on the Supervisory Board shall be independent from the Company and the Management Board. Members of the Supervisory Board are considered independent from the Company and its Management Board if they have no personal or business relationship with the Company or its Management Board that may cause a substantial – and not merely temporary – conflict of interest. When assessing the independence of members of the Supervisory Board from the Company and its Management Board, the Supervisory Board shall particularly take into consideration whether the respective Supervisory Board member or a close family member (a) was a member of the Company's Management Board in the two years prior to appointment, (b) is currently maintaining or has maintained a material business relationship with the Company or one of the entities dependent upon the Company in the year up to his or her appointment, directly or as a shareholder, or in a leading position of a non-group entity, or (c) is a close family member of a Management Board member, or (d) has been a member of the Supervisory Board for more than twelve years.

The Supervisory Board resolved that at least four of the six (and, accordingly, more than half of) the shareholder representatives on the Supervisory Board shall be independent within the meaning of the GCGC. Independent within the meaning of recommendation C.7 of the GCGC are, in the view of the Supervisory Board, in any case Mr. Shervin J. Korangy, Dr. Marcus Kuhnert, Mr. Gregory Sorensen, M.D., and Ms. Pascale Witz. The Supervisory Board members appointed by Fresenius SE & Co. KGaA on the basis of Article 8 paragraph 2 of the Articles of Association, Mr. Michael Sen and Ms. Sara Hennicken, are each a member of the management board of Fresenius Management SE, the general partner of Fresenius SE & Co. KGaA. Fresenius SE & Co. KGaA as of December 31, 2024, held approximately 32.2% of the share capital and the voting rights of the Company. The Company continues to maintain a business relationship with Fresenius SE & Co. KGaA or its dependent companies after the Company's change of legal form has become effective. Mr. Sen and Ms. Hennicken are therefore, as a precaution, not considered independent within the meaning of recommendation C.7 of the GCGC.

Recommendation C.9 of the GCGC, according to which, in the event that the Company has a controlling shareholder within the meaning of the GCGC, a certain number of shareholder representatives shall be independent of the controlling shareholder, does not apply to the Company, because Fresenius SE & Co. KGaA is not a controlling shareholder in this meaning, given the lack of a sustainable majority at the General Meeting. Assuming the applicability of this recommendation, the shareholder representatives Mr. Shervin J. Korangy, Dr. Marcus Kuhnert, Mr. Gregory Sorensen, M.D., and Ms. Pascale Witz would be considered independent in this meaning.

ESG and Sustainability

The Supervisory Board supervises and advises the Management Board in accordance with principle 6 of the GCGC also on sustainability matters. Without prejudice to its overall responsibility, the Supervisory Board has resolved that the Chairperson of the Audit Committee of the Supervisory Board shall have special knowledge in the area of ESG. Within the framework of the statutory provisions, the Chairman of the Audit Committee, Dr. Marcus Kuhnert, is also available to shareholders and other stakeholders as the Supervisory Board's contact person for discussions on ESG topics.

More information on Fresenius Medical Care's sustainability efforts can be found in the Sustainability Statement starting on page 49 of the Annual Report.

Self-Assessments

In accordance with recommendation D.12 of the GCGC, the members of the Supervisory Board regularly carry out self-assessments with regard to their work. In the reporting year, this was supported by an independent expert.

The starting point of the self-assessment process for the reporting year was the implementation of a comprehensive evaluation of, among other things, the course of discussions and working methods, the internal organization of the Supervisory Board and its committees including their meetings and deliberations, the quality and appropriateness of the information provided to the Supervisory Board and its committees as well as certain key areas using a company-specific questionnaire. The evaluation is carried out as part of a structural analysis and according to quantitative and qualitative criteria, which is used for the activities of the Supervisory Board. On this basis, the Supervisory Board discusses the evaluation and analysis and, if required, identifies areas for action and defines measures based on the results.

Professional Competence

All members of the Supervisory Board have the capabilities, as well as the knowledge required, for the proper exercise of their duties. The Supervisory Board members are in their entirety familiar with the sector in which the Company operates. The members of the Supervisory Board regularly update themselves via

in-house and external sources about the current status of their tasks. Details of the support provided by the Company to the members of the Supervisory Board for their induction into office and for their training and professional development can be found in the Report by the Supervisory Board of the Company starting on page 13 of the Annual Report.

Profile of Skills and Expertise as well as Qualification Matrix

The Supervisory Board, in accordance with principle 11 of the GCGC, ensures that its members in their entirety have the knowledge, capabilities and professional expertise required for the due observation of the duties of a supervisory board of a listed company operating internationally in the health care sector. Against this background and in accordance with the recommendations of the GCGC, the Supervisory Board resolved upon specific objectives regarding its composition and a profile of skills and expertise for the entire Supervisory Board for the first time in 2018.

The Supervisory Board most recently updated its profile of skills and expertise in September 2024. In particular, the requirements from the topics of cybersecurity and artificial intelligence were reflected in the profile of skills and expertise. In accordance with recommendation C.1 of the GCGC, the profile also comprises expertise regarding sustainability matters relevant to the company. The Supervisory Board further determined a regular maximum tenure for serving on the Supervisory Board. Accordingly, the Supervisory Board shall, as a rule, not include persons who have been members of the Supervisory Board for more than twelve years.

The profile of skills and expertise contains requirements for the individual Supervisory Board members as well as requirements for the entire Supervisory Board, and is available on the Company's website at www.freseniusmedicalcare.com in the "About us" section in the sub-section "Supervisory Board".

When discussing its recommendations to the General Meeting for the election of shareholder representatives to the Supervisory Board, the Supervisory Board considers, in accordance with recommendation C.1 of the GCGC and within the framework of the profile of skills and expertise as determined by it, in particular the international activities of the company, what it considers to be an adequate number of independent Supervisory Board members, as well as diversity criteria. At least 30% of the members of the Supervisory Board must be women and at least 30% must be men in accordance with Section 7 paragraph 3 sentence 1 of the German Co-Determination Act, Section 96 paragraph 2 of the German Stock Corporation Act. The proportion of male and female Supervisory Board members at the end of the reporting year exceeded the statutory target figures. Further details can be found in the section "Gender diversity and targets".

The composition of the Supervisory Board at the end of the year under review is in line with the profile of skills and expertise for the Supervisory Board, and fulfills the objectives for the composition of the board designated therein. In accordance with recommendation C.1 of the GCGC, the implementation status of the profile of skills and expertise is disclosed in the form of the following qualification matrix. The assessment in the qualification matrix is based on a self-assessment by the individual Supervisory Board members, taking into account the requirements set out in the profile of skills and expertise for knowledge, capabilities and professional experience. In addition, the qualification matrix now distinguishes between general expertise and specialist expertise, whereby each Supervisory Board member can specify a maximum of six areas of specialist expertise. The qualification matrix also displays the diversity level of the Supervisory Board at the end of the year under review across selected aspects.

Committees of the Supervisory Board

In accordance with the applicable statutory and regulatory requirements, the Articles of Association of the Company, the rules of procedure of the Supervisory Board as well as with principle 14 and recommendations D.2 to D.4 of the GCGC, the Supervisory Board has formed qualified committees from among its members to prepare matters for deliberation and resolutions of the Supervisory Board. The Supervisory Board regularly and timely receives briefings on the committees' work by the Chairmen of the committees. Details of the committees' activities can be found in the Report by the Supervisory Board of the Company starting on page 13 of the Annual Report.

T 3.4 **QUALIFICATION MATRIX FOR THE MEMBERS OF THE SUPERVISORY BOARD**

	Michael Sen	Stefanie Balling	Ralf Erkens	Beate Haßdenteufel	Sara Hennicken	Regina Karsch	Shervin J. Korangy	Dr. Marcus Kuhnert	Frank Michael Prescher	Gregory Sorensen, M.D.	Dr. Manuela Stauss-Grabo	Pascale Witz
Member since:	2023	2024	2024	2024	2023	2024	2023	2023	2024	2021	2024	2016
Independence[1]		ER	ER	ER		ER	✓	✓	ER	✓	ER	✓
Time availability and limitation of the number of mandates [2]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Diversity												
Gender	M	W	M	W	W	W	M	M	M	M	W	W
Year of birth (Standard age limit: 75 years)	1968	1968	1965	1970	1980	1983	1974	1968	1963	1962	1968	1967
Nationality	Germany	Germany	Germany	Germany	Germany	Germany	USA	Germany	Germany	USA	Germany	France
Educational Background	Business Administration	Commercial Correspondent for foreign languages	Electrical engineering	Retail	Economics and political economy	Political science and history	Economics	Business Administration and Mechanical Engineering	Nursing	Medicine	Biology and pharmacy	Biochemistry and Business Administration
Profile of Skills and Expertise: Individual knowledge / experience												
Corporate management	✓✓	✓	✓	✓	✓✓	✓✓	✓✓	✓✓	✓	✓✓	✓✓	✓✓
Sector knowledge and understanding of global activities	✓✓	✓	✓	✓	✓✓	✓	✓	✓	✓	✓✓	✓✓	✓✓
Profile of Skills and Expertise: Requirements for the entire Supervisory Board												
Sector experience	✓✓	✓✓	✓	✓✓	✓		✓✓	✓	✓✓	✓✓	✓✓	✓✓
Financial knowledge: Accounting	✓✓	✓	✓		✓✓		✓	✓✓	✓	✓	✓	✓✓
Financial knowledge: Auditing	✓	✓	✓	✓	✓✓	✓	✓	✓✓	✓	✓✓	✓	✓✓
Legal, Regulatory, Compliance	✓		✓	✓	✓	✓	✓	✓		✓	✓✓	✓
Sustainability	✓	✓	✓	✓	✓	✓	✓	✓✓	✓	✓	✓	✓
Digitalization	✓	✓	✓	✓	✓			✓	✓✓	✓✓	✓	✓
Internationality	✓✓				✓✓		✓✓	✓✓	✓	✓	✓✓	✓
Management experience	✓✓	✓	✓		✓✓	✓	✓✓	✓✓		✓✓		✓✓

✓ = generalist expertise, ✓✓ = specialist expertise
ER = employee representative

[1] According to the German Corporate Governance Code in the version of April 28, 2022 (GCGC). Michael Sen and Sara Hennicken are each a member of the Management Board of Fresenius Management SE, the general partner of Fresenius SE & Co. KGaA and have been appointed by the latter to the Supervisory Board in accordance with Article 8 paragraph 2 of the Company's Articles of Association. Fresenius SE & Co. KGaA as of December 31, 2024, held approximately 32.2% of the share capital and the voting rights of the Company. The Company will continue to have a business relationship with Fresenius SE & Co. KGaA or its affiliated companies also after the effectiveness of the Company's change of its legal form into a stock corporation. Michael Sen und Sara Hennicken are therefore, as a matter of precaution, not considered independent within the meaning of recommendation C.7 of the GCGC.

[2] According to the German Stock Corporation Act and the GCGC.

The Supervisory Board formed an Audit Committee *(Prüfungsausschuss)*, a Presiding Committee *(Präsidialausschuss)*, a Compensation Committee *(Vergütungsausschuss)* and a Nomination Committee *(Nominierungsausschuss)*. In addition, following the appointment of the employee representatives to the Supervisory Board by court order, the Supervisory Board also formed a Mediation Committee *(Vermittlungsausschuss)* in accordance with Section 27 paragraph 3 of the German Co-Determination Act with effect as of March 14, 2024. The committees of the Supervisory Board and their main tasks are shown in the CHART 3.5.

Each of the committees of the Company's Supervisory Board is generally composed of four members, in general two shareholder representatives and two employee representatives. In accordance with recommendation D.4 of the GCGC, the Nomination Committee is composed exclusively of shareholder representatives.

The composition of the committees of the Company's Supervisory Board is shown in the TABLE 3.6 on the next page.

Meetings of each of the Audit Committee, the Presiding Committee and the Compensation Committee take place at least twice per calendar half-year, meetings of each of the Nomination Committee and the Mediation Committee as frequently as circumstances require.

The composition and responsibilities of the committees of the Supervisory Board of the Company are described below in more detail.

C 3.5 **COMMITTEES OF THE SUPERVISORY BOARD AND THEIR MAIN TASKS**

Audit Committee	Presiding Committee	Compensation Committee	Nomination Committee	Mediation Committee
Monitoring the accounting process Monitoring the effectiveness of the internal control system, the risk management system and the internal audit system Monitoring the audit Monitoring of environmental, social and governance (ESG) management	Preparation of the Supervisory Board meetings Coordination of the work of the Supervisory Board and its committees Administrative matters of the Supervisory Board Management Board matters, including recommendations for appointment or dismissal and the allocation of responsibilities	Preparation of the Supervisory Board's decisions on the remuneration of the members of the Management Board Preparation of the review of the appropriateness of the compensation system and the total compensation of the individual members of the Management Board Audit of the compensation report	Identification and recommendation of suitable candidates for the Supervisory Board's proposals to the Annual General Meeting for the election of Supervisory Board members	Tasks in accordance with Section 27 para. 3 in conjunction with Section 31 para. 3 sentence 1 German Co-Determination Act Submitting proposals for the appointment or dismissal of members of the Management Board if the Supervisory Board does not reach the required majority for the measure in question in an initial vote

Audit Committee

At the end of the reporting year, the Audit Committee of the Company's Supervisory Board consisted of the shareholder representatives Dr. Marcus Kuhnert (Chairman) and Gregory Sorensen, M.D. and, following their appointment as members of the Supervisory Board by court order, since March 14, 2024 the employee representatives Ms. Stefanie Balling (since then also Deputy Chairwoman) and Mr. Frank Michael Prescher. At the same time as the election of the employee representatives as members of the Audit Committee, Ms. Pascale Witz (until then Deputy Chairwoman) resigned from the Audit Committee.

Tasks

In accordance with its rules of procedure, the Audit Committee in particular performs all the duties incumbent upon an audit committee pursuant to Section 107 paragraph 3 sentence 2 German Stock Corporation Act and the applicable rules of the U.S. Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE). In particular, this includes monitoring the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system as well as the audit of the financial statements, including the selection and independence of the auditor. In addition to other tasks, the Audit Committee also oversees the company's management of environmental, social and governance (ESG) as well as other sustainability-related matters that are relevant to the company and the auditing or assurance of the company's sustainability reporting required by law. Further, the Supervisory Board has delegated to the Audit Committee the responsibility for adopting resolutions on the approval of transactions with related parties in accordance with Sections 111a et seqq. of the German Stock Corporation Act. The Audit Committee also regularly assesses the quality of the audit of the financial statements and, in accordance with recommendation D.10 of the GCGC, discusses with the auditor the audit risk assessment, the audit strategy and audit planning, and the audit results.

T 3.6 **COMMITTEES OF THE COMPANY'S SUPERVISORY BOARD**

	Audit Committee	Presiding Committee	Compensation Committee	Nomination Committee	Mediation Committee
Michael Sen (Chairman)		Chairman		Chairman	Chairman
Stefanie Balling (Deputy Chairwoman)	Deputy Chairwoman	Deputy Chairwoman			Deputy Chairwoman
Ralf Erkens		Member			
Beate Haßdenteufel					Member
Sara Hennicken				Member	
Regina Karsch			Member		
Shervin J. Korangy			Member	Deputy Chairman	
Dr. Marcus Kuhnert	Chairman	Member			
Frank Michael Prescher	Member				
Gregory Sorensen, M.D.	Member				Member
Dr. Manuela Stauss-Grabo			Deputy Chairwoman		
Pascale Witz			Chairwoman	Member	

Shareholder representative, Employee representative

Independence and Financial Expertise

The Audit Committee shall, according to its rules of procedure, consist of four members. Members who are shareholder representatives on the Supervisory Board must, in particular, meet the independence criteria within the meaning of the applicable rules of the SEC and the NYSE. Committee members who are employee representatives on the Supervisory Board and are not to be qualified as an "executive officer" of the Company as defined in the relevant SEC Rule shall be exempt from the independence requirements of the applicable SEC Rule and shall otherwise be deemed to be independent notwithstanding their employee relationship with the Company or any of its affiliates. In addition, pursuant to Section 107 paragraph 4 of the German Stock Corporation Act in connection with Section 100 paragraph 5 of the German Stock Corporation Act, at least one member must have expertise in the field of accounting and at least one other member must have expertise in the field of auditing. Pursuant to the more detailed provisions of recommendation D.3 of the GCGC, the respective expertise shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems or special knowledge and experience in the auditing of financial statements. The corresponding information on the relevant members of the Audit Committee in office at the end of the year under review is provided below:

Dr. Marcus Kuhnert is a member of the Supervisory Board of MEWA Textil-Service SE since April 1, 2024 and a member of the Supervisory Board of maxingvest GmbH & Co. KGaA since June 20, 2024. He is also a non-executive member of the Board of Directors of Döhler Group SE and was a member of the Executive Board (general partner) of E. Merck KG, which holds the majority of shares in the listed MERCK Kommanditgesellschaft auf Aktien (Merck KGaA) until June 30, 2024. Dr. Kuhnert was also a member of the Executive Board (general partner) and Chief Financial Officer of Merck KGaA from 2014 until June 30, 2023. Prior to this, he held various positions at the listed company Henkel AG & Co. KGaA, lastly as Chief Financial Officer of the Laundry & Home Care business unit.

Mr. Gregory Sorensen, M.D., serves as President of DeepHealth, Inc., USA, which he co-founded in 2017, and as Executive Chairman of the Board of Directors of IMRIS Imaging, Inc., USA, since 2015. Since 2023, he also serves as a member of the board of directors and Executive Vice President / Chief Science Officer of the listed RadNet, Inc., USA. Previously, he was President and Chief Executive Officer of Siemens Medical Solutions USA, Inc. In these functions his activities included or still include, respectively, extensive interfaces to both accounting and auditing matters. In addition, Mr. Sorensen, M.D., served as chairman of the audit committee of DFB Healthcare Acquisitions Corp. (now: AdaptHealth Corp.), USA, from 2017 to 2019 and as chairman of the audit committee of DFP Healthcare Acquisitions Corp. (now: The Oncology Institute, Inc.), USA, from 2019 to 2021, both of which are NASDAQ listed companies.

In the opinion of the Supervisory Board, the composition of the Audit Committee meets all aforementioned requirements as to the independence and financial expertise of its members. Dr. Marcus Kuhnert and Mr. Gregory Sorensen, M.D. each are financial experts in the meaning of Section 100 paragraph 5 German Stock Corporation Act as well as "audit committee financial experts" within the meaning of the applicable rules of the SEC. Due to their extensive years of experience, they each have expertise in the fields of both accounting and auditing. In particular, due to their many years of activity as board member responsible for finance, or Chief Financial Officer or member of audit committees, respectively, Dr. Kuhnert as well as Mr. Sorensen, M.D., each also have special knowledge and experience in the meaning of recommendation D.3 GCGC both in the application of accounting principles and internal

control and risk management systems as well as in the auditing of financial statements.

In accordance with recommendations D.3 and C.7 of the GCGC, each of Dr. Marcus Kuhnert and Mr. Gregory Sorensen, M.D., is or was, respectively, neither the Chairperson of the Supervisory Board of the Company nor a former member of the Management Board whose appointment has ended less than two years ago. All members of the Audit Committee in office at the end of the year under review are independent within the meaning of applicable provisions. Dr. Kuhnert in his function as Chairman of the committee is independent within the meaning of recommendation C.10 of the GCGC.

Presiding Committee

In the reporting year, the Presiding Committee consisted of the shareholder representatives Mr. Michael Sen (Chairman) and Dr. Marcus Kuhnert and, following their appointment by court order as members of the Supervisory Board, since March 14, 2024 the employee representatives Ms. Stefanie Balling (since then also Deputy Chairwoman) and Mr. Ralf Erkens.

The Presiding Committee is responsible in particular for preparing Supervisory Board meetings, coordinating the work of the Supervisory Board and its committees, as well as for administrative matters relating to the Supervisory Board. The Presiding Committee is also responsible for various Management Board matters including recommendations to the Supervisory Board on the appointment or dismissal of Management Board members and on the allocation of responsibilities among the Management Board members. The Presiding Committee further reviews and assesses the Company's corporate governance. The Presiding Committee resolves, inter alia, on any amendment to the Articles of Association of the Company that only affect the wording *(Fassungsänderungen)*. Where the matter cannot be delayed and the Supervisory Board cannot pass a resolution in time, the Presiding Committee may resolve upon such matters instead of the Supervisory Board in accordance with the more detailed provisions of its rules of procedure.

Compensation Committee

In the reporting year, the Compensation Committee consisted of the shareholder representatives Ms. Pascale Witz (Chairwoman) and Mr. Shervin J. Korangy and, following their appointment by the court as members of the Supervisory Board, since March 14, 2024 the employee representatives Dr. Manuela Stauss-Grabo (since then also Deputy Chairwoman) and Ms. Regina Karsch. The Chairwoman of the Compensation Committee, Ms. Witz, is independent of the Company and the Management Board in accordance with recommendation C.10 of the GCGC.

The Compensation Committee is responsible for preparing decisions of the Supervisory Board regarding the compensation of the members of the Management Board. This includes the preparation of the determination of the compensation system and of the short-term and long-term incentive plans for the Management Board as well as the definition of the targets for variable compensation components and the definition of target values as well as of the determination of the target achievement. The Compensation Committee also prepares the regular review by the Supervisory Board of the appropriateness of the compensation system and of the total compensation of the individual Management Board members. The Compensation Committee also reviews the compensation report.

Nomination Committee

In accordance with recommendation D.4 of the GCGC, only shareholder representatives are members of the Nomination Committee of the Supervisory Board of the Company. As of the end of the year under review, the Nomination Committee consisted of Mr. Michael Sen (Chairman), Mr. Shervin J. Korangy (Deputy Chairman), Ms. Sara Hennicken and Ms. Pascale Witz.

The Nomination Committee identifies and recommends suitable candidates to the Supervisory Board for its proposals to the General Meeting for the election of Supervisory Board members. The Nomination Committee also recommends suitable candidates to the Supervisory Board in case a judicial appointment of a shareholder representative on the Supervisory Board is required. The Nomination Committee further makes recommendations to the Supervisory Board on members of the shareholder representatives to be elected to the committees of the Supervisory Board. This does not apply to the election of members of the shareholder representatives to the Mediation Committee.

Mediation Committee

The Mediation Committee, which was formed on March 14, 2024 following the court appointment of the employee representatives to the Supervisory Board, since then consists of the shareholder representatives Mr. Michael Sen (Chairman) and Mr. Gregory Sorensen, M.D., as well as the employee representatives Ms. Stefanie Balling (Deputy Chairwoman) and Ms. Beate Haßdenteufel.

The Mediation Committee performs the tasks incumbent upon a Mediation Committee pursuant to Section 27 paragraph 3 in conjunction with Section 31 paragraph 3 sentence 1 of the German Co-Determination Act. It is responsible for putting forward proposals for the appointment or dismissal of members of the Management Board to the Supervisory Board if the respective measure has not been passed by the Supervisory Board with the required majority during the first vote.

Diversity Concept and Targets

The company's ESG strategies, and related activities (including those on diversity, equity and inclusion) are designed to comply with any applicable laws, in particular anti-discrimination laws and other legal requirements of the various jurisdictions in which it operates. Fresenius Medical Care is monitoring relevant legal

developments, including early 2025 Executive Orders issued in the United States, and will review its activities in relevant company entities as appropriate to facilitate ongoing compliance with applicable laws, in particular anti-discrimination laws and related risk mitigation efforts. Additionally, this Declaration on Corporate Governance is associated with the Company's activities in 2024, prior to the recent Executive Orders issued in the United States.

Diversity Concept for Governance Bodies

Fresenius Medical Care considers diversity, equity and inclusion a strength of the company. A high degree of diversity in the composition of the Management Board, the Supervisory Board and the global workforce is an important objective of Fresenius Medical Care. Bringing together people with different backgrounds, experiences and perspectives supports creativity and innovation. Diverse and inclusive employers do a better job of engaging and retaining their talent, and experience superior business success. Diversity at Fresenius Medical Care is defined broadly, including – but not limited to – age, gender, nationality, cultural and ethnic origin, sexual orientation, disability, educational background, and work experience. Fresenius Medical Care's goal is to integrate different perspectives and divergent viewpoints into our discussions, improving problem-solving and decision-making. By better understanding the unique backgrounds and experiences of team members, Fresenius Medical Care can better understand and serve its diverse employee, patient and customer base. Diversity, equity and inclusion are an integral part of the sustainability efforts and company culture at Fresenius Medical Care.

The existing diversity concept for the composition of the Management Board and the Supervisory Board reflects this understanding and is part of the staffing processes. The individual's qualifications – which include expertise as well as skills and experience – continue to be the core selection criterion in particular for the proposals to the General Meeting for the election of new members to the Supervisory Board. Components of diversity are considered to ensure a comprehensive and balanced assessment and selection process. For preparation of any nomination proposal, the respective governing body or committee thoroughly evaluates the current composition of the body to be staffed and carefully analyzes each potential candidate's profile with regards to the diversity criteria. Thereby, the above-mentioned standard age limits for the Management Board and for the Supervisory Board, and the profile of skills and expertise for the Supervisory Board, are taken into account.

Diversity is further actively managed in senior management levels below the Management Board in accordance with recommendation A.2 of the GCGC. To this end, components of diversity such as gender are particularly considered in the evaluation of the "talent pipelines". Additional reports, for example on the number and share of female junior talents in talent evaluation and the succession planning process, support the focus on diversity in development planning and the preparation for filling vacancies. This serves to strengthen the diversity of talent pipelines at Fresenius Medical Care by identifying such talents at an early stage.

The diversity level of the Management Board at the end of the year under review is displayed with respect to certain components of diversity in the TABLE 3.7. Corresponding information on the diversity level of the Supervisory Board can be found in the section "Profile of skills and expertise as well as qualification matrix".

T 3.7 **MANAGEMENT BOARD – DIVERSITY ASPECTS**

Management Board Member	Gender	Nationality	Education	Age
Helen Giza	Female	British and U.S.	Business	56
Craig Cordola, Ed.D.	Male	U.S.	Business and Psychology	53
Martin Fischer	Male	German	Business Informatics	48
Dr. Jörg Häring	Male	German	Law and Economics	55
Franklin W. Maddux, M.D.	Male	U.S.	Medicine and Mathematics	67
Dr. Katarzyna Mazur-Hofsäß	Female	Polish and German	Medicine	61

Gender Diversity and Targets

Since the Company's change of legal form to a stock corporation became effective and the German Co-Determination Act became applicable to the Company, at least 30% of the members of the Supervisory Board must be women and at least 30% must be men in accordance with Section 7 paragraph 3 sentence 1 of the German Co-Determination Act, Section 96 paragraph 2 of the German Stock Corporation Act. For a twelve-member Supervisory Board, this corresponds to at least four women and at least four men. This gender quota requirement was met in the reporting year both for the Supervisory Board as a whole (twelve members, six of whom are female and six male) and when considering the shareholder representatives (six members, two of whom are female and four male) and the employee representatives (six members, four of whom are female and two male) separately.

According to Section 76 paragraph 3a of the German Stock Corporation Act, the Management Board of the Company must include at least one woman and at least one man if it consists of more than three persons. This requirement was also met and continues to be met. At the end of the year under review, two of the six members of the Management Board (33%) were female and four of the six members (66%) were male.

In accordance with Section 76 paragraph 4 of the German Stock Corporation Act, the Management Board is statutorily obliged to

determine targets for female representation in the two top management levels below the Management Board and a respective implementation period. The Management Board most recently in 2022 determined targets for female representation in the two top management levels below the Management Board and corresponding implementation periods. The first management level includes all managers worldwide who directly report to a member of the Management Board and participate in the group-wide long-term incentive program. The target figure for female representation is 35%. The implementation period ends on December 31, 2027. At the end of the year under review, 31% of managers in this first management level were female (previous year: 24%). The second management level includes all managers worldwide who directly report to a management executive of the first management level and participate in the group-wide long-term incentive program. The target figure for female representation is 45%. The implementation period ends on December 31, 2027. At the end of the year under review, 36% of managers in this second management level were female (previous year: 36%).

The respective proportion of women at the end of each year is therefore as shown in TABLE 3.8.

The recruiting and staffing practice of Fresenius Medical Care as well as the selection decisions regarding the hiring and promotion to top management levels will also in the future be taken with a focus on the specific qualifications of the individual. For this reason, the Management Board will select candidates for the top management of Fresenius Medical Care according to the candidate's excellence and suitability for the specific role and function in such management positions, regardless of their race, gender, or other non-performance related attributes. The number and proportion of female Supervisory Board members and Management Board members, the continuous achievements of, and increase to, our diversity targets, as well as their anchoring within the company's sustainability efforts, demonstrate the considerable importance of diversity for Fresenius Medical Care.

Long-Term Succession Planning

Together with the Management Board, the Supervisory Board of the Company provides for long-term succession planning in accordance with recommendation B.2 of the GCGC. For this purpose, the Chairperson of the Supervisory Board of the Company liaises with the respective members of the Management Board sufficiently in advance and, as a rule, not later than one year before the end of the respective terms of office about their willingness to continue their mandate. In addition, the Supervisory Board of the Company continuously reviews whether the Management Board continues to be composed in the best possible way. To this end, the Chairperson of the Supervisory Board of the Company discusses with the Chairperson of the Management Board, in particular, what knowledge, experience and professional as well as personal competencies in the Management Board should be represented, also with regard to the strategic development of the Company and a possibly changing regulatory environment, and to what extent the Management Board is already staffed in accordance with these requirements.

If there is need for action regarding the composition of the Management Board, then potential internal or external candidates for the corresponding addition to the Management Board are identified. For the identification of suitable external candidates, the Supervisory Board of the Company obtains the support of external consultants, where necessary. When evaluating suitable candidates, not only their individual knowledge and experience, but also their personality and their potential contribution to the best possible composition of the Management Board are taken into account. The composition of the Management Board should foster a cooperative working environment across all departments in the interest of the entire company that not only allows, but also promotes, constructive criticism. The Chairperson of the Management Board is closely involved in the entire selection process.

The Supervisory Board gives consideration to diversity in the composition of the Management Board in accordance with recommendation B.1 of the GCGC.

T 3.8 DIVERSITY AND TARGETS

	Target Figure (in %)	Status 2023 (in %)	Status 2024 (in %)
Supervisory Board	30	33	50
Management Board	—[1]	40	33
First Management Level	35[2]	24	31
Second Management Level	45[2]	36	36

[1] There are no quota requirements for the Management Board. If the Management Board consists of more than three persons, at least one woman and at least one man must be a member of the Management Board.
[2] Implementation period until December 31, 2027.

Compliance and other Disclosures on Corporate Governance Practices

Global business activities entail carrying global responsibility. As the global market leader in providing dialysis services and products, Fresenius Medical Care is aware of its responsibility. Every day, Fresenius Medical Care strives to improve the lives of individuals with renal diseases world-wide with high-quality products and services.

Highest medical standards form Fresenius Medical Care's benchmark for quality. The Company is committed to conducting its business activities in compliance with all relevant legal standards as well as internal and external regulations and requirements. The patients, customers, payors, investors and regulators of Fresenius Medical Care, as well as all other stakeholders, justifiably expect Fresenius Medical Care's business to be conducted based on responsible management, as well as integrity, sound corporate governance and adherence to compliance principles as the basis for entrepreneurial activities.

Code of Ethics and Business Conduct

Fresenius Medical Care's Code of Ethics and Business Conduct is the basis for everything Fresenius Medical Care and its employees do, whether in their dealings with individuals with renal diseases, colleagues and suppliers or with a view to communities in general. The Code of Ethics and Business Conduct defines corporate governance practices beyond legal requirements. It addresses non-financial topics material to Fresenius Medical Care such as patient care, quality and innovation, anti-corruption, worker protection, environment, health and safety, as well as non-discrimination. The Code of Ethics and Business Conduct, together with the underlying global values, also includes Fresenius Medical Care's commitment to respecting human rights. The Code of Ethics and Business Conduct applies to every function and division worldwide, to every employee of Fresenius Medical Care, and to the Company's direct and indirect majority-owned or controlled affiliates anywhere in the world. Employees must adhere to the principles in the Code of Ethics and Business Conduct. The Code of Ethics and Business Conduct is publicly available on the Company's website at www.freseniusmedicalcare.com in the "About us" section in the sub-section "Compliance".

Ensuring Compliance

Compliance with rules is essential for the long-term success of Fresenius Medical Care, determines the corporate culture and is an integral part of day-to-day work. Specialized functions at a global, regional and local level have the responsibility to implement and communicate these principles and global values within the organization. Code of Ethics and Business Conduct training programs increase awareness and an understanding of the applicable rules, and help employees in complying with these rules. These trainings are held regularly and are mandatory for all relevant employees. There are processes in place to enable employees to take part in the courses.

Fresenius Medical Care fosters an open working atmosphere and encourages its employees to question anything which does not seem to comply with applicable rules, and to report any indications of possible violations to their superiors or the Compliance, Legal or Human Resources departments. In addition, both Fresenius Medical Care employees and – in accordance with the corresponding suggestion in A.4 of the GCGC – external parties can anonymously (to the extent permitted by law) report suspected unethical or inappropriate business practices of employees via a hotline – the Compliance Action Line – and via appropriate e-mail addresses. In accordance with Fresenius Medical Care's policy, there must be no negative consequences for whistleblowers if they have made such a report in good faith.

The company has made and continues to make further significant investments in its compliance and financial controls and in its compliance, legal and financial organizations. Fresenius Medical Care is fully committed to compliance with applicable anti-bribery laws.

Further information on the compliance management system can be found in the "Compliance" section of the Sustainability Statement starting on page 134 of the Annual Report.

Risk and Opportunity Management

At Fresenius Medical Care, an integrated management system is in place to ensure that risks and opportunities are already identified at an early stage, optimizing the risk profile and minimizing the costs potentially related to the occurrence of risks through timely intervention. Fresenius Medical Care's risk management is therefore an important component of the corporate management of Fresenius Medical Care. The adequateness and effectiveness of the internal control systems of Fresenius Medical Care for the financial reporting are reviewed on a regular basis by the Management Board and the auditor.

Further information about the risk and opportunity management system can be found in the "Risks and opportunities report" section of the group management report starting on page 173 of the Annual Report. In accordance with recommendation A.5 of the GCGC, this section also comments on the appropriateness and effectiveness of the internal control system and the risk management system.

German Corporate Governance Code and Declaration of Compliance

The objective of the GCGC is to make the dual German corporate governance system transparent and understandable. The GCGC includes principles, recommendations and suggestions governing the management and monitoring of German listed companies that are accepted nationally and internationally as standards of good and responsible governance. It aims to promote confidence in the management and supervision of German listed companies by investors, customers, employees and the general public.

The Management Board and the Supervisory Board of the Company endorse the standards set forth in the German Corporate Governance Code. The vast majority of the recommendations and suggestions in the GCGC have been an integral and active part of Fresenius Medical Care's day-to-day operations since the founding of the company.

The Supervisory Board in accordance with recommendation D.9 of the GCGC arranges for the external auditors to inform it and note in the audit report if, during the performance of the audit, the external auditors identify any facts that indicate an inaccuracy in the Declaration of Compliance regarding the recommendations of the GCGC issued by the Management Board and by the Supervisory Board.

The current and previous Declarations of Compliance (and other extensive information on corporate governance) are permanently made publicly available on the Company's website at www.freseniusmedicalcare.com in the "Investors" section in the sub-section "Corporate Governance". The current, annual Declaration of Compliance according to Section 161 of the German Stock Corporation Act issued by the Management Board and the Supervisory Board of the Company as of December 2024 is reported below.

Declaration by the Management Board and the Supervisory Board of Fresenius Medical Care AG on the recommendations of the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz)

The Management Board and the Supervisory Board of Fresenius Medical Care AG (hereinafter also referred to as: Company) declare that since issuance of the declaration of compliance in December 2023 the recommendations of the "German Corporate Governance Code Government Commission" in the version of April 28, 2022 published in the official section of the Federal Gazette by the Federal Ministry of Justice (hereinafter: GCGC) have been complied with and will be complied with in the future. Only the following recommendations of the GCGC have not been or will not be complied with:

GCGC Recommendation C.5:

Pursuant to the GCGC recommendation C.5, a member of the Management Board of a listed company shall not chair the Supervisory Board in a listed company outside the group.

A deviation from this recommendation is declared: Mr. Michael Sen is Chairman of the Management Board of Fresenius Management SE, the general partner of the listed Fresenius SE & Co. KGaA (together with its subsidiaries hereinafter: Fresenius Group), and at the same time Chairman of the Supervisory Board of the Company. The Company ceased to be part of the Fresenius Group when the Company's change of legal form from a partnership limited by shares (Fresenius Medical Care AG & Co. KGaA) to a stock corporation (Fresenius Medical Care AG) became effective on November 30, 2023.

Mr. Sen has plausibly explained that he has sufficient time available for the performance of his duties as Chairman of the Supervisory Board of the Company and that he can perform his mandate with due care. This is in line with the fact that Mr. Sen was Chairman of the Supervisory Board of the former general partner of the Company before the Company's change of legal form became effective, and that, in this function, he was also able to readily balance both positions (i.e., the Chair at the Management Board of Fresenius Management SE and the Chair at the Supervisory Board). Due to this former role at the Company's former general partner, Mr. Sen was and is also very familiar with the Fresenius Medical Care Group and its circumstances.

GCGC Recommendation C.10:

Pursuant to the GCGC recommendation C.10, the Chairperson of the Supervisory Board shall be independent of the Company and the Management Board.

As a precautionary measure, a deviation from this recommendation is declared insofar as the Chairman of the Supervisory Board of the Company, Mr. Michael Sen, is at the same time the Chairman of the Management Board of Fresenius Management SE, the general partner of Fresenius SE & Co. KGaA, and Fresenius SE & Co. KGaA will continue to have a business relationship with the Company after the Company's change of legal form has become effective and the Company has left the Fresenius Group.

The aforementioned circumstances did not or do not constitute a conflict of interest, nor did they or do they impair the performance of the duties of the Chairman of the Supervisory Board.

In all other respects, the GCGC recommendation C.10 has been complied with and will be complied with. In particular, the Chairperson of the Audit Committee of the Supervisory Board of the Company was and is independent within the meaning of this recommendation.

Bad Homburg v.d. Höhe, December 2024

The Management Board The Supervisory Board

Further Details on Corporate Governance

General Meeting

The shareholders of the Company exercise their rights and voting powers in the General Meeting. The share capital of the Company is divided exclusively into ordinary shares. Each share of the Company entitles the holder to one vote at the General Meeting. Shares with multiple or preference voting rights do not exist.

Shareholders can exercise their voting rights at the General Meeting either themselves or by proxy via a representative of their choice or by a Company-nominated proxy acting on their instructions. Proxy voting instructions to a Company nominee can be issued before and during the General Meeting at least until the end of the general debate.

In accordance with suggestion A.7 of the GCGC, the Chairman is guided by the principle that a General Meeting should be concluded after four to six hours at the latest. The speech by the Chairwoman of the Management Board is generally made publicly available on the Company's website one week before the General Meeting.

The 2024 Annual General Meeting (AGM) of the Company took place at the Congress Center Messe Frankfurt in Frankfurt am Main (Germany) on May 16, 2024 as a meeting in presence. Approximately 88.39% of the share capital was represented at the AGM. At the AGM, resolutions were passed on the following agenda items:

- allocation of distributable profit,
- approval of the actions of the former General Partner Fresenius Medical Care Management AG for fiscal year 2023,
- approval of the actions of the members of the Management Board of Fresenius Medical Care AG for fiscal year 2023,
- approval of the actions of the members of the Supervisory Board of Fresenius Medical Care AG & Co. KGaA for fiscal year 2023,
- approval of the actions of the members of the Supervisory Board of Fresenius Medical Care AG for fiscal year 2023,
- election of the auditor and group auditor for fiscal year 2024, the auditor of the sustainability reporting for fiscal year 2024 as well as the auditor for the potential review of the half-year financial report for fiscal year 2024 and other interim financial information,
- approval of the compensation report for fiscal year 2023,
- approval of the compensation system for the members of the Management Board,
- the remuneration of the members of the Supervisory Board as well as a corresponding amendment of Article 14 of the Articles of Association of the Company,
- amendment of Article 16 (1) of the Articles of Association of the Company (Attendance at the General Meeting and Exercise of the Voting Right) due to an amendment of the German Stock Corporation Act.

All documents and information on the AGM are available on the Company's website at www.freseniusmedicalcare.com in the "Investors" section in the sub-section "Annual General Meeting". The detailed voting results for the individual resolutions can also be found there.

Legal Relationships with Members of the Company's Corporate Bodies

When making decisions and in connection with the tasks and activities performed by them, the members of the Management Board and of the Supervisory Board of the Company do not pursue personal interests or give unjustified advantages to other people. Any business dealings with the Company by members of the corporate bodies are to be disclosed to the Chairperson of the Supervisory Board without undue delay and are subject to the Supervisory Board's approval, if necessary. The Supervisory Board in accordance with recommendation E.1 of the GCGC reports to the General Meeting on possible conflicts of interests of its members and on the treatment of such conflicts. If specific conflicts of interest exist or cannot be ruled out with certainty, this is disclosed to the Supervisory Board by the member concerned. If a subsequent review reveals that a conflict of interest exists, suitable measures are taken to resolve the conflict of interest. No conflicts of interest requiring disclosure arose in the reporting year.

The members of the Supervisory Board Mr. Michael Sen and Ms. Sara Hennicken are also members of the management board of Fresenius Management SE, the general partner of Fresenius SE & Co. KGaA.

The members of the Supervisory Board Ms. Stefanie Balling, Ms. Beate Haßdenteufel, Mr. Frank Michael Prescher and Dr. Manuela Stauss-Grabo are each employees of the Company.

During the year under review, there were no consulting or other service relationships between members of the Supervisory Board and the Company.

Managers' Transactions

According to Article 19 of the Regulation (EU) No. 596/2014 (Market Abuse Regulation), the members of the Management Board and the Supervisory Board as well as other persons discharging managerial responsibilities and all persons who are closely associated with the aforementioned persons shall notify the Company of any subsequent transaction with shares in the Company and additional related financial instruments conducted on their own account once a total amount of EUR 20,000 has been reached within a calendar year. The Company is required to publish the respective information.

The managers' transactions undertaken in the year under review are published on the Company's website at www.freseniusmedicalcare.com in the "Investors" section in the

sub-section "Corporate Governance" as well as at www.eqs-news.com in the "Directors' Dealings" section.

Transparency of Reporting

Fresenius Medical Care meets all applicable transparency and external reporting requirements imposed by chapter F of the GCGC. Fresenius Medical Care attaches special importance to informing its shareholders simultaneously and uniformly about the company in its regular financial reporting events. Ad hoc releases and the website of Fresenius Medical Care play an essential role in these efforts. They provide investors and other interested persons equally with direct and timely access to the information Fresenius Medical Care releases.

Financial Accounting and Audit, Stock Exchange Listing

Fresenius Medical Care prepares consolidated financial statements and a group management report as well as interim consolidated quarterly reports in accordance with the "International Financial Reporting Standards" (IFRS) as to be applied in the European Union as well as in accordance with the provisions of the German Commercial Code. The financial reporting is based on these statements. The consolidated financial statements are published within 90 days after the end of each fiscal year, and the consolidated quarterly reports within 45 days after the end of each quarter in accordance with recommendation F.2 of the GCGC. The dates for the publication of the financial results can be found in the financial calendar published on the Company's website at www.freseniusmedicalcare.com in the "Investors" section in the sub-section "Events".

The annual financial statements and the management report of the Company are prepared in accordance with the legal requirements of the German Commercial Code. The annual financial statements are decisive for the allocation of the annual profit and the distribution of a dividend. In addition, an Annual Report *(Geschäftsbericht)* of Fresenius Medical Care, which includes the consolidated financial statements and the group management report in accordance with IFRS and the supplementing provisions of the German Commercial Code, is published each year. Since 2020, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft has been the auditor. Mr. Peter Kartscher has been the responsible German Public Auditor *(verantwortlicher Wirtschaftsprüfer)* since 2020.

The Company's shares are listed in Germany and in the U.S. on the NYSE (in the form of so-called American Depositary Shares evidenced by American Depositary Receipts). Fresenius Medical Care is therefore subject to a number of regulations and recommendations regarding the management, administration and monitoring of the Company. In addition to mandatory requirements under stock corporation and commercial law, Fresenius Medical Care complies with the regulations of Deutsche Börse and adheres to most of the recommendations of the GCGC. Further, being a non-U.S. company (a so-called "foreign private issuer") Fresenius Medical Care is subject to the regulations connected to Fresenius Medical Care's listing in the U.S. In particular, filing of an annual report on Form 20-F and interim filings on Form 6-K in accordance with the regulations of the SEC and the associated observance of the applicable provisions of the Sarbanes-Oxley Act and the Dodd-Frank Act as well as of certain provisions of the Corporate Governance Rules of the NYSE is required. The Sarbanes-Oxley Act mandated reforms to enhance corporate responsibility, enhance financial disclosures and combat corporate and accounting fraud, and created the "Public Company Accounting Oversight Board" to oversee the activities of the auditing profession. The Dodd-Frank Act revised the U.S. regulatory system in a number of areas including but not limited to consumer protection, trading restrictions, credit ratings, regulation of financial products, corporate governance and disclosure, and transparency. The extension of regulations for financial reporting and internal control systems is intended to increase the trust of investors and other parties interested in the companies. Fresenius Medical Care fully complies with the current requirements applicable to the company.

Compensation of the Members of the Management Board and Supervisory Board

The Compensation Report for the year under review and the auditor's report pursuant to Section 162 of the German Stock Corporation Act, the applicable compensation system pursuant to Section 87a paragraph 1 and paragraph 2 sentence 1 of the German Stock Corporation Act for the members of the Management Board as approved by the Company's General Meeting as well as the latest resolution of the Company's General Meeting on the remuneration of the members of the Supervisory Board of the Company pursuant to Section 113 paragraph 3 of the German Stock Corporation Act are made publicly available on the following Company's websites:

www.freseniusmedicalcare.com/en/about-us/management-board/compensation

www.freseniusmedicalcare.com/en/about-us/supervisory-board/remuneration

Hof (Saale), March 2025

Fresenius Medical Care AG

Compensation Report for the Fiscal Year 2024

Introduction

The Compensation Report of Fresenius Medical Care AG (Company) for the fiscal year 2024 (Fiscal Year) was prepared in accordance with the requirements of Section 162 of the German Stock Corporation Act (Aktiengesetz – AktG). The Compensation Report includes individualized and comprehensive information on the compensation within the meaning of Section 162 paragraph 1 AktG awarded and due to current and former members of the management board and of the supervisory board in the Fiscal Year and benefits within the meaning of Section 162 paragraph 2 AktG awarded or promised to members of the management board.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC) audited the Compensation Report from a formal perspective pursuant to Section 162 paragraph 3 AktG. In addition to such audit from a formal perspective which is required by law with respect to whether the report contains the information required by law, PwC was instructed to carry out an audit from a substantive perspective of such information included in the Compensation Report. The auditor's report is annexed to this Compensation Report.

The 2024 Annual General Meeting (AGM) of the Company approved the Compensation Report for 2023 with a majority of around 98.39% of the votes cast. The management board of the Company (Management Board) and the supervisory board of the Company (Supervisory Board) are therefore reaffirmed in the manner of reporting. The structure of the Compensation Report for the Fiscal Year and the level of detail of the information provided are essentially the same as in the previous year.

The Company existed in the legal form of a partnership limited by shares until November 30, 2023. Until then, the Company's business was managed by its general partner, i.e. Fresenius Medical Care Management AG (General Partner). The General Partner exited the Company when the change in legal form took effect. The members of the management board of the General Partner then in office were appointed as members of the Management Board. No compensation was awarded or due to the former General Partner or the members of its supervisory board in the Fiscal Year. Details on the duration of the service agreements of the members of the Management Board can be found in the Company's Declaration on Corporate Governance, which can be found on the Company's website at www.freseniusmedicalcare.com/en/investors/corporate-governance/ in the section "Declaration on Corporate Governance." The Compensation Report therefore generally no longer contains information on the compensation awarded or due to the General Partner or the members of its supervisory board in previous fiscal years. The information on compensation awarded or due to former members of the management board of the General Partner for their activities in this function continues to be reported where applicable.

Unless otherwise indicated, the following information on the compensation of the members of the Management Board relates to the members of the Management Board of the Company in office in the Fiscal Year. For the amounts, see the section "Compensation tables for the Management Board members in office in the Fiscal Year."

For information on compensation of former members of the Management Board of the Company or of the management board of the former General Partner of the Company and the amounts of such compensation, see the section "Former Management Board members' compensation."

Certain disclosures in this Compensation Report fulfil reporting obligations from the company's sustainability statement resulting from the application of the European Sustainability Reporting Standards (ESRS). The corresponding references are marked in the following, for example with [ESRS 2, 40g], and are located in or at the end of the corresponding sections in which the disclosures can be found.

The Fiscal Year in Retrospect

The compensation awarded and due to the members of the Management Board in the Fiscal Year rewarded their performance in particular in achieving the Company's strategic goals. At the same time, it provided effective incentives for the long-term value-creation of the Company – taking into account the interests of patients, shareholders, employees and other stakeholders as well as compensation practices in relevant comparable markets. Therefore, the compensation of the members of the Management Board made a significant contribution to promoting the business strategy and the long-term sustainable development of the Company and the group.

Business Performance and Economic Environment

The general conditions for the business of Fresenius Medical Care further stabilized over the course of the Fiscal Year and essentially developed positively in line with expectations. However, the overall economic environment remained challenging in the Fiscal Year and, as in the previous year, business performance was impacted by inflation- and labor-related cost increases. Despite these macroeconomic challenges, Fresenius Medical Care's global same market treatment volumes grew in the Fiscal Year. The positive effects of the continued far-reaching turnaround and transformation measures counteracted these burdens. Additional sustainable savings in connection with the FME25 program, further structural improvements and a continuous improvement in the operating per-

formance of both business segments led to operating income growth. At the end of the Fiscal Year, the financial forecasts were fully achieved.

Short-Term Incentive Target Achievement

The business performance in the Fiscal Year was reflected by an overall target achievement of 99.20% to 127.92% for the short-term variable compensation component (Short-Term Incentive) for the Fiscal Year. For further details see the section "Short-Term Incentive – MBBP 2024+."

Long-Term Incentive Target Achievement for the Performance Period ending at the end of the Fiscal Year

The performance period of the allocation made in 2022 under the Management Board Long Term Incentive Plan 2020 (MB LTIP 2020) as a long-term variable compensation component (Long-Term Incentive) ended upon the end of the Fiscal Year. The performance periods for the allocations made in 2023 and 2024 will only end in the coming years.

The target achievement for the allocation made in 2022 was governed by the fiscal years 2022, 2023 and 2024. The target achievement levels of the performance targets "revenue growth" and "net income growth" were calculated based on a compound annual growth rate (CAGR) over the entire three-year performance period. Annual target values applied to the performance target "return on invested capital" (ROIC).

Against this background, target achievement in contrast to the allocations for previous years is no longer reported per year, but per performance target. The target values and the target achievement were each as shown in the TABLE 3.9.

T 3.9 **TARGET VALUES AND TARGET ACHIEVEMENT FOR THE ALLOCATION 2022 UNDER THE MB LTIP 2020**

	Target values			Actual values				Target achievement
	0%	100%	200%	As reported	Currency translation adjustment	At constant currency according to plan terms	CAGR	
Revenue growth								
2022				10.1%	(8.0%)	2.1%		
2023	≤ 2%	= 5%	≥ 8%	0.3%	5.2%	5.5%	**2.5%**	**17%**
2024				(0.6%)	0.6%	0.0%		
Net income growth								
2022				(30.5%)	(6.1%)	(36.6%)		
2023	≤ 10%	= 17%	≥ 20%	(25.9%)	1.6%	(24.3%)	**(19.3%)**	**0%**
2024				7.8%	1.6%	9.4%		
Return on invested capital (ROIC)								
2022				3.3%	—%	**3.3%**		**0%**
2023	≤ 5.5%	= 6.0%	≥ 6.5%	2.8%	—%	**2.8%**		**0%**
2024				3.5%	—%	**3.5%**		**0%**
Overall target achievement								**6%**

The compensation under the MB LTIP 2020 vests on the third anniversary after the respective allocation and is required to be invested in shares of the Company acquired on the stock exchange which are to be held for at least one year. In accordance with recommendation G.10 of the German Corporate Governance Code (GCGC), the members of the Management Board therefore cannot dispose of the corresponding amounts before four years have passed since the respective allocation.

The specific amounts to be invested in shares of the Company from the aforementioned allocation for 2022 can be determined only after vesting in 2025 and will be disclosed in the Compensation Report for 2025.

Details on the vested amounts to be invested in shares of the Company in the Fiscal Year from the allocation for 2021 under the MB LTIP 2020 can be found in the section "Vested amounts (Allocation 2021)."

Information on the outstanding tranches of Long-Term Incentives, including a temporal profile of the individual tranches, can be found in the section "Outstanding share-based compensation components."

Compensation-Relevant Changes in the Management Board

The amount of the target total direct compensation (consisting of base salary as well as the target amounts and allocation values for short-term and long-term variable compensation) of the members of the Management Board in office in the Fiscal Year remained unchanged from the previous year both overall and in terms of its individual components. The main changes relevant to the compensation for the Management Board compared to the previous year are as follows.

Changes to the Management Board

Dr. Jörg Häring has been appointed as a member of the Management Board with effect from June 1, 2024. Dr. Häring is responsible for the newly created department Global Legal, Compliance and Human Resources. Performance-based variable compensation components were granted or allocated to Dr. Häring in accordance with the Compensation System 2024+ on a pro rata basis for the period from his appointment as of June 1, 2024.

Mr. Craig Cordola, Ed.D., has been appointed as the member of the Management Board responsible for the Care Delivery business segment with effect from January 1, 2024. Mr. Cordola, Ed.D., succeeds Mr. William Valle, who left the Management Board at the end of December 31, 2023.

Introduction and Implementation of the Compensation System 2024+

The Company's 2024 AGM approved the "Compensation System 2024+" with a majority of around 87.58% of the votes cast. The Compensation System 2024+ was developed on the basis of the "Compensation System 2020+", which had been approved by the Company's 2020 AGM with a majority of around 95.05% of the

C 3.10 GUIDING PRINCIPLES OF THE COMPENSATION SYSTEM 2024+

Promote Strategy The Compensation System 2024+ promotes the execution of Fresenius Medical Care's global strategy.	**Alignment with Shareholders' Interests** With its aim of achieving sustainable and profitable business growth while taking into account an attractive total return for shareholders, the Compensation System 2024+ is geared to increasing long-term value for shareholders. Feedback from numerous capital market participants has been considered in the design of the system and the link to the development of enterprise value has been strengthened.	**Simple Structure** The Compensation System 2024+ is easy to understand and has a simple structure.	**Long-Term Focus** The compensation components and the long-term oriented compensation structure promote long-term and sustainable value creation.
Linked to Performance The Compensation System 2024+ is significantly oriented to the Company's performance due to its high proportion of variable compensation.	**Reward Financial Performance & Sustainability** The performance targets reflect the Company's business strategy and strengthen its commitment to a responsible corporate culture and the strategic targets in the field of sustainability.	**Collaboration across Operating Segments** Performance targets at the group level and also at the operating segments level are applied for the Management Board members. By measuring performance at the group level, close collaboration across the Company's operating segments is promoted.	**Good Corporate Governance** The Compensation System 2024+ is designed to comply with the recommendations set forth in the version of the German Corporate Governance Code dated April 28, 2022.
Market Practice The design of the Compensation System 2024+ is oriented toward current market practices.			

votes cast. The Compensation System 2024+ in principle applies to the compensation of the Management Board from the Fiscal Year and has been implemented in the service agreements of the members of the Management Board.

Guiding Principles of the Compensation System 2024+

The objective of the Compensation System 2024+ is to enable the members of the Management Board to participate reasonably in a sustainable and long-term development of the company's business and to reward them based on their duties and performance as well as their success in managing the company's economic and financial position giving due regard to the peer environment, and to make a significant contribution to the implementation and further development of the business strategy. [ESRS 2, 29a]

The guiding principles on which the Compensation System 2024+ is based are shown in the CHART 3.10 on page 215.

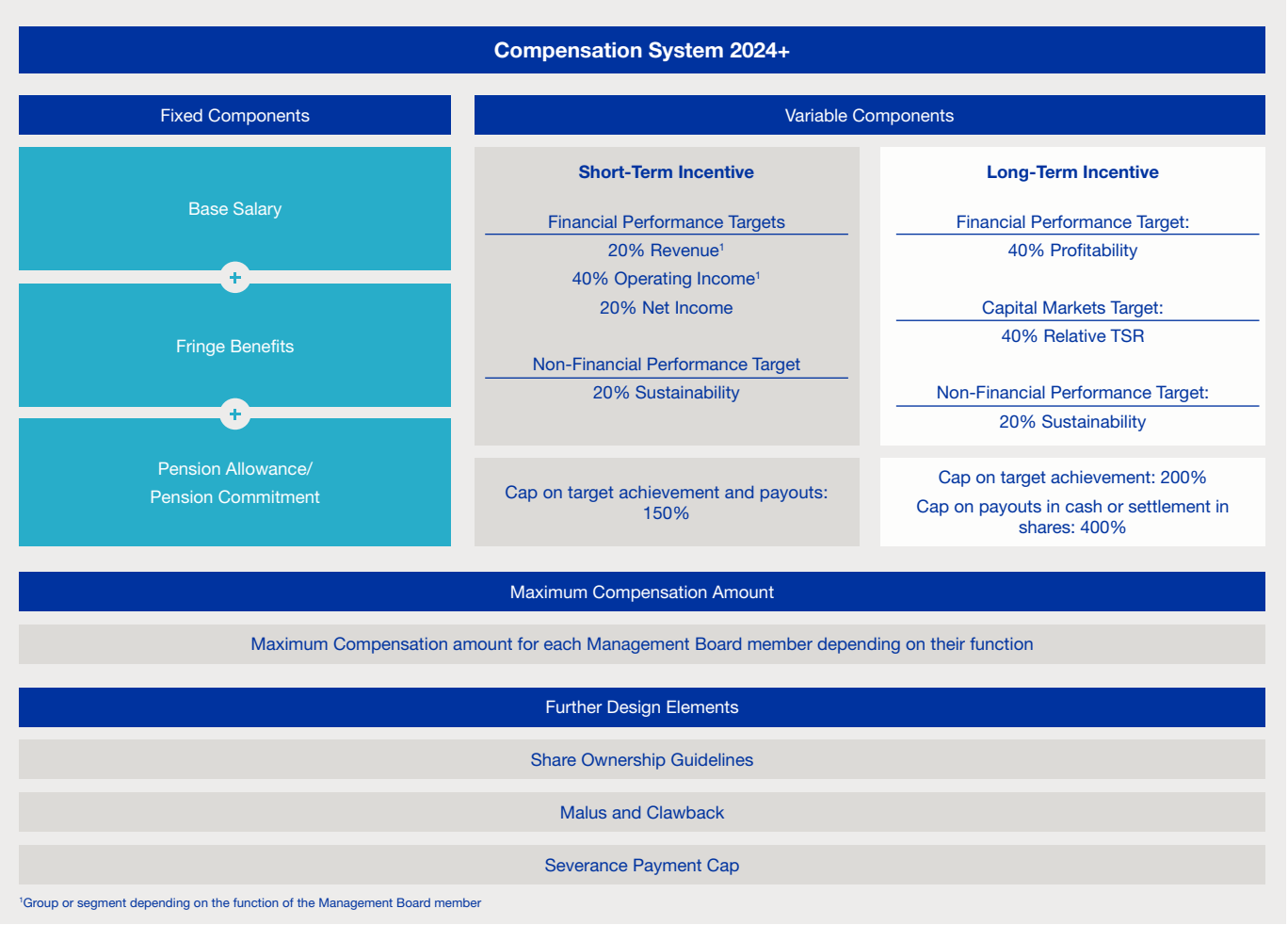
Components of the Compensation System 2024+

The CHART 3.11 shows the compensation components and further design elements of the Compensation System 2024+, which are described in more detail below.

Compensation System 2020+ and Compensation System 2024+ in Comparison

The key differences between the Compensation System 2020+ and the Compensation System 2024+ are shown in the CHART 3.12 on the next page.

C 3.11 **COMPONENTS OF THE COMPENSATION SYSTEM 2024+**



[1]Group or segment depending on the function of the Management Board member

C 3.12 **COMPENSATION SYSTEM 2020+ AND COMPENSATION SYSTEM 2024+ IN COMPARISON**

Compensation System 2020+	Components	Compensation System 2024+
Performance Criteria: 20% Revenue (Group/Region) 20% Operating Income (Group/Region) 40% Net Income 20% Sustainability **Performance Achievement (Cap):** 120% **Payout (Cap):** 120% of target amount	**Short-Term Incentive**	**Performance Criteria:** 20% Revenue (Group/Segment) 40% Operating Income (Group/Segment) 20% Net Income 20% Sustainability **Performance Achievement (Cap):** 150% **Payout (Cap):** 150% of target amount
Performance Share Plan with a performance and vesting period of three years plus one-year holding period **Performance Criteria:** 1/3 growth in Revenue 1/3 growth in Net Income 1/3 ROIC **Performance Achievement (Cap):** 200% **Settlement:** Payout in cash **Payout (Cap):** 400% of allocation amount	**Long-Term Incentive**	**Performance Share Plan** with a three-year performance period and a four-year vesting period **Performance Criteria:** 40% Profitability (in general ROIC) 40% Relative TSR 20% Sustainability **Performance Achievement (Cap):** 200% **Settlement:** Payout in cash or settlement in shares **Payout in Cash or Settlement in Shares (Cap):** 400% of allocation amount
Requirement to invest in the Company's shares under Long-Term Incentive	**Share Ownership Guidelines**	**Value:** 200% / 150% (Chairperson/regular Management Board members) of annual base salary **Build-Up Phase:** Four years **Holding Period:** Until two years after service agreement expiry
Definition: Defined contribution or defined benefit pension commitment, depending on date of joining Management Board **Value:** 40% of base salary	**Pension Provisions**	**Definition:** Generally cash pension allowance for privately managed pension investments. For members already in office before January 1, 2024, generally defined contribution or defined benefit pension commitment, depending on date of entry; alternatively, termination of defined contribution pension commitment and granting of cash pension allowance **Value:** 40% of base salary
Horizontal Comparison: DAX companies and U.S. companies from a similar sector and of a similar size **Vertical Comparison:** Upper management level in Germany ("Vice President" or higher), staff in Germany and global staff	**Comparison Groups**	**Horizontal Comparison:** Companies in most relevant German benchmark index in which the Company is listed and international companies from a similar sector and of a similar size **Vertical Comparison:** Upper management level worldwide (currently Management Level 8 or higher) and global staff

Significant changes relevant to compensation relate in particular to pension arrangements and the introduction of more stringent share ownership guidelines in addition to already existing shareholding requirements. In addition, a capital market-related and a non-financial, sustainability-related performance target have been introduced for allocations of long-term variable compensation from the Fiscal Year onwards.

New Pension Arrangements: Cash Pension Allowance

The pension scheme has been generally converted from pension commitments to pension allowances. The pension allowance amounts to 40% of the respective base salary and is paid out in cash for privately managed pension investments. Existing defined benefit pension commitments remain unaffected. Further details on this can be found in the section "Pension-related obligations."

Introduction of Share Ownership Guidelines

The introduction of Share Ownership Guidelines is intended to tie the Management Board compensation even more closely to the interests of the shareholders and the sustainable development of Fresenius Medical Care. These guidelines provide that the Chairperson of the Management Board must invest 200% and the other Management Board members must invest 150% of their relevant annual base salary in shares of the Company. The highest annual base salary during the period in which the shares are to be acquired is to be applied. The shares must generally be acquired within four years of the start of the respective service agreement, but no earlier than January 1, 2024, and must be held for a period of at least two years after the end of the respective service agreement. Existing shareholding requirements in connection with personal investments, such as from the MB LTIP 2020, remain unaffected. Shares acquired prior to the beginning of the relevant investment period or as part of an equity settlement under a long-term incentive plan are credited to the investment obligation. Changes in the value of the shares after their acquisition are not taken into account for purposes of the fulfillment of the investment obligation. Further details on this can be found in the section "Share Ownership Guidelines and Shareholdings."

New Performance Targets for the Long-Term Variable Compensation

The introduction of a capital markets target for the Long-Term Incentive addresses investor-specific requirements for the inclusion of a relative performance measurement in comparison to relevant competitors and ties the compensation of the Management Board to the long-term capital market performance of Fresenius Medical Care. In line with current national and international market practice, the total shareholder return ("TSR") compared to competitors ("Relative TSR") is used as the capital market target. The target achievement of the Relative TSR is determined based on the percentile ranking of the TSR performance of the Company in comparison to the TSR performance of companies in one or more comparison groups determined by the Supervisory Board. In general, STOXX® Europe 600 Health Care and S&P 500 Health Care indices are determined as comparison groups.

The introduction of a non-financial, sustainability-related performance target for the Long-Term Incentive in addition to the non-financial, sustainability-related performance target for the Short-Term Incentive is derived from the Company's commitment toward maintaining a responsible corporate culture and attaining strategic sustainability targets, which also takes into account the requirements of the Company's shareholders and further stakeholders. Sustainability is an essential and integral part of the corporate strategy of Fresenius Medical Care. By considering key objectives in the areas of Environment, Social and Governance (ESG) in the context of Long-Term Incentives, also investor-specific and social requirements are met and the long-term, sustainable development of Fresenius Medical Care is promoted. For the allocation of the Long-Term Incentive for the Fiscal Year, the reduction in market-based CO_2e emissions, for which more detailed information can be found in the company's sustainability statement, was defined as the sustainability target. [ESRS 2, 29c]

Compensation Governance for Management Board Members

Compensation for the members of the Management Board is granted on the basis of the respective compensation system, which was submitted by the Supervisory Board to the general meeting for approval. The Supervisory Board is responsible for determining the compensation of the members of the Management Board. The Supervisory Board is supported in this by the Compensation Committee formed from among its members, which prepares the resolutions of the Supervisory Board. In the Fiscal Year, the Compensation Committee comprised Ms. Pascale Witz (Chairwoman) and Mr. Shervin J. Korangy as well as, since March 14, 2024, Dr. Manuela Stauss-Grabo (Deputy Chairwoman) and Ms. Regina Karsch.

Compensation Systems Applying to Compensation

The compensation of the Management Board members for the Fiscal Year was determined in accordance with the Compensation System 2024+, which was approved by the Company's AGM on May 16, 2024 with a majority of around 87.58% of the votes cast and implemented in the service agreements of the members of the Management Board. [ESRS 2, 29e]

Compensation components allocated before the Fiscal Year generally continue to be subject to the applicable underlying compensation system. This in particular concerns allocations of long-term variable compensation made in previous years under the Compensation System 2020+. Further information on this can be found in the section "Overview of outstanding share-based compensation components" and in the section "Temporal profile of the share-based compensation components." There are no outstanding variable, performance-based compensation components from the period before the Compensation System 2020+.

The compensation components awarded and due in the Fiscal Year are in accordance with the respective compensation systems.

Details of the Compensation System 2024+ and the Compensation System 2020+ are available on the Company's website at www.freseniusmedicalcare.com/en/about-us/management-board/compensation/. The main elements of the Compensation System 2024+ are set out in this Compensation Report in the section "Components of the Compensation System 2024+". The main elements of the Compensation System 2020+ are set out in the Compensation Reports for the fiscal years 2023, 2022 and 2021. They are also set out in this Compensation Report insofar as they are relevant to compensation awarded or due in the Fiscal Year.

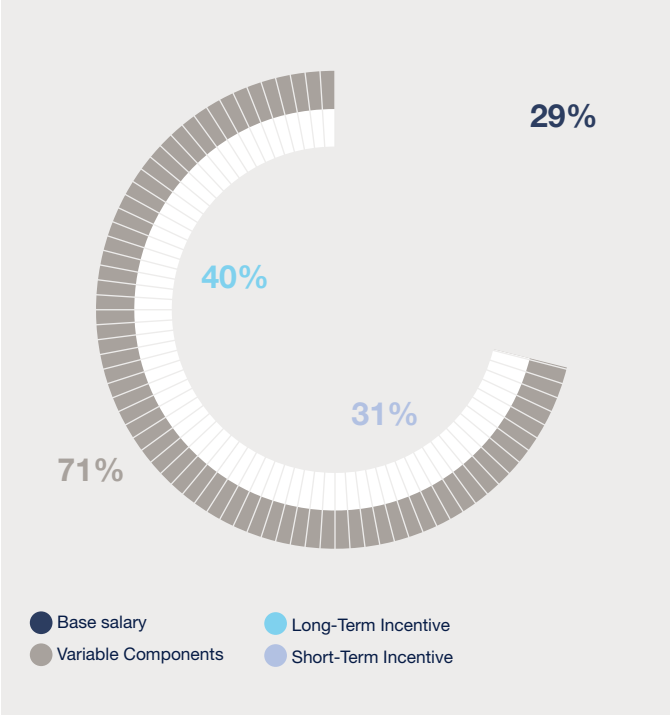
The Compensation System 2024+ and the Compensation System 2020+ as well as the compensation awarded or due in the Fiscal Year are in each case in accordance with the relevant recommendations of the GCGC in the version dated April 28, 2022.

Compensation Structure (Target Compensation)

Under the Compensation System 2024+, the Supervisory Board determines the target amount for short-term variable compensation for each fiscal year and the allocation amount for each allocation of long-term variable compensation. The target amount or the allocation amount is the amount that is earned if the target achievement is 100%. The target amount for the short-term variable compensation can be set within a range of 100% (multiplier of 1) to 125% (multiplier of 1.25) of the relevant base salary of the respective member of the Management Board and in general amounts to 105% (multiplier of 1.05). The allocation amount for the long-term variable compensation of the Chairperson of the Management Board can be set within a range of 105% (multiplier of 1.05) to 200% (multiplier of 2) and for the other Management Board members can be set within a range of 105% (multiplier of 1.05) to 150% (multiplier of 1.5) of the relevant base salary and in general amounts to 135% (multiplier of 1.35). The multiplier is determined at the beginning of each performance period. The allocation amount for the long-term variable compensation must exceed the target amount of the short-term variable compensation.

For the Fiscal Year, the Supervisory Board applied a multiplier of 1.05 for the short-term variable compensation and a multiplier of 1.35 for the allocation amount for the long-term variable compensation for all members of the Management Board. This corresponds to the multipliers that were to be applied under the Compensation System 2020+. The compensation structure of the target total direct compensation for the Fiscal Year therefore consists of 29% base salary, 31% short-term incentive and 40% long-term incentive.

C 3.13 **COMPENSATION STRUCTURE (TARGET TOTAL DIRECT COMPENSATION FOR THE FISCAL YEAR 2024)**



Owing to a 71% share of performance-based variable compensation components in the target total direct compensation, the compensation of the Management Board is, as a whole, performance-based. Owing to a 40% long-term incentive share (i.e., 56% of performance-based variable compensation components) in the target total direct compensation, the compensation of the Management Board is geared to promoting sustainable and long-term corporate development.

Information on the relative shares of the fixed and the variable compensation components in the compensation granted in the Fiscal Year can be found in the tables in the sections "Compensation tables for the Management Board members in office in the Fiscal Year" and "Former Management Board members' compensation", respectively.

Compensation Reviews

The value of the total target compensation of each Management Board member is determined by the Supervisory Board in line with the Compensation System 2024+. In compliance with the requirements of the German Stock Corporation Act and the recommendations of the GCGC, it is ensured that compensation is commensurate with the duties and performance of each Management Board member and the Company's situation, is geared toward the long-term, sustainable development of Fresenius Medical Care and does not exceed customary compensation without any special justification. To this end, both external and internal compensation comparisons are conducted. As a result, the respective total compensation may differ among the Management Board members, diligently considering the respective Management Board member's function and responsibilities as well as differences in international pay practices. The total compensation for the individual Management Board members takes into account the interests of the Company in retaining Management Board members and attracting qualified candidates for the Management Board.

Horizontal Comparison (Peer Group)

In order to assess the appropriateness of the Compensation System 2024+ and the individual compensation of the Management Board members, the Supervisory Board conducts a horizontal review of compensation amounts and structures (external comparison). The horizontal comparison is made at a national level with other companies from the most relevant German benchmark index in which the Company is listed (since December 27, 2024, DAX, until then in the Fiscal Year MDAX) and at an international level with companies operating in a similar sector and having a similar size.

For the Fiscal Year, the MDAX companies as of December 31, 2023 and – depending on the specific tasks of the relevant member of the Management Board – the following companies were used as international peer group: Baxter International Inc., Becton, Dickinson and Company, Boston Scientific Corporation, Cigna Corporation, Coloplast A/S, CVS Health Corporation, DaVita Inc., Encompass Health Corporation, Koninklijke Philips N.V., Medtronic plc, Merck KGaA, Sartorius AG, Siemens Healthineers AG, and Smith & Nephew plc. In addition, the DAX companies as of December 31, 2023 were also used. The changes in the composition of the international peer group compared to the previous year serve to better reflect the global orientation of Fresenius Medical Care and also to include relevant European companies of a similar size in the comparison.

Vertical Comparison (Intra-Company)

The Supervisory Board also takes into account a vertical review of the compensation levels of Fresenius Medical Care's employees when determining the compensation system and the compensation of the Management Board members (internal comparison). The compensation of the Management Board members and of the members of the upper management of Fresenius Medical Care (currently Management Level 8 or higher) as well as of the global staff (generally all employees with the exception of Fresenius Medical Care's upper management) is set in relation. When conducting the vertical review, the Supervisory Board in accordance with recommendation G.4 of the GCGC also takes into account the development of compensation levels over time.

Result of the Review of the Appropriateness of the Compensation

On the basis of the compensation reviews it carried out in the Fiscal Year, the Supervisory Board came to the conclusion that the compensation of the Management Board is appropriate in terms of both its structure and amount.

Caps and Maximum Compensation

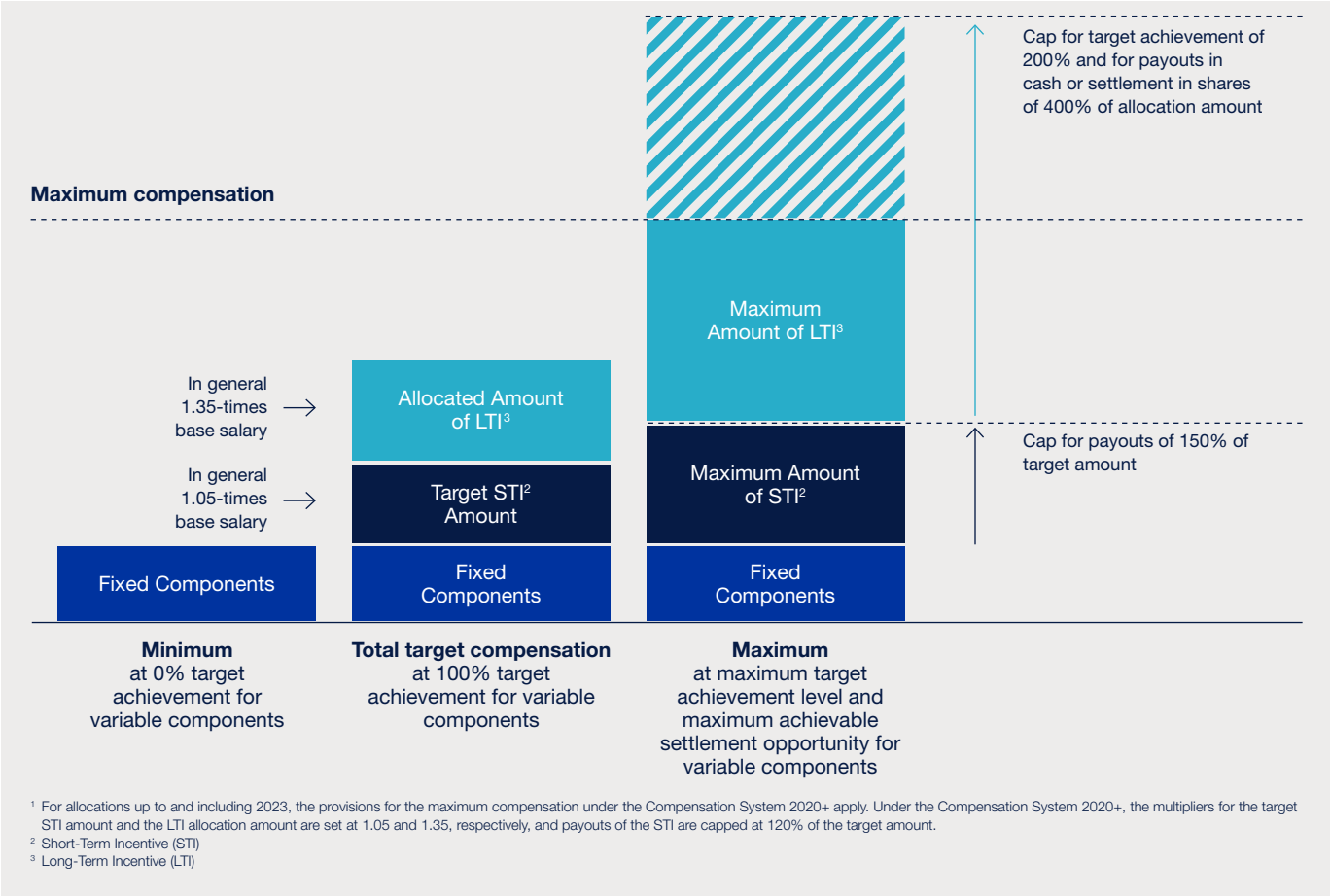
The Management Board members' total compensation is limited by a cap applicable to each variable compensation component and by maximum compensation.

For the Short-Term Incentive, the target achievement and payout are capped at 150% of the relevant target amount. For the Long-Term Incentive, the target achievement is capped at 200% for each allocation. In addition, the amounts received from each allocation of the Long-Term Incentive – irrespective of whether they are paid out in cash or, as provided for alternatively under the Compensation System 2024+, settled in shares of the Company – are capped at 400% of the allocation amount. Since the amount payable in cash or to be settled in shares also depends on the development of the Company's share price, the opportunity of benefiting from the share price development in the relevant vesting period thus also is limited. The Supervisory Board has further agreed a cap option for the variable compensation components in the event that extraordinary developments occur. In the Fiscal Year, there was no reason for the Supervisory Board to make use of this cap option.

In addition, there is a maximum amount of total compensation for each member of the Management Board (maximum compensation). The maximum compensation limits the benefits that a member of the Management Board can receive as compensation for a fiscal year, irrespective of when the actual payment accrues. The maximum compensation includes the base salary for the fiscal year (paid out during the fiscal year), the Short-Term Incentive for the fiscal year (paid out in the following fiscal year) and the Long-Term Incentive for the fiscal year (paid out in later fiscal years) and all fringe benefits, sign-on bonuses and other compensation for the relevant fiscal year such as a pension allowance for the relevant fiscal year (paid out in general during the fiscal year). Any pension service costs incurred in a fiscal year in line with a pension commitment being part of the fixed compensation components are also included in the calculation of the maximum compensation. A Management Board member's maximum compensation may be lower than the sum of the potentially achievable payouts from the individual compensation components determined or allocated for a fiscal year.

The caps and maximum compensation are shown in the CHART 3.14 on the next page.

C 3.14 **MAXIMUM COMPENSATION UNDER THE COMPENSATION SYSTEM 2024+[1]**



[1] For allocations up to and including 2023, the provisions for the maximum compensation under the Compensation System 2020+ apply. Under the Compensation System 2020+, the multipliers for the target STI amount and the LTI allocation amount are set at 1.05 and 1.35, respectively, and payouts of the STI are capped at 120% of the target amount.
[2] Short-Term Incentive (STI)
[3] Long-Term Incentive (LTI)

The maximum compensation for a fiscal year is determined based on the currency of the base salary as specified in the relevant Management Board member's service agreement. Under the Compensation System 2024+ and the allocation of responsibilities on which it is based, and in accordance with the respective service agreement, it amounts to €12,000 THOUS or $12,975 THOUS for the Chairperson of the Management Board (CEO), €9,500 THOUS or $10,272 THOUS for the Management Board member responsible for the Care Delivery operating segment (under the Compensation System 2020+ until the reorganization of the allocation of responsibilities to realign the Company's operating model: Management Board member responsible for the North America region), and €7,000 THOUS or $7,569 THOUS for any other Management Board function. The aforementioned amounts in euro for the maximum compensation are identical to those under the Compensation System 2020+. The aforementioned U.S. dollar amounts were based on an updated exchange rate compared to the Compensation System 2020+.

T 3.15 **AMOUNT OF THE MAXIMUM COMPENSATION UNDER THE COMPENSATION SYSTEM 2024+**
IN THOUS

	Function	Contractually agreed maximum compensation
Helen Giza	Chairwoman and Chief Executive Officer	$12,975
Craig Cordola, Ed.D.	Chief Executive Officer for Care Delivery	$10,272
Martin Fischer	Chief Financial Officer	€7,000
Dr. Jörg Häring	Legal, Compliance and Human Resources	€7,000
Franklin W. Maddux, M.D.	Global Chief Medical Officer	$7,569
Dr. Katarzyna Mazur-Hofsäß	Chief Executive Officer for Care Enablement	€7,000

Information on compliance with the maximum compensation can be found in the section "Compliance with maximum compensation (Allocations 2021)."

Malus and Clawback

The Supervisory Board is entitled to withhold or reclaim variable compensation components in cases of a Management Board member's misconduct or non-compliance with his or her duties or internal Company guidelines, considering the characteristics of the individual case. Within this framework, the Supervisory Board ensures that contractual provisions are in place determining detailed requirements for withholding or reclaiming variable compensation components and setting forth the consequences thereof, including the forfeiture, in full or in part, of all or some variable compensation components. Also, the Supervisory Board has adopted a policy that in accordance with applicable regulatory requirements provides that the Company may recover excess incentive-based compensation if it is required to prepare an accounting restatement due to material noncompliance with relevant financial reporting requirements under U.S. federal securities laws.

In the Fiscal Year, there was no reason for the Supervisory Board to make use of these authorizations.

Management Board Members' Compensation

The compensation awarded or due in the Fiscal Year to the Management Board members in office in the Fiscal Year will be described in more detail below. Tables showing their respective total compensation are set out in the section "Compensation tables for the Management Board members in office in the Fiscal Year." Information on the compensation for former Management Board members are set out in the section "Former Management Board members' compensation."

Compensation awarded and due to the members of the Management Board in the Fiscal Year consisted of fixed and variable components:

- fixed compensation, consisting of a base salary, fringe benefits and, if applicable, a pension allowance in cash,
- one-year variable compensation (Short-Term Incentive) and
- multi-year variable compensation (Long-Term Incentive), consisting of payments under share-based cash-settled compensation allocated in previous years.

Fixed Compensation Components

Management Board members receive a base salary and fringe benefits as well as a pension allowance or a pension commitment as fixed compensation components. The pension commitment does not, however, constitute compensation in the meaning of Section 162 paragraph 1 AktG.

The amount of the base salary is set out in the individual service agreements of the members of the Management Board. In line with standard local practice, the base salary is generally paid in twelve monthly installments for members of the Management Board resident in Germany and in biweekly installments for members of the Management Board resident in the U.S.

In the Fiscal Year, the fringe benefits awarded or due to the Management Board members under their individual service agreements consisted mainly of the private use of company cars, the payment of a mobility allowance or the use of rental cars, housing, rent and relocation payments, reimbursement of fees for the preparation of tax returns, reimbursement of charges, contributions to pension schemes (other than the pension commitments or the cash pension allowance set out herein), contributions to accident, life and health insurances or other insurances as well as tax equalization compensation due to varying tax rates applicable in Germany and the country in which the relevant Management Board member is personally taxable. See the section "Further information" for details of such tax equalization compensation.

In addition, individual Management Board members received a pension allowance in cash amounting to 40% of their base salary for their own pension provision. For individual other Management Board members, pension commitments exist. Payments to the Management Board members under pension commitments will generally only become due when the covered event occurs. The pension allowance and the pension commitments are set out in the section "Pension-related obligations."

Short-Term Incentive – MBBP 2024+

Under the Compensation System 2024+, the Management Board members are entitled to receive a Short-Term Incentive in accordance with the Management Board Bonus Plan 2024+ (MBBP 2024+), which may result in a cash payment. The Short-Term Incentive rewards the Management Board members for the Company's performance in the relevant fiscal year. The Short-Term Incentive is linked to the achievement of three financial targets and one non-financial, sustainability-related performance target.

The target Short-Term Incentive amount for the Fiscal Year (which is paid out at a target achievement level of 100%) equaled 105% (multiplier of 1.05) of the relevant base salary of the respective Management Board member.

Functioning

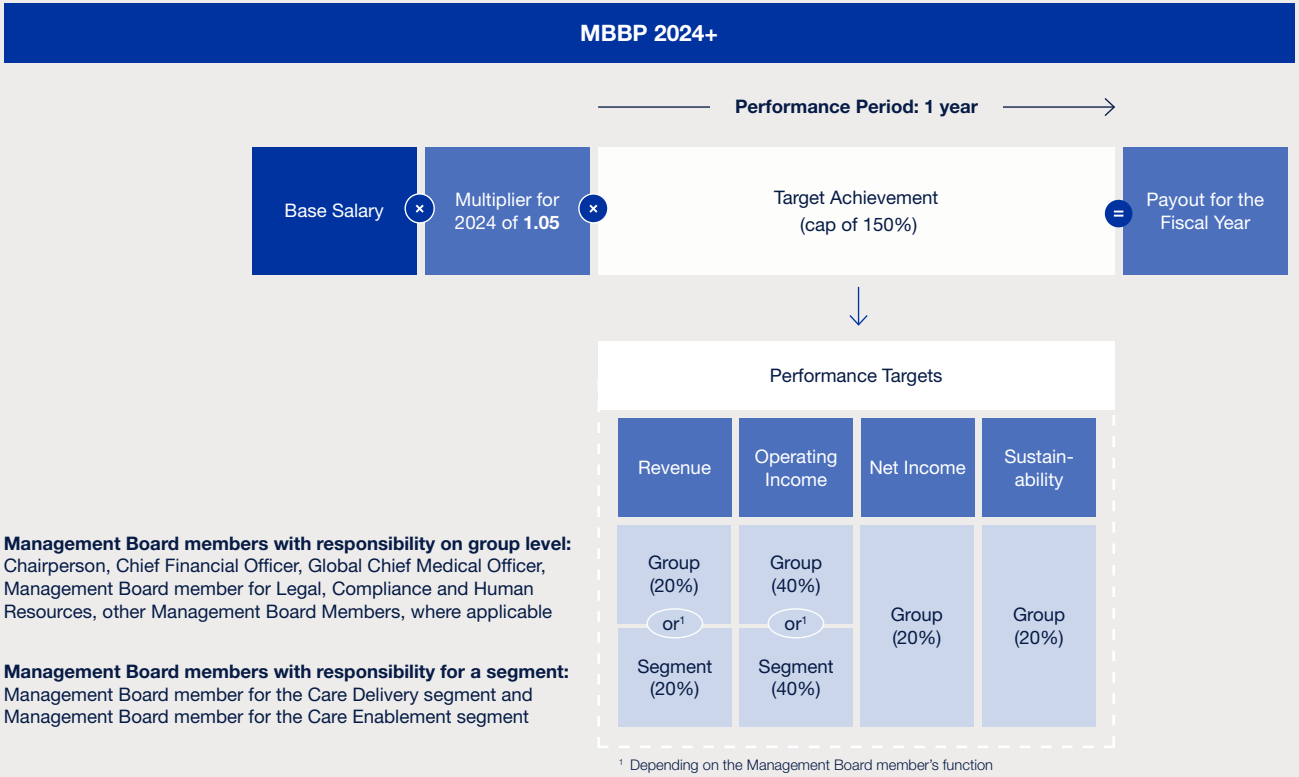
The functioning of the MBBP 2024+ is shown in the CHART 3.16.

The Short-Term Incentive is measured based on the achievement of four performance targets: 20% relate to revenue, 40% to operating income, 20% to net income and 20% to the achievement of a measurable sustainability target, which can also consist of various sub-targets.

The Supervisory Board defines for each performance target the specific target values that lead to a target achievement of 0% (lower threshold), 100% and 150% (cap). The Supervisory Board may also set additional target values leading to a target achievement of between 0% and 150%. The following applies to each performance target: If the lower threshold of a target value is not exceeded, the target achievement is 0%. If the upper target value is reached or exceeded, the target achievement is 150%. Target achievement in the range between two adjacent target values is generally determined by linear interpolation.

The Short-Term Incentive is paid out in the year following the year of target achievement.

C 3.16 **FUNCTIONING OF THE MBBP 2024+**



C 3.17 **SHORT-TERM INCENTIVE – LINK OF PERFORMANCE TARGETS TO STRATEGY**

Performance Target	Revenue	Operating Income	Net Income	Sustainability
Weighting	20%	40%	20%	20%
Rationale and Link to Strategy	The key performance indicator "Revenue" is used in the management of the operating segments. The key factors helping to continually grow our Revenue are attracting new product customers and new patients to increase the number of treatments performed each year as well as delivering in other health care areas.	Operating Income is the most appropriate benchmark for evaluating the profitability of the operating segments and is therefore used as a key performance indicator. Operating Income reflects the profit contribution of the operating segments as well as the overall profitability of Fresenius Medical Care.	At group level, Net Income is an important financial performance indicator for internal management. Net Income reflects the profitability of Fresenius Medical Care.	The sustainability target (which can consist of different sub-targets) reflects Fresenius Medical Care's commitment and strategy in relation to environmental, social and governance aspects.

Link to Strategy

The financial performance targets (revenue, operating income, net income) reflect key operating figures of the Company and support Fresenius Medical Care's strategy of achieving sustainable and profitable growth. The non-financial, sustainability-related performance target underlines Fresenius Medical Care's commitment to implement its global sustainability targets.

The respective weighting of the individual performance targets for the Short-Term Incentive and their link to Fresenius Medical Care's strategy are shown in the CHART 3.17.

Financial Performance Targets

The underlying financial figures of the financial performance targets for the Short-Term Incentive are at constant currency and may be adjusted for certain effects to ensure comparability of the financial figures with respect to the operational performance, e.g., effects from certain acquisitions and divestments or effects from changes in IFRS accounting standards.

T 3.18 **SHORT-TERM INCENTIVE – TARGET VALUES AND TARGET ACHIEVEMENT IN THE FISCAL YEAR (FINANCIAL PERFORMANCE TARGETS)**

	Target values[1]				Actual values			Target achievement
	0%	30%	100%	150%	As reported	Adjustments[2]	According to plan terms	
	in € M	in € M	in € M	in € M	in € M	in € M	in € M	in %
Revenue								
Group	≤ 17,597	= 18,575	= 19,553	≥ 20,530	19,336	(182)	**19,154**	**71.45**
Care Delivery	≤ 13,893	= 14,665	= 15,436	≥ 16,208	15,275	(191)	**15,084**	**68.08**
Care Enablement	≤ 5,033	= 5,312	= 5,592	≥ 5,871	5,557	(13)	**5,544**	**88.09**
Operating income								
Group	≤ 1,404		= 1,652	≥ 1,900	1,392	272	**1,664**	**102.49**
Care Delivery	≤ 1,266		= 1,490	≥ 1,713	1,190	273	**1,463**	**88.20**
Care Enablement	≤ 185		= 218	≥ 250	267	(3)	**264**	**150.00**
Net income	≤ 616		= 725	≥ 834	538	277	**815**	**141.53**

[1] According to the plan terms, the financial figures underlying the target values had to be adjusted by effects resulting from strategic portfolio divestments. The target values shown here already include these adjustments.
[2] According to the plan terms, the financial figures underlying the target achievement were translated at the exchange rates that were applied for the determination of the target values to ensure comparability. In addition, they were adjusted according to the plan terms for one-time effects in connection with strategic portfolio divestments to the extent these effects deviate from the one-time effects included in the target values.

In order to further enhance collaboration across the operating segments and at the same time incentivize the Management Board members with respect to their individual responsibilities, some performance targets are measured at group level whereas others are measured at the level of the area of responsibility of the individual Management Board member. The financial performance targets "revenue" and "operating income" are in principle measured at group level. For the Management Board members with responsibility for the Care Delivery and Care Enablement operating segments, these performance targets are measured at the level of the segment for which they are responsible. The net income target for all Management Board members is measured at group level. By measuring certain performance targets at group level as well as at the level of the operating segments, the financial performance of both the group and that of the relevant operating segments is reflected.

The target values applied to the financial performance targets in the Fiscal Year for the Short-Term Incentive and their achievement are set out in the TABLE 3.18 on page 224.

Sustainability Target

The sustainability target relates to strategic focus areas of Fresenius Medical Care in the areas of Environment, Social and Governance (ESG). The sustainability target is defined by the Supervisory Board for each fiscal year and can also consist of various sub-targets. The sustainability target is measured at group level for all Management Board members in order to ensure close collaboration among them in the context of the Company's sustainability efforts.

For the Fiscal Year, the Supervisory Board defined two equally weighted sub-targets as sustainability target for the Short-Term Incentive: Patient Satisfaction and Employee Satisfaction. Both sub-targets have already been used for the sustainability target for 2023. These sub-targets are in line with the topics of quality of care and employee engagement relevant to Fresenius Medical Care, which emerged from the company's last materiality analysis in 2023. In order to determine the target achievement, the values reported in the company's sustainability statement for the Fiscal Year were used for each sub-target. The company's sustainability statement for the Fiscal Year was reviewed by the auditor with limited assurance. [ESRS 2, 29b,d]

Patient Satisfaction was determined using the Net Promoter Score (NPS). The NPS is a strategically relevant measure of patient satisfaction with the company's services, measured as the patient's likelihood to recommend Fresenius Medical Care to others for dialysis treatment. The NPS is determined on the basis of patient surveys conducted as part of Fresenius Medical Care's global Patient Experience Program. Fresenius Medical Care has set itself the target of achieving an NPS value of at least 70 every year. This corresponds to a target achievement for the sustainability sub-target

T 3.19 SHORT-TERM INCENTIVE – SUSTAINABILITY SUB-TARGET PATIENT SATISFACTION

	Target values									Target achievement	
	0%	50%	75%	100%	110%	120%	130%	140%	150%	Absolute	Relative
	in points	in points	in points	in points	in points	in points	in points	in points	in points	in points	in %
Net Promoter Score	≤ 50	= 58	= 65	= 70	= 71	= 72	= 73	= 74	≥ 75	72	120.00

T 3.20 SHORT-TERM INCENTIVE – SUSTAINABILITY SUB-TARGET EMPLOYEE SATISFACTION

	Target values				Target achievement	
	0%	50%	100%	150%	Absolute	Relative
	in %	in %	in %	in %	in %	in %
Employee Engagement Score	≤ 50	= 52	= 56	≥ 63	56	100.00

T 3.21 SHORT-TERM INCENTIVE – SUSTAINABILITY TARGET ACHIEVEMENT IN THE FISCAL YEAR
IN %

Target achievement per sustainability sub-target		Sustainability target achievement
Patient Satisfaction (50%)	Employee Satisfaction (50%)	
120.00	100.00	110.00

"Patient Satisfaction" of 100% for the Fiscal Year. The NPS is calculated in integers.

The target achievement for the sustainability sub-target "Patient Satisfaction" was 120.00%.

The sustainability sub-target "Employee Satisfaction" is another strategically relevant indicator and was measured using the Employee Engagement Score (EES). As part of a group-wide survey, the company evaluated employee feedback on positive aspects of the working environment as well as opportunities for improvement. The company determined the EES by asking employees to indicate the extent to which they agree that they a) tell others great things about working at Fresenius Medical Care, b) rarely think about leaving Fresenius Medical Care, and c) are inspired to do their best work every day. Employees responded on a scale from one (I strongly disagree) to six (I strongly agree). Based on the average score across all three items, employees were categorized as engaged or not engaged. The EES is the proportion of all employees categorized as "engaged" based on this methodology.

The target achievement for the sustainability sub-target "Employee Satisfaction" was 100.00%.

The overall target achievement for the sustainability target was 110.00%. The target achievement for the sustainability target and the individual, equally weighted sustainability sub-targets are shown in the TABLE 3.21 on page 225.

Overall Target Achievement

The degree of the overall target achievement for the Short-Term Incentive is determined based on the weighted arithmetic mean of the target achievement level of each performance target. Multiplying the degree of the respective overall target achievement with the target Short-Term Incentive amount results in the final Short-Term Incentive amount. After the corresponding resolution of the Supervisory Board, the final Short-Term Incentive amount is paid to the respective Management Board member in cash. Since the overall target achievement is capped at 150%, the final Short-Term Incentive amount is also capped at 150% of the respective target Short-Term Incentive amount.

The TABLE 3.22 shows the target achievement per performance target as well as the overall target achievement for the Fiscal Year.

T 3.22 SHORT-TERM INCENTIVE – OVERALL TARGET ACHIEVEMENT IN THE FISCAL YEAR
IN %

	Target achievement (weighting)				Overall target achievement
	Revenue (20 %)	Operating income (40 %)	Net income (20 %)	Sustainability target (20 %)	
Helen Giza	71.45	102.49	141.53	110.00	105.59
Craig Cordola, Ed.D.	68.08	88.20	141.53	110.00	99.20
Martin Fischer	71.45	102.49	141.53	110.00	105.59
Dr. Jörg Häring	71.45	102.49	141.53	110.00	105.59
Franklin W. Maddux, M.D.	71.45	102.49	141.53	110.00	105.59
Dr. Katarzyna Mazur-Hofsäß	88.09	150.00	141.53	110.00	127.92

T 3.23 SHORT-TERM INCENTIVE – AMOUNTS TO BE PAID IN 2025 FOR THE PERFORMANCE IN THE FISCAL YEAR
IN € THOUS

	Base salary	Multiplier	Target amount	Cap (150%)	Overall target achievement in %	Payout amount
Helen Giza[1]	1,663	1.05	1,746	2,619	105.59	1,844
Craig Cordola, Ed.D.[1]	1,340	1.05	1,407	2,111	99.20	1,395
Martin Fischer	800	1.05	840	1,260	105.59	887
Dr. Jörg Häring[2]	408	1.05	428	642	105.59	453
Franklin W. Maddux, M.D.[1]	979	1.05	1,028	1,542	105.59	1,086
Dr. Katarzyna Mazur-Hofsäß	1,064	1.05	1,117	1,676	127.92	1,429

[1] Note for the amounts as set out herein that the compensation benefits for Ms. Helen Giza as well as Messrs. Craig Cordola, Ed.D. and Franklin W. Maddux, M.D. are denominated in U.S. dollars and that the amounts are subject to currency fluctuations. The translation of U.S. dollar amounts was done at the average exchange rate for the applicable calendar year.
[2] Dr. Jörg Häring was appointed as a member of the Management Board as of June 1, 2024, and correspondingly receives the Short-Term Incentive for the Fiscal Year on a pro-rated basis.

The amounts to be paid out to the individual Management Board members in 2025 on the basis of this overall target achievement for the Fiscal Year, taking into account the target amount (base salary times the multiplier) and in compliance with the cap, can be found in the TABLE 3.23 on page 226.

The corresponding information on the Short-Term Incentive paid out in the Fiscal Year for the performance in 2023 to Management Board members who served in 2023 was previously disclosed in the Compensation Report for the year 2023.

Long-Term Incentive – MB LTIP 2020

On the basis of the Compensation System 2020+, Performance Shares were allocated in previous years to the Management Board members in office at the time under the MB LTIP 2020 as a performance-based Long-Term Incentive. In the Fiscal Year, the compensation from the Performance Shares allocated for 2021 was earned.

Performance Shares under the MB LTIP 2020 are non-equity, cash-settled virtual compensation instruments with a performance period of three years. Any amounts received from the Performance Shares are subject to the achievement of three equally weighted performance targets and further depend on the development of the stock exchange price of the shares of the Company.

The allocation amount for the Performance Shares equaled 135% (multiplier of 1.35) of the relevant base salary of the respective Management Board member. In order to determine the number of Performance Shares to be allocated to the relevant Management Board member, the relevant allocation amount was divided by the value per Performance Share determined in accordance with IFRS 2 and considering the average price of the Company's shares over a period of 30 calendar days prior to each relevant allocation date. The number of Performance Shares to vest for each Management Board member depended on the achievement of the performance targets.

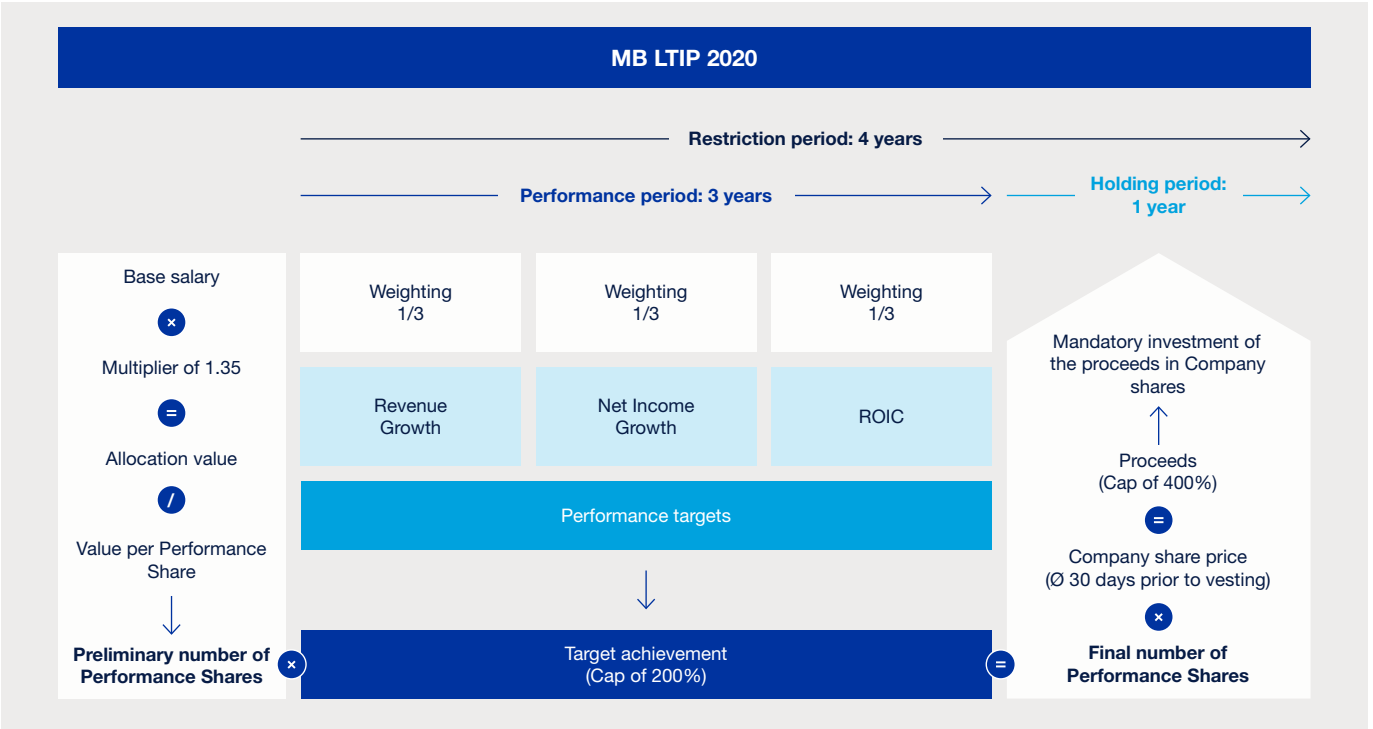
Functioning

The functioning of the MB LTIP 2020 is shown in the CHART 3.24.

The Supervisory Board defined for each performance target the specific target values that lead to a target achievement of 0% (lower threshold), 100% and 200% (cap). The following applies to each performance target: If the lower target value is not exceeded, a target achievement of 0% applies. If the upper target value is reached or exceeded, a target achievement of 200% applies. If the actual financial figures range between the relevant target values applicable to a target achievement of 0% to 100% or 100% to 200%, the target achievement is determined by linear interpolation. At the end of the three-year performance period, the Supervisory Board determines the overall target achievement by taking the average of the target achievement levels for the three performance targets in the applicable three-year performance period. The three performance targets are equally weighted.

Based on the degree of the overall target achievement, the number of Performance Shares to vest is determined for each member of the Management Board. The number of Performance Shares may increase or decrease over the performance period. A total loss as well as (at most) doubling of the allocated Performance Shares in case of a target achievement of 200% (cap) is possible. After the

C 3.24 **FUNCTIONING OF THE MB LTIP 2020**



final determination of the overall target achievement, the number of Performance Shares to vest is multiplied by the average price of the Company's shares over the 30 calendar days preceding the relevant vesting date in order to calculate the corresponding amount received from the Performance Shares to vest. The total proceeds from the Performance Shares (the amount that can be earned under an allocation) are capped at 400% of the relevant allocation amount.

The proceeds from the Performance Shares (after taxes and duties) are transferred to a bank, which uses them to purchase shares of the Company on the stock exchange. The shares acquired in this way are subject to a holding period of at least one year. In accordance with recommendation G.10 of the GCGC, the members of the Management Board can therefore only dispose of this Long-Term Incentive after a period of at least four years.

Link to Strategy

The three performance targets revenue growth, net income growth and return on invested capital (ROIC) were selected because they provide effective incentives that the Company's investments achieve a certain return and thus promote long-term, profitable growth and an attractive total return for shareholders. These performance targets form part of the Company's primary key performance indicators or secondary financial performance indicators and support the execution of the Company's long-term strategy.

The respective weighting of the individual performance targets for the Long-Term Incentive and their link to Fresenius Medical Care's strategy are shown in the CHART 3.25.

C 3.25 **LINK OF PERFORMANCE TARGETS TO STRATEGY – MB LTIP 2020**

Performance Target	Revenue Growth	Net Income Growth	ROIC
Weighting	1/3	1/3	1/3
Rationale and Link to Strategy	The key to continue growing Revenue is to attract new product customers, new patients and increase the number of treatments performed each year as well as delivering in the other healthcare businesses. Revenue Growth also reflects the continuous importance of growth for the long-term success of the group.	On a group level, percentage growth in Net Income is a key performance indicator used for internal management. Net Income Growth reflects the long-term profitability of the group.	ROIC is a profitability measure and expresses how efficiently capital under the Company's control is allocated in the long-term or how well the Company's capital with regard to a specific investment project is employed.

Target Values and Target Achievement (Allocation 2021)

In the Fiscal Year, the Long-Term Incentive from the allocation for 2021 was earned. The performance targets for the 2021, 2022 and 2023 performance periods were decisive for target achievement. The annual target values and target achievement are shown in the TABLE 3.26.

T 3.26 **LONG-TERM INCENTIVE – TARGET VALUES AND TARGET ACHIEVEMENT FOR THE ALLOCATION 2021 UNDER THE MB LTIP 2020**

	Target values			Actual values			Target achievement	
	0%	100%	200%	As reported	Currency translation adjustment	At constant currency according to plan terms	Per performance target	Annual
2021								
Revenue growth	≤ 1%	= 6%	≥ 11%	(1.3%)	3.1%	**1.8%**	**16%**	
Net income growth	≤ 0%	= 5%	≥ 10%	(16.8%)	2.4%	**(14.4%)**	**0%**	**5%**
Return on invested capital (ROIC)	≤ 5.5%	= 6.0%	≥ 6.5%	4.9%	—%	**4.9%**	**0%**	
2022								
Revenue growth	≤ 1%	= 6%	≥ 11%	10.1%	(8.0%)	**2.1%**	**22%**	
Net income growth	≤ 0%	= 5%	≥ 10%	(30.5%)	(6.1%)	**(36.6%)**	**0%**	**7%**
Return on invested capital (ROIC)	≤ 5.5%	= 6.0%	≥ 6.5%	3.3%	—%	**3.3%**	**0%**	
2023								
Revenue growth	≤ 1%	= 6%	≥ 11%	0.3%	5.2%	**5.5%**	**90%**	
Net income growth	≤ 0%	= 5%	≥ 10%	(25.9%)	1.6%	**(24.3%)**	**0%**	**30%**
Return on invested capital (ROIC)	≤ 5.5%	= 6.0%	≥ 6.5%	2.8%	—%	**2.8%**	**0%**	
Overall target achievement								**14%**

Vested Amounts (Allocation 2021)

The TABLE 3.27 shows the amounts that vested in the Fiscal Year from the Allocation 2021 and were awarded within the meaning of Section 162 paragraph 1 sentence 1 AktG.

The amounts that vested in the Fiscal Year (after taxes and duties) were not paid out but in accordance with the plan terms transferred to a bank, which used them to purchase shares of the Company on the stock exchange. The shares acquired in this way are subject to a holding period of at least one year.

Compliance with Maximum Compensation (Allocations 2021)

In the Fiscal Year, compliance with the maximum compensation from allocations from 2021 could be conclusively assessed since the vesting period for the Long-Term Incentive allocated in 2021 under the MB LTIP 2020 ended and the amount earned in this respect was determined. The individual maximum compensation limits for the respective members of the Management Board for 2021 were in each case complied with. It was not necessary to reduce the payout amount of the Long-Term Incentive (as provided for in order to avoid exceeding the maximum compensation if necessary). The details are shown in the TABLE 3.28 on the next page.

Compensation Tables for the Management Board Members in Office in the Fiscal Year

The TABLE 3.29 on page 232 shows the individualized compensation awarded and due in the Fiscal Year to each Management Board member in office in the Fiscal Year. In addition, the pension expense incurred for the individual contractual pension commitments is disclosed. The tabular presentation is based on the model tables of the GCGC in its previous version dated February 7, 2017.

T 3.27 LONG-TERM INCENTIVE – VESTED AMOUNT FROM THE ALLOCATION 2021 OF THE MB LTIP 2020

	Fair Value at allocation	Number of allocated Performance Shares	Overall target achievement	Number of final Performance Shares	Share price at vesting	Vested amount
	in € THOUS		in %		in €	in € THOUS
Members of the Management Board in office in the Fiscal Year						
Helen Giza[1]	1,138	20,941	14	2,932	36.79	**121**
Franklin W. Maddux, M.D.[1]	1,016	18,625	14	2,608	36.79	**107**
Dr. Katarzyna Mazur-Hofsäß	1,225	22,533	14	3,155	36.79	**116**
Former members of the Management Board						
Rice Powell[1]	2,231	40,894	14	5,725	36.79	**236**
Dr. Olaf Schermeier	1,105	20,328	14	2,846	36.79	**105**
William Valle[1]	1,723	31,582	14	4,421	36.79	**182**
Kent Wanzek[1]	1,033	18,929	14	2,650	36.79	**109**
Harry de Wit	1,012	18,614	14	2,606	36.79	**96**

[1] Note for the amounts set out that the compensation benefits for Ms. Helen Giza as well as for Messrs. Franklin W. Maddux M.D., Rice Powell, William Valle and Kent Wanzek are denominated in U.S. dollars and that the amounts are subject to currency fluctuations. The translation of U.S. dollar amounts for the Long-Term Incentive awarded in the Fiscal Year (vested amount) was done at the closing rate of the vesting date.

For the purposes of the TABLE 3.29 on the next page, compensation is deemed to have been "awarded in the fiscal year" if it has vested in the fiscal year. For this purpose, compensation is deemed to have vested in the year in which the underlying activity has been fully performed and the entitlement to payment of the compensation is no longer subject to any conditions precedent or conditions subsequent. For the Long-Term Incentives shown in this Compensation Report, this corresponds to the year in which they are paid out. The Long-Term Incentive earned under the MB LTIP 2020 is to be regarded as "awarded" irrespective of the fact that the amounts earned are to be invested in shares of the Company in accordance with the applicable plan terms.

Based on this understanding, the Short-Term Incentive is considered to have vested in the year, and is shown in the TABLE 3.29 on the next page for the respective years, in which the underlying activity was performed. This facilitates comparison of the performance of the members of the Management Board in a year with the performance of the Company in the same year and allows the Short-Term Incentive to be allocated on an accrual basis to the year in which the performance was performed. The columns for 2024 therefore contain the Short-Term Incentive for the Fiscal Year that will not be paid out until 2025, and the columns for 2023 contain the Short-Term Incentive for 2023 that was paid out in the Fiscal Year.

Insofar as members of the Management Board in office in the Fiscal Year have received payments as compensation for forfeited compensation benefits from a previous employment relationship, the corresponding amounts are reported under fringe benefits. Such payments were or are only made if the member of the Management Board has not resigned from office and the Company has not terminated such member's service agreement and would not be entitled to terminate it when the payment becomes due.

T 3.28 COMPLIANCE WITH THE MAXIMUM COMPENSATION OF THE MEMBERS OF THE MANAGEMENT BOARD THEN IN OFFICE FOR 2021
IN € THOUS

	Members of the Management Board in office in the Fiscal Year		
	Helen Giza	**Franklin W. Maddux, M.D.[1]**	**Dr. Katarzyna Mazur-Hofsäß**
Base salary	855	822	920
Fringe benefits	214	171	60
Pension expense	—	—	2,498[2]
Total fixed components	1,069	993	3,478
Short-Term Incentive	712	684	892
Long-Term Incentive (MB LTIP 2020)	121	104	116
Total variable components	833	788	1,008
Total compensation for 2021	**1,902**	**1,781**	**4,486**
Cap Short-Term Incentive	*1,077*	*1,036*	*1,159*
Cap Long-Term Incentive	*4,617*	*4,439*	*4,968*
Maximum compensation	*7,000[3]*	*7,000*	*7,000*

	Former members of the Management Board				
	Rice Powell[1]	**Dr. Olaf Schermeier**	**William Valle[1]**	**Kent Wanzek[1]**	**Harry de Wit**
Base salary	1,804	830	1,394	835	760
Fringe benefits	333	88	256	167	331
Pension expense	—	282	1,348	470	548
Total fixed components	2,137	1,200	2,998	1,472	1,639
Short-Term Incentive	1,502	691	1,075	695	779
Long-Term Incentive (MB LTIP 2020)	228	105	176	105	96
Total variable components	1,730	796	1,251	800	875
Total compensation for 2021	**3,867**	**1,996**	**4,249**	**2,272**	**2,514**
Cap Short-term Incentive	*2,273*	*1,046*	*1,756*	*1,052*	*958*
Cap Long-term Incentive	*9,742*	*4,482*	*7,528*	*4,509*	*4,104*
Maximum compensation	*12,000[4]*	*7,000*	*9,500[5]*	*7,000*	*7,000*

[1] The maximum compensation of Messrs. Franklin W. Maddux M.D., Rice Powell, William Valle and Kent Wanzek for 2021 is agreed in U.S. dollars. For the presentation in this table, the U.S. dollar amounts were translated with the exchange rate of €1/$1.11947 used when the maximum compensation in the Compensation System 2020+ was determined, which is why the amounts set out herein may deviate from the amounts set out in other tables of this Compensation Report or in tables of previous Compensation Reports.
[2] The pension commitment was made in 2021. The pension expense set out herein includes the past service cost which relates to the service period rendered since the appointment as a member of the Management Board effective September 1, 2018.
[3] In 2021, Ms. Helen Giza was Chief Financial Officer. Therefore, the maximum compensation amount applicable to the Chief Financial Officer applies to her maximum compensation for 2021.
[4] In 2021, Mr. Rice Powell was Chairman of the Management Board. Therefore, the maximum compensation amount applicable to the Chairman of the Management Board applies to his maximum compensation for 2021.
[5] In 2021, Mr. William Valle was the Management Board member responsible for the North America Region. Therefore, the maximum compensation amount applicable to the Management Board member responsible for the North America region under the Compensation System 2020+ applies to his maximum compensation for 2021.

T 3.29 COMPENSATION OF THE MEMBERS OF THE MANAGEMENT BOARD IN OFFICE IN THE FISCAL YEAR (CONTINUATION ON NEXT PAGE)
IN € THOUS

	Helen Giza Chairwoman and Chief Executive Officer Member of the Management Board since November 1, 2019				**Craig Cordola, Ed.D.** Chief Executive Officer for Care Delivery Member of the Management Board since January 1, 2024				**Martin Fischer** Chief Financial Officer Member of the Management Board since October 1, 2023			
	2024		**2023**[1]		**2024**		**2023**[1]		**2024**		**2023**[1]	
	Absolute	**Ratio in %**	Absolute	Ratio in %	**Absolute**	**Ratio in %**	Absolute	Ratio in %	**Absolute**	**Ratio in %**	Absolute	Ratio in %
Base salary	1,663		1,665		1,340				800		200	
Fringe benefits	80		23		447[4]				437[5]		445[5]	
Cash pension allowance	–				536				400[6]			
TOTAL NON-PERFORMANCE-BASED COMPENSATION	**1,743**	**47**	**1,688**	**39**	**2,323**	**62**			**1,637**	**65**	**645**	**73**
Short-Term Incentive	1,844	50	2,017	47	1,395	38			887	35	242	27
Long-Term Incentive	121	3	599	14	–	–			–	–	–	–
Allocation 2019 (Share Based Award)[2]			32								–	
Allocation 2019 (MB LTIP 2019)[3]			180								–	
Allocation 2020 (MB LTIP 2020)			387								–	
Allocation 2021 (MB LTIP 2020)	121				–				–			
TOTAL VARIABLE COMPENSATION	**1,965**		**2,616**		**1,395**				**887**		**242**	
TOTAL COMPENSATION ACCORDING TO SEC. 162 PARA. 1 SENT. 2 NO. 1 AKTG	**3,708**		**4,304**		**3,718**				**2,524**		**887**	
Pension expense	729		625		–				–		–	
TOTAL COMPENSATION INCLUDING PENSION EXPENSE	**4,437**		**4,929**		**3,718**				**2,524**		**887**	

[1] Note for purposes of comparison between the amounts indicated and those of the Fiscal Year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Mr. Martin Fischer, Dr. Jörg Häring and Dr. Katarzyna Mazur-Hofsäß) or U.S. dollars (Ms. Helen Giza, Craig Cordola, Ed.D. and Mr. Franklin W. Maddux, M.D.). The plan terms of the Share Based Award entitled to payments in euro. In principle, the translation of U.S. dollar amounts was done at the average exchange rate for the applicable calendar year. For the Long-Term Incentive the translation of U.S. dollar amounts was done at the closing rate of the applicable vesting date.

[2] The Share Based Award was an amount of the variable compensation component that under the compensation systems applicable until December 31, 2019 was to be converted into virtual shares of the Company not backed by equity of the Company as an amount to be deferred. Further details can be found in previous Compensation Reports.

[3] The Management Board Long Term Incentive Plan 2019 (MB LTIP 2019) was the predecessor plan to the MB LTIP 2020. Further details can be found in previous Compensation Reports.

[4] The fringe benefits of Mr. Craig Cordola, Ed.D. reported for the Fiscal Year include a payment of $450 THOUS (€416 THOUS), which he received as compensation for forfeited compensation benefits from a previous employment relationship. As agreed, Mr. Cordola, Ed.D. invested 50% of the net amount of this compensation in shares of the Company.

[5] The fringe benefits of Mr. Martin Fischer include a payment of €300 THOUS for each of the Fiscal Year and 2023, which he received as compensation for forfeited compensation benefits from a previous employment relationship. In 2025, Mr. Fischer can receive a further payment of up to €300 THOUS as compensation for forfeited compensation benefits from a previous employment relationship.

[6] Since October 1, 2024, Mr. Martin Fischer has received the pension allowance described in this Compensation Report. The defined contribution pension commitment previously promised to Mr. Fischer in the event of the conclusion of a corresponding reinsurance policy was canceled in view of the new pension regulations under the Compensation System 2024+. The amount reported here also includes an amount of €320 THOUS (corresponding to 40% of his annual base salary), which Mr. Fischer received in the Fiscal Year as compensation for the insurance contributions that would otherwise have to be paid for the period from October 1, 2023 to September 30, 2024.

T 3.29 COMPENSATION OF THE MEMBERS OF THE MANAGEMENT BOARD IN OFFICE IN THE FISCAL YEAR (CONTINUATION OF THE PREVIOUS PAGE)
IN € THOUS

	Dr. Jörg Häring Legal, Compliance and Human Resources Member of the Management Board since June 1, 2024				**Franklin W. Maddux, M.D.** Global Chief Medical Officer Member of the Management Board since January 1, 2020				**Dr. Katarzyna Mazur-Hofsäß** Chief Executive Officer for Care Enablement Member of the Management Board since September 1, 2018			
	2024		**2023[1]**		**2024**		**2023[1]**		**2024**		**2023[1]**	
	Absolute	**Ratio in %**	Absolute	Ratio in %	**Absolute**	**Ratio in %**	Absolute	Ratio in %	**Absolute**	**Ratio in %**	Absolute	Ratio in %
Base salary	408				979		980		1,064		1,064	
Fringe benefits	354[7]				187		187		57		32	
Cash pension allowance	163				—				—			
TOTAL NON-PERFORMANCE-BASED COMPENSATION	**925**	**67**			**1,166**	**49**	**1,167**	**43**	**1,121**	**42**	**1,096**	**34**
Short-Term Incentive	453	33			1,086	46	1,188	44	1,429	54	1,289	40
Long-Term Incentive	—	—			107	5	353	13	116	4	825	26
Allocation 2019 (Share Based Award)[2]							—				227	
Allocation 2019 (MB LTIP 2019)[3]							—				226	
Allocation 2020 (MB LTIP 2020)							353				372	
Allocation 2021 (MB LTIP 2020)	—				107				116			
TOTAL VARIABLE COMPENSATION	**453**				**1,193**		**1,541**		**1,545**		**2,114**	
TOTAL COMPENSATION ACCORDING TO SEC. 162 PARA. 1 SENT. 2 NO. 1 AKTG	**1,378**				**2,359**		**2,708**		**2,666**		**3,210**	
Pension expense	—				397		418		611		499	
TOTAL COMPENSATION INCLUDING PENSION EXPENSE	**1,378**				**2,756**		**3,126**		**3,277**		**3,709**	

[1] Note for purposes of comparison between the amounts indicated and those of the Fiscal Year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Mr. Martin Fischer, Dr. Jörg Häring and Dr. Katarzyna Mazur-Hofsäß) or U.S. dollars (Ms. Helen Giza, Craig Cordola, Ed.D. and Mr. Franklin W. Maddux, M.D.). The plan terms of the Share Based Award entitled to payments in euro. In principle, the translation of U.S. dollar amounts was done at the average exchange rate for the applicable calendar year. For the Long-Term Incentive the translation of U.S. dollar amounts was done at the closing rate of the applicable vesting date.

[2] The Share Based Award was an amount of the variable compensation component that under the compensation systems applicable until December 31, 2019 was to be converted into virtual shares of the Company not backed by equity of the Company as an amount to be deferred. Further details can be found in previous Compensation Reports.

[3] The Management Board Long Term Incentive Plan 2019 (MB LTIP 2019) was the predecessor plan to the MB LTIP 2020. Further details can be found in previous Compensation Reports.

[4] The fringe benefits of Mr. Craig Cordola, Ed.D. reported for the Fiscal Year include a payment of $450 THOUS (€416 THOUS), which he received as compensation for forfeited compensation benefits from a previous employment relationship. As agreed, Mr. Cordola, Ed.D. invested 50% of the net amount of this compensation in shares of the Company.

[5] The fringe benefits of Mr. Martin Fischer include a payment of €300 THOUS for each of the Fiscal Year and 2023, which he received as compensation for forfeited compensation benefits from a previous employment relationship. In 2025, Mr. Fischer can receive a further payment of up to €300 THOUS as compensation for forfeited compensation benefits from a previous employment relationship.

[6] Since October 1, 2024, Mr. Martin Fischer has received the pension allowance described in this Compensation Report. The defined contribution pension commitment previously promised to Mr. Fischer in the event of the conclusion of a corresponding reinsurance policy was canceled in view of the new pension regulations under the Compensation System 2024+. The amount reported here also includes an amount of €320 THOUS (corresponding to 40% of his annual base salary), which Mr. Fischer received in the Fiscal Year as compensation for the insurance contributions that would otherwise have to be paid for the period from October 1, 2023 to September 30, 2024.

[7] The fringe benefits of Dr. Jörg Häring reported for the Fiscal Year include a payment of €300 THOUS, which he received as compensation for forfeited compensation benefits from a previous employment relationship.

Outstanding Share-Based Compensation Components

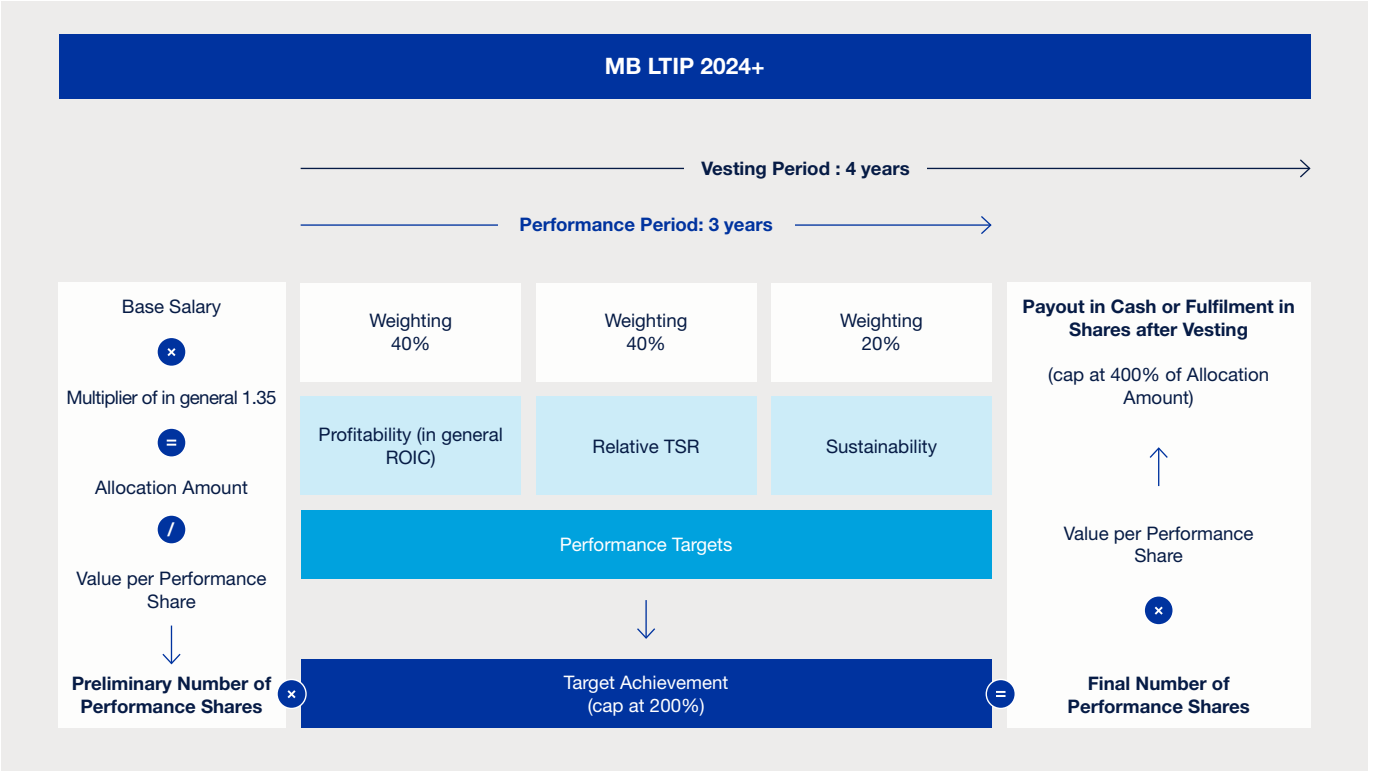
The following information concerns outstanding share-based compensation components. To the extent share-based compensation components are outstanding after the end of the Fiscal Year, these relate solely to allocations of Performance Shares under the MB LTIP 2020 and the MB LTIP 2024+.

MB LTIP 2024+ (Allocation in the Fiscal Year)

Under the Compensation System 2024+, the members of the Management Board were allocated Performance Shares as a long-term variable compensation component under the Management Board Long-Term Incentive Plan 2024+ (MB LTIP 2024+) in the Fiscal Year. The functioning of the MB LTIP 2024+ is shown in the CHART 3.30.

As in previous years, return on invested capital (ROIC) has been set as the profitability target. The target achievement of the Relative TSR is determined based on the percentile ranking of the TSR performance of the Company in comparison to the TSR performance of the companies of the STOXX® Europe 600 Health Care and S&P 500 Health Care indices. The reduction in market-based CO_2e emissions has been set as the sustainability target. This target is in line with the topic of climate protection relevant to Fresenius Medical Care, which emerged from the company's last materiality analysis in 2023. Information on the target values and the respective performance target achievement will be disclosed after the end of the performance period in the Compensation Report for the relevant fiscal year.

C 3.30 FUNCTIONING OF THE MB LTIP 2024+



The performance shares allocated in the Fiscal Year are paid out in cash after vesting. The allocation amount for the Performance Shares equaled 135% (multiplier of 1.35) of the relevant base salary of the respective Management Board member. The number of Performance Shares allocated in the Fiscal Year, which was determined taking into account the allocation amount (base salary times the multiplier) and the value per Performance Share on the allocation date, is shown in the TABLE 3.31.

Overview of Outstanding Share-Based Compensation Components

The status of the outstanding Performance Shares of the current and former members of the Management Board in the Fiscal Year and further information are shown in the TABLE 3.32 on the next page.

T 3.31 PERFORMANCE SHARES ALLOCATED IN THE FISCAL YEAR UNDER THE MB LTIP 2024+

	Base salary	Multiplier	Allocation amount	Value per Performance Share at allocation[1]	Number of Performance Shares	Cap (400 %)
	in € THOUS		in € THOUS	in €		in € THOUS
Helen Giza[2]	1,663	1.35	2,245	31.54	71,358	8,980
Craig Cordola, Ed.D.[2]	1,340	1.35	1,809	31.54	57,483	7,236
Martin Fischer	800	1.35	1,080	31.54	34,242	4,320
Dr. Jörg Häring[3]	408	1.35	551	34.78	15,850	2,204
Franklin W. Maddux, M.D.[2]	979	1.35	1,322	31.54	42,022	5,288
Dr. Katarzyna Mazur-Hofsäß	1,064	1.35	1,436	31.54	45,542	5,744

[1] The value per Performance Share as set out herein and relevant for the number of Performance Shares to be allocated is determined according to the plan terms considering the average price of the Company's shares over a period of 30 calendar days prior to the allocation date and assuming a 100% target achievement for the performance target "Relative TSR", which is why it may deviate from the Fair Value according to IFRS 2.

[2] Note for the amounts as set out herein that the compensation benefits for Ms. Helen Giza as well as Messrs. Craig Cordola, Ed.D. and Franklin W. Maddux, M.D. are denominated in U.S. dollars and that the amounts are subject to currency fluctuations. The translation of U.S. dollar amounts was done at the average exchange rate for the applicable calendar year.

[3] Dr. Jörg Häring was appointed as a member of the Management Board as of June 1, 2024, and has therefore received a pro-rated allocation under the MB LTIP 2024+ in the Fiscal Year. The allocation for Dr. Häring was made as of June 1, 2024. The value per Performance Share at allocation therefore differs from that for the other Management Board members, for whom the allocation was made as of March 1, 2024.

T 3.32 **OVERVIEW OF OUTSTANDING PERFORMANCE SHARES ALLOCATED UNDER THE MB LTIP 2020 AND UNDER THE MB LTIP 2024+ (CONTINUATION ON NEXT PAGE)**

	Allocation date	Vesting date	Fair Value at allocation[1] in € THOUS	Number of allocated Performance Shares	Overall target achievement (if final) in %	Number of Performance Shares as of December 31, 2024
Members of the Management Board in office in the Fiscal Year						
Helen Giza						
Allocation 2022	March 1, 2022	March 1, 2025	1,688	32,279	6	1,937
Allocation 2023	March 1, 2023	March 1, 2026	2,177	67,568		67,568
Allocation 2024	March 1, 2024	March 1, 2028	2,182	71,358		71,358
TOTAL				**171,205**		**140,863**
Craig Cordola, Ed.D.						
Allocation 2024	March 1, 2024	March 1, 2028	1,758	57,483		57,483
TOTAL				**57,483**		**57,483**
Martin Fischer						
Allocation 2023	October 1, 2023	October 1, 2026	264	7,037		7,037
Allocation 2024	March 1, 2024	March 1, 2028	1,049	34,242		34,242
TOTAL				**41,279**		**41,279**
Dr. Jörg Häring						
Allocation 2024	June 1, 2024	June 1, 2028	546	15,850		15,850
TOTAL				**15,850**		**15,850**
Franklin W. Maddux, M.D.						
Allocation 2022	March 1, 2022	March 1, 2025	1,110	20,974	6	1,258
Allocation 2023	March 1, 2023	March 1, 2026	1,282	39,790		39,790
Allocation 2024	March 1, 2024	March 1, 2028	1,285	42,022		42,022
TOTAL				**102,786**		**83,070**
Dr. Katarzyna Mazur-Hofsäß						
Allocation 2022	March 1, 2022	March 1, 2025	1,359	26,074	6	1,564
Allocation 2023	March 1, 2023	March 1, 2026	1,375	42,852		42,852
Allocation 2024	March 1, 2024	March 1, 2028	1,395	45,542		45,542
TOTAL				**114,468**		**89,958**

[1] The IFRS 2 Fair Value in principle reflects all market conditions, including for the Allocation 2024 the current target achievement for the performance target "Relative TSR" on the respective allocation date. The amounts set out herein for the Allocation 2024 are based on a 100% target achievement for the performance target "Relative TSR" to avoid the allocation value being influenced by short-term volatility in the development of the Company's Relative TSR and to enable comparability of the allocation value with those from previous years.

T 3.32 OVERVIEW OF OUTSTANDING PERFORMANCE SHARES ALLOCATED UNDER THE MB LTIP 2020 AND UNDER THE MB LTIP 2024+ (CONTINUATION OF THE PREVIOUS PAGE)

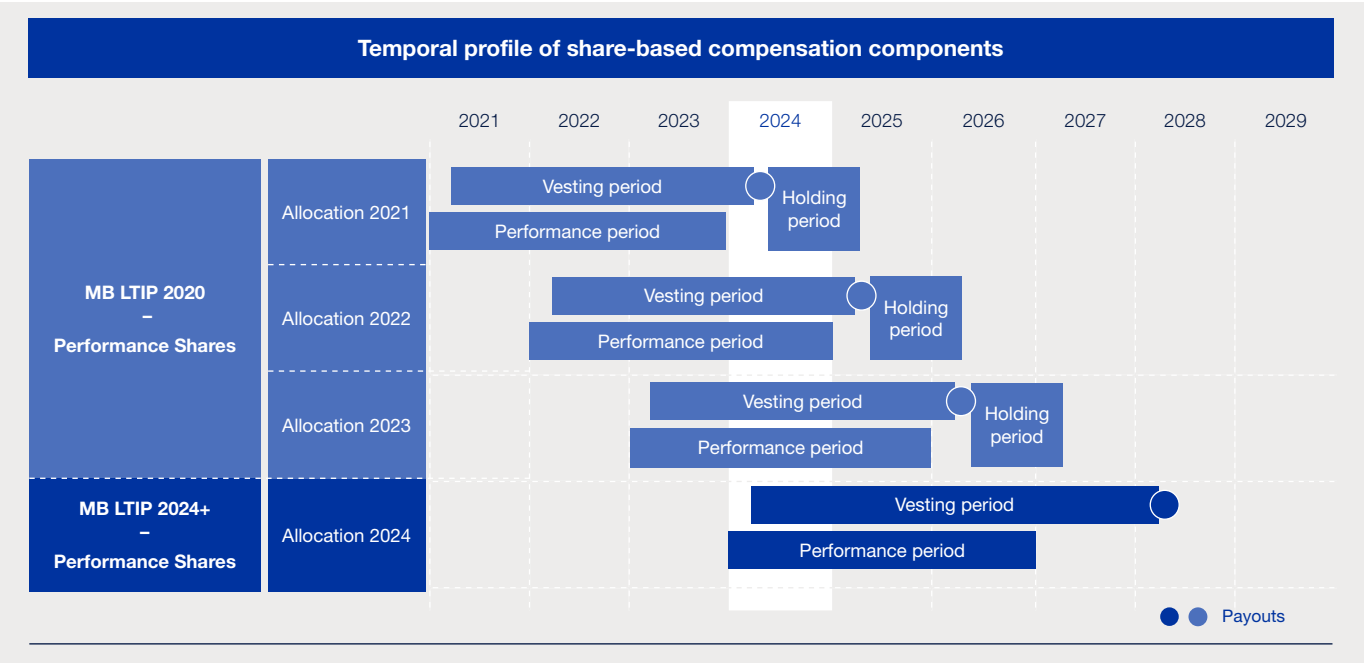
	Allocation date	Vesting date	Fair Value at allocation[1] in € THOUS	Number of allocated Performance Shares	Overall target achievement (if final) in %	Number of Performance Shares as of December 31, 2024
Former Members of the Management Board						
Rice Powell						
Allocation 2022	March 1, 2022	March 1, 2025	2,425	45,841	6	2,750
TOTAL				**45,841**		**2,750**
William Valle						
Allocation 2022	March 1, 2022	March 1, 2025	1,888	35,678	6	2,141
Allocation 2023	March 1, 2023	March 1, 2026	1,995	61,938		61,938
TOTAL				**97,616**		**64,079**

[1] The IFRS 2 Fair Value in principle reflects all market conditions, including for the Allocation 2024 the current target achievement for the performance target "Relative TSR" on the respective allocation date. The amounts set out herein for the Allocation 2024 are based on a 100% target achievement for the performance target "Relative TSR" to avoid the allocation value being influenced by short-term volatility in the development of the Company's Relative TSR and to enable comparability of the allocation value with those from previous years.

Temporal Profile of the Share-Based Compensation Components

The following diagram shows the temporal profile of the outstanding share-based compensation components. The temporal profile uses a simplified, schematic illustration of the allocations. The details can be found in the tables above and in the corresponding explanations.

C 3.33 TEMPORAL PROFILE OF SHARE-BASED COMPENSATION COMPONENTS



Share Ownership Guidelines and Shareholdings

Under the formal Share Ownership Guidelines (SOG) introduced with the Compensation System 2024+, the members of the Management Board are generally obliged to invest a portion of their compensation in shares of the Company (SOG amount) within four years of the start of their respective service agreement, but no earlier than January 1, 2024, and to hold these shares for at least two years after the end of their respective service agreement. Further information on this can be found in the section "Introduction of Share Ownership Guidelines."

The obligation to invest the amounts earned from allocations under the MB LTIP 2020 in accordance with the applicable plan terms in shares of the Company, which must be held for at least one year, remains unaffected. The amounts invested by the members of the Management Board in the Fiscal Year in this respect are shown in the section "Vested amounts (Allocation 2021)."

In addition, in 2021, the supervisory board of the General Partner responsible at the time decided that the Management Board members then in office – with their consent – would acquire shares on the Company on the stock exchange for a portion of their variable compensation and hold such shares for at least three years. Further information on this can be found in the Compensation Report for previous years.

Shares acquired prior to the beginning of the investment period relevant for the SOG or as part of an equity settlement under a long-term incentive plan are credited to the investment obligation. Changes in the value of the shares after their acquisition are not taken into account for purposes of the fulfillment of the investment obligation under the SOG.

The shareholdings notified to the Company as of the end of the Fiscal Year of the members of the Management Board in office in the Fiscal Year as well as the status of the fulfillment of the SOG are shown in the TABLE 3.34. The investment obligation under the SOG may be satisfied by acquisition of shares or American Depositary Shares (ADSs). For simplification purposes, the number of shares and ADSs have been combined in the TABLE 3.34. Where ADSs are held, two ADSs represent one share.

T 3.34 OVERVIEW ON THE SOG REQUIREMENTS AND ON THE STATUS

		SOG requirements				Status as of December 31, 2024		
	Member of the Management Board since	Annual base salary	SOG amount in % of base salary	SOG amount	To fulfill until	Amount invested[3]	Status of fulfillment	Number of shares
		in € THOUS	in %	in € THOUS		in € THOUS	in %	
Helen Giza[1]	November 1, 2019[2]	1,663	200	3,326	December 31, 2027	767	23	17,036
Craig Cordola, Ed.D.[1]	January 1, 2024	1,340	150	2,010	December 31, 2027	1,379	69	39,448
Martin Fischer	October 1, 2023	800	150	1,200	December 31, 2027	–	–	–
Dr. Jörg Häring	June 1, 2024	700	150	1,050	May 31, 2028[4]	–	–	–
Franklin W. Maddux, M.D.[1]	January 1, 2020	979	150	1,469	December 31, 2027	1,188	81	23,687
Dr. Katarzyna Mazur-Hofsäß	September 1, 2018	1,064	150	1,596	December 31, 2027	553	35	12,928

[1] The annual base salary and consequently also the SOG amount and the amount invested for Ms. Helen Giza and for Messrs. Craig Cordola, Ed.D. and Franklin W. Maddux, M.D. is agreed in U.S. dollars. For the presentation in this table, the U.S. dollar amounts were translated with the average exchange rate of the calendar year.
[2] Ms. Helen Giza is Chairwoman and Chief Executive Officer since December 6, 2022, for whom the increased SOG amount applies.
[3] According to the SOG, the acquired shares are in principle credited with the amount invested. There is no revaluation on a specific reporting date or at current share prices. To the extent the acquisition is made in a currency other than that of the agreed base salary and consequently also of the SOG amount, the translation of the invested amounts is done at the exchange rate of the respective acquisition date.
[4] Dr. Jörg Häring is member of the Management Board since June 1, 2024, which is why the time limit for investing the SOG amount deviates from the time limit for the other members of the Management Board.

Other Benefits and Commitments

The following information concerns benefits and commitments to members of the Management Board within the meaning of Section 162 paragraph 2 AktG and related disclosures as, for instance, on the cash pension allowance.

Benefits from Third Parties

Unless otherwise stated in this Compensation Report, no benefits were awarded or promised to the members of the Management Board by a third party in the Fiscal Year with regard to their activities as members of the Management Board, and compensation awarded to members of the Management Board for management activities or supervisory board mandates in companies of the Company's group is offset against the compensation of the respective member of the Management Board. If the Supervisory Board resolves that compensation awarded to members of the Management Board for supervisory board activities outside the Company's group shall be deducted in full or in part from the compensation of the respective member of the Management Board, this will be made transparent accordingly.

Pension-Related Obligations

The pension arrangements with the members of the Management Board and the changes to the corresponding commitments agreed in the Fiscal Year to implement the Compensation System 2024+ are presented below.

Cash Pension Allowance and Defined Contribution Pension Commitments

The members of the Management Board first appointed with effect from or after January 1, 2024, Mr. Craig Cordola, Ed.D. and Dr. Jörg Häring, as well as future members of the Management Board, have been or will be granted a cash pension payment allowance in the amount of 40% of their respective base salary in accordance with the Compensation System 2024+. The pension allowance is generally paid in the same cycle as the base salary.

In the Fiscal Year, it was agreed with the members of the Management Board Ms. Helen Giza and Mr. Franklin W. Maddux, M.D., each of whom has been granted a pension commitment within the framework of a defined contribution plan, and with Mr. Martin Fischer, who had been promised such a pension commitment in the event of the conclusion of a corresponding reinsurance policy, that the pension commitments would each be canceled and that they would instead be granted the aforementioned pension allowance with effect from the cancellation of the pension commitment. The cancellation of the pension commitment for Mr. Fischer took effect at the end of September 30, 2024. The termination of the pension commitments for Ms. Giza and Mr. Maddux, M.D. will each take effect in 2025. It was agreed with the aforementioned members of the Management Board that they would each receive a payment in the amount of the sum of the insurance contributions that have been paid (for Ms. Giza and Mr. Maddux, M.D.) or should have been paid (for Mr. Fischer, for whose pension commitment no reinsurance policy had until then been taken out) as compensation when the cancellation of the respective pension commitments takes effect. As the insurance contributions for the financing of the defined contribution plans and the pension allowance each correspond to 40% of the annual base salary, this change is neutral in terms of amount for the members of the Management Board.

For the defined contribution commitments that still exist after the end of the Fiscal Year, there is generally a waiting period for the granting of benefits during the first three years after the pension commitment has been made. Under the defined contribution plan, an annual insurance contribution amounting to 40% of the base salary, which determines the future benefit amount, is paid for the respective Management Board member retrospectively for the period from the appointment as a member of the Management Board. After reaching the relevant retirement age under the defined contribution plan, payments can be made either as a one-off payment or optionally in ten annual installments. An annuity payment is not provided. The defined contribution plan provides for survivors' benefits (Hinterbliebenenversorgung) and benefits after the occurrence of a full or partial reduction in earning capacity (Erwerbsminderung). The implementation of the defined contribution plan is carried out in the form of external financing as a defined contribution plan with a reinsurance policy. The risks of death and occupational disability are covered already upon making of the pension commitment.

The insurance contributions in the Fiscal Year and the present value as of December 31 of the Fiscal Year are as follows:

T 3.35 **DEFINED CONTRIBUTION PENSION COMMITMENTS**
IN € THOUS

	Insurance contribution 2024	Present value as of December 31, 2024
Helen Giza	729	2,427
Franklin W. Maddux, M.D.	397	1,704
TOTAL	**1,126**	**4,131**

Defined Benefit Pension Commitments

The Management Board member Dr. Katarzyna Mazur-Hofsäß and individual former Management Board members, each of whom were appointed to the Management Board before January 1, 2019, were each made an individual, performance-based (i.e., defined benefit) contractual pension commitment.

The defined benefit pension commitments each provide for a retirement pension and survivor benefits (Hinterbliebenenversorgung) as of the time of conclusively ending active work (at age 65 at the earliest) or upon occurrence of disability or incapacity to work *(Berufs- oder Erwerbsunfähigkeit)* or of a full or partial

reduction in earning capacity *(Erwerbsminderung)*, calculated by reference to the amount of the recipient's most recent base salary.

The retirement pension in principle amounts to 30% of the pensionable income. The aforementioned percentage increases by 1.5 percentage points for each full year of service, up to a maximum of 45%. The pensionable income is determined on the basis of the average base salary in the last five years before the occurrence of the insured event. Current retirement pensions increase according to statutory requirements (Section 16 of the German Act for the Improvement of Company Pension Plans (BetrAVG)). As a general rule, 30% of the gross amount of any post-retirement income from an activity of the Management Board member is to be offset against the pension.

If the Management Board member dies, the surviving spouse receives a pension amounting to 60% of the pension claim applicable at that time. Furthermore, the deceased Management Board member's natural legitimate children (leibliche eheliche Kinder) receive an orphan's pension amounting to 20% of the pension claim applicable at that time until they complete their education, but no longer than they reach 25 years of age. However, all orphans' pensions and the surviving spouse's pension, taken together, may not exceed 90% of the Management Board member's pension claim.

If the Management Board member leaves the Management Board before reaching the age of 65, the rights to the aforementioned benefits survive. In such case, however, the pension to be paid is reduced – unless the Management Board member ceases to hold office because a covered event occurs (disability or incapacity to work, payment of a survivor's pension in case of death or, if applicable, early retirement) – in proportion to the ratio of the actual years of service as a Management Board member to the potential years of service until reaching the age of 65.

According to IAS 19, the pension commitment for Dr. Katarzyna Mazur-Hofsäß has increased by €632 THOUS in the Fiscal Year and amounted to €3,660 THOUS on December 31, 2024 (December 31, 2023: €3,028 THOUS).

U.S.-Based 401(k) Savings Plan

Based on individual contractual commitments, the Management Board members Ms. Helen Giza and Mr. Craig Cordola, Ed.D., additionally participated in the U.S.-based 401(k) Savings Plan in the Fiscal Year. In this context, an amount of $10,350 (€9,562) for Ms. Giza and an amount of $4,756 (€4,394) for Mr. Cordola, Ed.D., were earned in the Fiscal Year. This plan generally allows employees in the U.S. to invest a limited portion of their gross salaries in retirement pension programs. The company supports its employees at this with matching contributions of up to 50% of the annual payments.

Post-Employment Non-Competition Covenant

A post-employment non-competition covenant was agreed with each member of the Management Board. If such covenant becomes applicable, the member of the Management Board will receive, for a period of up to two years, non-compete compensation amounting to half of the respective annual base salary for each year the non-competition covenant is applied.

Change of Control

The service agreements of the Management Board members contain no express provisions for the event of a change of control.

Severance Payment Cap

The service agreements concluded with the Management Board members provide for a severance payment cap. Under this cap, payments in connection with the early termination of a Management Board activity may not exceed the value of two years' compensation and may not compensate for more than the remaining term of the service agreement. To calculate the relevant annual compensation, only the fixed compensation components are applied. If the Company has terminated the service agreement for good cause or would be entitled to do so, no severance payments will be made.

Continued Compensation in Cases of Sickness

All Management Board members have received individual contractual commitments to obtain continued compensation in cases of sickness for a maximum of twelve months; after six months of sick leave, insurance benefits may be offset against such payments. If a Management Board member dies, the surviving dependents will be paid three more monthly installments after the month of death, not to exceed, however, the amount due for the period until the scheduled expiration of the relevant service agreement.

Further Information

Compensation of the U.S. members of the Management Board Ms. Helen Giza, Mr. Craig Cordola, Ed.D., and Mr. Franklin W. Maddux, M.D., was paid or taxed partly in the U.S. (in U.S. dollars) and partly in Germany (in euro). With respect to the amount paid in Germany, it was agreed with the aforementioned Management Board members that due to varying tax rates in both countries, the increased or lower tax burden to such members of the Management Board arising from German tax rates in comparison to U.S. tax rates will be balanced or will be paid back by them (net compensation). Pursuant to a modified net compensation agreement, these Management Board members will be treated as if they were taxed in the U.S. only. Since the actual tax burden can be calculated only in connection with the preparation of the Management Board members' tax returns, subsequent adjustments may have to be made, which will then be retroactively covered in future Compensation Reports.

To the extent permitted by law, the Company undertook to indemnify the Management Board members from claims asserted against them arising out of their work for the Company and its affiliates, to the extent such claims exceed their liability under German law. To secure such obligations, a Directors & Officers liability insurance is in place having a deductible that corresponds to the specifications under German stock corporation law.

In accordance with applicable legal requirements, no loans or advance payments on future compensation components were awarded to members of the Management Board in the Fiscal Year.

Former Management Board Members' Compensation

The compensation awarded or due to former members of the Management Board in the Fiscal Year is shown individually in the TABLE 3.36 on the next page, unless the respective member of the Management Board left before the end of 2014. Members of the Management Board who left before the end of 2014 received pension payments totaling €583 THOUS in the Fiscal Year. Otherwise, no compensation was awarded or due to former members of the Management Board in the Fiscal Year.

For an explanation as to how the compensation components correspond to the relevant compensation system, as to how compensation promotes the long-term development of the Company, as to how the performance criteria were applied and as to how the compensation "awarded" in the Fiscal Year is defined, see the respective aforementioned statements regarding the compensation for the Management Board members in office in the Fiscal Year.

T 3.36 COMPENSATION OF THE FORMER MEMBERS OF THE MANAGEMENT BOARD
IN € THOUS

	Michael Brosnan[1] Member of the Management Board until October 31, 2019		**Roberto Fusté** Member of the Management Board until March 31, 2016		**Dr. Carla Kriwet** Member of the Management Board until December 5, 2022		**Ronald Kuerbitz**[1] Member of the Management Board until February 17, 2017		**Rice Powell**[1] Member of the Management Board until December 31, 2022	
	Absolute	Ratio in %	Absolute	Ratio in %	Absolute	Ratio in %	Absolute	Ratio in %	Absolute	Ratio in %
Pension payments	374		293		—		11		684	
Fringe benefits	—		—		297[2]		—		10	
TOTAL NON-PERFORMANCE-BASED COMPENSATION	374	100	293	100	297	100	11	100	694	75
Allocation 2021 (MB LTIP 2020)	—		—		—		—		236	
TOTAL VARIABLE COMPENSATION	—	—	—	—	—	—	—	—	236	25
TOTAL COMPENSATION ACCORDING TO SEC. 162 PARA. 1 SENT. 2 NO. 1 AKTG	**374**		**293**		**297**		**11**		**930**	

	Dr. Olaf Schermeier Member of the Management Board until December 31, 2021		**William Valle**[1] Member of the Management Board until December 31, 2023		**Kent Wanzek**[1] Member of the Management Board until December 31, 2021		**Harry de Wit** Member of the Management Board until December 31, 2021	
	Absolute	Ratio in %	Absolute	Ratio in %	Absolute	Ratio in %	Absolute	Ratio in %
Pension payments	—		—		273		—	
Fringe benefits	—		—		—		—	
TOTAL NON-PERFORMANCE-BASED COMPENSATION	—	—	—	—	273	71	—	—
Allocation 2021 (MB LTIP 2020)	105		182		109		96	
TOTAL VARIABLE COMPENSATION	105	100	182	100	109	29	96	100
TOTAL COMPENSATION ACCORDING TO SEC. 162 PARA. 1 SENT. 2 NO. 1 AKTG	**105**		**182**		**382**		**96**	

[1] Note for the amounts set out that the compensation benefits for Messrs. Michael Brosnan, Ronald Kuerbitz, Rice Powell, William Valle and Kent Wanzek are denominated in U.S. dollars. In principle, the translation of U.S. dollar amounts was done at the average exchange rate for the applicable calendar year. For the Long-Term Incentive the translation of U.S. dollar amounts was done at the closing rate of the applicable vesting date.

[2] As already reported in the 2022 Compensation Report, an entitlement to payments of up to €1,300 THOUS for forfeited compensation benefits from a previous service relationship was agreed with Dr. Kriwet on conclusion of her service agreement, which could have become due in March 2024 and March 2025. With the payment of €285 set out herein all entitlements under this agreement have been settled. The fringe benefits reported here also include an amount of €12 THOUS attributable to the value of the use of a company car to which Dr. Kriwet was entitled as agreed, as already reported in the 2022 Compensation Report.

Remuneration of the Members of the Supervisory Board

The Supervisory Board advises and monitors the Management Board and is involved in the strategy and planning and in all matters of fundamental importance to the company. In view of these tasks, which carry a high degree of responsibility, the members of the Supervisory Board are intended to receive appropriate remuneration, which also takes sufficient account of the time required to hold the Supervisory Board office. In addition, Supervisory Board remuneration that is appropriate also with respect to the market environment ensures that the Company will continue to have qualified candidates for the Supervisory Board in the future. Appropriate remuneration of the Supervisory Board members thus contributes to the promotion of the business strategy and the long-term development of the Company.

The remuneration for the members of the Supervisory Board is granted on the basis of the Company's Articles of Association. According to Article 14 of the Articles of Association, the members of the Supervisory Board receive fixed remuneration, fringe benefits (comprising the reimbursement of expenses and insurance coverage) and, if they serve on committees of the Supervisory Board, generally remuneration for these committee activities.

The fixed remuneration for service on the Supervisory Board or committees of the Supervisory Board is payable in four equal installments at the end of a calendar quarter. The members of the Supervisory Board do not receive variable remuneration; the remuneration awarded and due to them exclusively comprises fixed remuneration components.

If a fiscal year is not a complete calendar year, the remuneration relating to a full fiscal year is paid on a pro rata temporis basis. This generally applies accordingly if members of the Supervisory Board hold their office in the Supervisory Board or in a committee of the Supervisory Board or hold the office as chairperson or deputy chairperson only during a part of a full fiscal year.

The members of the Supervisory Board are reimbursed for the expenses incurred in the exercise of their office, including any statutory value-added tax owed by them. Furthermore, a Directors & Officers liability insurance in favor of the supervisory board members is in place, having a deductible corresponding to the specifications applying to management board members under German stock corporation law.

Changes to the Remuneration in the Fiscal Year

The Company's 2024 AGM resolved with a majority of around 99.49% of the votes cast to amend the corresponding provisions of the Articles of Association with effect from July 1, 2024. The remuneration of the members of the Supervisory Board was increased moderately overall in order to appropriately take into account the further increased demands regarding the responsibilities of the Supervisory Board and certain Supervisory Board committees as well as the corresponding increase in time expenditure, and to ensure that the Company remains competitive in the competition for highly qualified Supervisory Board candidates. The currency of the remuneration was changed from U.S. dollars to euro. The resolution of the Company's 2024 AGM on the Supervisory Board members' remuneration can be found on the Company's website at www.freseniusmedicalcare.com/en/about-us/supervisory-board/remuneration.

The changes to the remuneration for serving on the Supervisory Board and its committees effective July 1, 2024 are as follows:

The fixed remuneration for each Supervisory Board member of previously $160 THOUS per year was changed to €170 THOUS per year. The additional remuneration for the chairperson and the deputy chairperson of the Supervisory Board was adjusted accordingly from $160 THOUS and $80 THOUS per year to €170 THOUS and €85 THOUS per year, respectively.

The members of the Audit Committee and the Presiding Committee instead of $40 THOUS per year receive €55 THOUS per year for their work in each of these committees. For serving as a member of the Compensation Committee and the Nomination Committee as well as any other committee only the currency of the remuneration was changed from U.S. dollars to euro; in this respect, instead of $40 THOUS per year, €40 THOUS per year are to be paid.

The additional remuneration for the chairperson of the aforementioned Supervisory Board committees was adjusted accordingly from $40 THOUS per year to €55 THOUS per year for the respective chairperson of the Audit Committee or the Presiding Committee and to €40 THOUS per year for the respective chairperson of the Compensation Committee or the Nomination Committee.

The additional remuneration for the deputy chairperson of committees of the Supervisory Board of previously $20 THOUS was canceled.

No additional remuneration is paid for serving as a member of the Mediation Committee.

Remuneration awarded and due in the Fiscal Year

The remuneration awarded and due in the Fiscal Year to the members of the Supervisory Board of the Company is shown in the TABLE 3.37 on the next page. No remuneration was awarded or due to former Supervisory Board members in the Fiscal Year.

T 3.37 **REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD IN OFFICE IN THE FISCAL YEAR[1]**
IN € THOUS

	Remuneration for supervisory board activities		Remuneration for committee services		Total remuneration	
	2024	2023[2]	2024	2023[2]	2024	2023[2]
Michael Sen[3]	318	296	191	148	**509**	**444**
Stefanie Balling[4]	215	–	105	–	**320**	**–**
Ralf Erkens[5]	150	–	39	–	**189**	**–**
Beate Haßdenteufel[6]	150	–	11	–	**161**	**–**
Sara Hennicken[7]	174	155	38	3	**212**	**158**
Regina Karsch[8]	150	–	31	–	**181**	**–**
Shervin J. Korangy[9]	159	12	86	8	**245**	**20**
Dr. Marcus Kuhnert[10]	159	12	138	9	**297**	**21**
Frank Michael Prescher[11]	150	–	39	–	**189**	**–**
Gregory Sorensen, M.D.[12]	159	148	54	3	**213**	**151**
Dr. Manuela Stauss-Grabo[13]	150	–	37	–	**187**	**–**
Pascale Witz[14]	172	148	127	82	**299**	**230**
TOTAL	**2,106**	**771**	**896**	**253**	**3,002**	**1,024**

[1] Shown without withholding tax. The currency of the remuneration was changed from U.S. dollars to euro effective July 1, 2024. The translation of U.S. dollar amounts was made for the period from January 1, 2024 to June 30, 2024 using the average exchange rate for the first half of 2024 and for the previous year using the average exchange rate for the previous year.
[2] Mr. Michael Sen and Ms. Sara Hennicken each were exclusively, and Mr. Gregory Sorensen, M.D. and Ms. Pascale Witz each were also, members of the supervisory board of the Company's General Partner, Fresenius Medical Care Management AG, which was involved in the corporate governance of the Company until the change in the Company's legal form took effect on November 30, 2023. In continuation of the Company's previous reporting practice, the amounts shown in this table for 2023 also include the remuneration they received for their work on the supervisory board of Fresenius Medical Care Management AG.
[3] Until November 30, 2023, member and Chairman of the supervisory board of Fresenius Medical Care Management AG in its function as the General Partner. Since then, member and Chairman of the Supervisory Board of the Company as well as of the Presiding Committee and the Nomination Committee.
[4] Since January 26, 2024, member of the Supervisory Board of the Company. Since March 14, 2024, Deputy Chairwoman of the Supervisory Board as well as member and Deputy Chairwoman of the Audit Committee and the Presiding Committee.
[5] Since January 26, 2024, member of the Supervisory Board of the Company. Since March 14, 2024, member of the Presiding Committee.
[6] Since January 26, 2024, member of the Supervisory Board of the Company.
[7] Until November 30, 2023, member of the supervisory board of Fresenius Medical Care Management AG in its function as the General Partner. Since then, member of the Supervisory Board of the Company and of the Nomination Committee. From November 30, 2023 to March 14, 2024 Deputy Chairwoman of the Supervisory Board of the Company.
[8] Since January 26, 2024, member of the Supervisory Board of the Company. Since March 14, 2024, member of the Compensation Committee.
[9] Since November 30, 2023, member of the Supervisory Board of the Company, member of the Compensation Committee as well as member and Deputy Chairman of the Nomination Committee.
[10] Since November 30, 2023, member of the Supervisory Board of the Company, member and Chairman of the Audit Committee as well as member of the Presiding Committee.
[11] Since January 26, 2024, member of the Supervisory Board of the Company. Since March 14, 2024, member of the Audit Committee.
[12] Until November 30, 2023, also member of the supervisory board of Fresenius Medical Care Management AG in its function as the General Partner. Since then, member of the Audit Committee.
[13] Since January 26, 2024, member of the Supervisory Board of the Company. Since March 14, 2024, member and Deputy Chairwoman of the Compensation Committee.
[14] Until November 30, 2023, also member of the supervisory board of Fresenius Medical Care Management AG in its function as the General Partner. Since then, also member and Chairwoman of the Compensation Committee as well as member of the Nomination Committee. Until March 14, 2024, also member and Deputy Chairwoman of the Audit Committee; until November 30, 2023, Chairwoman of the Audit Committee.

Comparative Presentation of the Development of the Compensation

The development of the compensation awarded and due to the current and former members of the Management Board and the Supervisory Board, the development of the Company's earnings and the development of the average compensation of employees on a full-time equivalent (FTE) basis are shown comparatively in the TABLE 3.38 on page 246. The disclosures are also made for the former members of the management board of the former General Partner of the Company (i.e., Fresenius Medical Care Management AG). The disclosures are only made for persons to whom compensation was granted or due in the Fiscal Year.

Metrics for the Performance of the Company

For the purposes of a comparative presentation of the Company's performance, in addition to the Company's annual results for the year under German commercial law, which shows the Company's earnings development pursuant to German commercial law, revenue and net income as well as operating income and return on invested capital (ROIC) are also used, each of which serve as primary key performance indicators or secondary financial performance indicators of the group and as performance targets for the Management Board members' variable compensation.

Information on the Compensation awarded and due

Since the Compensation Report for 2021, the compensation has been reported in accordance with the provisions of the new Section 162 AktG introduced at the time. In order to obtain a reasonable comparison between the individual years, the information contained in the TABLE 3.38 on page 246 on the compensation of the members of the Management Board and the Supervisory

Board in 2020 is also reported in accordance with the understanding of the term "compensation awarded and due" applied in the compensation tables in the section "Compensation tables for the Management Board members in office in the Fiscal Year." The amounts disclosed for 2020 therefore differ in some cases from the corresponding disclosures in the Compensation Report for 2020.

Financial Figures

The figures set out in the compensation comparison are disclosed at current currency and in accordance with the accounting standards applied by the Company in the relevant fiscal year, while the growth rates relating to the Management Board members' Long-Term Incentive are determined at constant currency and the figures relating to the Management Board members' Short-Term Incentive are translated at the exchange rates that were applied for the determination of the target values.

As disclosed in the Compensation Reports for the relevant years, the figures used for determining the level of target achievement and for determining the Management Board members' compensation were and are, in some cases, adjusted for certain effects to ensure comparability of the figures with respect to the operational performance.

Consequently, there is only a limited degree of comparability between the figures relating to each year shown in the TABLE 3.38 on the next page and the corresponding amounts of the Management Board members' compensation and, in particular, between these figures in terms of their respective annual change.

Compensation of the Management Board

In accordance with the applicable plan terms, an award in the meaning of this Compensation Report from the Long-Term Incentive to the members of the Management Board is generally made only after expiry of the multi-year vesting period. As a result, compensation awarded or due to Management Board members is usually lower in the first years of their Management Board activity than in subsequent years.

The vesting periods for the various Long-Term Incentives included in the TABLE 3.38 on the next page are not identical. This means that more than one tranche of the Long-Term Incentives could be earned in certain years and is therefore deemed to have been awarded. This applies, for example, to the 2019 allocation under the Management Board Long Term Incentive Plan 2019 (MB LTIP 2019) and the 2020 allocation under the MB LTIP 2020, which each vested in 2023.

The pension allowance introduced with effect from January 1, 2024 for individual members of the Management Board is compensation within the meaning of Section 162 paragraph 1 sentence 2 no. 1 AktG and is therefore – unlike the pension expense for pension commitments incurred for individual current or former members of the Management Board – included in the amounts shown in the TABLE 3.38 on the next page.

Compensation of the Supervisory Board

The variable compensation component previously in place for the Supervisory Board was eliminated with effect from January 1, 2021. To compensate for this, the fixed compensation of the members of the Supervisory Board was increased effective from January 1, 2021. Furthermore, the compensation for the members of the Supervisory Board and its committees was changed with effect as of July 1, 2024 and increased moderately overall in order to appropriately take into account the further increased demands regarding the responsibilities of the Supervisory Board and certain Supervisory Board committees as well as the corresponding increase in time expenditure.

Compensation of the Employees

Employee compensation is based on the average wages and salaries of all employees on an FTE basis at the Company and its group companies worldwide in the respective year in order to enable reporting that is consistent with the corresponding figures from reports for previous years as well as the most comprehensive comparison possible over the entire comparative period.

Table on the Development of the Compensation

The comparative presentation of the development of the compensation over the past five years is shown in the TABLE 3.38 on the next page.

Outlook for the Compensation for 2025

The Supervisory Board has again set the two equally weighted sub-targets "patient satisfaction" and "employee satisfaction" as the sustainability target for the STI for 2025 and the reduction in market-based CO_2e emissions as the sustainability target for the LTI allocation for 2025. The other performance targets for the STI for the year 2025 and for the allocation of the LTI for 2025 also correspond to those of the Fiscal Year. Information on the target values and the respective performance target achievement will be disclosed after the end of the performance period in the Compensation Report for the relevant fiscal year.

T 3.38 COMPARATIVE PRESENTATION OF THE DEVELOPMENT OF THE COMPENSATION (CONTINUATION ON NEXT PAGE)

	2024	Change	2023	Change	2022	Change	2021	Change	2020
	in € THOUS	in %	in € THOUS	in %	in € THOUS	in %	in € THOUS	in %	in € THOUS
Revenue	19,335,909	**(1)**	19,453,617	**0**	19,398,017	**10**	17,618,685	**(1)**	17,859,063
Operating income	1,392,395	**2**	1,369,438	**(9)**	1,511,755	**(18)**	1,852,290	**(20)**	2,304,409
Net income	537,913	**8**	498,997	**(26)**	673,405	**(31)**	969,308	**(17)**	1,164,377
ROIC	3.5%	**25**	2.8%	**(15)**	3.3%	**(33)**	4.9%	**(16)**	5.8%
Annual result according to the statutory financial statements of Fresenius Medical Care AG	966,458	**21**	798,197	**n. a.**	(1,141,219)	**n. a.**	1,737,017	**n. a.**	(1,357,242)
Average employees' compensation	60.8	**17**	51.9	**(1)**	52.3	**15**	45.4	**(2)**	46.2
CEO pay ratio (CEO in office at year-end to average employees)	61:1	**n. a.**	83:1	**n. a.**	38:1	**n. a.**	119:1	**n. a.**	165:1
Members of the Management Board in office in the Fiscal Year									
Helen Giza	3,708	**(14)**	4,304	**119**	1,969	**11**	1,781	**(12)**	2,014
Craig Cordola, Ed.D.	3,718	**n. a.**	–	**n. a.**	–	**n. a.**	–	**n. a.**	–
Martin Fischer	2,524	**185**	887	**n. a.**	–	**n. a.**	–	**n. a.**	–
Dr. Jörg Häring	1,378	**n. a.**	–	**n. a.**	–	**n. a.**	–	**n. a.**	–
Franklin W. Maddux, M.D.	2,359	**(13)**	2,708	**61**	1,683	**(15)**	1,986	**(33)**	2,949
Dr. Katarzyna Mazur-Hofsäß	2,666	**(17)**	3,210	**69**	1,903	**2**	1,872	**(6)**	1,993

T 3.38 COMPARATIVE PRESENTATION OF THE DEVELOPMENT OF THE COMPENSATION (CONTINUATION OF THE PREVIOUS PAGE)

	2024	Change	2023	Change	2022	Change	2021	Change	2020
	in € THOUS	in %	in € THOUS	in %	in € THOUS	in %	in € THOUS	in %	in € THOUS
Former members of the Management Board									
Michael Brosnan	374	**(38)**	601	**57**	382	**(41)**	651	**(83)**	3,813
Roberto Fusté	293	**—**	293	**—**	293	**7**	274	**(87)**	2,157
Dr. Carla Kriwet	297	**n. a.**	—	**(100)**	3,173	**n. a.**	—	**n. a.**	—
Ronald Kuerbitz	11	**n. a.**	—	**n. a.**	—	**n. a.**	—	**n. a.**	—
Rice Powell	930	**(64)**	2,574	**(45)**	4,658	**(14)**	5,424	**(29)**	7,642
Dr. Olaf Schermeier	105	**(84)**	670	**4**	644	**(75)**	2,578	**(15)**	3,042
William Valle	182	**(97)**	6,387	**85**	3,457	**(7)**	3,709	**(16)**	4,402
Kent Wanzek	382	**(66)**	1,137	**54**	740	**(71)**	2,554	**(30)**	3,654
Harry de Wit	96	**(86)**	706	**11**	637	**(77)**	2,814	**(13)**	3,243
Members of the supervisory board in office in the Fiscal Year									
Michael Sen	509	**15**	444	**289**	114	**n. a.**	—	**n. a.**	—
Stefanie Balling	320	**n. a.**	—	**n. a.**	—	**n. a.**	—	**n. a.**	—
Ralf Erkens	189	**n. a.**	—	**n. a.**	—	**n. a.**	—	**n. a.**	—
Beate Haßdenteufel	161	**n. a.**	—	**n. a.**	—	**n. a.**	—	**n. a.**	—
Sara Hennicken	212	**34**	158	**216**	50	**n. a.**	—	**n. a.**	—
Regina Karsch	181	**n. a.**	—	**n. a.**	—	**n. a.**	—	**n. a.**	—
Shervin J. Korangy	245	**1,125**	20	**n. a.**	—	**n. a.**	—	**n. a.**	—
Dr. Marcus Kuhnert	297	**1,314**	21	**n. a.**	—	**n. a.**	—	**n. a.**	—
Frank Michael Prescher	189	**n. a.**	—	**n. a.**	—	**n. a.**	—	**n. a.**	—
Gregory Sorensen, M.D.	213	**41**	151	**(1)**	152	**77**	86	**n. a.**	—
Dr. Manuela Stauss-Grabo	187	**n. a.**	—	**n. a.**	—	**n. a.**	—	**n. a.**	—
Pascale Witz	299	**30**	230	**10**	209	**12**	187	**24**	151

Auditor's Report

To Fresenius Medical Care AG, Hof (Saale)

We have audited the remuneration report of Fresenius Medical Care AG, Hof (Saale), for the financial year from January 1 to December 31, 2024 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of Fresenius Medical Care AG are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of the remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from January 1 to December 31, 2024, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

Restriction on use

We issue this auditor's report on the basis of the engagement agreed with Fresenius Medical Care AG. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Frankfurt am Main, February 28, 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

(sgd. Peter Kartscher)
Wirtschaftsprüfer
(German Public Auditor)

(sgd. Dominik Höhler)
Wirtschaftsprüfer
(German Public Auditor)

Consolidated Financial Statements

249 Consolidated Financial Statements
258 Notes to Consolidated Financial Statements
355 Supervisory Board and Management Board

Consolidated Statements of Income

T 4.1 **CONSOLIDATED STATEMENTS OF INCOME**
IN € THOUSANDS (THOUS), EXCEPT PER SHARE DATA

	Note	2024	2023	2022
Revenue:				
Health care services	5 a, 29	15,085,387	15,393,936	15,418,069
Health care products	5 a, 29	4,250,522	4,059,681	3,979,948
	5 a, 29	**19,335,909**	**19,453,617**	**19,398,017**
Costs of revenue:				
Health care services		12,159,318	12,178,846	12,243,835
Health care products		2,419,939	2,349,766	2,260,493
		14,579,257	**14,528,612**	**14,504,328**
Operating (income) expenses:				
Selling, general and administrative	5 b	3,142,819	3,196,336	3,170,370
Research and development		183,493	231,970	228,624
Income from equity method investees	29	(134,875)	(121,785)	(66,559)
Other operating income	5 e	(760,118)	(515,247)	(549,853)
Other operating expense	5 e	932,938	764,293	747,554
Remeasurement Gain from Interwell Health		—	—	(148,202)
OPERATING INCOME		**1,392,395**	**1,369,438**	**1,511,755**

	Note	2024	2023	2022
Other (income) expense:				
Interest income	5 f	(71,575)	(88,217)	(67,663)
Interest expense	5 f	407,044	424,640	360,139
INCOME BEFORE INCOME TAXES		**1,056,926**	**1,033,015**	**1,219,279**
Income tax expense	5 g	316,056	300,557	324,954
NET INCOME		**740,870**	**732,458**	**894,325**
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS		**202,957**	**233,461**	**220,920**
NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF FME AG		**537,913**	**498,997**	**673,405**
BASIC EARNINGS PER SHARE	22	**1.83**	**1.70**	**2.30**
DILUTED EARNINGS PER SHARE	22	**1.83**	**1.70**	**2.30**

The following notes are an integral part of the consolidated financial statements.

Consolidated Statements of Comprehensive Income

T 4.2 **CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
IN € THOUS

	Note	2024	2023	2022
NET INCOME		**740,870**	**732,458**	**894,325**
Other comprehensive income (loss):				
Components that will not be reclassified to profit or loss:				
Equity method investees – share of OCI	27	–	–	22,705
FVOCI equity investments	27	(15,586)	18,046	2,883
Actuarial gain (loss) on defined benefit pension plans	19, 27	15,990	(58,455)	318,595
Income tax (expense) benefit related to components of other comprehensive income not reclassified	27	(2,941)	16,196	(94,294)
		(2,537)	**(24,213)**	**249,889**
Components that may be reclassified subsequently to profit or loss:				
Gain (loss) related to foreign currency translation, net of reclassification adjustments resulting from deconsolidation	27	727,473	(607,873)	826,847
FVOCI debt securities	27	(857)	7,299	(44,996)
Gain (loss) related to cash flow hedges	26, 27	(12,817)	(4,307)	13,583
Cost of hedging	27	2,045	(1,171)	(1,170)
Income tax (expense) benefit related to components of other comprehensive income that may be reclassified	27	2,595	254	4,849
		718,439	**(605,798)**	**799,113**
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		**715,902**	**(630,011)**	**1,049,002**
TOTAL COMPREHENSIVE INCOME		**1,456,772**	**102,447**	**1,943,327**
COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS		**272,235**	**190,022**	**280,219**
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF FME AG		**1,184,537**	**(87,575)**	**1,663,108**

The following notes are an integral part of the consolidated financial statements.

Consolidated Balance Sheets

T 4.3 **CONSOLIDATED BALANCE SHEETS**
IN € THOUS, EXCEPT SHARE DATA

	Note	2024	2023
Assets			
Cash and cash equivalents	7	1,180,187	1,403,492
Trade accounts and other receivables from unrelated parties	8	3,367,111	3,471,213
Accounts receivable from related parties	6	40,936	165,299
Inventories	9	2,067,922	2,179,175
Other current assets	10	671,835	730,460
Other current financial assets	10	433,740	244,172
Assets held for sale	4	161,013	507,600
TOTAL CURRENT ASSETS		**7,922,744**	**8,701,411**
Property, plant and equipment	11	3,646,126	3,782,780
Right-of-use assets	24	3,612,456	3,671,241
Intangible assets	12	1,370,080	1,362,327
Goodwill	12	15,170,652	14,650,008
Deferred taxes	5 g	229,509	283,953
Investment in equity method investees	13	620,831	642,928
Other non-current assets		198,325	223,576
Other non-current financial assets	14	795,856	611,584
TOTAL NON-CURRENT ASSETS		**25,643,835**	**25,228,397**
TOTAL ASSETS		**33,566,579**	**33,929,808**
Liabilities			
Accounts payable to unrelated parties		904,278	762,068
Accounts payable to related parties	6	80,044	123,081
Current provisions and other current liabilities	15	1,499,934	1,617,434
Other current financial liabilities	15	1,787,373	1,675,556
Short-term debt from unrelated parties	16	2,099	456,904
Current portion of long-term debt	17	575,283	487,699
Current portion of lease liabilities from unrelated parties		615,983	593,033
Current portion of lease liabilities from related parties	6	24,901	23,926
Income tax liabilities		142,654	191,265
Liabilities directly associated with assets held for sale	4	27,511	180,624
TOTAL CURRENT LIABILITIES		**5,660,060**	**6,111,590**
Long-term debt, less current portion	17	6,260,825	6,959,863
Lease liabilities from unrelated parties, less current portion		3,411,855	3,419,338
Lease liabilities from related parties, less current portion	6	87,962	109,649
Non-current provisions and other non-current liabilities	18	374,163	332,813
Other non-current financial liabilities	18	538,685	715,660
Pension liabilities	19	678,673	664,327
Income tax liabilities		76,953	39,747
Deferred taxes	5 g	708,890	750,286
TOTAL NON-CURRENT LIABILITIES		**12,138,006**	**12,991,683**
TOTAL LIABILITIES		**17,798,066**	**19,103,273**
Shareholders' equity:			
Ordinary shares, no par value, €1.00 nominal value, 362,370,124 shares authorized, 293,413,449 issued and outstanding as of December 31, 2024 (December 31, 2023: 293,413,449)	20	293,413	293,413
Additional paid-in capital	20	3,345,408	3,380,331
Retained earnings	20	11,266,287	10,921,686
Accumulated other comprehensive income (loss)	27	(328,545)	(975,169)
TOTAL FME AG SHAREHOLDERS' EQUITY		**14,576,563**	**13,620,261**
Noncontrolling interests	20	1,191,950	1,206,274
TOTAL EQUITY		**15,768,513**	**14,826,535**
TOTAL LIABILITIES AND EQUITY		**33,566,579**	**33,929,808**

The following notes are an integral part of the consolidated financial statements.

Consolidated Statements of Cash Flows

T 4.4 **CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUATION SEE NEXT PAGE)**
IN € THOUS FOR THE TWELVE MONTHS ENDED DECEMBER 31

	Note	2024	2023	2022
Operating activities				
Net income		740,870	732,458	894,325
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation, amortization and impairment loss	11, 12, 24, 29	1,742,257	1,751,971	1,838,363
Change in deferred taxes, net		(72,672)	(122,149)	(41,471)
(Gain) loss from the sale of fixed assets, right-of-use assets, investments and divestitures		(12,168)	(12,902)	(99,268)
Income from equity method investees		(134,875)	(121,785)	(66,559)
Interest expense, net	5 f	335,469	336,423	292,476
Changes in assets and liabilities, net of amounts from businesses acquired:				
Trade accounts and other receivables from unrelated parties		(197,918)	(125,593)	(76,658)
Inventories		107,897	(13,140)	(204,307)
Other current and non-current assets		(227,970)	145,697	154,031
Accounts receivable from related parties		124,441	(26,251)	29,976
Accounts payable to related parties		(46,200)	(10,905)	(8,726)
Accounts payable to unrelated parties, provisions and other current and non-current liabilities		201,789	119,384	(348,063)
Income tax liabilities		482,274	472,084	325,680
Received dividends from investments in equity method investees		100,663	219,953	95,213
Paid interest		(381,226)	(394,535)	(350,681)
Received interest		68,099	88,217	67,663
Paid income taxes		(444,586)	(410,126)	(334,615)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		**2,386,144**	**2,628,801**	**2,167,379**
Investing activities				
Purchases of property, plant and equipment and capitalized development costs		(699,358)	(684,596)	(723,988)
Acquisitions, net of cash acquired, investments and purchases of intangible assets	3, 28	(23,066)	(35,202)	(59,133)
Investments in debt securities	3	(81,501)	(102,363)	(105,641)
Proceeds from sale of property, plant and equipment		14,103	16,138	36,205
Proceeds from divestitures, net of cash disposed	3, 28	629,749	172,201	60,161
Proceeds from sale of debt securities	3	75,134	89,595	57,671
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		**(84,939)**	**(544,227)**	**(734,725)**
Financing activities				
Proceeds from short-term debt from unrelated parties		84,812	55,133	633,094
Repayments of short-term debt from unrelated parties		(540,499)	(230,771)	(1,144,751)
Proceeds from short-term debt from related parties		—	10,204	84,000
Repayments of short-term debt from related parties		—	(14,204)	(157,500)
Proceeds from long-term debt		61,513	417,877	986,922
Repayments of long-term debt		(834,462)	(700,663)	(744,620)
Repayments of lease liabilities from unrelated parties		(651,686)	(702,212)	(752,884)

T 4.4 **CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUATION OF THE PREVIOUS PAGE)**
IN € THOUS FOR THE TWELVE MONTHS ENDED DECEMBER 31

	Note	2024	2023	2022
Repayments of lease liabilities from related parties		(24,827)	(25,157)	(22,268)
Increase (decrease) of accounts receivable facility		(23,096)	(69,363)	94,962
Proceeds from exercise of stock options		—	—	20,153
Dividends paid	20	(349,162)	(328,623)	(395,556)
Distributions to noncontrolling interests		(313,691)	(313,365)	(307,417)
Contributions from noncontrolling interests		21,798	42,615	88,505
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		**(2,569,300)**	**(1,858,529)**	**(1,617,360)**
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**26,198**	**(72,607)**	**(23,162)**
Cash and cash equivalents:				
Net increase (decrease) in cash and cash equivalents		(241,897)	153,438	(207,868)
Cash and cash equivalents at beginning of period		1,427,225	1,273,787	1,481,655
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7	**1,185,328**	**1,427,225**	**1,273,787**
THEREOF: CASH AND CASH EQUIVALENTS WITHIN THE DISPOSAL GROUPS	4	**5,141**	**23,733**	**—**

The following notes are an integral part of the consolidated financial statements.

Consolidated Statements of Shareholders' Equity

T 4.5 **CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (CONTINUATION SEE NEXT PAGE)**
IN € THOUS, EXCEPT SHARE DATA

		Ordinary shares				Accumulated other comprehensive income (loss)						
	Note	Number of shares	No par value	Additional paid-in capital	Retained earnings	Foreign currency translation	Cash flow hedges	Pensions	Fair value changes	Total FME AG shareholders' equity	Non-controlling interests	Total equity
BALANCE AT DECEMBER 31, 2021		**293,004,339**	**293,004**	**2,891,276**	**10,826,140**	**(982,506)**	**(9,115)**	**(369,998)**	**49,982**	**12,698,783**	**1,280,254**	**13,979,037**
Proceeds from exercise of options and related tax effects	23	409,110	409	19,996	—	—	—	—	—	20,405	—	20,405
Dividends paid	20	—	—	—	(395,556)	—	—	—	—	(395,556)	—	(395,556)
Transactions with noncontrolling interests without loss of control		—	—	461,527	—	—	—	—	—	461,527	29,639	491,166
Noncontrolling interests due to changes in consolidation group		—	—	—	—	—	—	—	—	—	142,310	142,310
Contributions from/to noncontrolling interests		—	—	—	—	—	—	—	—	—	(272,696)	(272,696)
Put option liabilities	26	—	—	—	(458,814)	—	—	—	—	(458,814)	—	(458,814)
Transfer of cumulative gains/losses of equity investments	26	—	—	—	66,534	—	—	—	(66,534)	—	—	—
Net Income		—	—	—	673,405	—	—	—	—	673,405	220,920	894,325
Other comprehensive income (loss) related to:												
Foreign currency translation, net of reclassification adjustments resulting from deconsolidation	5 e, 27	—	—	—	—	775,296	(723)	(10,061)	3,036	767,548	59,299	826,847
Cash flow hedges, net of related tax effects	27	—	—	—	—	—	9,211	—	—	9,211	—	9,211
Pensions, net of related tax effects	19	—	—	—	—	—	—	224,533	—	224,533	—	224,533
Fair value changes, net of related tax effects	27	—	—	—	—	—	—	—	(11,589)	(11,589)	—	(11,589)
Comprehensive income		—	—	—	—	—	—	—	—	1,663,108	280,219	1,943,327
BALANCE AT DECEMBER 31, 2022		**293,413,449**	**293,413**	**3,372,799**	**10,711,709**	**(207,210)**	**(627)**	**(155,526)**	**(25,105)**	**13,989,453**	**1,459,726**	**15,449,179**
BALANCE AT DECEMBER 31, 2022		**293,413,449**	**293,413**	**3,372,799**	**10,711,709**	**(207,210)**	**(627)**	**(155,526)**	**(25,105)**	**13,989,453**	**1,459,726**	**15,449,179**

T 4.5 **CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (CONTINUATION OF THE PREVIOUS PAGE)**
IN € THOUS, EXCEPT SHARE DATA

		Ordinary shares				Accumulated other comprehensive income (loss)						
	Note	Number of shares	No par value	Additional paid-in capital	Retained earnings	Foreign currency translation	Cash flow hedges	Pensions	Fair value changes	Total FME AG shareholders' equity	Non-controlling interests	Total equity
Proceeds from exercise of options and related tax effects	23	—	—	(1,190)	—	—	—	—	—	(1,190)	—	(1,190)
Dividends paid	20	—	—	—	(328,623)	—	—	—	—	(328,623)	—	(328,623)
Transactions with noncontrolling interests without loss of control	20	—	—	8,722	—	—	—	—	—	8,722	(14,684)	(5,962)
Noncontrolling interests due to changes in consolidation group	20	—	—	—	—	—	—	—	—	—	(182,488)	(182,488)
Contributions from/to noncontrolling interests		—	—	—	—	—	—	—	—	—	(246,302)	(246,302)
Put option liabilities	26	—	—	—	39,474	—	—	—	—	39,474	—	39,474
Transfer of cumulative gains/losses of equity investments	26	—	—	—	129	—	—	—	(129)	—	—	—
Net Income		—	—	—	498,997	—	—	—	—	498,997	233,461	732,458
Other comprehensive income (loss) related to:												
Foreign currency translation, net of reclassification adjustments resulting from deconsolidation	5 e, 27	—	—	—	—	(558,371)	(55)	5,086	(11,094)	(564,434)	(43,439)	(607,873)
Cash flow hedges, net of related tax effects	27	—	—	—	—	—	(3,903)	—	—	(3,903)	—	(3,903)
Pensions, net of related tax effects	19	—	—	—	—	—	—	(42,050)	—	(42,050)	—	(42,050)
Fair value changes, net of related tax effects	27	—	—	—	—	—	—	—	23,815	23,815	—	23,815
Comprehensive income		—	—	—	—	—	—	—	—	(87,575)	190,022	102,447
BALANCE AT DECEMBER 31, 2023		**293,413,449**	**293,413**	**3,380,331**	**10,921,686**	**(765,581)**	**(4,585)**	**(192,490)**	**(12,513)**	**13,620,261**	**1,206,274**	**14,826,535**

T 4.5 **CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (CONTINUATION OF THE PREVIOUS PAGE)**
IN € THOUS, EXCEPT SHARE DATA

		Ordinary shares				Accumulated other comprehensive income (loss)						
	Note	Number of shares	No par value	Additional paid-in capital	Retained earnings	Foreign currency translation	Cash flow hedges	Pensions	Fair value changes	Total FME AG shareholders' equity	Non-controlling interests	Total equity
BALANCE AT DECEMBER 31, 2023		**293,413,449**	**293,413**	**3,380,331**	**10,921,686**	**(765,581)**	**(4,585)**	**(192,490)**	**(12,513)**	**13,620,261**	**1,206,274**	**14,826,535**
Dividends paid	20	—	—	—	(349,162)	—	—	—	—	(349,162)	—	(349,162)
Transactions with noncontrolling interests without loss of control	20	—	—	(34,923)	—	—	—	—	—	(34,923)	(20,982)	(55,905)
Noncontrolling interests due to changes in consolidation group	20	—	—	—	—	—	—	—	—	—	(40,013)	(40,013)
Contributions from/ to noncontrolling interests	20	—	—	—	—	—	—	—	—	—	(225,564)	(225,564)
Put option liabilities	3, 26	—	—	—	155,850	—	—	—	—	155,850	—	155,850
Net Income		—	—	—	537,913	—	—	—	—	537,913	202,957	740,870
Other comprehensive income (loss) related to:												
Foreign currency translation, net of reclassification adjustments resulting from deconsolidation	5 e, 27	—	—	—	—	723,617	(265)	(8,715)	(56,442)	658,195	69,278	727,473
Cash flow hedges, net of related tax effects	27	—	—	—	—	—	(8,448)	—	—	(8,448)	—	(8,448)
Pensions, net of related tax effects	19	—	—	—	—	—	—	13,147	—	13,147	—	13,147
Fair value changes, net of related tax effects	27	—	—	—	—	—	—	—	(16,270)	(16,270)	—	(16,270)
Comprehensive income		—	—	—	—	—	—	—	—	1,184,537	272,235	1,456,772
BALANCE AT DECEMBER 31, 2024		**293,413,449**	**293,413**	**3,345,408**	**11,266,287**	**(41,964)**	**(13,298)**	**(188,058)**	**(85,225)**	**14,576,563**	**1,191,950**	**15,768,513**

The following notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

1. The Company, Basis of Presentation and Significant Accounting Policies

The Company

Fresenius Medical Care AG (FME AG or the Company) is a German stock corporation (Aktiengesellschaft — AG) registered with the commercial register of Hof (Saale) under HRB 6841, with its business address at Else-Kröner-Str. 1, 61352 Bad Homburg v. d. Höhe, Germany. The Company is the world's leading provider of products and services for individuals with renal diseases, based on publicly reported revenue and number of patients treated. The Company provides dialysis and related services for individuals with renal diseases as well as other health care services. The Company also develops, manufactures and distributes a wide variety of health care products. The Company's health care products include hemodialysis machines, peritoneal dialysis cyclers, dialyzers, peritoneal dialysis solutions, hemodialysis concentrates, solutions and granulates, bloodlines, renal pharmaceuticals, systems for water treatment as well as acute cardiopulmonary and apheresis products. The Company supplies dialysis clinics it owns, operates or manages with a broad range of products and also sells dialysis products to other dialysis service providers. The Company's other health care services include value and risk-based care programs, pharmacy services, vascular specialty services as well as ambulatory surgery center services, physician nephrology practice management and ambulant treatment services.

At an extraordinary general meeting (EGM) of the Company held on July 14, 2023, the shareholders of the Company approved a proposal to change the legal form of the Company from a partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA) into an AG (the Conversion). Upon effectiveness of the Conversion, which occurred upon registration of the Conversion with the competent commercial register on November 30, 2023, the Company's former general partner exited the Company, Fresenius SE ceased to control (as defined by IFRS 10, Consolidated Financial Statements) the Company and the Company ceased to be a member of the Fresenius SE consolidated group. Fresenius SE continues to have significant influence over the Company.

In these notes, "FME AG," the "Company" or the "Group" refers to Fresenius Medical Care AG or Fresenius Medical Care AG and its subsidiaries on a consolidated basis, as the context requires. "Fresenius SE" and "Fresenius SE & Co. KGaA" refer to Fresenius SE & Co. KGaA. "Management AG" and the "General Partner" refer to Fresenius Medical Care Management AG (renamed Fresenius Vermögensverwaltung AG), which was the Company's general partner prior to the Conversion and is wholly owned by Fresenius SE. Management AG ceased to be a General Partner of the Company when the Conversion took effect. "Management Board" refers to the members of the management board of the Company (or of Management AG, prior to the Conversion) and, except as otherwise specified, "Supervisory Board" refers to the supervisory board of the Company.

The term "Care Enablement" refers to the Company's Care Enablement operating segment and the term "Care Delivery" refers to the Care Delivery operating segment. Prior to January 1, 2023, discrete financial information was not provided to the chief operating decision maker on the basis of the new structure and the necessary system and reporting changes to effect the new structure were not in place. Due to the change in the Company's operating structure, the Company has adjusted the prior year financial information for its operating segments in order to conform to the current year's presentation. For further discussion of the Company's operating and reportable segments, see NOTE 29.

Basis of Presentation

FME AG as a stock exchange listed company in a member state of the European Union (EU) fulfills its obligation to prepare and publish the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS® Accounting Standards), as they are to be applied in the EU, as well as applying section 315e of the German Commercial Code (HGB), using the euro as the Company's reporting and functional currency.

The consolidated financial statements of FME AG at December 31, 2024 have been prepared and are published in accordance with the standards valid on the balance sheet date issued by the International Accounting Standards Board (IASB) and the mandatory Interpretations of the International Financial Reporting Interpretations Committee (IFR IC), which are binding to be applied in the EU.

Furthermore, the Company prepares consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB which is filed on Form 20-F with the Securities and Exchange Commission (SEC). At December 31, 2024, there were no IFRS Accounting Standards or IFR IC interpretations as endorsed by the EU relevant for reporting that differed from IFRS Accounting Standards as issued by the IASB.

Moreover, the notes include information required by HGB according to Section 315e (1) HGB. In addition to the consolidated financial statements in accordance with IFRS Accounting Standards, a group management report must be prepared according to section 315 HGB.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Such financial statements reflect all adjustments that, in the opinion of management, are necessary to provide a fair statement of the results of the periods presented. All such adjustments are of a normal recurring nature. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in all future periods affected.

In order to improve clarity of presentation, various items are aggregated in the consolidated balance sheets and consolidated statements of income. These items are analyzed separately in the notes where this provides useful information to the users of the consolidated financial statements.

The consolidated balance sheets contain all information required to be disclosed by IAS 1, Presentation of Financial Statements (IAS 1) and is classified on the basis of the liquidity of assets and liabilities. The consolidated statements of income are classified using the cost-of-sales accounting format.

The Company applies IAS 29, Financial Reporting in Hyperinflationary Economies (IAS 29), in its Lebanese and Turkish subsidiaries due to inflation in these countries. The table below details the date of initial application of IAS 29 and the specific inputs used to calculate the gain or loss on net monetary position on a country-specific basis for the year ended December 31, 2024. The ongoing re-translation effects of hyperinflationary accounting and its impact on comparative amounts are recorded in other comprehensive income (loss) within the Company's consolidated financial statements. The subsequent gains or losses on net monetary position are recorded in other operating income and other operating expense, respectively, within the Company's consolidated statements of income and within other current and non-current assets within the Company's consolidated statements of cash flows.

T 4.6 INPUTS FOR THE CALCULATION OF (GAINS) LOSSES ON NET MONETARY POSITIONS

	Lebanon	Türkiye
Date of IAS 29 initial application	December 31, 2020	June 30, 2022
Consumer price index	Central Administration of Statistics	Turkish Statistical Institute
Index at December 31, 2024	7,061.07	2,684.55
Calendar year increase	18%	44%
(Gain) loss on net monetary position in € THOUS	(141)	12,014

At February 28, 2025, the Management Board authorized the consolidated financial statements for issue and passed them through to the Supervisory Board for review and authorization.

Significant Accounting Policies

A) Principles of Consolidation and Composition of the Group

The financial statements of consolidated entities have been prepared using uniform accounting methods in accordance with IFRS 10, Consolidated Financial Statements (IFRS 10). Acquisitions of companies are accounted for under the acquisition method.

Besides FME AG, the consolidated financial statements include all material subsidiaries according to IFRS 10 over which the Company has control. The Company controls an entity if it has power over the entity through existing rights that give the Company the current ability to direct the activities that significantly affect the entity's return. In addition, the Company is exposed to, or has rights to, variable returns from the involvement with the entity and the Company has the ability to use its power over the entity to affect the amount of the Company's return. In most cases, control is achieved when the Company has the majority of a subsidiary's equity ownership and voting rights.

For certain subsidiaries in which the Company has the majority of the equity ownership and voting rights and does not consolidate, an assessment of materiality is made in order to determine that the subsidiary is insignificant to the Company's results based on qualitative and quantitative factors. Such factors include quantitative analyses noting that the sum of these unconsolidated subsidiaries is less than 1% of the Company's total assets, revenue, and operating income or qualitative factors such as such a subsidiary's dormancy, impending liquidation or other factors are considered.

The equity method is applied in accordance with IAS 28, Investments in Associates and Joint Ventures (IAS 28). Generally, equity method investees are entities in which the Company, directly or indirectly, holds 50% or less of the voting power and can exercise significant influence over their financial and operating policies. For information on the Company's investment in Vifor Fresenius Medical Care Renal Pharma Ltd., which makes up a large portion of its equity method investees, see NOTE 13.

Acquisitions of companies are accounted for in accordance with IFRS 3, Business Combinations (IFRS 3) at the date of acquisition. Initially, all identifiable assets acquired and liabilities assumed as well as the noncontrolling interests, when applicable, are recognized at their fair values. The fair value of the consideration transferred is then compared with the fair value of the assets acquired and liabilities assumed. Any remaining balance is recognized as goodwill and is tested at least once a year for impairment. Generally, adjustments made to the fair value of identifiable assets and liabilities during the measurement period are recorded as an offset to goodwill. Any adjustments made subsequent to the measurement period are recognized immediately in profit or loss.

Intercompany revenues, expenses, income, receivables, payables, accruals, provisions and commitments and contingencies, are eliminated. Profits and losses on items of property, plant and equipment and inventory acquired from other group entities are also eliminated.

Deferred tax assets and liabilities are recognized due to temporary differences resulting from consolidation procedures.

Noncontrolling interest (NCI) is the portion of equity in a subsidiary not attributable, directly or indirectly, to a parent and is recognized at its fair value at the date of first consolidation using the full goodwill method. Profits and losses attributable to the noncontrolling interests are separately disclosed in the consolidated statements of income. Summarized financial information relating to our U.S.-based subsidiary, InterWell Topco L.P. (NewCo), in which the noncontrolling interest owners hold approximately 25% can be found in NOTE 3. The book value of these noncontrolling interests at December 31, 2024 was $190,449 (€183,318).

The Company writes put options on certain noncontrolling interests. A portion of these put options relate to dialysis clinics in which nephrologists or nephrology groups own an equity interest. In addition, as part of the transaction with Cricket Health, Inc. (Cricket), and InterWell Health LLC, the Company also granted put options to noncontrolling interest owners of the newly created value-based kidney care entity (see NOTE 3 for further information). Generally, the put options associated with this business model are valid for an unlimited time. Accordingly, the put options represent a long-term investment into a dialysis clinic for the NCI holder. The put options provide for settlement in cash. For these put options, IAS 32, Financial Instruments: Presentation (IAS 32) paragraph 23 requires the Company to recognize a liability for the present value of the exercise price of the option. The put option liability is recorded in other current financial liabilities and other non-current financial liabilities at present value of the redemption amount at the balance sheet date. The Company believes the accounting treatment of the changes to the put option liability under IFRS Accounting Standards to this date has not been finally clarified. In the absence of IFRS Accounting Standards guidance specifically applicable to the accounting for put options on NCI, the Company, in line with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (IAS 8) paragraph 10, applied the present access method. According to the present access method, NCI are recorded in equity when the risks and rewards of ownership reside with the NCI holders. The initial recognition of the put option liability, as well as valuation differences, is recorded in equity with no impact to the income statement (see NOTE 1 H)). This presentation results in information that is relevant to the economic decision-making needs of the users of the Company's financial statements and to provide reliable financial information as the Company considers these NCI with written put options as equity holders and accordingly attributes net income to NCI. For further information regarding the valuation of the put option liabilities, see NOTE 26.

The consolidated financial statements for 2024 include FME AG as well as 2,158 companies (2023: 2,227). In 2024, 39 companies were first-time consolidations (2023: 33), 108 companies were deconsolidated (2023: 151), while no entity changed from consolidated to equity method investees during the year (2023: 1). In 2024, 57 companies were accounted for by the equity method (2023: 57).

The principal subsidiaries of the Company are those with the most significant contribution to the Company's revenue, net income or net assets. The Company's interest in these subsidiaries for the years ended December 31, 2024 and 2023 are listed in the following table.

T 4.7 PRINCIPAL SUBSIDIARIES

Name	Country	Main activity	Ownership
Fresenius Medical Care Australia Pty. Ltd.	Australia	Provision of health care services	100%
		Sale of health care products	
Fresenius Medical Care Colombia S.A.[1]	Colombia	Provision of health care services	100%
Fresenius Medical Care Deutschland GmbH	Germany	Sale of health care products	100%
		Production of health care products	
		Research and development	
Fresenius Medical Care France S.A.S.	France	Sale of health care products	100%
Fresenius Medical Care GmbH	Germany	Sale of health care products	100%
Fresenius Medical Care Holdings, Inc. (FMCH)	USA	Provision of health care services	100%
		Sale of health care products	
		Production of health care products	
		Research and development	
Fresenius Medical Care Italia S.p.A.	Italy	Sale of health care products	100%
Fresenius Medical Care Korea Ltd.	South Korea	Sale of health care products	100%
Fresenius Medical Care Ltda.	Brazil	Sale of health care products	100%
Fresenius Medical Care Shanghai Ltd.	China	Sale of health care products	100%
Fresenius Medical Care (U.K.) Ltd.	United Kingdom	Provision of health care services	100%
		Sale of health care products	
		Production of health care products	
National Medical Care of Spain, S.A.U.	Spain	Provision of health care services	100%
NephroCare Portugal, S.A.	Portugal	Provision of health care services	100%
		Sale of health care products	

[1] Divested in December 2024.

The complete list of participations in affiliated and associated companies of FME AG will be submitted to the electronic companies register as well as published on https://www.freseniusmedicalcare.com/en/investors/publications/ as part of the annual report of FME AG according to German law.

For 2024, the following fully consolidated German subsidiaries of the Company will apply the exemption provided in Section 264 (3) or Section 264b of the HGB and therefore will be exempt from applying certain legal requirements to prepare notes to the statutory standalone financial statements and a management report as well as the requirements of an independent audit and public disclosure.

T 4.8 COMPANIES EXEMPT FROM APPLYING CERTAIN LEGAL REQUIREMENT

Name of the company	Registered office of the company
DiZ München Nephrocare GmbH	Munich, Germany
ET Software Developments GmbH	Heidelberg, Germany
Fresenius Medical Care Beteiligungsgesellschaft mbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care Data Solutions GmbH	Berlin, Germany
Fresenius Medical Care Deutschland GmbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care GmbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care Investment GmbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care US Vermögensverwaltungs GmbH & Co. KG	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care US Zwei Vermögensverwaltungs GmbH & Co. KG	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care Ventures GmbH	Bad Homburg v. d. Höhe, Germany
MVZ Gelsenkirchen-Buer GmbH	Gelsenkirchen, Germany
Nephrocare Ahrensburg GmbH	Ahrensburg, Germany
Nephrocare Augsburg GmbH	Augsburg, Germany
Nephrocare Berlin-Weißensee GmbH	Berlin, Germany
Nephrocare Betzdorf GmbH	Betzdorf, Germany
Nephrocare Bielefeld GmbH	Bielefeld, Germany
Nephrocare Buchholz GmbH	Buchholz, Germany
Nephrocare Daun GmbH	Daun, Germany
Nephrocare Deutschland GmbH	Bad Homburg v. d. Höhe, Germany
Nephrocare Döbeln GmbH	Döbeln, Germany
Nephrocare Dortmund GmbH	Dortmund, Germany
Nephrocare Friedberg GmbH	Friedberg, Germany
Nephrocare Grevenbroich GmbH	Grevenbroich, Germany
Nephrocare Hagen GmbH	Hagen, Germany
Nephrocare Hamburg-Altona GmbH	Hamburg, Germany
Nephrocare Hamburg-Barmbek GmbH	Hamburg, Germany
Nephrocare Hamburg-Süderelbe GmbH	Hamburg, Germany
Nephrocare Ingolstadt GmbH	Ingolstadt, Germany
Nephrocare Kaufering GmbH	Kaufering, Germany
Nephrocare Krefeld GmbH	Krefeld, Germany
Nephrocare Lahr GmbH	Lahr, Germany
Nephrocare Leverkusen GmbH	Leverkusen, Germany
Nephrocare Ludwigshafen GmbH	Ludwigshafen am Rhein, Germany

Name of the company	Registered office of the company
Nephrocare Mettmann GmbH	Mettmann, Germany
Nephrocare Mönchengladbach GmbH	Mönchengladbach, Germany
Nephrocare Mühlhausen GmbH	Mühlhausen, Germany
Nephrocare München-Ost GmbH	Munich, Germany
Nephrocare Münster GmbH	Münster, Germany
Nephrocare MVZ Aalen GmbH	Aalen, Germany
Nephrocare Oberhausen GmbH	Oberhausen, Germany
Nephrocare Papenburg GmbH	Papenburg, Germany
Nephrocare Pirmasens GmbH	Pirmasens, Germany
Nephrocare Püttlingen GmbH	Püttlingen, Germany
Nephrocare Recklinghausen GmbH	Recklinghausen, Germany
Nephrocare Rostock GmbH	Rostock, Germany
Nephrocare Salzgitter GmbH	Salzgitter, Germany
Nephrocare Schrobenhausen GmbH	Schrobenhausen, Germany
Nephrocare Schwandorf-Regenstauf GmbH	Schwandorf, Germany
Nephrocare Wetzlar GmbH	Wetzlar, Germany
Nephrocare Witten GmbH	Witten, Germany
Nephrologisch-Internistische Versorgung Ingolstadt GmbH	Ingolstadt, Germany
Nova Med GmbH Vertriebsgesellschaft für medizinischtechnische Geräte und Verbrauchsartikel	Bad Homburg v. d. Höhe, Germany
ProCure Medical GmbH	Bad Homburg v. d. Höhe, Germany
VIVONIC GmbH	Sailauf, Germany

B) Cash and Cash Equivalents

Cash and cash equivalents comprise cash funds and all short-term investments (measured at fair value through profit and loss) with original maturities of up to three months. Short-term investments are highly liquid and readily convertible into known amounts of cash. The risk of changes in value is insignificant.

C) Trade Accounts and Other Receivables from Unrelated Parties

Trade accounts and other receivables from unrelated parties are recognized initially at fair value and subsequently at amortized cost. For information regarding expected credit losses, see NOTE 2 C).

The Company provides reinsurance to a health care insurer of end-stage renal diseases and has entered into renal care coordination agreements to arrange and provide health care services to patients with chronic kidney disease (CKD). The Company accounts for both its reinsurance contract and renal care coordination agreement as insurance contracts, classified as separate portfolios, under IFRS 17.

Premium revenue is received throughout the year based on claims experience. For both insurance and reinsurance portfolios, the Company applies the premium allocation approach (PAA) under IFRS 17 as the contract boundary of the cash flows is one year or less. On initial recognition of the liabilities for incurred claims, the estimation and valuation processes remain unchanged as compared to the application of IFRS 4, Insurance Contracts (IFRS 4). The subsequent measurement of insurance liabilities is based on the estimated cost of settling the claims incurred, but not yet recorded (IBNR). IBNR is estimated using actual paid claim data and applying historical claim completion factors, which may include the effects of both inflationary and socio-economic factors as well as using past experience adjusted for current trends and any other factors that would modify past experience. Regarding the measurement of the liabilities for the remaining coverage, the liabilities are equal to the premiums received less any insurance acquisition cash flows. Any insurance acquisition cash flows will be expensed when incurred. The Company does not consider the effects and time value of money when measuring the liabilities for the remaining coverage as the related cash flows are expected to be paid or received within one year or less from the date the claims are incurred. The Company does not receive any premiums in advance. As a result, the liabilities for the remaining coverage is zero.

The Company has applied the modified retrospective approach at the date of transition due to the impracticability of collecting cash flow estimations and risk adjustments for non-financial risk at the date of initial recognition of the reinsurance contract. Insurance premium revenues are recognized based upon the passage of time, therefore the pattern of revenue recognition has not changed with the application of IFRS 17. For additional information see NOTE 5 A) and NOTE 8.

D) Inventories

Inventories are stated at the lower of cost (determined by using the average or first-in, first-out method) or net realizable value (see NOTE 9). Costs included in inventories are based on invoiced costs and/or production costs as applicable. Included in production costs are material, direct labor and production overhead and applicable depreciation charges.

E) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation (see NOTE 11). Maintenance and repair costs (day-to-day servicing) are expensed as incurred. The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing parts and major inspections if it is probable that the future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Depreciation on property, plant and equipment is calculated using the straight-line method over the estimated useful lives of the assets ranging from 4 to 50 years for buildings and improvements with a weighted average life of 17 years and 3 to 19 years for machinery and equipment with a weighted average life of 11 years. Internal use platform software that is integral to the computer equipment it supports is included in property, plant and equipment.

F) Leases

A lease is defined as a contract that conveys the right to use an underlying asset for a period of time in exchange for consideration. According to IFRS 16, a contract is or contains a lease if:

> the underlying asset is identified in the contract, and
> the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

Under IFRS 16, the Company is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments for almost all leases.

The Company applies both the short-term and low-value lease exemption. These leases are exempt from balance sheet recognition and lease payments will be recognized as expenses over the lease term.

IFRS 16 is not applied to leases of intangible assets.

Lease Liabilities

Lease liabilities are initially recognized at the present value of the following payments:

> fixed lease payments (including in-substance fixed payments), less any lease incentives receivable,
> variable lease payments (linked to an index or interest rate),
> expected payments under residual value guarantees,
> the exercise price of purchase options, where exercise is reasonably certain,
> lease payments in optional renewal periods, where exercise of extension options is reasonably certain, and
> penalty payments for the termination of a lease, if the lease term reflects the exercise of the respective termination option.

Lease payments are discounted using the implicit interest rate underlying the lease if this rate can be readily determined. Otherwise, the incremental borrowing rate of the lessee is used as the discount rate.

Lease liabilities are subsequently measured at amortized cost using the effective interest method. Furthermore, lease liabilities may be remeasured due to lease modifications or reassessments of the lease.

For lease contracts that include both lease and non-lease components that are not separable from lease components, no allocation is performed. Each lease component and any associated non-lease components are accounted for as a single lease. If the lease contracts include lease and non-lease costs that are separable, the lease contract costs are divided into lease and non-lease components.

Right-of-use Assets

The Company recognizes right-of-use assets at the commencement date of the respective lease. Right-of-use assets are stated at cost less accumulated depreciation. Upon initial recognition, cost comprises of:

> the initial lease liability amount,
> initial direct costs incurred when entering into the lease
> (lease) payments before commencement date of the respective lease, and
> less any lease incentives received.

Right-of-use assets are depreciated over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. Where a lease agreement includes a transfer of ownership at the end of the lease term or the exercise of a purchase option is deemed reasonably certain, right-of-use assets are depreciated over the useful life of the underlying asset using the straight-line method. In addition, right-of-use assets are reduced by impairment losses, if any, and adjusted for certain remeasurements.

Right-of-use assets are classified into right-of-use assets relating to land, buildings and improvements or machinery and equipment. In addition, prepayments on right-of-use assets are presented separately (see NOTE 24).

G) Intangible Assets and Goodwill

Intangible assets such as non-compete agreements, technology, distribution agreements, patents, licenses to treat, licenses to manufacture, distribute and sell pharmaceutical drugs, exclusive contracts and exclusive licenses, trade names, management contracts, application software, acute care agreements, customer relationships and emission certificates are recognized and reported apart from goodwill (see NOTE 12). If acquired, those intangible assets are recorded at estimated fair value at the date of the acquisition. Patient relationships, however, are not reported as separate intangible assets due to the missing contractual basis but are part of goodwill.

Expenditures related to application software, either hosted by the Company or within a software as a service arrangement, that fully meet the criteria for the recognition of an intangible asset set out in IAS 38, Intangible Assets (IAS 38) are capitalized as intangible assets.

Goodwill and identifiable intangibles with indefinite useful lives are not amortized but tested for impairment annually or when an event becomes known that could trigger an impairment. The Company identified certain trade names and qualified management contracts as intangible assets with indefinite useful lives because there is no foreseeable limit to the period over which those assets are expected to generate net cash inflows for the Company.

Intangible assets with finite useful lives are amortized over their respective useful lives to their residual values on a straight-line basis. The Company amortizes non-compete agreements over their useful lives which, on average, are 7 years. Technology is amortized over its average useful lives of 12 years. Internally developed intangibles are amortized over their average useful lives of 7 years. Licenses to manufacture, distribute and sell pharmaceutical drugs, exclusive contracts and exclusive licenses are amortized over their useful lives which on average is 12 years. Customer relationships are amortized over their average useful lives of 16 years. All other intangible assets are amortized over their weighted average useful lives of 9 years. The weighted average useful life of all amortizable intangible assets is 10 years. Intangible assets with finite useful lives are evaluated for impairment when events have occurred that may give rise to an impairment (see NOTE 1 O)).

To perform the annual impairment test of goodwill, the Company identified its groups of cash generating units (CGUs) and determined their carrying value by assigning the operating assets and liabilities, including the existing goodwill and intangible assets, to those groups of CGUs. Groups of CGUs reflect the lowest level on which goodwill is monitored for internal management purposes.

One group of CGUs was identified in each of the Company's operating segments. For the purpose of goodwill impairment testing, all corporate assets and liabilities are allocated to the groups of CGUs. At least once a year, the Company compares the recoverable amount of each group of CGUs to the group of CGUs' carrying amount. The recoverable amount is defined as the higher of the value in use or the fair value less cost of disposal of a group of CGUs. In the first step, the value in use of the group of CGUs is determined using a discounted cash flow approach based upon the cash flow expected to be generated by the group of CGUs. In case that the value in use of the group of CGUs is less than its carrying amount and the fair value less cost of disposal is not estimated to be higher than the value in use, the difference is first recorded as an impairment of the carrying amount of the goodwill.

For further information see NOTE 2 A).

H) Financial Instruments

The Company classifies its financial instruments in accordance with IFRS 9 in the following measurement categories: at amortized cost, at fair value through profit and loss (FVPL) and at fair value through other comprehensive income (FVOCI).

Financial assets are classified depending on the business model in which the financial assets are held and the contractual terms of the cash flows. Financial assets are only reclassified when the business model for managing those assets changes. During the reporting period, no financial instruments were reclassified. Purchases and sales of financial assets are recognized or derecognized on the trading date. The Company makes use of the fair value option, which allows financial instruments to be classified at FVPL upon initial recognition, in very rare cases. At initial recognition financial assets and financial liabilities are measured at fair value. Subsequent measurement is either at cost, FVPL or FVOCI.

In general, financial liabilities are classified and subsequently measured at amortized cost, with the exception of contingent consideration resulting from a business combination, put option liabilities as

well as derivative financial liabilities. For debt instruments, accrued interest is included in the line items on the consolidated balance sheets where the borrowing is presented.

Investments in equity instruments are recognized and subsequently measured at fair value. The Company's equity investments are not held for trading. In general, changes in the fair value of equity investments are recognized in the income statement. However, at initial recognition the Company elected, on an instrument-by-instrument basis, to represent subsequent changes in the fair value of individual strategic equity investments in other comprehensive income (loss) (OCI).

The Company invested in several debt securities, with the objective to achieve both collecting contractual cash flows and selling the financial assets. All debt securities are consequently measured at fair value. Some of these securities give rise on specified dates to cash flows that are solely payments of principal and interest. These securities are subsequently measured at FVOCI. Other securities are measured at FVPL.

The Company, as option writer of existing put options, can be obligated to purchase the noncontrolling interests held by third parties. The obligations are in the form of put liabilities and are exercisable at the third-party owners' discretion within specified periods or upon the occurrence of certain events as outlined in each specific put option. If these put option liabilities were exercised, the Company would be required to purchase all or part of third-party owners' noncontrolling interests at the appraised fair value at the time of exercise. The initial recognition and subsequent measurement are recognized in equity of the Company. For further information related to the estimation of these fair values, see NOTE 26.

Certain put option arrangements contain contingent triggers based on changes in legislation, which the Company has concluded are not genuine using the guidance in IFRS 9 B4.1.18 and IAS 32.25. The Company considers this subset of contracts as being non-genuine as the trigger in these clauses is considered to be an event that is extremely rare, highly abnormal and very unlikely to occur. Therefore, the Company has not recorded a liability on the balance sheet relating to this subset of puts option contracts.

Derivative financial instruments which primarily include foreign currency forward contracts are recognized as assets or liabilities at fair value in the balance sheet (see NOTE 26). From time to time, the Company may enter into other types of derivative instruments, such as interest rate swaps and derivatives embedded in Virtual Power Purchase Agreements (vPPAs), which are dealt with on a transaction-by-transaction basis.

Changes in the fair value of derivative financial instruments designated and qualifying as cash flow hedges are recognized in accumulated OCI (AOCI) in shareholders' equity. The Company only designated the change in fair value of the spot element of foreign exchange forward contracts as the hedging instrument in cash flow hedging relationships and uses a hedge ratio for designated risks of 1:1. The forward elements are separately accounted for as cost of hedging in a separate component within AOCI. The ineffective portion of cash flow hedge is recognized in the income statement.

The amounts recorded in AOCI are subsequently reclassified into earnings as a component of revenue for those foreign exchange contracts, entered into with financial institutions, that hedge forecasted sales or as an adjustment of cost of revenue for those contracts that hedge forecasted intercompany product purchases. In connection with intercompany loans in foreign currency, the Company uses foreign exchange swaps with third parties to assure that no foreign exchange risks arise from those loans, which, if they qualify for cash flow hedge accounting, are also reported in AOCI and subsequently reclassified to other operating income or other operating expense. The amounts recorded in AOCI are reclassified in the same period in which the hedged transaction affects earnings. Amounts recorded in AOCI for cash flow hedges related to product purchases from third parties are removed from AOCI and included directly in the carrying amount of the asset at initial recognition. Product purchases and sales designated in a cash flow hedging relationship are expected to affect profit and loss in the same period in which the cash flows occur. The critical terms of the forward exchange contracts generally align with the hedged item. The economic relationship between forward exchange contracts and the hedged forecast transaction is based on the timing, currency and amount of the hedged cash flows. Ineffectiveness could arise in case the timing of the hedged transaction or the credit default risk changes.

From time to time, the Company enters into derivatives (particularly interest rate swaps and, to a certain extent, interest rate options) to protect against the risk of rising interest rates. When applicable, these interest rate derivatives are designated as cash flow hedges and have been entered into in order to effectively convert payments based on variable interest rates into payments at a fixed interest rate. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, maturities and the notional amounts. As applicable, the effective portion of gains and losses of derivatives designated as cash flow hedges is deferred in AOCI; the amount of gains and losses reclassified from AOCI are recorded in interest income and interest expenses.

The change in fair value of derivatives that do not qualify for hedge accounting is recorded in the income statement and usually offsets the change in value recorded in the income statement for the underlying asset or liability.

Derivatives embedded in host contracts, such as derivatives embedded in vPPAs, are accounted for as separate derivatives if their economic characteristics and risks are not closely related to those of the host contracts. Currently, these embedded derivatives are limited to those embedded in vPPAs

which are measured at fair value with changes in fair value recognized in the income statement within other operating income or other operating expense.

I) Impairment of Financial Assets

The impairment of financial assets is based on the expected credit loss approach, as introduced by IFRS 9. The expected credit loss approach requires that all impacted financial assets will carry a loss allowance based on their expected credit losses. Expected credit losses are a probability-weighted estimate of credit losses over the contractual life of the financial assets.

This model comprises a three-stage approach. Upon recognition, the Company shall recognize expected lifetime losses. When assessing for significant increases in credit risk, the Company shall compare the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. The Company should consider reasonable and supportable information including historic loss rates, present developments such as liquidity issues and information about future economic conditions, to ensure foreseeable changes in the customer-specific or macroeconomic environment are considered. Separately, there is the rebuttable presumption that the credit risk has increased significantly since the initial recognition when contractual payments are overdue by more than 30 days.

In case of objective evidence of impairment there is an assignment to stage 3. The assignment of a financial asset to stage 3 should rely on qualitative knowledge on the customers' unfavorable financial position (for example bankruptcy, lawsuits with private or public payers), or quantitative criteria, based on an individual maturity analysis. Independently, there is an assignment to stage 3 if the contractual payments are overdue by more than 360 days. When a counterpart defaults, all financial assets against this counterpart are considered impaired. The definition of default is mainly based on payment practices specific to individual regions and businesses.

The Company recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost, contract assets and lease receivables as well as on investments in debt securities measured at fair value through other comprehensive income. The financial assets mainly comprise of accounts receivable as well as cash and cash equivalents. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective instrument. Financial assets whose expected credit loss is not assessed individually are grouped on the basis of geographical regions and the impairment is generally assessed on the basis of macroeconomic indicators such as credit default swaps.

For accounts receivable, the Company uses the simplified method which requires recognizing lifetime expected credit losses at inception. However, expected credit losses on cash and cash equivalents are measured according to the general method based on IFRS 9.

Based on the external credit ratings of the counterparties the Company considers that its cash and cash equivalents have a low credit risk (as the counterparties are generally investment grade). A significant increase in credit risk will be assessed based on qualitative as well as quantitative information.

J) Foreign Currency Translation

For purposes of these consolidated financial statements, the euro is the reporting currency. The requirement to report in euro arises from Section 244 HGB. Substantially all assets and liabilities of foreign subsidiaries that use a functional currency other than the euro are translated at year-end exchange rates, while profit and loss positions are translated at annual average exchange rates. Adjustments for foreign currency translation fluctuations are excluded from net earnings and are reported in AOCI. In addition, the translation adjustments of certain intercompany borrowings, which are of a long-term nature, are reported in AOCI. Transactions in foreign currencies recorded by subsidiaries are accounted for at the prevailing spot rate on the date of the respective transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognized in profit and loss. Financial instruments denominated in a foreign currency are revalued at the spot rate as of the date of the consolidated statement of financial position. On the disposal of a foreign operation, all of the foreign currency translation differences accumulated in AOCI in respect of that disposed operation are reclassified to the consolidated statements of income. On a partial disposal of a subsidiary that includes a foreign operation that does not result in the loss of control over the subsidiary, the proportionate share of accumulated foreign currency translation differences is re-attributed to noncontrolling interests.

The exchange rates of the U.S. dollar affecting foreign currency translation developed as follows:

T 4.9 **EXCHANGE RATES**
1 U.S. DOLLAR IN EURO

December 31, 2024	December 31, 2023	2024	2023	2022
spot exchange rate in €	spot exchange rate in €	average exchange rate in €	average exchange rate in €	average exchange rate in €
0.96256	0.90498	0.92386	0.92484	0.94962

K) Revenue Recognition

For both health care services revenue and health care products revenue, amounts billed to patients, third party payors and customers are recorded net of contractual allowances, discounts or rebates to reflect the estimated amounts to be receivable from these payors.

Health Care Services

Health care services revenue, other than insurance revenues discussed below, are recognized on the date the patient receives treatment and includes amounts related to certain services, products and supplies utilized in providing such treatment at an amount to which the Company expects to be entitled. The patient is obligated to pay for health care services at amounts estimated to be receivable based upon the Company's standard rates or at rates determined under reimbursement arrangements. In the U.S., these arrangements are generally with third party payors, such as Medicare, Medicaid or commercial insurers. Outside the U.S., the reimbursement is usually made through national or local government programs with reimbursement rates established by statute or regulation.

For services performed for patients where the collection of the billed amount or a portion of the billed amount cannot be determined at the time services are performed, the Company concludes that the consideration is variable (implicit price concession) and records the difference between the billed amount and the amount estimated to be collectible as a reduction to health care services revenue. Implicit price concessions include such items as amounts due from patients without adequate insurance coverage, patient co-payment and deductible amounts due from patients with health care coverage. The Company determines implicit price concessions based primarily upon historical collections, denials, delays, refunds and payment adjustments as well as regulatory compliance. Upon receipt of new information relevant for the determination of the implicit price concession, the Company constrains, or adjusts the constraints for the variable consideration of the transaction price. Furthermore, collections, refunds and payment adjustments often continue for up to three years or more following the provision of services.

The Company has entered into shared savings arrangements with certain payors to provide care and care coordination services to certain end-stage renal disease (ESRD) and chronic kidney disease patients. Under these arrangements, the Company may earn variable reimbursement or may owe the payor reimbursement.

In the U.S., the Company generates revenue from insurance (including reinsurance) contracts, such as sub-capitation arrangements, for which the Company applies IFRS 17, Insurance Contracts (IFRS 17). Insurance premium revenue is recognized as earned each month and risk adjustments are offset against revenue.

"Revenue from insurance contracts" is disclosed separately from "Revenue from contracts with customers" in the notes to the consolidated financial statements.

Health Care Products

In the health care product business, major revenues are generated from the sale of dialysis machines and water treatment systems, home hemodialysis products, disposable products and maintenance agreements for the Company´s health care products. Revenues from the sale of dialysis machines and water treatment system are typically recognized upon installation and provision of the necessary technical instructions as only thereafter the customer obtains control of the medical device. A small portion of the Company´s revenue is recognized from sales of dialysis machines, home hemodialysis products and other products used for in-center hemodialysis treatment to distributors. When the distributor is the principal in the contract, the revenue allocated to the machine or the products will be recognized upon transfer of control to the distributor. In case the Company is committed to perform the installation, revenue allocated to the installation, as a separate performance obligation, would be recorded upon installation of the machine at the end-customers' premises. In case the distributor is only an agent in the contract, revenue for sale of the machine would be recorded upon installation.

Under consignment arrangements revenue is recognized upon withdrawal of the products by the customer.

Maintenance is provided over time, and as such revenue is typically recognized on a straight-line basis as the customer is simultaneously receiving and consuming the benefits provided by the Company's performance.

All other dialysis and non-dialysis product revenues are recognized upon transfer of control to the customer. Product revenues are normally based upon pre-determined rates that are established by contractual arrangement.

A portion of dialysis product revenues is generated from arrangements which give the customer, typically a health care provider, the right to use dialysis machines. In the same contract the customer agrees to purchase the related treatment disposables at a price marked up from the standard price list. If the right to use the machine is conveyed through an operating lease and the customer agrees to purchase a minimum number of related treatment disposables, the Company does not recognize

revenue upon delivery of the dialysis machine but recognizes revenue on the sale of disposables upon transfer of control with revenue for the use of dialysis machines recognized straight-line over the term of the lease contract. When there is no such agreement that the customer purchases a minimum number of related treatment disposables, revenue is recognized only on the sale of disposables unless the timing of the first purchase order of related treatment disposables justifies a combination of contracts according to IFRS 15.

If the lease of the machines is a finance lease, ownership of the dialysis machine is transferred to the user upon installation of the dialysis machine at the customer site. In this type of contract, revenue is recognized in accordance with the accounting principles for finance leases under IFRS 16. The allocation of the transaction price to lease and non-lease components is based on stand-alone selling prices.

For certain home-dialysis products the Company offers month-to-month rental arrangements, where revenue is recognized on a monthly basis.

In addition, for some licensing agreements and equipment sales to dialysis clinic customers in the area of home-dialysis, the Company recognizes upfront fees received as lease revenue on a straight-line basis over the term of the contract.

IFRS 15 specifically excludes leases from the scope of the revenue standard. The transaction price of contracts which include lease components is allocated in accordance with IFRS 15. Revenue is recognized separately for the lease and the non-lease components of the contract.

"Revenue from lease contracts" is disclosed separately from "Revenue from contracts with customers" in the notes to the consolidated financial statements.

L) Capitalized Interest

For significant construction projects exceeding six months, the Company includes capitalized interest costs that are directly attributable to the construction or the production of a qualifying asset as part of the cost of the asset. For the fiscal years 2024, 2023 and 2022, interest of €2,149, €2,500 and €2,240, based on an average interest rate of 2.24%, 2.88% and 4.52%, respectively, was recognized as a component of the cost of assets.

M) Research and Development Expenses

Research is the original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge. Development is the technical and commercial implementation of research results and takes place before the start of commercial production or use. Research costs are expensed as incurred. Development costs that fully meet the criteria for the recognition of an intangible asset, as set out in IAS 38, are capitalized and are primarily development projects related to dialysis machines. Such costs are capitalized when the Company's commitment to finalize the project has been formalized and approved by management, the design input of the project or machine has been finalized and, based on experience with similar projects, the Company has determined that technical feasibility has been achieved and future economic benefits are probable.

N) Income Taxes

Current taxes are calculated based on the profit (loss) of the fiscal year and in accordance with local tax rules of the respective tax jurisdictions. Expected and executed additional tax payments and tax refunds for prior years are also taken into account.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the single entity's financial statement carrying amounts of existing assets and liabilities and their respective tax basis, tax credits and tax loss carryforwards which are probable to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the end of the reporting period. A change in tax rate for the calculation of deferred tax assets and liabilities is recognized in the period the new laws are enacted or substantively enacted. The effects of the adjustment are generally recognized in the income statement. The effects of the adjustment are recognized in equity, if the temporary differences are related to items directly recognized in equity.

Deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. In addition, deferred tax assets and liabilities are not recognized if they arise from the initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date. A deferred tax asset is recognized to the extent that the utilization of parts or all of it is probable because sufficient taxable profit will be available (see NOTE 5 G)). The determination of future taxable income is based on

assumptions on future market conditions and future profits of FME AG and considers all currently available information as well as the level of historical taxable income. In addition, the determination of the recoverable amount of deferred tax assets considers implemented tax strategies.

With respect to the interpretation of tax laws, the amount and the timing of future taxable income, complex tax rules may lead to uncertainties in tax treatments. The Company recognizes assets and liabilities for uncertain tax treatments based on reasonable estimates to the extent it is probable the tax will be recovered or that the tax will be payable, respectively.

In the U.S. and Germany, interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37. All other jurisdictions account for interest and penalties related to income taxes in accordance with local tax rules of the respective tax jurisdiction either under IAS 37 or as income tax expense under IAS 12. Under IAS 37, penalties related to income taxes, including uncertain tax treatments, are recorded within selling, general and administrative expense. Additionally, in accordance with IAS 37, interest related to income taxes, including uncertain tax treatments, are recorded within other (income) expense.

In 2023, the Company implemented a Global Intercompany Service Charging (GISC) initiative reflecting its new global operating model described above. The initiative aligns with the Company's vertical integration strategy, seeking to consolidate functions through business partnering, centers of excellence and global shared services. The GISC initiative established a standardized and simplified global framework for intercompany service charging. Consistent with Organisation for Economic Co-operation and Development Transfer Pricing Guidelines, service fees are charged based on associated costs and arm's length mark-ups using allocation keys which reflect the benefits received by the service recipients.

Due to the size of the Company's revenue, the Company is within the scope of the Organisation for Economic Co-operation and Development's Inclusive Framework on Base Erosion Profit Shifting (BEPS) Global Anti-Base Erosion Model Rules (GloBE): Global Minimum Taxation (Pillar Two) legislation. The legislation was enacted in Germany on December 15, 2023, the jurisdiction in which the Company resides, and became effective on January 1, 2024. The Company applies the exception not to recognize or disclose deferred taxes in connection with Pillar Two income taxes. Income tax expenses related to Pillar Two income taxes are included within the income tax expense line item in the Company's consolidated statements of income.

O) Impairment

The Company reviews the carrying amount of its property, plant and equipment, its intangible assets with definite useful lives, its right-of-use assets as well as other non-current assets for impairment whenever events or changes in circumstances indicate that the carrying amount is higher than the asset's recoverable amount in accordance with IAS 36, Impairment of Assets (IAS 36). The fair value less cost of disposal of an asset is estimated as its net realizable value. The value in use is the present value of future cash flows expected to be derived from the relevant asset. If it is not possible to estimate the future cash flows from the individual assets, impairment is tested on the basis of the corresponding group of CGUs.

Impairment losses, except impairment losses recognized on goodwill, are reversed up to the amount of the amortized acquisition cost, as soon as the reasons for impairment no longer exist.

Non-current assets to be disposed of by sale are reported at the lower of carrying value or fair value less cost to sell and depreciation is ceased. Non-current assets to be disposed of other than by sale are considered to be held and used until disposal.

P) Debt Issuance Costs

Debt issuance costs related to a recognized debt liability are presented on the balance sheet as a direct deduction from the carrying amount of that debt liability. Debt issuance costs related to undrawn credit facilities are presented in Other assets. These costs are amortized over the term of the related obligation or credit facility.

For further information see NOTE 17.

Q) Self-insurance Programs

See NOTE 2 D).

R) Concentration of Risk

The Company is engaged in the manufacture and sale of products for all forms of kidney dialysis, principally to health care providers throughout the world, and in providing kidney dialysis treatment as well as providing other health care services. The Company performs ongoing evaluations of its customers' financial condition and, generally, requires no collateral.

Revenues which were earned and subject to regulations under Medicare and Medicaid (excluding Medicare Part C, also known as Medicare Advantage plans), governmental health care programs administered by the U.S. government, were approximately 18%, 18%, and 24% of the Company's worldwide revenues in 2024, 2023 and 2022, respectively.

See NOTE 2 C) for concentration risks of debtors or group of debtors as well as NOTE 9 for discussion of suppliers with long-term purchase commitments.

S) Legal Contingencies

See NOTE 2 B).

T) Other Provisions

In accordance with IAS 37, provisions are recognized when there is a present obligation to a third party arising from past events, it is probable that the obligation will be settled in the future and the required amount can be reliably estimated. Provisions by their nature are more uncertain than most other items in the statement of financial position.

Non-current provisions with a remaining period of more than one year are discounted to the present value of the expenditures expected to settle the obligation. The applied discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

U) Earnings per Share

Basic earnings per share is calculated in accordance with IAS 33, Earnings per Share (IAS 33). Basic earnings per share is calculated by dividing net income attributable to shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share include the effect of all potentially dilutive instruments on shares that would have been outstanding during the years presented had the dilutive instruments been issued. For the calculation of basic earnings per share, treasury stock is not considered outstanding and is therefore deducted from the number of shares outstanding.

Equity-settled awards granted under the Company's stock incentive plans (see NOTE 23) are potentially dilutive equity instruments.

V) Treasury Stock

The Company may, from time to time, acquire its own shares (Treasury Stock) as approved by its shareholders. The acquisition, sale or retirement of its Treasury Stock is recorded separately in equity. The value of such Treasury Stock is shown as a reduction of the Company's equity.

W) Employee Benefit Plans

Pension obligations for post-employment benefits are measured in accordance with IAS 19, Employee Benefits (IAS 19), using the projected unit credit method, taking into account future salary and trends for pension increase.

The Company uses December 31 as the measurement date when measuring the net pension liability.

For the Company's funded benefit plans the defined benefit obligation is offset against the fair value of plan assets (net pension liability). Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies. A pension liability is recognized in the consolidated balance sheet if the defined benefit obligation exceeds the fair value of plan assets. A pension asset is recognized (and reported under "Other non-current assets" in the consolidated balance sheet) if the fair value of plan assets exceeds the defined benefit obligation and if the Company has a right of refund against the fund or a right to reduce future payments to the fund.

Net interest costs are calculated by multiplying the benefit obligation (fair value of plan assets) at beginning of the year with the discount rate utilized in determining the benefit obligation.

Remeasurements include actuarial gains and losses resulting from the evaluation of the defined benefit obligation as well as from the difference between actual investment returns and the return implied

by the net interest cost. In the event of a surplus for a defined benefit pension plan remeasurements can also contain the effect from asset ceiling, as far as this effect is not included in net interest costs.

Remeasurements are recognized in AOCI completely. Remeasurements may not be reclassified in subsequent periods. Components of net periodic benefit cost are recognized in profit and loss of the period.

X) Share-based Plans

The grant date fair value of stock options and convertible equity instruments that are settled by delivering equity instruments granted to the Management Board and executive employees of the Company and its subsidiaries by FME AG is measured in accordance with IFRS 2, Share-based Payment (IFRS 2) using the binomial option pricing model and recognized as expense over the vesting period of the stock option plans. For certain exceptions, as defined in the respective plan terms, a shorter vesting period may apply after which the stock options will not forfeit in any way. In such cases the vesting period is shortened accordingly.

The balance sheet date fair value of cash-settled performance shares granted to the Management Board and executive employees of the Company is calculated using the Monte Carlo pricing model in accordance with IFRS 2. The corresponding liability based on the balance sheet date fair value is accrued over the vesting periods of the performance share plans. For certain exceptions a shorter vesting period may apply after which the performance shares will not forfeit in any way. In such cases the vesting period is shortened accordingly.

Y) Government Grants

In accordance with IAS 20, Accounting for Government Grants and Disclosure of Government Assistance, government grants, including non-monetary grants at fair value, are recognized only when there is reasonable assurance that the Company will comply with all conditions attached to the grant and that the grants will be received. Government grants or government assistance are recognized directly against the respective qualifying expense in either the cost of revenue line item or selling, general and administrative expense line item within the statement of profit and loss. Amounts received for which a respective cost is not yet incurred are recorded as a liability on the Company's consolidated balance sheet and offset against all qualifying costs that are incurred in future periods.

Z) Impacts of Climate Change on Accounting

The Company continually analyzes potential sustainability risks in the areas of climate change, water scarcity, and resource usage. In particular, during 2024, we entered into several vPPAs with wind and solar energy project developers in Germany and in the U.S. in order to receive guarantees of origin and renewable energy certificates, respectively, to address our sustainability objectives. Volatility in the valuation of financial instruments connected to energy prices or energy production volumes, including as a result of the heightened risk of volatility due to geopolitical conflicts in certain regions, could result in a material adverse effect on our business or results of operations. Other than the aforementioned risk, the Company has not identified any significant risks for its business model in 2024.

AA) Recent Pronouncements

Recently Implemented Accounting Pronouncements

The Company has prepared its consolidated financial statements at and for the year ended December 31, 2024 in conformity with IFRS Accounting Standards that have to be applied for fiscal years beginning on January 1, 2024. For the year ended December 31, 2024, the Company applied the following new standard relevant for its business for the first time:

Disclosure of Revenues and Expenses for Reportable Segments under IFRS 8, Operating Segments (International Financial Reporting Interpretations Committee Agenda Decision)

In July 2024, the International Financial Reporting Interpretations Committee issued an agenda decision on the disclosure of revenues and expenses for reportable segments under IFRS 8, Operating Segments. Under IFRS 8, companies are required to disclose certain specified income and expense items if such items are included within the segment profit measure that is provided to the chief operating decision maker, regardless of whether such items are provided to the chief operating decision maker separately. The agenda decision further clarifies that additional material items of income and expense included within a measure of segment profit reported to the chief operating decision maker may also need to be disclosed, based on management judgment. The Company evaluated the International Financial Reporting Interpretations Committee decision and has adjusted its segment reporting presentation to include costs of revenue and research and development (R&D) at the segment level.

Recent Accounting Pronouncements not Yet Adopted

IFRS 18, Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements (IFRS 18). IFRS 18 aims to improve how information is communicated in financial statements to give investors a more comparable basis to analyze companies' performance. The standard introduces three sets of new requirements: new categories and subtotals in the consolidated statements of income, disclosure regarding management-defined performance measures and guidance related to the aggregation and disaggregation of certain information. The consolidated statements of income will be split into three newly defined categories (operating, investing and financing) and will include two newly defined subtotals (operating profit and profit before financing and income taxes). Management-defined performance measures are subtotals of income and expense used in public communication outside the financial statements and communicate management's view of certain aspects of a company's performance. Such measures are required to be described in a clear and understandable manner in a single note explaining how the measure is calculated, why it is useful, providing a reconciliation to the most directly comparable subtotal noted above, the income tax and the effect on non-controlling interest for each item disclosed in the reconciliation and how the income tax effect was determined. Lastly, companies must disaggregate items if such information is material and avoid using the label "other" in financial statements. Certain additional details for depreciation and amortization, impairment and other expense classifications may be required. Additionally, IFRS 18 introduces limited changes to IAS 7, Statement of Cash Flows. The operating profit will be the starting point for reporting cash flows from operating activities using the indirect method and the option for classifying interest and dividend cash flows as operating activities has been eliminated. Dividends and interest paid will be classified in cash flows from financing activities whereas dividends and interest received will be classified in cash flows from investing activities. An entity shall apply those amendments when it applies IFRS 18. IFRS 18 is effective for fiscal periods commencing on or after January 1, 2027. Earlier adoption is permitted. The standard is expected to impact the Company's presentation of items within the consolidated financial statements and its notes disclosures once implemented, though the standard is not expected to change how the Company recognizes or measures items in its consolidated financial statements.

In the Company's view, no other pronouncements issued by the IASB are expected to have a material impact on the consolidated financial statements.

2. Significant Judgments and Sources of Estimation Uncertainties

The Company's reported results of operations, financial position and net assets are sensitive to significant judgments, assumptions and estimates that are the basis for its financial statements. The critical accounting policies, the judgments made in the creation and application of these policies and the sensitivities of reported results to changes in accounting policies, significant judgments and estimates are factors to be considered along with the Company's financial statements. In the opinion of the Management of the Company, the following accounting policies, significant judgments and sources of estimation uncertainties are critical for the consolidated financial statements in the present economic environment.

A) Recoverability of goodwill and intangible assets

The growth of the business through acquisitions has created a significant amount of intangible assets, including goodwill, trade names, management contracts, non-compete agreements, technology and customer relationships as well as licenses and distribution agreements. In addition, the Company recognizes internally developed intangible assets related to R&D and software development projects. At December 31, 2024, the carrying amount of goodwill and non-amortizable intangible assets amounted to €15,461,434 (€14,914,803 at December 31, 2023) representing approximately 46% and 44% of the Company's total assets at December 31, 2024 and 2023, respectively.

In accordance with IAS 36, the Company performs an impairment test of goodwill and non-amortizable intangible assets at least once a year for each group of CGUs or more frequently if the Company becomes aware of events that occur or if circumstances change that would indicate the carrying value may not be recoverable (see also NOTE 1 G)).

To comply with IFRS Accounting Standards to determine possible impairments of these assets, the value in use of the group of CGUs is first compared to the group of CGUs' carrying amount. In cases where the value in use of the group of CGUs is less than its carrying amount and the fair value less cost of disposal is not estimated to be higher than the value in use, the difference is recorded as an impairment of the carrying amount of the group of CGUs.

To evaluate the recoverability of intangible assets with indefinite useful lives, the Company compares the recoverable amounts of the smallest identifiable group of assets that generate largely independent cash inflows with their carrying values. An intangible asset's fair value is determined using a discounted cash flow approach or other methods, if appropriate.

The value in use of each group of CGUs is determined using estimated future cash flows for the unit discounted by a pre-tax discount rate (WACC) specific to that group of CGUs. The Company's WACC consists of a basic rate adjusted by a weighted average country risk rate and, if appropriate, by a factor to reflect higher risks associated with the cash flows from recent material acquisitions within each group of CGUs, until they are appropriately integrated as well as country-specific risks identified within a group of CGUs. The Company's WACC is impacted by macro-economic and other specific uncertainties. Estimating the future cash flows involves significant assumptions, especially regarding future reimbursement rates and sales prices, number of treatments, sales volumes and costs. The estimates were largely impacted by the continuing deterioration of the macroeconomic environment in recent years.

The Company performed an analysis in connection with the annual goodwill impairment test as of October 1, 2024, which included qualitative and quantitative simulations to assess the potential impact of GLP-1 receptor agonists and the potential impact of sodium-glucose cotransporter 2 (SGLT2) inhibitors on the CKD and ESRD populations, specifically in relation to cash flow projections and goodwill sensitivity assessments based on the analysis of the population impact model (a computational tool to predict the size and age distribution of future patient populations with kidney disease for the coming decade, based on various public-health scenarios). In the Company's population impact model the sensitivity bands of the various scenarios of GLP-1 receptor agonist and SGLT2 inhibitor utilization in the CKD population suggest a slight increase in the total CKD population and a slight reduction in the ESRD population growth rate that remain materially consistent with the patient population forecasts which do not include the utilization of these drugs. Considering the positive cardiovascular effects of the drugs, reducing mortality, as well as the progression-delaying effect on the CKD population, the Company sees a balanced effect of the drugs on the patient population.

The Company's assessment concluded that underlying patient growth assumptions used in its 10-year cash flow projections reflect the current understanding of treatment developments. In addition, the Company performed a most conservative scenario based on the population impact model, which did not result in an impairment loss as the recoverable amount of the Care Delivery and Care Enablement groups of CGUs continued to exceed the carrying amount by €6,011,345 and €3,172,951, respectively, based on the annual impairment test performed as of October 1, 2024. Sensitivities are based on assumptions for delays in patients progressing through the stages of CKD, life expectancy, the aging of our patient population and payor mix.

The key assumptions represent management's assessment of future trends and have been based on historical data from both external and internal sources, including the population impact model as described above. In determining discounted cash flows for every group of CGUs, the Company utilizes its three-year budgets, projections for years four to ten and a representative growth rate for all remaining years. In 2024, the projections for the first three years were prepared based on the status of current initiatives without considering any growth and improvement from initiatives which have not commenced related to the transformation of the Company's operating structure and steps to achieve cost savings (FME25 Program). Projections for up to ten years are possible due to the non-discretionary nature of the health care services the Company provides, the need for health care products utilized to provide such services and the availability of government reimbursement for a substantial portion of its services. The simulations regarding the potential impacts of GLP-1 and SGLT2, as described above, underlined the Company's determination of using 10-year projections as the full potential impacts on the Company's revenue, operating income and cash flow streams are not expected to be realized within a shorter time period.

The annual impairment test performed as of October 1, 2024 did not result in an impairment.

Goodwill as of December 31, 2024 was €15,170,652 (October 1, 2024: €14,227,152; December 31, 2023: €14,650,008; October 1, 2023: €15,407,279), thereof €13,014,925 (October 1, 2024: €12,171,616; December 31, 2023: €12,573,423; October 1, 2023: €13,273,605) in Care Delivery and €2,155,727 (October 1, 2024: €2,055,536; December 31, 2023: €2,076,585; October 1, 2023: €2,133,674) in Care Enablement.

The market capitalization of the Company increased by 16% to €12,957,138 as of December 31, 2024, from €11,137,975 as of December 31, 2023. Total FME AG shareholders' equity increased by 7% to €14,576,563 as of December 31, 2024, from €13,620,261 as of December 31, 2023, driven primarily by an increase in other comprehensive income (loss), including foreign currency translation effects in the amount of €727,473 and an actuarial gain recognized (mainly attributable to an actuarial gain arising from changes in financial assumptions related to pension liabilities), partially offset by fair value changes of equity investments measured at FVOCI.

Due to the carrying amount of net assets exceeding the Company's market capitalization, a continued higher level of interest rates and ongoing uncertainties in the macroeconomic environment, the Company performed an impairment test as of December 31, 2024, in addition to the annual impairment test as of October 1, 2024. Additionally, the ability to delay CKD or ESRD progression and cardiovascular mortality improvements as a result of the use of GLP-1 receptor agonists, SGLT2 inhibitors and other pharmaceuticals or treatment modalities could have an impact on our patient population in the future. Cash flow projections were updated to reflect the impacts of divestitures and the classification of certain entities as held for sale during the fourth quarter, while CGU residual value growth rates remained unchanged as compared to the annual impairment test performed as of October 1, 2024. In addition, WACC parameters were updated as of December 31, 2024. The goodwill impairment test performed as of December 31, 2024 did not result in any impairment.

The following table shows the key assumptions of value-in-use calculations, which are presented based upon the goodwill impairment test performed as of December 31, 2024 and December 31, 2023. There are no reasonably possible changes in assumptions that would lead to an impairment in these groups of CGUs.

T 4.10 KEY ASSUMPTIONS
IN %

	Care Delivery		Care Enablement	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Average revenue growth in ten year projection period[1]	mid-single-digit	mid-single-digit	mid-single-digit	mid-single-digit
Average operating income growth in ten year projection period[1]	mid-single-digit	high-single-digit	low-double-digit	low-double-digit
Residual value growth[1]	1.00	1.00	1.00	1.00
Pre-tax WACC[2]	8.55	10.53	7.78	8.41
After-tax WACC[2]	6.46	8.09	6.00	6.54

[1] The key assumptions as of December 31, 2024 match the respective assumptions as of October 1, 2024. The key assumptions as of December 31, 2023 match the respective assumptions as of October 1, 2023.
[2] As of October 1, 2024 the pre-tax WACC of Care Delivery and Care Enablement was 8.50% and 7.79%, respectively. The after-tax WACC of Care Delivery and Care Enablement was 6.45% and 6.03%, respectively. As of October 1, 2023 the pre-tax WACC of Care Delivery and Care Enablement was 9.35% and 9.04%, respectively. The after-tax WACC of Care Delivery and Care Enablement was 7.21% and 7.01%, respectively.

An overview of the carrying amounts of goodwill and intangibles with indefinite useful life for each group of CGUs is shown in NOTE 12.

A prolonged downturn in the health care industry with lower than expected increases in reimbursement rates and/or higher than expected costs for providing health care services and for procuring and selling health care products or a significant increase of mortality of patients with chronic kidney diseases have and could continue to adversely affect the Company's estimated future cash flows. Future adverse changes in a cash-generating unit's economic environment of a group of CGUs could affect the country specific risk rate and therefore the discount rate. Equally an increase of the general interest rate level could affect the base rate and therefore the discount rate. Additionally, changing market conditions and new market entrants could have a negative impact on the estimated future cash flows and/or a decline in the cash-generating units economic environment, both of which are, by their nature, difficult to predict. As noted in the sensitivity analysis below, if the Company's assumptions change or actual future performance is lower than expected, the Company could record goodwill impairments in the future, and such impairments could be material to its net income.

As of December 31, 2024, the recoverable amount of the Care Delivery group of CGUs exceeded the carrying amount by €6,757,218 (October 1, 2024: €7,454,490; December 31, 2023: €4,740,257; October 1, 2023: €7,155,789). For the Care Enablement group of CGUs, the recoverable amount exceeded the carrying amount by €3,290,699 as of December 31, 2024 (October 1, 2024: €3,360,527; December 31, 2023: €3,285,391; October 1, 2023: €1,733,447). The following table shows the reasonable amounts by which the key assumptions would need to change individually that the recoverable amount equals the carrying amount:

T 4.11 SENSITIVITY ANALYSIS[1]
CHANGE IN PERCENTAGE POINTS

	Care Delivery		Care Enablement	
	December 31, 2024	October 1, 2024	December 31, 2024	October 1, 2024
Pre-tax WACC	2.46	2.77	2.30	2.39
After-tax WACC	1.80	2.05	1.67	1.75
Residual value growth	(7.55)	(9.37)	(5.70)	(6.16)
Operating income margin of each projection year	(2.86)	(3.20)	(2.90)	(3.02)

[1] The sensitivity analysis is based upon the goodwill impairment tests performed as of December 31, 2024 and October 1, 2024.

T 4.12 SENSITIVITY ANALYSIS[1]
CHANGE IN PERCENTAGE POINTS

	Care Delivery		Care Enablement	
	December 31, 2023	October 1, 2023	December 31, 2023	October 1, 2023
Pre-tax WACC	2.10	2.57	2.27	1.31
After-tax WACC	1.60	1.97	1.66	0.97
Residual value growth	(7.26)	(8.97)	(5.57)	(3.01)
Operating income margin of each projection year	(2.35)	(3.08)	(3.02)	(1.78)

[1] The sensitivity analysis is based upon the goodwill impairment tests performed as of December 31, 2023 and October 1, 2023.

B) Legal Contingencies

From time to time, during the ordinary course of operations as well as due to acquisitions, the Company is party to litigation and arbitration and is subject to investigations relating to various aspects of its business (see NOTE 25). The Company regularly analyzes current information about such claims for probable losses and provides accruals for such matters, including the estimated legal expenses and consulting services in connection with these matters, as appropriate. The Company utilizes its internal legal department as well as external resources for these assessments. In making the decision regarding the need for loss accrual, the Company considers the degree of probability of an unfavorable outcome and its ability to make a reasonable estimate of the amount of loss.

The filing of a suit or formal assertion of a claim or assessment, or the disclosure of any such suit or assertion, does not necessarily indicate that accrual of a loss is appropriate.

The outcome of these matters may have a material adverse effect on the results of operations, financial position and net assets of the Company.

C) Trade Accounts and Other Receivables from Unrelated Parties and Expected Credit Losses

Trade accounts and other receivables from unrelated parties are a substantial asset of the Company and the expected credit losses are based upon a significant estimate made by management. Trade accounts and other receivables from unrelated parties were €3,367,111 and €3,471,213 at December 31, 2024 and 2023, respectively, net of expected credit losses of €206,439 at December 31, 2024 and €261,854 at December 31, 2023.

The Company sells health care products directly or through distributors in around 150 countries and provides health care services in around 40 countries. Most payors are government institutions or government-sponsored programs with significant variations between the countries and even between payors within one country in local payment and collection practices.

Receivables resulting from revenue recognized for health care services provided are recorded at amounts estimated to be collectable under government reimbursement programs and reimbursement arrangements with third party payors. U.S. Medicare and Medicaid government programs are billed at pre-determined net realizable rates per treatment that are established by statute or regulation. Revenues for non-governmental payors with which the Company has contracts or letters of agreement in place are recognized at the prevailing contract rates. The remaining non-governmental payors are billed at the Company's standard rates for services and, for U.S. revenue within the Company's Care Delivery segment, a contractual adjustment is recorded to recognize revenues based on historic reimbursement. The contractual adjustment and the expected credit losses are reviewed quarterly for their adequacy. No material changes in estimates were recorded for the contractual allowance in the periods presented. The collectability of receivables is reviewed locally on a regular basis, generally monthly. For further information, see NOTE 1 K).

In the Company's U.S. operations within its Care Delivery segment, the collection process is usually initiated shortly after service is provided or upon the expiration of the time provided by contract. For Medicare and Medicaid, once the services are approved for payment, the collection process begins upon the expiration of a period of time based upon experience with Medicare and Medicaid. In all cases where co-payment is required the collection process usually begins within 30 days after service has been provided. In those cases where claims are approved for amounts less than anticipated or if claims are denied, the collection process usually begins upon notice of approval of the lesser amounts or upon denial of the claim. The collection process can be confined to internal efforts, including the accounting and sales staffs and, where appropriate, local management staff. If appropriate, external collection agencies may be engaged.

Public health institutions in a number of countries outside the U.S. require a significant amount of time until payment is made because a substantial number of payors are government entities whose payments are often determined by local laws and regulations and budget constraints. Depending on local facts and circumstances, the period of time to collect can be quite lengthy. In those instances where there are commercial payors, the same type of collection process is initiated as in the U.S.

Due to the number of subsidiaries and different countries that the Company operates in, the Company's policy of determining when an individual expected credit loss is required considers the appropriate individual local facts and circumstances that apply to an account. While payment and collection practices vary significantly between countries and even agencies within one country, government payors usually represent low to moderate credit risks. It is the Company's policy to determine when receivables should be classified as bad debt on a local basis taking into account local payment practices and local collection experience. An individual expected credit loss is calculated locally if specific circumstances indicate that amounts will not be collectible.

Receivables where the expected credit losses are not assessed individually are grouped based on geographical regions and the impairment is assessed based on macroeconomic indicators such as credit default swaps. For more information regarding the impairment on trade accounts and other receivables from unrelated parties, refer to NOTE 1 I).

When all efforts to collect a receivable, including the use of outside sources where required and allowed, have been exhausted, and after appropriate management review, a receivable deemed to be uncollectible is considered a bad debt and written off.

Write offs are taken on a claim-by-claim basis. Due to the fact that a large portion of its reimbursement is provided by public health care organizations and private insurers, the Company expects that most of its accounts receivables will be collectible, albeit potentially more slowly outside the U.S. A significant change in the Company's collection experience, deterioration in the aging of receivables and collection difficulties could require that the Company increases its estimate of the expected credit losses. Any such additional bad debt charges could materially and adversely affect the Company's future operating results.

If, in addition to the Company's existing expected credit losses, 1% of the gross amount of the Company's trade accounts and other receivables from unrelated parties as of December 31, 2024 were uncollectible through either a change in the Company's estimated contractual adjustment or revised estimate of the collectability, the Company's operating income for 2024 would have been reduced by approximately 2.6%.

The following table shows the portion of major debtors or debtor groups of trade accounts and other receivables from unrelated parties as of December 31, 2024 and 2023. Other than U.S. Medicare and Medicaid, no single debtor accounted for more than 5% of total trade accounts and other receivables from unrelated parties in either of these years.

T 4.13 COMPOSITION OF TRADE ACCOUNTS AND OTHER RECEIVABLES FROM UNRELATED PARTIES
IN %

	December 31,	
	2024	**2023**
U.S. Government health care programs	34	30
U.S. commercial payors	18	19
U.S. hospitals	4	4
Self-pay of U.S. patients	2	3
Other U.S. payors	1	1
Product customers and health care payors outside U.S.	41	43
TOTAL	**100**	**100**

D) Self-insurance Programs

Under the Company's insurance programs for professional, product and general liability, auto liability, worker's compensation and medical malpractice claims, the Company's largest subsidiary which is located in the U.S. is partially self-insured for professional liability claims. For all other coverages, the Company assumes responsibility for incurred claims up to predetermined amounts above which third party insurance applies. Reported liabilities for the year represent estimated future payments of the anticipated expense for claims incurred (both reported and incurred but not reported) based on historical experience and existing claim activity. This experience includes both the rate of claims incidence (number) and claim severity (cost) and is combined with individual claim expectations to estimate the reported amounts. For further information, see NOTE 15 and NOTE 18.

E) Level 3 Financial Instruments

Put option liabilities, variable payments outstanding for acquisitions, equity investments, derivatives embedded in vPPAs as well as receivables for royalty payments from one of the Company's equity investments and certain receivables from the sale of investments are recognized at their fair value. Each put option contract contains specific clauses related to the terms of exercisability, which require significant judgment in order to determine appropriate liability recognition and classification. For further information related to the significant judgments and estimates related to these instruments and their fair values, see NOTE 1 H) and NOTE 26.

F) Income Taxes

The Company is subject to ongoing and future tax audits in the U.S., Germany and other jurisdictions. Different interpretations of tax laws, particularly due to the Company's international activities, may lead to potential additional tax payments or tax refunds for prior years. To consider income tax liabilities or income tax receivables of uncertain tax assessments management's estimations are based on experiences with previous tax audits and local tax rules of the respective tax jurisdiction and the interpretation of such. Differences between actual results and management's estimates or future changes in these estimates may have an impact on future tax payments or tax refunds. Estimates are revised in the period in which there is sufficient evidence to revise the assumption. For further information to estimates related to the recoverability of deferred taxes, see NOTE 1 N) and NOTE 5 G). Further information on the status of current tax audits or objections from taxation authorities is provided in NOTE 25.

G) Business Combinations and Disposal Groups Cclassified as Held for Sale

The Company measures the noncontrolling interest in an acquisition at fair value using the full goodwill method and classifies costs related to its business combinations within general and administrative expense. In determining whether an intangible asset related to a business combination is identifiable and should be separated from goodwill, significant judgment is required. Additionally, estimation of the acquisition-date fair values of identifiable assets acquired and liabilities assumed also involves significant judgment. The applicable measurements and inputs used in this estimation (including revenue growth rates, gross profit margin adjusted for synergy assumptions associated with manufacturing savings and the discount rate) are based upon information available at the acquisition date using expectations and assumptions that management deems reasonable. Such judgments, estimates and assumptions could materially affect the Company's business, results of operations and financial condition, primarily due to:

> Fair values assigned to assets subject to depreciation and amortization directly impact the depreciation and amortization recorded in the Company's consolidated statements of income in periods subsequent to a related acquisition.
> Any subsequent measurement resulting in a decrease in the estimated fair values of assets acquired may result in impairment.
> Subsequent changes resulting in an increase or decrease to the estimated fair values of liabilities assumed may result in additional expense or income, respectively.

For further information on business combinations, see NOTE 3.

A non-current asset or a disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is only met if the asset or group is available for immediate sale in its present condition and the sale transaction is considered highly probable. A transaction is assumed to be highly probable if there is no significant risk of completion of the transaction. Disposal groups are recognized at the lower of their carrying amounts or fair value less costs to sell. Any impairment loss on the disposal group is allocated first to goodwill and then to the remaining non-current assets within the IFRS 5 measurement scope on a pro rata basis. The determination of the fair value less costs to sell requires the use of estimates and assumptions.

For further information on disposal groups classified as held for sale, see NOTE 4.

H) Leases and Interest Rate Determination

IFRS 16 requires the Company to make judgments that affect the valuation of lease liabilities as well as of right-of-use assets (see NOTE 24 and NOTE 26), including the determination of which contracts are within the scope of IFRS 16, identifying the contract lease term and determining the incremental borrowing rate.

The lease term is determined as the non-cancellable period of a lease, together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. During the "reasonably certain" assessments, the Company considers all relevant facts and circumstances that create an economic incentive for the Company to exercise, or not to exercise, an option, including any expected changes in facts and circumstances (e.g., contract-, object-, entity- or market-specific factors) from the commencement date until the exercise date of the option. Other examples of considered terms are termination penalties or costs relating to the termination of the lease, such as negotiation costs, relocation costs, costs of identifying another lease asset suitable for the Company's needs, costs of integrating a new asset into the Company's operations and termination penalties and similar costs, including costs associated with returning the underlying asset in a contractually specified condition or to a contractually specified location. Additionally, the Company's historical practice regarding the period over which it has typically used particular types of assets, and its economic reasons for doing so, is also relevant. Unrecognized extension options are shown as potential future cash outflows (see NOTE 24).

The Company uses the rate implicit in the lease if agreed with the lessor and/or available, while the incremental borrowing rate is used for all other leases. The incremental borrowing rate is defined as the rate that the lessee would have to pay on the commencement date of the lease for a similar loan (regarding its term, security, underlying asset, and economic environment). The incremental borrowing rate is determined when the Company initiates a lease contract or changes an existing lease. The interest rate is calculated based on following components: available interest rate sampling points, group risk margins, shadow rating (credit risk) margins, country risk margins, handling margins and other risk margins.

The Company is subject to residual value guarantees in certain lease contracts, primarily real estate contracts, for which it is the lessee. Under the terms of these leases, the Company has the option to remarket the underlying leased properties to satisfy its residual value guarantee obligations at the end of the lease term. At the end of each reporting period, the expected residual values are compared to the estimated fair market value of the underlying leased assets utilizing third-party valuations. For additional information regarding residual value guarantees in certain lease contracts, see NOTE 25.

3. Acquisitions, Business Combinations, Investments (Including Debt Securities), Purchases of Intangible Assets, Divestitures and Sale of Debt Securities

The Company completed acquisitions, investments (including debt securities) and the purchase of intangible assets in the amount of €104,621, €137,626 and €745,500 in 2024, 2023 and 2022, respectively. In 2024, €104,567 was paid in cash and €54 were assumed obligations and non-cash consideration. In 2023, €137,565 was paid in cash and €61 were assumed obligations and non-cash consideration. In 2022, €164,774 was paid in cash and €580,726 were assumed obligations and non-cash consideration.

Acquisitions

The Company made acquisitions of €231, €3,203 and €570,200 in 2024, 2023 and 2022, respectively in order to expand the scope of its services and to increase its market shares in the respective countries. In 2024, €177 was paid in cash and €54 were assumed obligations and non-cash consideration. In 2023, €3,142 was paid in cash and €61 were assumed obligations and non-cash consideration. Due to cash acquired as a result of the Interwell Health business combination defined and discussed below, the Company received €10,526 in cash and assumed obligations or provided non-cash consideration in the amount of €580,726 in 2022.

In 2024, the Company's acquisition spending was driven by the purchase of certain assets from a medical technology business. In 2023 and 2022, the Company's acquisition spending was driven primarily by the purchase of dialysis clinics and other health care service facilities in the normal course of its operations as well as the business combination of Interwell Health in 2022 (as defined and discussed below).

Impacts on Consolidated Financial Statements from Acquisitions

The assets and liabilities of all acquisitions were recorded at their estimated fair value at the date of the acquisition and are included in the Company's financial statements and operating results from the effective date of acquisition. The measurement period adjustments from the previous year's acquisitions did not have a significant impact on the consolidated financial statements in 2024.

The excess of the total acquisition costs over the fair value of the net assets acquired resulted in goodwill of €231 and €3,493 at December 31, 2024 and 2023, respectively.

The purchase price allocations for all collectively and individually non-material acquisitions for 2024 are not yet finalized. The Company is in the process of obtaining and evaluating the information necessary for the purchase price allocations, primarily related to property, plant and equipment, intangible assets, accounts receivable and other liabilities. In 2024, based on preliminary purchase price allocations, the Company recorded €231 of goodwill, which represents the share of both controlling and noncontrolling interests. Goodwill is mainly attributable to anticipated synergies and future cash flows expected to be generated for these acquisitions.

Business combinations during 2024 increased the Company's net income attributable to shareholders of FME AG (Net Income) by €53, excluding the costs of the acquisitions, and revenue increased by €482. Total assets increased €231 mainly due to business combinations.

Business Combination of Interwell Health

On August 24, 2022 (Acquisition Date), the Company completed a business combination among Fresenius Health Partners, Inc. (FHP), the value-based care division of the Company's wholly owned subsidiary Fresenius Medical Care Holdings, Inc., InterWell Health LLC, a physician organization driving innovation in the kidney care space in the U.S., and Cricket, a U.S. provider of value-based kidney care with a patient engagement and data platform. The new company, InterWell Topco L.P. (NewCo), operates under the Interwell Health brand (Interwell Health).

This business combination was conducted as a non-cash transaction. The contributions of the net assets of InterWell Health LLC and Cricket were accounted for as a business combination in accordance with IFRS 3. The Company's contribution of the net assets of FHP was recorded under common control at their respective carrying values at the Acquisition Date and the reduction of the Company's interest in FHP, in exchange for net assets received of InterWell Health LLC and Cricket, was accounted for as an equity transaction. Upon consummation of the business combination described above, the Company holds approximately 75% of NewCo. The former owners of Cricket and InterWell Health LLC hold approximately 17% and 8%, respectively, as noncontrolling interests in NewCo.

Based on the final purchase price allocation, the following assets, including goodwill (which will not be deductible for tax purposes), were acquired and liabilities were assumed as of the Acquisition Date:

T 4.14 **RECONCILIATION OF GOODWILL RECOGNIZED**

	in $ THOUS	in € THOUS
Fair value of consideration transferred of the Company's interest in FHP	397,937	400,581
Fair value of previously held equity method investment in InterWell Health LLC	175,421	176,587
	573,358	**577,168**
Fair Values of Assets Acquired and Liabilities Assumed		
Less: Cash and cash equivalents	(57,383)	(57,764)
Less: Other assets	(2,819)	(2,838)
Less: Intangible assets	(53,609)	(53,965)
Other liabilities	13,029	13,116
Noncontrolling interests	186,336	187,573
GOODWILL	**658,912**	**663,290**

Investments (Including Debt Securities) and Purchases of Intangible Assets

Investments (including debt securities) and purchases of intangible assets were €104,390, €134,423 and €175,300 in 2024, 2023 and 2022, respectively. These amounts were primarily driven by investments in debt securities in 2024, 2023 and 2022. Of these amounts, €104,390, €134,423 and €175,300 were paid in cash in 2024, 2023 and 2022, respectively.

Divestitures and Sale of Debt Securities and Equity Investments

Proceeds from divestitures and sale of debt securities were €910,911, €326,696 and €126,454 in 2024, 2023 and 2022, respectively. For 2024 and 2023, these amounts are mainly related to the divestment of business under the Legacy Portfolio program (as defined below) and also include immaterial divestments of debt securities and equity investments. In 2022, the amount primarily relates to the divestiture of debt securities and non-consolidated equity investments. In 2024, €704,883 was received in cash and €206,028 were non-cash components. In 2023, €261,796 was received in cash and €64,900 were non-cash components. In 2022, €117,832 was received in cash and €8,622 were non-cash components.

As a result of the loss of control relating to divestitures, the Company divested current assets of €746,181 and €119,709, (including cash of €13,622 and €33,151), non-current assets of €326,525 and €402,702, current liabilities of €352,869 and €53,015 and non-current liabilities of €213,743 and €26,491 in 2024 and 2023, respectively. The amounts of cash and other assets and liabilities divested in 2022 were not considered to be material.

4. Disposal Groups Classified as Held for Sale

As of December 31, 2024, the Company's management committed to a plan to sell the following in connection with its Legacy Portfolio Optimization program (as defined below):

- the Company signed an agreement to sell its renal dialysis clinics in Brazil, currently included in its Care Delivery Segment;
- the Company signed an agreement to sell select assets of the Company's wholly owned Spectra Laboratories, currently included in its Care Delivery segment; and
- the Company has committed to a plan to sell its renal dialysis clinics and products business in Kazakhstan, currently included in its Care Delivery and Care Enablement segments, respectively.

Transactions which remain open as of the date of this report are subject to regulatory approvals or certain other closing conditions, but are expected to be completed within a year from the date of classification as assets held for sale. The sale of the select assets of the Company's wholly owned Spectra Laboratories qualifies as a divestiture of a business. Immediately before the classification of the agreed-upon divestiture in Brazil as held for sale, an impairment loss was recognized and is included in other operating expenses in the consolidated statements of income. The carrying amount of the disposal group for the proposed divestiture of facilities in Brazil is recognized at its fair value less costs to sell. The portion of the non-recurring fair value measurement attributable to the Company and its shareholders of €82,544 for this transaction is categorized as level 3 of the fair value hierarchy using the preliminary purchase price (2023: €7,824). The proposed divestiture of the Company's clinic network and products business in Kazakhstan and the select assets of the Company's wholly owned Spectra Laboratories did not result in an impairment loss based upon the measurement of assets held for sale and the disposal groups are recorded at their carrying amount. See NOTE 5 E) for further details on impairment losses based upon the measurement of assets held for sale as well as other impairment of assets related to the aforementioned proposed divestitures during 2024, 2023 and 2022.

As of December 31, 2024 and 2023, the following assets and liabilities were classified as held for sale:

T 4.15 **ASSETS AND LIABILITIES OF DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE**
IN € THOUS

	2024	2023
Cash and cash equivalents	5,141	23,733
Trade accounts and other receivables from unrelated parties	27,085	27,535
Property, plant and equipment	16,346	42,710
Right-of-use assets	5,915	114,602
Goodwill [1]	92,557	274,543
Other	13,969	24,477
ASSETS HELD FOR SALE	**161,013**	**507,600**
Accounts payable to unrelated parties	1,628	12,880
Lease liabilities	6,097	128,653
Provisions and other liabilities	19,786	39,091
LIABILITY DIRECTLY ASSOCIATED WITH ASSETS HELD FOR SALE	**27,511**	**180,624**

[1] Goodwill was allocated to the disposal groups on a relative fair value basis.

As of December 31, 2024 and 2023, the accumulated foreign currency translation losses recognized in other comprehensive income related to the disposal groups amounted to €44,693 and €4,230.

For information regarding disposal groups previously held for sale and subsequently divested, including the gains and losses recorded as a result of these divestitures, see NOTE 3 and NOTE 5 E).

5. Notes to the Consolidated Statements of Income

A) Revenue

The Company recognized the following revenue in the consolidated statements of income for the years ended December 31, 2024, 2023 and 2022:

T 4.16 **REVENUE**
IN € THOUS

	Revenue from contracts with customers	Revenue from insurance contracts	Revenue from lease contracts	Total
	For the year ended December 31, 2024			
Health care services	13,471,363	1,614,024	—	15,085,387
Health care products	4,186,195	—	64,327	4,250,522
TOTAL	**17,657,558**	**1,614,024**	**64,327**	**19,335,909**
	For the year ended December 31, 2023			
Health care services	14,166,796	1,227,140	—	15,393,936
Health care products	3,979,122	—	80,559	4,059,681
TOTAL	**18,145,918**	**1,227,140**	**80,559**	**19,453,617**
	For the year ended December 31, 2022			
Health care services	14,566,485	851,584	—	15,418,069
Health care products	3,876,321	—	103,627	3,979,948
TOTAL	**18,442,806**	**851,584**	**103,627**	**19,398,017**

The following table contains a disaggregation of revenue by categories for the years ended December 31, 2024, 2023 and 2022:

T 4.17 **DISAGGREGATION OF REVENUE BY CATEGORIES**
IN € THOUS

	For the year ended December 31,		
	2024	2023	2022
Care Delivery			
US	12,797,955	12,665,411	12,574,492
International	2,477,165	2,912,546	3,018,480
TOTAL[1]	**15,275,120**	**15,577,957**	**15,592,972**
Care Enablement			
Total (including inter-segment revenues)[1]	5,556,534	5,345,428	5,353,136
Inter-segment eliminations	(1,495,745)	(1,469,768)	(1,548,091)
TOTAL CARE ENABLEMENT REVENUE EXTERNAL CUSTOMERS	**4,060,789**	**3,875,660**	**3,805,045**
TOTAL	**19,335,909**	**19,453,617**	**19,398,017**

[1] For further information on the revenue attributable to the Company's operating segments, see NOTE 29.

The Company recognized the following amounts as receivables and contract liabilities relating to contracts with customers for the years ended December 31, 2024 and 2023:

T 4.18 **TRADE ACCOUNTS RECEIVABLES FROM UNRELATED PARTIES AND CONTRACT LIABILITIES**
IN € THOUS

	2024	2023
Trade accounts receivables from unrelated parties	3,238,090	3,223,760
Contract liabilities	66,735	56,566

Impairment loss in the amount of €18,694, €111,193 and €43,285 for the years ended December 31, 2024, 2023 and 2022, respectively, related to receivables arising from contracts with customers.

The change in contract liabilities during the period results from the ordinary course of business.

Contract liabilities primarily relate to advance payments from customers and to sales of dialysis machines where revenue is recognized upon installation and provision of the necessary technical instructions whereas a receivable is recognized once the machine is billed to the customer.

Contract liabilities are shown in the consolidated balance sheet in line items "Current provisions and other current liabilities" and "Non-current provisions and other non-current liabilities."

At December 31, 2024, revenue recognized that was included in contract liabilities at the beginning of the period was €31,713 (2023: €43,322).

At December 31, 2024, performance obligations of €697,620 (2023: €858,079) are unsatisfied (or partially unsatisfied).

The expected recognition of the transaction price allocated to unsatisfied performance obligations as revenue for the next five years and in the aggregate for the five years thereafter is as follows:

T 4.19 **UNSATISFIED PERFORMANCE OBLIGATIONS**
IN € THOUS

	2024	2023
1 year	234,739	195,800
1–3 years	308,734	255,759
3–5 years	122,351	297,805
5–10 years	31,796	108,715
TOTAL	**697,620**	**858,079**

B) Selling, General and Administrative Expense

Selling, general and administrative expense recorded in the consolidated statements of income comprises both distribution costs as well as general and administrative expense. Distribution costs are generated in the selling, marketing and warehousing functions of the Company which are not attributable to production or R&D. General and administrative expense is generated in the administrative function of the Company's business and is not attributable to selling, production or R&D.

The following table discloses the distribution costs as well as general and administrative expense recorded by the Company for the years ended December 31, 2024, 2023 and 2022:

T 4.20 **SELLING, GENERAL AND ADMINISTRATIVE EXPENSE**
IN € THOUS

	2024	2023	2022
Distribution costs	776,532	807,961	800,876
General and administrative expense	2,366,287	2,388,375	2,369,494
SELLING, GENERAL AND ADMINISTRATIVE EXPENSE	**3,142,819**	**3,196,336**	**3,170,370**

C) Cost of Materials

The cost of materials for the year ended December 31, 2024, 2023 and 2022 consisted of the following:

T 4.21 **COST OF MATERIALS**
IN € THOUS

	2024	2023	2022
Cost of raw materials, supplies and purchased components	4,023,978	4,170,690	3,939,649
Cost of purchased services	354,417	316,945	280,913
COST OF MATERIALS	**4,378,395**	**4,487,635**	**4,220,562**

D) Personnel Expenses

Personnel expenses included within costs of revenue, selling, general and administrative expenses and research and development expenses consisted of the following:

T 4.22 PERSONNEL EXPENSES
IN € THOUS

	2024	2023	2022
Wages and salaries[1]	6,425,067	6,437,582	6,586,944
Social security contributions and cost of retirement benefits and social assistance[1]	1,363,751	1,330,628	1,352,454
thereof retirement benefits[1]	199,265	194,307	201,793
PERSONNEL EXPENSES	**7,788,818**	**7,768,210**	**7,939,398**

[1] Wages and salaries previously disclosed as social security contributions and cost of retirement benefits and social assistance in the amount of €449,706 and €458,759, including retirement benefits in the amount of €15,240 and €15,372, for the years ended December 31, 2023 and 2022, respectively, have been revised to correct an error in the prior years' presentation. The revision did not impact the Company's consolidated statements of income.

The Company employed the following personnel on a total headcount basis, on average, for the following years:

T 4.23 EMPLOYEES BY FUNCTION

	2024	2023	2022
Production and services	96,938	105,894	111,472
Administration	7,268	7,933	9,088
Sales and marketing	8,283	7,993	7,955
Research and development	1,351	1,300	1,226
TOTAL EMPLOYEES	**113,840**	**123,120**	**129,741**

E) Other Operating Income and Expense

The following table contains reconciliations of the amounts included in other operating income and expense for the years ended December 31, 2024, 2023 and 2022:

T 4.24 OTHER OPERATING INCOME
IN € THOUS

	For the year ended December 31,		
	2024	2023	2022
Foreign exchange gains	352,041	280,323	306,621
Gains on right-of-use assets, from the sale of fixed assets, clinics and investments	29,579	33,921	74,418
Revaluation of certain investments	51,572	14,671	—
Income from strategic transactions and programs	116,607	60,843	—
Income attributable to a consent agreement on foregone profits from the sale of certain pharmaceuticals to non-associated companies	71,994	46,919	83,212
Other	138,325	78,570	85,602
OTHER OPERATING INCOME	**760,118**	**515,247**	**549,853**

T 4.25 OTHER OPERATING EXPENSE
IN € THOUS

	For the year ended December 31,		
	2024	2023	2022
Foreign exchange losses	375,098	315,821	343,447
Losses on right-of-use assets, from the sale of fixed assets, clinics and investments	14,923	29,082	27,245
Revaluation of certain investments	7,544	—	103,353
Expenses from strategic transactions and programs	434,088	320,765	147,946
Other	101,285	98,625	125,563
OTHER OPERATING EXPENSE	**932,938**	**764,293**	**747,554**

Included within the "income from strategic transactions and programs" line item in other operating income are the gains from divestitures of certain businesses in connection with strategic programs such as Legacy Portfolio Optimization, defined below. The amount presented for the year ended December 31, 2024 primarily relates to the revaluation of certain assets held for sale in the amount of €14,896, and gains from the divestiture of certain businesses in the amount of €89,248. The gains from the divestiture of certain businesses relate primarily to the divestiture of Cura Day Hospitals Group in Australia and the divestiture of certain clinics, both as part of Legacy Portfolio Optimization. The amount presented for the year ended December 31, 2023 relates to a gain on the divestiture of National Cardiovascular Partners (NCP).

Included within the "expenses from strategic transactions and programs" line item in other operating expense are the divestitures (including proposed divestitures as of each reporting date and associated impairment losses) of certain businesses in connection with strategic programs such as Legacy Portfolio Optimization, defined below, and the FME25 Program and, in 2022, costs related to the InterWell Health business combination. For further information on the divestitures and associated impairment losses, see NOTE 4. Consistent with the Company's policy to present impairment losses within other operating expense, such costs related to cost of revenues, selling, general and administrative expense or R&D expenses are included within other operating expense. "Expenses from strategic transactions and programs" primarily consist of:

> strategic divestiture program expenses identified during the review of the Company's business portfolio, mainly due to exiting unsustainable markets and divesting non-core businesses, as well as the cessation of certain R&D programs to enable more focused capital allocation towards areas in the Company's core business that are expected to have higher profitable growth. In 2024 and 2023, the amount includes the proposed divestitures identified in NOTE 4, the cessation of a dialysis cycler development program, impairment losses resulting from the measurement of asset held for sale (NCP as well as the Company's service businesses in Colombia, Brazil, Ecuador, Türkiye, Peru, Guatemala, Curacao), the divestitures of the Company's service businesses in Colombia, Argentina, Chile, Ecuador, Sub-Saharan Africa, Türkiye, Guatemala, Curacao, Peru and the Cura Day Hospitals Group in Australia (Legacy Portfolio Optimization) and the write-down of non-current assets and a provision for onerous contracts related to the proposed divestitures. For the year ended December 31, 2024, the Company recorded a net loss related to reclassification adjustments of foreign currency translation in the amount of €115,570, of which €120,885 related to the Legacy Portfolio Optimization program. For the year ended December 31, 2023, the Company recorded a net loss related to reclassification adjustments of foreign currency translation in the amount of €17,125, of which €19,422 related to the Legacy Portfolio Optimization program. For the year ended December 31, 2022, the Company recorded a net loss related to reclassification adjustments of foreign currency translation in the amount of €17,666, none of which related to the Legacy Portfolio Optimization program. Reclassification adjustments of foreign currency translation that do not relate to strategic programs are included in the "Other" line item in the table above;
> certain impairment losses in connection with the FME25 Program;
> certain costs associated with the Conversion, primarily related to the requisite relabeling of its products, transaction costs (such as costs for external advisors and conducting an extraordinary general meeting) and costs related to the establishment of dedicated administrative functions required to manage certain services which have historically been administered at the Fresenius SE group level and paid by the Company through corporate charges (Legal Form Conversion Costs); and
> expenses and impairment loss related to the InterWell Health business combination. As contemplated in the agreement, the Company transferred Acumen Physician Solutions, LLC (Acumen) to NewCo shortly after the Acquisition Date with working capital in the amount of $1,824 (€1,845 as of the date of the transfer agreement). Since certain long-lived assets (mainly intangible assets) held by Acumen are utilized materially differently by NewCo, management performed an impairment assessment prior to the transfer, concluded that the assets were completely impaired in accordance with IAS 36, Impairment of Assets, and recorded an impairment charge in the Care Delivery segment in the amount of $71,025 before the transfer (€67,447 for the year ended December 31, 2022).

Expenses from strategic transactions and programs comprised the following for the years ended December 31, 2024, 2023 and 2022:

T 4.26 **EXPENSES FROM STRATEGIC TRANSACTIONS AND PROGRAMS**
IN € THOUS

	For the year ended December 31,		
	2024	**2023**	**2022**
Derecognition of capitalized development costs and termination costs[1]	**–**	**58,818**	**–**
Legacy Portfolio Optimization	–	58,818	–
Impairment of intangible and tangible assets[2]	**112,095**	**48,768**	**123,579**
Legacy Portfolio Optimization	105,845	34,894	–
FME25 Program	6,250	13,874	27,183
Interwell Health	–	–	67,447
Other	–	–	28,949
Impairment resulting from the measurement of assets held for sale	**118,375**	**74,616**	**–**
Legacy Portfolio Optimization	118,375	62,724	–
FME25 Program	–	11,892	–
Loss from the sale of business	**132,202**	**93,859**	**–**
Legacy Portfolio Optimization	132,202	93,859	–
Other[3]	**71,416**	**44,704**	**24,367**
Legacy Portfolio Optimization	61,536	14,744	–
Legal Form Conversion Costs	9,330	29,960	–
FME25 Program	550	–	–
Interwell Health transaction-related costs	–	–	24,367
EXPENSES FROM STRATEGIC TRANSACTIONS AND PROGRAMS	**434,088**	**320,765**	**147,946**

[1] Primarily research and development expense.
[2] For the year ended December 31, 2024, the amount relates primarily to cost of revenues and selling, general and administrative expense, while the amounts for the years ended December 31, 2023 and 2022, relate primarily to R&D expense and cost of revenues, respectively.
[3] For the year ended December 31, 2024, the amount relates primarily to selling, general and administrative expense, while the amounts for the years ended December 31, 2023 and 2022, relate primarily to selling, general and administrative expense.

For more information on the disposal groups classified as held for sale, see NOTE 4.

F) Net Interest

Net interest in the amount of €335,469 (2023: €336,423 and 2022: €292,476) included interest expense of €407,044 (2023: €424,640 and 2022: €360,139) and interest income of €71,575 (2023: €88,217 and 2022: €67,663). Interest expense resulted mainly from the Company's financial liabilities including outstanding bonds and loans (see NOTE 16 and NOTE 17) as well as lease liabilities and lease liabilities from related parties (see NOTE 6 B) and NOTE 24) and, in 2024, interest expense on taxes related to a settlement. In 2024, interest income primarily resulted from bank deposits, investments and debt securities, finance lease receivables and foreign currency swaps. In 2023, interest income primarily resulted from investments, debt securities and royalty receivables, interest on lease receivables, interest on bank deposits. In 2022, interest income primarily resulted from a release of interest accruals related to uncertain tax treatments, income related to royalty receivables and interest on lease receivables and overdue receivables.

G) Income Taxes

Income before income taxes is attributable to the following geographic locations:

T 4.27 **INCOME BEFORE INCOME TAXES**
IN € THOUS

	2024	**2023**	**2022**
Germany	(30,436)	(91,082)	(30,186)
United States	688,903	725,848	829,699
Other	398,459	398,249	419,766
TOTAL	**1,056,926**	**1,033,015**	**1,219,279**

Income tax expense (benefit) for the years ended December 31, 2024, 2023 and 2022 consisted of the following:

T 4.28 **INCOME TAX EXPENSE (BENEFIT)**
IN € THOUS

	2024	2023	2022
Current			
Germany	69,971	20,947	(5,423)
United States	179,423	290,787	190,058
Other	139,333	110,972	181,790
	388,727	**422,706**	**366,425**
Deferred			
Germany	(37,765)	34,018	16,963
United States	(48,565)	(150,225)	(13,767)
Other	13,659	(5,942)	(44,667)
	(72,671)	**(122,149)**	**(41,471)**
TOTAL	**316,056**	**300,557**	**324,954**

A reconciliation between the expected and actual income tax expense is shown below. The expected corporate income tax expense is computed by applying the German corporation tax rate (including the solidarity surcharge) and the trade tax rate on income before income taxes. The German combined statutory tax rates were 30.34%, 30.32% and 30.14% for the fiscal years ended December 31, 2024, 2023 and 2022, respectively.

T 4.29 **RECONCILIATION OF INCOME TAXES**
IN € THOUS

	2024	2023	2022
Expected corporate income tax expense	320,671	313,158	367,491
Tax free income	(40,859)	(39,550)	(53,282)
Income from equity method investees	(33,142)	(25,570)	(24,909)
Tax rate differentials	(45,636)	(47,586)	(39,064)
Non-deductible expenses	97,141	114,182	77,465
Tax expense (income) for prior years	10,087	(16,867)	(848)
Noncontrolling partnership interests	(46,779)	(58,345)	(54,636)
Tax rate changes	(166)	442	(359)
Change in realizability of deferred tax assets and tax credits	32,415	44,287	33,683
Withholding taxes	8,371	15,124	9,160
Other	13,953	1,282	10,253
INCOME TAX EXPENSE	**316,056**	**300,557**	**324,954**
Effective tax rate	29.9%	29.1%	26.7%

The tax effects of the temporary differences and net operating losses that give rise to deferred tax assets and liabilities at December 31, 2024 and 2023, are presented below:

T 4.30 DEFERRED INCOME TAX ASSETS AND LIABILITIES
IN € THOUS

	2024	2023
Deferred tax assets		
Trade accounts receivable	46,585	31,430
Inventories	93,831	70,663
Intangible assets	1,193	7,198
Property, plant and equipment and other non-current assets	95,587	74,318
Lease liabilities	779,241	776,120
Provisions and other liabilities	286,048	261,218
Pension liabilities	123,368	113,819
Net operating loss carryforwards, tax credit carryforwards and interest carryforwards	119,453	99,060
Derivatives	8,704	1,273
Other	7,168	42,940
TOTAL DEFERRED TAX ASSETS	**1,561,178**	**1,478,039**
Deferred tax liabilities		
Trade accounts receivable	3,650	20,526
Inventories	3,464	3,983
Intangible assets	936,036	867,453
Property, plant and equipment and other non-current assets	183,762	215,124
Right-of-use assets	676,860	683,738
Provisions and other liabilities	39,826	8,267
Pension liabilities	1	119
Derivatives	6,530	4,547
Other	190,430	140,615
TOTAL DEFERRED TAX LIABILITIES	**2,040,559**	**1,944,372**
NET DEFERRED TAX LIABILITIES	**(479,381)**	**(466,333)**

In the consolidated balance sheets, the accumulated amounts of deferred tax assets and liabilities are shown as follows:

T 4.31 NET DEFERRED INCOME TAX ASSETS AND LIABILITIES
IN € THOUS

	2024	2023
Deferred tax assets	229,509	283,953
Deferred tax liabilities	708,890	750,286
NET DEFERRED TAX LIABILITIES	**(479,381)**	**(466,333)**

The change in the balance of deferred tax assets and deferred tax liabilities does not equal the deferred tax expense/(benefit) due to deferred taxes that are booked directly to equity, the effects of exchange rate changes on tax assets and liabilities denominated in currencies other than euro and the acquisition and disposal of entities as part of ordinary activities.

The net operating losses included in the table below reflect U.S. federal tax, German corporate income tax and other tax loss carryforwards in the various countries in which the Company operates, and expire as follows:

T 4.32 NET OPERATING LOSS CARRYFORWARDS
IN € THOUS

For the year ended December 31, 2024		For the year ended December 31, 2023	
2025	13,993	2024	13,926
2026	32,500	2025	32,348
2027	49,674	2026	42,129
2028	34,646	2027	46,337
2029	89,237	2028	48,447
2030	23,492	2029	57,160
2031	12,357	2030	24,281
2032	5,175	2031	4,311
2033	2,127	2032	2,547
2034 and thereafter	202,457	2033 and thereafter	174,267
Without expiration date	491,773	Without expiration date	458,165
TOTAL	**957,431**	**TOTAL**	**903,918**

Included in the balance of net operating loss carryforwards at December 31, 2024 are €731,303 (2023: €618,315) not expected to be absorbed. Deferred tax assets regarding this portion are not recognized.

In assessing the realizability of deferred tax assets, management considers to which extent it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences and tax loss carryforwards become deductible. Management considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment and believes it is probable the Company will realize the benefits of these deferred tax assets at December 31, 2024.

At December 31, 2024 and 2023, the Company had an unrecognized net deferred tax asset arising from unutilized notional interest deduction of $323,999 and $254,390, respectively (€311,867 and €230,218, respectively). The Company provides for income taxes and foreign withholding taxes on the cumulative earnings of foreign subsidiaries and foreign subsidiaries in which the Company has ownership of less than 100% that will not be reinvested. At December 31, 2024, the Company provided for €8,643 (2023: €8,363) of deferred tax liabilities associated with earnings that are likely to be distributed in the following year(s). Provision has not been made for additional taxes on €9,558,889 (2023: €8,631,647) undistributed earnings of foreign subsidiaries as these earnings are considered indefinitely reinvested. The earnings could become subject to additional tax if remitted or deemed remitted as dividends; however, calculation of such additional tax is not practicable. These taxes would predominantly comprise foreign withholding tax on dividends of foreign subsidiaries, and German income tax; however, those dividends and capital gains would generally be 95% tax free for German tax purposes.

At December 31, 2024, the Company recognized income tax expenses related to Pillar Two income taxes in the amount of €5,702 (2023: not applicable). The main jurisdictions in which exposures to this tax exist include Malta and Panama.

6. Related Party Transactions

Fresenius SE is the Company's largest shareholder and owns 32.2% of the Company's outstanding shares at December 31, 2024. Under the Company's Articles of Association, Fresenius SE has the right to appoint two of the six shareholder representatives to the Company's Supervisory Board. The Else Kröner-Fresenius-Stiftung is the sole shareholder of Fresenius Management SE, the general partner of Fresenius SE, and has sole power to elect the supervisory board of Fresenius Management SE. The Company has entered into certain arrangements for services and products with Fresenius SE or its subsidiaries and with certain of the Company's equity method investees as described in item A) below. The arrangements for leases with Fresenius SE or its subsidiaries are described in item B) below. The Company's terms related to the receivables or payables for these services, leases and products are generally consistent with the normal terms of the Company's ordinary course of business transactions with unrelated parties and the Company believes that these arrangements reflect fair market terms. The Company utilizes various methods to verify the commercial reasonableness of its related party arrangements. Financing arrangements with certain equity-method investees as described in item C) below have agreed-upon terms which are determined at the time such financing transactions occur and reflect market rates at the time of the transaction. The relationship between the Company and its key management personnel who are considered to be related parties is described in item D) below.

A) Service Agreements and Products

Prior to the Conversion, the Company was party to service agreements with Fresenius SE and certain of its affiliates (collectively, Fresenius SE Companies) to receive services, including, but not limited to: administrative services, management information services, employee benefit administration, insurance, information technology services, tax services and treasury management services. These related party agreements generally had a duration of 1 to 5 years and were renegotiated on an as needed basis when the respective agreement expired.

In connection with and subsequent to the Conversion, the Company entered into transition service agreements with Fresenius SE Companies to receive services, including, but not limited to: administrative and facility management services, employee benefit administration, insurance brokerage, information technology, intellectual property and certain treasury services. These related party agreements have generally been entered into for transitional periods of several months up to 2 years (in some cases subject to change requests or with extension options). Additionally, the Company also entered into various service agreements with Fresenius SE Companies to provide services, including, but not limited to, fixed asset accounting services and IT and communications-related services for up to 2 years.

The Company provides administrative services to one of its equity method investees. The Company also sells products to Fresenius SE Companies and purchases products from Fresenius SE Companies and equity method investees. In connection with, and subsequent to, the Conversion, the Company entered into a limited amount of shared procurement contracts with Fresenius SE Companies for the purchase of products from third parties.

In December 2010, the Company and Galenica Ltd. (now known as CSL Vifor) formed the renal pharmaceutical company Vifor Fresenius Medical Care Renal Pharma Ltd., an equity method investee of which the Company owns 45%. The Company has entered into exclusive supply agreements to purchase certain pharmaceuticals from, as well as into certain exclusive distribution agreements with, Vifor Fresenius Medical Care Renal Pharma Ltd. Under the terms of certain unconditional purchase agreements, the Company is obligated to purchase approximately €522,091 of pharmaceuticals, of which €265,666 is committed at December 31, 2024 for 2025. The terms of these agreements run up to three years until December 31, 2026 with an option to extend until December 31, 2027, exercisable by Vifor Fresenius Medical Care Renal Pharma Ltd. For further information regarding the Company's interest in associates, including this equity method investment, see NOTE 13.

Below is a summary, including the Company's receivables from and payables to the indicated parties, resulting from the above-described transactions with related parties.

T 4.33 SERVICE AGREEMENTS AND PRODUCTS WITH RELATED PARTIES
IN € THOUS

	2024		2023		2022		December 31, 2024		December 31, 2023	
	Sales of goods and services	Purchases of goods and services	Sales of goods and services	Purchases of goods and services	Sales of goods and services	Purchases of goods and services	Accounts receivable	Accounts payable	Accounts receivable	Accounts payable
Service agreements[1]										
Fresenius SE	241	24,106	136	40,478	361	38,010	83	196	10	1,778
Fresenius SE affiliates	1,535	75,465	3,324	87,984	5,164	83,087	1,555	3,170	589	14,299
Equity method investees	6,192	18	8,573	154	36,089	—	19,408	—	51,442	—
TOTAL	**7,968**	**99,589**	**12,033**	**128,616**	**41,614**	**121,097**	**21,046**	**3,366**	**52,041**	**16,077**
Products										
Fresenius SE affiliates[2]	70,875	22,785	72,500	25,148	66,800	22,240	19,890	7,818	23,535	9,585
Equity method investees	—	381,383	—	437,288	—	463,073	—	43,544	—	67,403
TOTAL	**70,875**	**404,168**	**72,500**	**462,436**	**66,800**	**485,313**	**19,890**	**51,362**	**23,535**	**76,988**

[1] In addition to the above shown accounts payable, accrued expenses for service agreements with related parties amounted to €11,581 and €5,172 at December 31, 2024 and 2023, respectively.
[2] Purchases of goods related to Fresenius SE affiliates for the year ended December 31, 2023 and 2022 in the amount of €19,373 and €17,165, respectively, were adjusted to correct for an error in presentation. The adjustment does not have an impact on the Company's consolidated statements of income for the periods presented.

B) Lease Agreements

In addition to the above-mentioned product and service agreements, the Company is a party to real estate lease agreements with Fresenius SE Companies, which mainly include leases for the Company's corporate headquarters in Bad Homburg, Germany, and production sites in Schweinfurt and St. Wendel, Germany. The leases have maturities up to the end of 2032. In December 2022, the Company sold a building and other assets to a Fresenius SE Company for consideration in the aggregated amount of €31,315 and subsequently leased the buildings for a period of ten years from such Fresenius SE Company beginning in December 2022.

Below is a summary resulting from the above described lease agreements with related parties.

T 4.34 **LEASE AGREEMENTS WITH RELATED PARTIES**
IN € THOUS

	2024			2023			2022			December 31, 2024		December 31, 2023	
	Depreciation	Interest expense	Lease expense[1]	Depreciation	Interest expense	Lease expense[1]	Depreciation	Interest expense	Lease expense[1]	Right-of-use asset	Lease liability	Right-of-use asset	Lease liability
Fresenius SE	6,591	306	398	7,738	1,148	291	8,395	524	259	22,997	24,953	29,214	29,017
Fresenius SE affiliates	18,347	1,907	—	17,817	1,438	—	13,956	1,048	—	87,044	87,910	102,029	104,558
TOTAL	**24,938**	**2,213**	**398**	**25,555**	**2,586**	**291**	**22,351**	**1,572**	**259**	**110,041**	**112,863**	**131,243**	**133,575**

[1] Short-term leases and expenses relating to variable lease payments as well as low value leases are exempted from balance sheet recognition.

C) Financing

As of December 31, 2024 and December 31, 2023, the Company had outstanding accounts payable related to a cash pooling program with certain equity-method investees in the amount of €25,316 and €26,875, respectively. The interest rates for these cash management arrangements were set on a daily basis and were based on the then-prevailing overnight reference rate, with a floor of zero, for the respective currencies.

D) Key Management Personnel

Due to the Company's previous legal form of a German partnership limited by shares until the effectiveness of the Conversion, Fresenius Medical Care Management AG (Management AG), the Company's former general partner (General Partner), held a key management position within the Company. In addition, as key management personnel, members of the management board and supervisory board of Management AG, as well as their close relatives, were considered related parties. Upon effectiveness of the Conversion, the General Partner exited the Company and is no longer entitled to reimbursement of the remuneration of its board members. The members of the Supervisory Board and the newly established Management Board, as key management personnel, as well as their close relatives, are considered related parties of the Company. Also upon effectiveness of the Conversion, the existing service agreements between the General Partner and the members of the management board of Management AG were transferred to FME AG at unchanged conditions. The Company's unfunded pension plan in Germany also comprises the benefit obligations of former board members of Management AG as well as of active board members which were appointed to the Management Board before January 1, 2019 in the amount of €60,381. The plan, which is funded by insurance contracts, comprises the benefit obligations of active board members which were appointed to the Management Board after January 1, 2019 in the amount of €4,137. The Company has also entered into service agreements with new members of the Management Board who joined subsequent to the Conversion. The long-term incentive plans of Management AG applying to the former members of the management board of Management AG established before the Conversion were adopted by the Supervisory Board as compensation plans of the Company. For further information regarding the Conversion, see NOTE 1.

Prior to the Conversion, the Company's Articles of Association provided that the General Partner shall be reimbursed for any and all expenses in connection with the management of the Company's business, including remuneration of the members of the General Partner's supervisory board and the members of the management board of Management AG. The aggregate amount reimbursed to the General Partner was €31,361 and €23,632, respectively, for its management services during 2023 and 2022 and included an annual fee of €110 and €120, respectively, as compensation for assuming liability as general partner. The annual fee was set at 4% of the amount of the General Partner's share capital (€3,000 as of the date of the Conversion). As of December 31, 2024, the Company did not have accounts receivable from or accounts payable to the General Partner. As of December 31, 2023, the Company had accounts receivable from the General Partner in the amount of €89,723 and accounts payable to the General Partner in the amount of €3,141.

For information regarding compensation of the Management Board and the Supervisory Board of the Company see NOTE 31.

7. Cash and Cash Equivalents

As of December 31, 2024 and 2023, cash and cash equivalents are as follows:

T 4.35 **CASH AND CASH EQUIVALENTS**
IN € THOUS

	2024	2023
Cash	837,328	1,079,063
Securities and time deposits	342,859	324,429
CASH AND CASH EQUIVALENTS	**1,180,187**	**1,403,492**

The cash and cash equivalents disclosed in the table above, and respectively in the consolidated statement of cash flows, include at December 31, 2024 an amount of €29,240 (2023: €26,467) primarily related to collateral requirements towards an insurance company in the U.S. that are not available for use, but are accessible upon demand.

For further information on the Company's multi-currency notional pooling cash management system, see NOTE 16.

8. Trade Accounts and Other Receivables from Unrelated Parties

As of December 31, 2024 and December 31, 2023, trade accounts and other receivables from unrelated parties are as follows:

T 4.36 **TRADE ACCOUNTS AND OTHER RECEIVABLES FROM UNRELATED PARTIES**
IN € THOUS

	December 31, 2024		December 31, 2023	
		thereof credit-impaired[1]		thereof credit-impaired[1]
Trade accounts and other receivables, gross	3,573,550	371,862	3,733,067	439,379
thereof finance lease receivables	68,460	—	69,291	—
less expected credit losses	(206,439)	(139,170)	(261,854)	(179,636)
TRADE ACCOUNTS AND OTHER RECEIVABLES	**3,367,111**	**232,692**	**3,471,213**	**259,743**

[1] Trade accounts receivable balances are credit-impaired when one or more events have occurred that have a detrimental impact on the estimated future cash flows of the receivable balance (e.g. overdue by more than one year, etc.).

Other receivables in the amount of €108,931 at December 31, 2024 (December 31, 2023: €232,844) include receivables from finance leases, operating leases and insurance contracts. For further information, see NOTE 1 K).

All trade accounts and other receivables from unrelated parties are due within one year.

Trade accounts receivables and finance lease receivables with a term of more than one year in the amount of €111,864 at December 31, 2024 (December 31, 2023: €122,573) are included in the balance sheet item "Other non-current financial assets." The majority of finance lease receivables are due within 5 years.

When utilized, the Company assigned interests in certain receivables to institutional investors under its Accounts Receivable Facility (as defined below), which was fully repaid during 2024. The receivables assigned under the facility amounted to $1,508,312 (€1,364,988) for the year ended December 31, 2023. For further information, see NOTE 17.

The following table shows the development of expected credit losses in the fiscal years 2024, 2023 and 2022:

T 4.37 **DEVELOPMENT OF EXPECTED CREDIT LOSSES FOR DOUBTFUL ACCOUNTS FROM UNRELATED PARTIES**
IN THOUS €

	2024	2023	2022
EXPECTED CREDIT LOSSES AS OF JANUARY 1	**261,854**	**168,681**	**163,929**
Change in valuation allowances as recorded in the consolidated statements of income	18,968	112,242	42,470
Write-offs and recoveries of amounts previously written-off	(37,622)	(11,617)	(36,180)
Changes in consolidation group	(23,030)	(872)	—
Reclassifications[1]	(13,264)	(924)	—
Foreign currency translation	(467)	(5,656)	(1,538)
EXPECTED CREDIT LOSSES AS OF DECEMBER 31	**206,439**	**261,854**	**168,681**

[1] Includes expected credit losses related to trade accounts and other receivables from unrelated parties which have been reclassified as assets held for sale.

The following tables show the aging analysis of trade accounts and other receivables from unrelated parties and expected credit losses as of December 31, 2024 and as of December 31, 2023:

T 4.38 AGING ANALYSIS OF TRADE ACCOUNTS AND OTHER RECEIVABLES FROM UNRELATED PARTIES 2024
IN € THOUS

	not overdue	up to 3 months overdue	3 to 6 months overdue	6 to 12 months overdue	more than 12 months overdue	Total
Trade accounts and other receivables	2,147,823	733,582	201,243	250,406	240,496	3,573,550
less expected credit losses	(34,555)	(5,187)	(8,763)	(25,273)	(132,661)	(206,439)
TRADE ACCOUNTS AND OTHER RECEIVABLES, NET	**2,113,268**	**728,395**	**192,480**	**225,133**	**107,835**	**3,367,111**

T 4.39 AGING ANALYSIS OF TRADE ACCOUNTS AND OTHER RECEIVABLES FROM UNRELATED PARTIES 2023
IN € THOUS

	not overdue	up to 3 months overdue	3 to 6 months overdue	6 to 12 months overdue	more than 12 months overdue	Total
Trade accounts and other receivables	2,116,259	775,684	251,580	265,946	323,598	3,733,067
less expected credit losses	(35,706)	(10,738)	(19,049)	(9,006)	(187,355)	(261,854)
TRADE ACCOUNTS AND OTHER RECEIVABLES, NET	**2,080,553**	**764,946**	**232,531**	**256,940**	**136,243**	**3,471,213**

The following table provides a reconciliation of the Company's portfolios of insurance and reinsurance contracts, showing the change in insurance and reinsurance contract receivables (liabilities) as of December 31, 2024 and 2023. These receivables are recognized in the consolidated balance sheet within trade accounts and other receivables from unrelated parties (accounts payable to unrelated parties) which were previously presented on a net basis within trade accounts and other receivables from unrelated parties as of December 31, 2023.

T 4.40 REINSURANCE CONTRACT RECEIVABLES AND LIABILITIES
IN € THOUS

	2024			2023		
	Present value of future cash flows	Risk adjustment for non-financial risk	Total	Present value of future cash flows	Risk adjustment for non-financial risk	Total
REINSURANCE CONTRACT RECEIVABLES (LIABILITIES) AS AT JANUARY 1,	53,137	(931)	52,206	23,925	(1,801)	22,124
Incurred claims and other directly attributable expenses	(245,035)	278	(244,757)	(166,161)	825	(165,336)
Changes that relate to past service – changes in the fulfillment cash-flows relating to LIC[1]	(58,654)	—	(58,654)	1,544	—	1,544
Claims and other directly attributable expenses paid	(562,067)	—	(562,067)	(387,949)	—	(387,949)
Premium revenue	802,597	—	802,597	583,269	—	583,269
Foreign currency translation and other changes	735	(48)	687	(1,491)	45	(1,446)
REINSURANCE CONTRACT RECEIVABLES (LIABILITIES) AS AT DECEMBER 31,	**(9,287)**	**(701)**	**(9,988)**	**53,137**	**(931)**	**52,206**

[1] Changes that relate to past service include premium revenue, or a reduction in premium revenue, for past performance years of €(14,916) and €9,038 as of December 31, 2024 and 2023, respectively.

T 4.41 **INSURANCE CONTRACT RECEIVABLES AND LIABILITIES**
IN € THOUS

	2024			2023		
	Present value of future cash flows	Risk adjustment for non-financial risk	Total	Present value of future cash flows	Risk adjustment for non-financial risk	Total
INSURANCE CONTRACT RECEIVABLES (LIABILITIES) AS AT JANUARY 1,	27,389	(553)	26,836	20,669	(254)	20,415
Incurred claims and other directly attributable expenses	(242,885)	—	(242,885)	(208,884)	(314)	(209,198)
Changes that relate to past service – changes in the fulfillment cash-flows relating to LIC [1]	(16,108)	—	(16,108)	(2,666)	—	(2,666)
Claims and other directly attributable expenses paid	(604,843)	—	(604,843)	(423,377)	—	(423,377)
Premium revenue	828,437	—	828,437	642,529	—	642,529
Foreign currency translation and other changes	259	(35)	224	(882)	15	(867)
INSURANCE CONTRACT RECEIVABLES (LIABILITIES) AS AT DECEMBER 31,	**(7,751)**	**(588)**	**(8,339)**	**27,389**	**(553)**	**26,836**

[1] Changes that relate to past service include premium revenue, or a reduction in premium revenue, for past performance years of €(2,095) and €(7,696) as of December 31, 2024 and 2023, respectively.

9. Inventories

At December 31, 2024 and December 31, 2023, inventories consisted of the following:

T 4.42 **INVENTORIES**
IN € THOUS

	2024	2023
Finished goods	1,182,034	1,232,702
Health care supplies	417,475	451,316
Raw materials and purchased components	344,311	361,804
Work in process	124,102	133,353
INVENTORIES	**2,067,922**	**2,179,175**

Under the terms of certain unconditional purchase agreements, the Company is obligated to purchase approximately €278,139 of materials, of which €191,982 is committed at December 31, 2024 for 2025. The terms of these agreements run 1 to 3 years. Further unconditional purchase agreements exist with an equity method investee of the Company. For further information on these agreements, see NOTE 6.

Write-downs of inventories amounted to €116,358 and €110,614 for the years ended December 31, 2024 and 2023, respectively.

10. Other Current Financial and Non-financial Assets

At December 31, 2024 and 2023, other current financial assets consisted of the following:

T 4.43 **OTHER CURRENT FINANCIAL ASSETS**
IN € THOUS

	2024	2023
Debt securities	149,361	137,117
Notes receivable	48,049	12,657
Receivables for supplier rebates	27,696	23,239
Derivatives	24,088	18,593
Third party receivables from the sale of investments	23,560	34,672
Deposit / guarantee / security	13,732	17,252
Loans to customers or suppliers	986	1,473
Other	146,268	(831)
TOTAL	**433,740**	**244,172**

The item "Other" in the table above includes receivables related to consent agreement on certain pharmaceuticals as of December 31, 2024.

At December 31, 2024 and 2023, other current assets consisted of the following:

T 4.44 **OTHER CURRENT ASSETS**
IN € THOUS

	2024	2023
Income tax receivable	248,668	197,404
Other tax receivable	142,573	140,686
Payments on account	127,116	180,680
Prepaid insurance	27,068	32,695
Interest receivables related to income tax	21,289	14,000
Prepaid rent	14,556	13,063
Other	90,565	151,932
TOTAL	**671,835**	**730,460**

The item "Other" in the table above includes various prepaid expenses relating to, amongst others, utility costs and freight expense.

11. Property, Plant and Equipment

At December 31, 2024 and 2023, the acquisition or manufacturing costs and the accumulated depreciation and impairment of property, plant and equipment consisted of the following:

T 4.45 **ACQUISITION OR MANUFACTURING COSTS**
IN € THOUS

	January 1, 2024	Foreign currency translation	Changes in consolidation group	Additions	Reclassifications	Disposals	December 31, 2024
Land	65,649	(773)	(452)	453	(835)	(908)	63,134
Buildings and improvements	4,306,223	199,727	(10,821)	35,332	173,622	(123,881)	4,580,202
Machinery and equipment	6,227,695	181,902	(29,366)	359,739	(28,078)	(294,745)	6,417,147
Construction in progress	384,052	1,247	(236)	250,854	(241,893)	(8,365)	385,659
PROPERTY, PLANT AND EQUIPMENT	**10,983,619**	**382,103**	**(40,875)**	**646,378**	**(97,184)**	**(427,899)**	**11,446,142**

	January 1, 2023	Foreign currency translation	Changes in consolidation group	Additions	Reclassifications	Disposals	December 31, 2023
Land	70,311	(3,569)	(1,634)	1,352	(249)	(562)	65,649
Buildings and improvements	4,424,685	(164,461)	(19,307)	22,896	127,230	(84,820)	4,306,223
Machinery and equipment	6,400,316	(179,190)	(34,115)	341,204	(20,967)	(279,553)	6,227,695
Construction in progress	362,838	(3,043)	(5,375)	281,784	(249,354)	(2,798)	384,052
PROPERTY, PLANT AND EQUIPMENT	**11,258,150**	**(350,263)**	**(60,431)**	**647,236**	**(143,340)**	**(367,733)**	**10,983,619**

T 4.46 **ACCUMULATED DEPRECIATION AND IMPAIRMENT (CONTINUATION SEE NEXT PAGE)**
IN € THOUS

	January 1, 2024	Foreign currency translation	Changes in consolidation group	Additions	Impairment	Reclassifications	Disposals	December 31, 2024
Land	512	(19)	–	–	340	(340)	(36)	457
Buildings and improvements	2,904,572	148,407	(4,661)	260,168	32,010	(24,597)	(116,052)	3,199,847
Machinery and equipment	4,295,704	129,773	(11,922)	462,657	45,291	(37,053)	(284,738)	4,599,712
Construction in progress	51	–	–	–	–	(51)	–	–
PROPERTY, PLANT AND EQUIPMENT	**7,200,839**	**278,161**	**(16,583)**	**722,825**	**77,641**	**(62,041)**	**(400,826)**	**7,800,016**

T 4.46 **ACCUMULATED DEPRECIATION AND IMPAIRMENT (CONTINUATION OF THE PREVIOUS PAGE)**
IN € THOUS

	January 1, 2023	Foreign currency translation	Changes in consolidation group	Additions	Impairment	Reclassifications	Disposals	December 31, 2023
Land	531	(53)	(2)	–	37	118	(119)	512
Buildings and improvements	2,860,577	(103,931)	(15,847)	267,053	11,616	(39,197)	(75,699)	2,904,572
Machinery and equipment	4,244,360	(124,684)	(25,764)	492,679	19,946	(81,120)	(229,713)	4,295,704
Construction in progress	–	–	36	–	15	–	–	51
PROPERTY, PLANT AND EQUIPMENT	**7,105,468**	**(228,668)**	**(41,577)**	**759,732**	**31,614**	**(120,199)**	**(305,531)**	**7,200,839**

T 4.47 **BOOK VALUE**
IN € THOUS

	December 31, 2024	December 31, 2023
Land	62,677	65,137
Buildings and improvements	1,380,355	1,401,651
Machinery and equipment	1,817,435	1,931,991
Construction in progress	385,659	384,001
PROPERTY, PLANT AND EQUIPMENT	**3,646,126**	**3,782,780**

Depreciation expense for property, plant and equipment amounted to €722,825, €759,732 and €804,647 for the years ended December 31, 2024, 2023, and 2022, respectively. These expenses are allocated within costs of revenue, selling, general and administrative and R&D expenses depending upon the area in which the asset is used.

Under the terms of certain unconditional purchase agreements, the Company is obligated to purchase approximately €15,472 of property, plant and equipment, of which €12,182 is committed at December 31, 2024 for 2025. The terms of these agreements run 1 to 3 years.

Included in machinery and equipment at December 31, 2024 and 2023 were €891,699 and €873,055, respectively, of peritoneal dialysis cycler machines which the Company leases to customers with ESRD on a month-to-month basis and hemodialysis machines which the Company leases to physicians under operating leases.

At December 31, 2024 and 2023, the effects of hyperinflation on property, plant and equipment consisted of the following:

T 4.48 **EFFECT OF HYPERINFLATION**
IN € THOUS

	Acquisition or manufacturing costs	Accumulated depreciation and impairment	December 31, 2024
Land	–	–	–
Buildings and improvements	1,537	276	1,261
Machinery and equipment	41,184	18,933	22,251
Construction in progress	–	–	–
PROPERTY, PLANT AND EQUIPMENT	**42,721**	**19,209**	**23,512**

	Acquisition or manufacturing costs	Accumulated depreciation and impairment	December 31, 2023
Land	5,940	–	5,940
Buildings and improvements	62,528	24,834	37,694
Machinery and equipment	136,341	84,160	52,181
Construction in progress	3,886	18	3,868
PROPERTY, PLANT AND EQUIPMENT	**208,695**	**109,012**	**99,683**

12. Intangible Assets and Goodwill

At December 31, 2024 and 2023, the acquisition or manufacturing costs and the accumulated amortization and impairment of intangible assets and goodwill consisted of the following:

T 4.49 **ACQUISITION OR MANUFACTURING COSTS (CONTINUATION SEE NEXT PAGE)**
IN € THOUS

	January 1, 2024	Foreign currency translation	Changes in consolidation group	Additions	Reclassifications	Disposals[1]	December 31, 2024
Amortizable intangible assets							
Non-compete agreements	328,688	7,074	(1,905)	394	(4,301)	(296,205)	33,745
Technology	664,620	37,955	—	—	(73)	(1,117)	701,385
Licenses and distribution agreements	162,687	2,741	(4)	610	(295)	(90,104)	75,635
Customer relationships	71,484	3,280	—	—	—	(189)	74,575
Construction in progress	350,991	8,341	—	82,252	(22,731)	(992)	417,861
Internally developed intangibles	527,282	10,284	(277)	17,984	20,578	(150,624)	425,227
Other	411,803	3,590	(5,122)	5,226	(27,006)	(143,544)	244,947
	2,517,555	**73,265**	**(7,308)**	**106,466**	**(33,828)**	**(682,775)**	**1,973,375**
Non-amortizable intangible assets							
Trade names	225,664	14,788	—	—	13,673	(1,300)	252,825
Management contracts	2,534	47	13	—	—	—	2,594
Emission certificates	39,874	—	—	—	—	(2,520)	37,354
	268,072	**14,835**	**13**	**—**	**13,673**	**(3,820)**	**292,773**
INTANGIBLE ASSETS	**2,785,627**	**88,100**	**(7,295)**	**106,466**	**(20,155)**	**(686,595)**	**2,266,148**
GOODWILL	**15,247,800**	**812,893**	**(81,891)**	**—**	**(307,062)**	**—**	**15,671,740**

[1] Included within the amounts presented for non-compete agreements, licenses and distribution agreements, internally developed intangibles and other intangible assets are €280,839, €90,044, €102,244 and €119,358, respectively, for disposals of fully-amortized intangibles from prior periods.

T 4.49 ACQUISITION OR MANUFACTURING COSTS (CONTINUATION OF THE PREVIOUS PAGE)
IN € THOUS

	January 1, 2023	Foreign currency translation	Changes in consolidation group	Additions	Reclassifications	Disposals	December 31, 2023
Amortizable intangible assets							
Non-compete agreements	351,773	(11,615)	(216)	–	(9,369)	(1,885)	328,688
Technology	686,129	(21,525)	–	10	9	(3)	664,620
Licenses and distribution agreements	168,721	(5,762)	(25)	–	(8)	(239)	162,687
Customer relationships	75,017	(3,123)	(410)	–	–	–	71,484
Construction in progress	359,572	(6,991)	831	77,414	(31,699)	(48,136)	350,991
Internally developed intangibles	506,346	(7,486)	(484)	6,078	24,762	(1,934)	527,282
Other	414,184	(10,738)	(6,681)	6,690	16,828	(8,480)	411,803
	2,561,742	**(67,240)**	**(6,985)**	**90,192**	**523**	**(60,677)**	**2,517,555**
Non-amortizable intangible assets							
Trade names	282,435	(8,844)	1,300	–	(21,071)	(28,156)	225,664
Management contracts	2,621	(87)	–	–	–	–	2,534
Emission certificates	21,759	–	–	18,115	–	–	39,874
	306,815	**(8,931)**	**1,300**	**18,115**	**(21,071)**	**(28,156)**	**268,072**
INTANGIBLE ASSETS	**2,868,557**	**(76,171)**	**(5,685)**	**108,307**	**(20,548)**	**(88,833)**	**2,785,627**
GOODWILL	**16,405,013**	**(557,044)**	**(41,750)**	**–**	**(558,419)**	**–**	**15,247,800**

T 4.50 **ACCUMULATED AMORTIZATION AND IMPAIRMENT (CONTINUATION SEE NEXT PAGE)**
IN € THOUS

	January 1, 2024	Foreign currency translation	Changes in consolidation group	Additions	Impairment loss	Reclassifications	Disposals[1]	December 31, 2024
Amortizable intangible assets								
Non-compete agreements	315,649	6,546	(1,900)	4,689	55	(4,275)	(296,175)	24,589
Technology	305,567	17,469	–	51,300	–	17	(1,117)	373,236
Licenses and distribution agreements	152,706	2,493	(2)	2,772	–	(200)	(90,092)	67,677
Customer relationships	26,713	1,139	–	4,652	–	–	(177)	32,327
Construction in progress	339	7	–	–	–	–	(346)	–
Internally developed intangibles	334,404	5,783	(151)	52,695	1,291	(1,292)	(148,921)	243,809
Other	284,645	441	(4,545)	21,076	8,320	(14,008)	(143,490)	152,439
	1,420,023	**33,878**	**(6,598)**	**137,184**	**9,666**	**(19,758)**	**(680,318)**	**894,077**
Non-amortizable intangible assets								
Trade names	1,769	(30)	–	–	–	–	(1,300)	439
Management contracts	1,508	44	–	–	–	–	–	1,552
	3,277	**14**	**–**	**–**	**–**	**–**	**(1,300)**	**1,991**
INTANGIBLE ASSETS	**1,423,300**	**33,892**	**(6,598)**	**137,184**	**9,666**	**(19,758)**	**(681,618)**	**896,068**
GOODWILL	**597,792**	**4,723**	**(32,633)**	**–**	**62,189**	**(130,983)**	**–**	**501,088**

[1] Included within the amounts presented for non-compete agreements, licenses and distribution agreements, internally developed intangibles and other intangible assets are €280,839, €90,044, €102,244 and €119,358, respectively, for disposals of fully-amortized intangibles from prior periods.

T 4.50 **ACCUMULATED AMORTIZATION AND IMPAIRMENT (CONTINUATION OF THE PREVIOUS PAGE)**
IN € THOUS

	January 1, 2023	Foreign currency translation	Changes in consolidation group	Additions	Impairment loss	Reclassifications	Disposals	December 31, 2023
Amortizable intangible assets								
Non-compete agreements	329,837	(11,103)	(414)	7,255	184	(8,553)	(1,557)	315,649
Technology	262,399	(8,030)	–	51,198	–	–	–	305,567
Licenses and distribution agreements	133,424	(5,232)	(20)	2,423	22,363	2	(254)	152,706
Customer relationships	23,486	(1,233)	(224)	4,684	–	–	–	26,713
Construction in progress	–	(8)	–	–	347	–	–	339
Internally developed intangibles	285,358	(5,983)	(256)	56,487	82	421	(1,705)	334,404
Other	284,022	(6,453)	(5,645)	30,286	1,670	(11,697)	(7,538)	284,645
	1,318,526	**(38,042)**	**(6,559)**	**152,333**	**24,646**	**(19,827)**	**(11,054)**	**1,420,023**
Non-amortizable intangible assets								
Trade names	29,794	(503)	1,300	–	–	(666)	(28,156)	1,769
Management contracts	1,560	(52)	–	–	–	–	–	1,508
	31,354	**(555)**	**1,300**	**–**	**–**	**(666)**	**(28,156)**	**3,277**
INTANGIBLE ASSETS	**1,349,880**	**(38,597)**	**(5,259)**	**152,333**	**24,646**	**(20,493)**	**(39,210)**	**1,423,300**
GOODWILL	**613,832**	**(20,953)**	**(52,505)**	**–**	**57,488**	**(70)**	**–**	**597,792**

T 4.51 **BOOK VALUE**
IN € THOUS

	December 31, 2024	December 31, 2023
Amortizable intangible assets		
Non-compete agreements	9,156	13,039
Technology	328,149	359,053
Licenses and distribution agreements	7,958	9,981
Customer relationships	42,248	44,771
Construction in progress	417,861	350,652
Internally developed intangibles	181,418	192,878
Other	92,508	127,158
	1,079,298	**1,097,532**
Non-amortizable intangible assets		
Trade names	252,386	223,895
Management contracts	1,042	1,026
Emission certificates	37,354	39,874
	290,782	**264,795**
INTANGIBLE ASSETS	**1,370,080**	**1,362,327**
GOODWILL	**15,170,652**	**14,650,008**

The amortization of intangible assets amounted to €137,184, €152,333 and €169,017 for the years ended December 31, 2024, 2023, and 2022, respectively. These expenses are allocated within costs of revenue, selling, general and administrative and R&D expenses depending upon the area in which the asset is used.

The Company capitalized development costs of €91,066 in 2024 (€74,840 in 2023), which is included in the line items Internally developed intangibles and Construction in progress in the schedule above.

At December 31, 2024 and 2023, the effects of hyperinflation on intangible assets and goodwill consisted of the following:

T 4.52 **EFFECT OF HYPERINFLATION**
IN € THOUS

	Acquisition or manufacturing costs	Accumulated amortization and impairment	December 31, 2024
Non-compete agreements	816	645	171
Licenses and distribution agreements	582	358	224
Construction in progress	737	—	737
Internally developed intangibles	230	135	95
Other	9,691	692	8,999
Amortizable intangible assets	**12,056**	**1,830**	**10,226**
TOTAL INTANGIBLE ASSETS	**12,056**	**1,830**	**10,226**
GOODWILL	**27,257**	**522**	**26,735**

	Acquisition or manufacturing costs	Accumulated amortization and impairment	December 31, 2023
Non-compete agreements	783	674	109
Licenses and distribution agreements	533	416	117
Construction in progress	649	—	649
Internally developed intangibles	3,214	1,843	1,371
Other	18,359	6,832	11,527
Amortizable intangible assets	**23,538**	**9,765**	**13,773**
TOTAL INTANGIBLE ASSETS	**23,538**	**9,765**	**13,773**
GOODWILL	**60,797**	**33,999**	**26,798**

Goodwill and Intangible Assets with Indefinite Useful Lives

The increase in the carrying amount of goodwill during 2024 is mainly a result of the impact of foreign currency translations, partially offset by impacts of asset held for sale classifications and divestitures (for further information, see NOTE 3 and NOTE 4).

The carrying amount of goodwill and intangibles with indefinite useful lives is allocated to the groups of CGUs at December 31, 2024 and 2023:

T 4.53 **ALLOCATION OF THE CARRYING AMOUNT TO THE GROUPS OF CGUS**
IN € THOUS

	Care Delivery		Care Enablement	
	2024	2023	2024	2023
Goodwill	13,014,925	12,573,423	2,155,727	2,076,585
Management contracts with indefinite useful life	1,043	1,026	–	–
Trade names with indefinite useful life	208,204	182,357	44,181	41,538
Emission certificates	–	–	37,354	39,874

The Company did not record any impairment losses related to goodwill in 2024 and 2023 after comparing the value in use to the respective carrying amount for the Care Delivery and Care Enablement groups of CGUs.

13. Interests in Associates

The following table shows the Company's interests in associates of the Company which management considered to be material to the Company as of December 31, 2024 and 2023:

T 4.54 **INTERESTS IN ASSOCIATES**
IN € THOUS, EXCEPT WHERE OTHERWISE SPECIFIED

Name of the entity	Country of incorporation	Ownership interest in %	Method of measurement	Carrying value	
				2024	2023
Vifor Fresenius Medical Care Renal Pharma Ltd.	Switzerland	45	Equity method	580,973	601,333
Other associates				39,858	41,595
EQUITY METHOD INVESTEES				**620,831**	**642,928**

In December 2010, the Company and CSL Vifor formed a new renal pharmaceutical company, Vifor Fresenius Medical Care Renal Pharma Ltd., recognized as an equity method investee of which the Company owns 45%. Vifor Fresenius Medical Care Renal Pharma Ltd. develops and distributes products focused on addressing distinct complications and areas of chronic kidney disease, renal anemia management, mineral and bone management, kidney function preservation and improvement, conditions associated with kidney impairment and its treatment and cardio-renal management.

The following table contains the summarized financial information for Vifor Fresenius Medical Care Renal Pharma Ltd as of and for the year ended December 31, 2024 and 2023:

T 4.55 **SUMMARIZED FINANCIAL INFORMATION**
IN € THOUS

Summarized balance sheets	2024	2023
Current assets	914,502	465,450
Non-current assets	518,589	627,391
Current liabilities	480,640	166,262
Non-current liabilities	34,116	33,074
NET ASSETS	**918,335**	**893,505**

Reconciliation to carrying amounts (net assets)	2024	2023
Opening balance net assets January 1,	893,505	1,200,525
Profit for the period	290,766	235,186
Other comprehensive income	(116,914)	(26,489)
Dividends paid	(205,301)	(467,500)
Foreign currency translation	56,279	(48,217)
CLOSING BALANCE NET ASSETS DECEMBER 31,	**918,335**	**893,505**
Company's share in net assets	413,251	402,077
Other reconciling items	219,166	268,240
Eliminations	(51,444)	(68,984)
CARRYING AMOUNT	**580,973**	**601,333**

Summarized statement of comprehensive income	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue	741,183	734,678
Profit from continuing operations	290,766	235,186
PROFIT FOR THE PERIOD	**290,766**	**235,186**
Other comprehensive income	(116,914)	(26,489)
TOTAL COMPREHENSIVE INCOME	**173,852**	**208,697**
Dividends received	92,386	213,521

14. Other Non-current Financial Assets

At December 31, 2024 and 2023, other non-current financial assets consisted of the following:

T 4.56 **OTHER NON-CURRENT FINANCIAL ASSETS**
IN € THOUS

	2024	2023
Debt securities	316,071	284,102
Equity investments	187,600	153,182
Other financial assets	292,185	174,300
TOTAL	**795,856**	**611,584**

15. Current Provisions and Other Current Financial and Non-financial Liabilities

Current provisions

The following table shows a reconciliation of the current provisions for 2024:

T 4.57 **DEVELOPMENT OF CURRENT PROVISIONS**
IN € THOUS

	January 1, 2024	Foreign currency translation	Changes in consolidation group	Utilized	Reversed	Additions	Reclassifications	December 31, 2024
Personnel expenses	187,330	8,128	(2,197)	(166,031)	(8,129)	210,455	14,826	244,382
Self-insurance programs	119,802	7,213	—	(79,328)	(29,194)	63,477	24,550	106,520
Risk of lawsuit	56,102	742	(13)	(35,469)	(224)	12,559	(17,363)	16,334
Other current provisions	61,376	1,525	(1,741)	(17,546)	(12,336)	53,750	(3,896)	81,132
CURRENT PROVISIONS	**424,610**	**17,608**	**(3,951)**	**(298,374)**	**(49,883)**	**340,241**	**18,117**	**448,368**

Self-insurance Programs

See NOTE 2 D).

Personnel Expenses

Personnel expenses mainly refer to provisions for the Company's global performance-based compensation plan for managerial staff, the current portion of the provisions for accrued severance payments, provisions for share-based plans and jubilee payments. As of December 31, 2024, provisions for the Company's global performance-based compensation plan for managerial staff amounted to €142,446 (December 31, 2023: €130,925), provisions for accrued severance payments amounted to €45,077 (December 31, 2023: €31,395) and provisions for share-based plans amounted to €25,309 (December 31, 2023: €8,597). For further information regarding share-based plans, see NOTE 23.

Risk of Lawsuit

Legal matters that the Company currently deems to be material or noteworthy are described in NOTE 25.

Other Current Provisions

The item "Other current provisions" in the table above includes provisions for onerous contracts, warranties, physician compensation and return of goods.

Other Current Financial Liabilities

As of December 31, 2024 and 2023 other current financial liabilities consisted of the following:

T 4.58 **OTHER CURRENT FINANCIAL LIABILITIES**
IN € THOUS

	2024	2023
Put option liabilities	807,207	681,442
Unapplied cash and receivable credit balances	464,182	623,492
Invoices outstanding	251,980	250,822
Derivatives	41,859	9,205
Bonuses, commissions	34,416	30,228
Legal matters, advisory and audit fees	27,540	40,262
Variable payments outstanding for acquisitions	1,127	11,085
Other	159,062	29,020
OTHER CURRENT FINANCIAL LIABILITIES	**1,787,373**	**1,675,556**

Other Current Liabilities

As of December 31, 2024 and 2023 other current liabilities consisted of the following:

T 4.59 **OTHER CURRENT LIABILITIES**
IN € THOUS

	2024	2023
Personnel liabilities	726,278	713,409
VAT and other (non-income) tax liabilities	139,981	140,596
Contract liabilities	66,735	56,566
Deferred Income	15,430	29,253
Other liabilities	103,142	253,000
OTHER CURRENT LIABILITIES	**1,051,566**	**1,192,824**

Personnel Liabilities

The personnel liabilities mainly refer to liabilities for wages and salaries, bonuses and vacation payments.

Contract Liabilities

Contract liabilities also relate to advance payments from customers and to sales of dialysis machines where revenue is recognized upon installation and provision of the necessary technical instructions whereas a receivable is recognized once the machine is billed to the customer.

Other Liabilities

The item "Other liabilities" in the table above includes liabilities for the current portion of pension liabilities and interest payables related to income taxes.

16. Short-term Debt

At December 31, 2024 and December 31, 2023, short-term debt consisted of the following:

T 4.60 **SHORT-TERM DEBT**
IN € THOUS

	2024	2023
Commercial paper program	—	399,078
Borrowings under lines of credit	1,941	57,754
Other	158	72
SHORT-TERM DEBT	**2,099**	**456,904**

Commercial Paper Program

The Company maintains a commercial paper program under which short-term notes of up to €1,500,000 can be issued. As of December 31, 2024, we did not utilize the commercial paper program. As of December 31, 2023, the outstanding commercial paper amounted to €400,000.

Borrowings Under Lines of Credit and Further Availabilities

Borrowings under lines of credit in the amount of €1,941 and €57,754 at December 31, 2024 and 2023, respectively, represented amounts borrowed by the Company and its subsidiaries under lines of credit with commercial banks. The average interest rates on these borrowings at December 31, 2024 and 2023 were 8.57% and 8.55%, respectively.

Excluding amounts available under the Syndicated Credit Facility (see NOTE 17 below), at December 31, 2024 and 2023, the Company had €1,508,486 and €1,321,417 available under other commercial bank agreements, excluding agreements on a subsidiary level, which are readily available for liability management purposes. In some instances, lines of credit are secured by assets of the Company's subsidiary that is party to the agreement or may require the Company's, or its subsidiaries', guarantee.

The Company and certain consolidated entities operate a multi-currency notional cash pooling management system. In this cash pooling management system, amounts in euro and other currencies are offset without being transferred to a specific cash pool account. The system is used for an efficient utilization of funds within the Company. The Company met the conditions to offset balances within this cash pool for reporting purposes. At December 31, 2024 and 2023, cash and borrowings under lines of credit in the amount of €251,353 and €126,836, respectively, were offset under this cash pooling management system. Before this offset, cash and cash equivalents as of December 31, 2024 was €1,431,540 (December 31, 2023: €1,530,328) and short-term debt from unrelated parties was €253,452 (December 31, 2023: €583,740).

17. Long-term Debt

As of December 31, 2024 and 2023, long-term debt consisted of the following:

T 4.61 **LONG-TERM DEBT**
IN € THOUS

	2024	2023
Schuldschein loans	228,399	228,759
Bonds	6,492,120	6,676,465
Accounts Receivable Facility	—	22,857
Other	115,589	519,481
Long-term debt	**6,836,108**	**7,447,562**
Less current portion	(575,283)	(487,699)
LONG-TERM DEBT, LESS CURRENT PORTION	**6,260,825**	**6,959,863**

The Company's long-term debt as of December 31, 2024, all of which ranks equally in rights of payment, are described as follows:

Schuldschein Loans

On February 14, 2022, the Company issued €25,000 and €200,000 tranches of Schuldschein loans with maturities of 5 and 7 years, respectively, at variable interest rates. The proceeds were used for general corporate purposes including refinancing of existing liabilities.

Bonds

At December 31, 2024 and 2023, the Company's bonds consisted of the following:

T 4.62 **BONDS**
IN THOUS

				Book value in €	
Issuer/Transaction	**Face amount**	**Maturity**	**Coupon**	**2024**	**2023**
FME US Finance II, Inc. 2014	$400,000	October 15, 2024	4.750%	—	365,344
Fresenius Medical Care AG, 2018	€500,000	July 11, 2025	1.500%	503,204	502,492
Fresenius Medical Care AG, 2020	€500,000	May 29, 2026	1.000%	501,787	500,953
Fresenius Medical Care AG, 2019	€600,000	November 30, 2026	0.625%	598,438	597,457
FME US Finance III, Inc. 2021	$850,000	December 1, 2026	1.875%	816,438	766,121
Fresenius Medical Care AG, 2022	€750,000	September 20, 2027	3.875%	754,936	753,755
FME US Finance III, Inc. 2019	$500,000	June 15, 2029	3.750%	477,290	447,719
Fresenius Medical Care AG, 2019	€500,000	November 29, 2029	1.250%	498,971	498,648
Fresenius Medical Care AG, 2020	€750,000	May 29, 2030	1.500%	753,979	753,466
FME US Finance III, Inc. 2020	$1,000,000	February 16, 2031	2.375%	965,623	907,015
FME US Finance III, Inc. 2021	$650,000	December 1, 2031	3.000%	621,454	583,495
				6,492,120	**6,676,465**

All bonds issued by entities other than Fresenius Medical Care AG are guaranteed by the Company. All U.S. dollar bonds outstanding may be redeemed at the option of the respective issuers at any time at 100% of principal plus accrued interest and a premium calculated pursuant to the terms of the applicable indenture. The holders of the Company's bonds have the right to request that the issuers repurchase the bonds at 101% of principal plus accrued interest upon the occurrence of a change of control of the Company followed by a decline in the ratings of the respective bonds.

The Company has agreed to a number of covenants to provide protection to the bond holders which, under certain circumstances, limit the ability of the Company and its subsidiaries to, among other things, incur debt, incur liens, engage in sale-leaseback transactions and merge or consolidate with other companies or sell assets. At December 31, 2024, the Company was in compliance with all of its covenants under the bonds.

Since 2018, bonds can be issued with different maturities under the Company's €10,000,000 Debt Issuance Program (Debt Issuance Program).

On October 15, 2024, Fresenius Medical Care US Finance II, Inc. redeemed $400,000 aggregate principal amount of bonds (€314,046 as of the date of issuance on October 29, 2014) at maturity.

Accounts Receivable Facility

The Company maintained an accounts receivable securitization program (Accounts Receivable Facility) with a maximum capacity of $900,000 (€768,049 at the date of execution) and an ending term date of August 11, 2024. On May 31, 2024, the Company voluntarily terminated the Accounts Receivable Facility.

The following table shows the available and outstanding amounts under the Accounts Receivable Facility at December 31, 2024 and December 31, 2023:

T 4.63 **ACCOUNTS RECEIVABLE FACILITY – MAXIMUM AMOUNT AVAILABLE AND BALANCE OUTSTANDING**
IN THOUS

	Maximum amount available 2024		Balance outstanding 2024	
Accounts Receivable Facility	$—	€—	$—	€—

	Maximum amount available[1] 2023		Balance outstanding[2] 2023	
Accounts Receivable Facility	$900,000	€814,482	$25,000	€22,624

[1] Subject to availability of sufficient accounts receivable meeting funding criteria.
[2] Amounts shown are excluding debt issuance costs and accrued interests.

The Company also had letters of credit outstanding under the Accounts Receivable Facility in the amount of $28,332 (€25,640) at December 31, 2023. These letters of credit are not included above as part of the balance outstanding at December 31, 2023. However, the letters reduced available borrowings under the Accounts Receivable Facility.

Credit Facilities

Syndicated Credit Facility

The Company entered into a €2,000,000 sustainability-linked syndicated revolving credit facility (Syndicated Credit Facility) in July 2021, which serves as a back-up line for general corporate purposes and was undrawn as of December 31, 2024 (2023: undrawn). On June 2, 2023, the Syndicated Credit Facility was extended an additional year until July 1, 2028, with a maximum available borrowing amount of €1,959,184 in the last year.

Other

At December 31, 2024 and 2023, in conjunction with certain acquisitions and investments, the Company had fixed payments outstanding for acquisitions totaling approximately €1,725 and €6,584, respectively, of which €98 and €1,656, respectively, were classified as the current portion of long-term debt.

18. Non-current Provisions and Other Non-current Financial and Non-financial Liabilities

Of the total amount of non-current provisions and other non-current financial and non-financial liabilities amounting to €912,848 at December 31, 2024 (2023: €1,048,473), €657,027 (2023: €627,411) are due in between more than one and three years, €137,435 (2023: €274,085) are due in between three to five years and €118,386 (2023: €146,977) are due after five years. The amounts presented as of December 31, 2023 have been revised to account for a shift of €297,035 from "amounts due between three to five years" into "amounts due between more than one and three years" as well as a shift of €56,081 from "amounts due between three to five years" into "amounts due after five years" in order to correct an error in the prior year's presentation.

The following table shows the development of non-current provisions in the fiscal year:

T 4.64 **DEVELOPMENT OF NON-CURRENT PROVISIONS**
IN € THOUS

	January 1, 2024	Foreign currency translation	Changes in consolidation group	Utilized	Reversed	Additions	Reclassifications	December 31, 2024
Self-insurance programs	113,617	7,069	—	—	—	—	(3,838)	116,848
Personnel expenses	38,533	1,075	(2,004)	(2,608)	(2,665)	33,658	(12,921)	53,068
Asset retirement obligations	12,311	(234)	545	(486)	(216)	1,046	—	12,966
Interest payable related to income taxes	3,989	89	—	—	—	852	—	4,930
Other non-current provisions	6,847	(145)	(28)	(619)	(1,652)	5,659	(1,358)	8,704
NON-CURRENT PROVISIONS	**175,297**	**7,854**	**(1,487)**	**(3,713)**	**(4,533)**	**41,215**	**(18,117)**	**196,516**

For further information regarding self-insurance programs, see NOTE 2 D).

Personnel expenses mainly refer to provisions for severance payments and provisions for share-based plans. As of December 31, 2024, provisions for share-based plans amounted to €40,035 (2023: €24,820) and provisions for severance payments amounted to €7,976 (2023: €6,831). For further information regarding share-based plans, see NOTE 23.

The item "Other non-current provisions" in the table above includes provisions for litigation and warranties. The increase during the period that arises from the passage of time and the effect of any change in the discount rate are not material.

Other Non-current Financial Liabilities

As of December 31, 2024 and 2023 other non-current financial liabilities consisted of the following:

T 4.65 **OTHER NON-CURRENT FINANCIAL LIABILITIES**
IN € THOUS

	2024	2023
Put option liabilities	491,910	690,567
Variable payments outstanding for acquisitions	6,806	24,666
Other	39,969	427
OTHER NON-CURRENT FINANCIAL LIABILITIES	**538,685**	**715,660**

Other Non-current Liabilities

As of December 31, 2024 and 2023 other non-current liabilities consisted of the following:

T 4.66 **OTHER NON-CURRENT LIABILITIES**
IN € THOUS

	2024	2023
Labor Expense non-current	121,731	105,186
Deferred Income	34,018	13,872
Other	21,898	38,458
OTHER NON-CURRENT LIABILITIES	**177,647**	**157,516**

19. Employee Benefit Plans

General

The Company recognizes pension costs and related pension liabilities for current and future benefits to qualified current and former employees of the Company. The Company's pension plans are structured in accordance with the differing legal, economic and fiscal circumstances in each country. The Company currently has two types of plans, defined benefit and defined contribution plans. In general, plan benefits in defined benefit plans are based on all or a portion of the employees' years of services and final salary. Plan benefits in defined contribution plans are determined by the amount of contribution by the employee and the employer, both of which may be limited by legislation, and the returns earned on the investment of those contributions.

Upon retirement under defined benefit plans, the Company is required to pay defined benefits to former employees when the defined benefits become due. Defined benefit plans may be funded or unfunded. The Company has six major defined benefit plans, one funded plan in the U.S. and one in France, one unfunded plan in Germany and two in France as well as one plan in Germany which is covered by insurance contracts. Due to the Conversion, the unfunded plan in Germany also comprises the benefit obligations of former board members of Management AG as well as of active board members which were appointed to the Management Board before January 1, 2019 in the amount of €60,381 as of December 31, 2024. The plan, which is funded by insurance contracts, comprises the benefit obligations of active board members which were appointed to the Management Board after January 1, 2019 in the amount of €4,137 as of December 31, 2024.

Actuarial assumptions generally determine benefit obligations under defined benefit plans. The actuarial calculations require the use of estimates. The main factors used in the actuarial calculations affecting the level of the benefit obligations are: assumptions on life expectancy, the discount rate and future salary and benefit levels. Under the Company's funded plans, assets are set aside to meet future payment obligations. An estimated return on the plan assets is recognized as income in the respective period. Actuarial gains and losses are generated when there are variations in the actuarial assumptions and by differences between the actual and the estimated projected benefit obligations and the return on plan assets for that year. The Company's pension liability is impacted by these actuarial gains or losses.

Under defined contribution plans, the Company pays defined contributions to an independent third party as directed by the employee during the employee's service life, which satisfies all obligations of the Company to the employee. The employee retains all rights to the contributions made by the employee and to the vested portion of the Company-paid contributions upon leaving the Company. The Company has a defined contribution plan in the U.S.

Defined Benefit Pension Plans

During the first quarter of 2002 FMCH, the Company's U.S. subsidiary, curtailed its defined benefit and supplemental executive retirement plans. Under the curtailment amendment for substantially all employees eligible to participate in the plan, benefits have been frozen as of the curtailment date and no additional defined benefits for future services will be earned. The Company has retained all employee benefit obligations as of the curtailment date. Each year FMCH contributes at least the minimum amount required by the Employee Retirement Income Security Act of 1974, as amended. In 2024, FMCH did not have a minimum funding requirement. The Company voluntarily provided €6,781 to the defined benefit plan. Expected funding for 2025 is €17,391.

The Company paid contributions to the plan in Germany which is funded by insurance contracts as defined in the pension plan of €1,187 in 2024. Expected funding for 2025 is €1,187.

The benefit obligation for all defined benefit plans at December 31, 2024 and 2023, including funded and unfunded obligations, are presented in the following table:

T 4.67 **BENEFIT OBLIGATION FOR DEFINED BENEFIT PLANS**
IN € THOUS

	2024	2023
Partially funded obligations		
U.S. plan	338,757	328,499
French plan	5,780	5,573
Funded obligations by insurance contracts		
German plan	4,137	3,053
Unfunded obligations		
German plan	557,185	542,136
French plans	11,212	10,764
TOTAL BENEFIT OBLIGATIONS	**917,071**	**890,025**

Controlling and managing the administration of the plan in the U.S. was delegated by the Company to an administrative committee. This committee has the authority and discretion to manage the assets of the fund and to approve and adopt certain plan amendments. The board of directors of National Medical Care, Inc., a subsidiary of the Company, reserves the right to approve or adopt all major plan amendments, such as termination, modification or termination of the future benefit accruals and plan mergers with other pension plans.

Related to defined benefit plans, the Company is exposed to certain risks. Besides general actuarial risks, e.g. the longevity risk and the interest rate risk, the Company is exposed to market risk as well as to investment risk.

The following table shows the changes in benefit obligations, the changes in plan assets, the net funded position and the net liability of the pension plans. Benefits paid as shown in the changes in benefit obligations represent payments made from both the funded and unfunded plans while the benefits paid as shown in the changes in plan assets include only benefit payments from the Company's funded benefit plan.

T 4.68 **NET PENSION LIABILITY**
IN € THOUS

	2024	2023
Change in benefit obligation:		
Benefit obligation at beginning of year	890,025	742,216
Foreign currency translation (gains) losses	20,472	(11,702)
Current service cost	28,748	32,399
Past service cost	(481)	(538)
Interest cost	37,304	37,438
Transfer of plan participants[1]	18	60,368
Actuarial (gains) losses arising from changes in financial assumptions	(19,944)	81,841
Actuarial (gains) losses arising from changes in demographic assumptions	17	(33)
Actuarial (gains) losses arising from experience adjustments	(185)	(9,706)
Remeasurements	(20,112)	72,102
Benefits paid	(38,903)	(42,258)
BENEFIT OBLIGATION AT END OF YEAR	**917,071**	**890,025**
Change in plan assets:		
Fair value of plan assets at beginning of year	255,772	259,461
Foreign currency translation gains (losses)	15,547	(9,063)
Transfer of plan participants[1]	—	2,116
Interest income from plan assets	13,169	13,717
Actuarial gains (losses) arising from experience adjustments	(4,122)	18,782
Actual return on plan assets	9,047	32,499
Employer contributions	7,968	2,147
Benefits paid	(28,502)	(31,388)
FAIR VALUE OF PLAN ASSETS AT END OF YEAR	**259,832**	**255,772**
NET FUNDED POSITION AT END OF YEAR	**657,239**	**634,253**
Benefit plans offered by other subsidiaries	35,399	43,985
NET PENSION LIABILITY AT END OF YEAR	**692,638**	**678,238**

[1] Transfer of plan participants for 2023 includes pension liabilities related to Management Board members which were attributable to Management AG prior to the Conversion and are included in the Company's balance sheet subsequent to the Conversion.

For the years 2024 and 2023, there were no effects from the asset ceiling.

At December 31, 2024, the weighted average duration of the defined benefit obligation was 15 years (2023: 15 years).

Pension assets and liabilities related to benefit plans offered by the Company and its subsidiaries as of December 31, 2024 and 2023 are presented in the following table:

T 4.69 **PENSION PLAN ASSETS AND LIABILITIES**
IN € THOUS

	2024	2023
Pension plan liabilities		
U.S. plan	83,148	75,876
German plan	557,185	542,136
French plans	16,906	16,241
TOTAL	**657,239**	**634,253**
Thereof current[1]	12,876	11,943
Thereof non-current[2]	644,363	622,310
Benefit plans offered by other subsidiaries		
Pension assets[3]	(531)	—
Current pension liabilities[1]	1,620	1,968
Non-current pension liabilities[2]	34,310	42,017
TOTAL OTHER PENSION LIABILITIES, NET	**35,399**	**43,985**

[1] Recorded in the line item "Current provisions and other current liabilities" in the consolidated balance sheets.
[2] Recorded in non-current liabilities as "Pension liabilities" in the consolidated balance sheets.
[3] Recorded as "Other non-current assets" in the consolidated balance sheets.

Non-current pension liabilities were €678,673 and €664,327 at December 31, 2024 and 2023, respectively. The increase was mainly attributable to the regular net periodic pension costs, partially offset by an actuarial gain arising from changes in financial assumptions, which is recognized in the line item "actuarial gain (loss) on defined benefit pension plans" within the consolidated statements of comprehensive income. For the German benefit plan, which accounts for a substantial part of the pension liability, an interest rate of 3.70% was applied as of December 31, 2024 (December 31, 2023: 3.60%).

Approximately 63% of the beneficiaries are located in the U.S. and 8% in France, with the majority of the remaining 29% located in Germany.

The discount rates for all plans are based upon yields of portfolios of highly rated debt instruments with maturities that mirror each plan's benefit obligation. The Company's discount rates at December 31, 2024 and 2023 are the weighted average of these plans based upon their benefit obligations.

The following weighted-average assumptions were utilized in determining benefit obligations at December 31, 2024 and 2023:

T 4.70 **WEIGHTED AVERAGE ASSUMPTIONS**
IN %

	2024	2023
Discount rate	4.39	4.22
Rate of compensation increase	3.18	3.18
Rate of pension increase	2.00	2.00

Sensitivity Analysis

Increases and decreases in principal actuarial assumptions by 0.5 percentage points would affect the pension liability at December 31, 2024 as follows:

T 4.71 **SENSITIVITY ANALYSIS**
IN € THOUS

	0.5% increase	0.5% decrease
Discount rate	(64,610)	73,344
Rate of compensation increase	9,855	(9,645)
Rate of pension increase	36,675	(33,351)

An increase of the mortality rate of 10% would reduce the pension liability by €22,068, while a decrease of 10% would increase the pension liability by €24,725 as of December 31, 2024.

The sensitivity analysis was calculated based on the average duration of the pension obligations determined at December 31, 2024. The calculations were performed isolated for each significant actuarial parameter, in order to show the effect on the fair value of the pension liability separately.

The sensitivity analysis for compensation increases and for pension increases excludes the U.S. pension plan because it is frozen and therefore is not affected by changes from these two actuarial assumptions.

The defined benefit pension plans' net periodic benefit costs are comprised of the following components for the years ended December 31, 2024, 2023 and 2022:

T 4.72 COMPONENTS OF NET PERIODIC BENEFIT COST
IN € THOUS

	2024	2023	2022
Service cost	28,748	32,399	42,367
Net interest cost	24,135	23,721	11,927
Prior service cost	(481)	(538)	(512)
NET PERIODIC BENEFIT COSTS	**52,402**	**55,582**	**53,782**

Service cost and net interest cost are allocated as personnel expense within costs of revenues, selling, general and administrative expense or R&D expense depending upon the area in which the beneficiary is employed. The gain from settlement is included in selling, general and administrative expense.

The following weighted-average assumptions were used in determining net periodic benefit cost for the years ended December 31, 2024, 2023 and 2022:

T 4.73 WEIGHTED AVERAGE ASSUMPTIONS
IN %

	2024	2023	2022
Discount rate	4.22	4.86	2.02
Rate of compensation increase	3.18	3.22	3.17
Rate of pension increase	2.00	2.00	1.75

Expected benefit payments are as follows:

T 4.74 DEFINED BENEFIT PENSION PLANS: CASH OUTFLOWS
IN € THOUS

	2024	2023
1 year	37,074	34,030
1–3 years	82,307	75,702
3–5 years	90,462	85,967
5–10 years	249,343	244,042
TOTAL	**459,186**	**439,741**

Plan Assets

The following table presents the fair values of the Company´s pension plan assets at December 31, 2024 and 2023:

T 4.75 **FAIR VALUES OF PLAN ASSETS**
IN € THOUS

	2024				2023			
Asset category	**Total**	**Quoted prices in active markets for identical assets**	**Significant observable inputs**	**Significant unobservable inputs**	**Total**	**Quoted prices in active markets for identical assets**	**Significant observable inputs**	**Significant unobservable inputs**
		(Level 1)	**(Level 2)**	**(Level 3)**		**(Level 1)**	**(Level 2)**	**(Level 3)**
Equity investments								
Index funds[1]	73,272	9,570	63,702	—	71,971	8,893	63,078	—
Fixed income investments								
Government securities[2]	190	19	171	—	3,519	3,339	180	—
Corporate bonds[3]	171,860	—	171,860	—	167,935	—	167,935	—
Other bonds[4]	6,668	—	331	6,337	6,909	—	860	6,049
U.S. treasury money market funds[5]	3,619	3,619	—	—	2,289	2,289	—	—
Other types of investments								
Cash, money market and mutual funds[6]	4,223	86	4,137	—	3,149	96	3,053	—
TOTAL	**259,832**	**13,294**	**240,201**	**6,337**	**255,772**	**14,617**	**235,106**	**6,049**

[1] This category comprises low-cost equity index funds not actively managed that track the S&P 500, S&P 400, Russell 2000, MSCI Emerging Markets Index and the MSCI EAFE Index.
[2] This category comprises fixed income investments by the U.S. government and government sponsored entities.
[3] This category primarily represents investment grade bonds of U.S. issuers from diverse industries.
[4] This category comprises private placement bonds as well as collateralized mortgage obligations.
[5] This category represents funds that invest in U.S. treasury obligations directly or in U.S. treasury backed obligations.
[6] This category represents cash, money market funds as well as mutual funds comprised of high grade corporate bonds.

The methods and inputs used to measure the fair value of plan assets at the balance sheet date are as follows:

> Common stocks are valued at their market prices.
> Index funds are valued based on market quotes.
> Government bonds are valued based on both market prices and market quotes.
> Corporate bonds and other bonds are valued based on market quotes.
> Cash is stated at nominal value which equals the fair value.
> U.S. Treasury money market funds as well as other money market and mutual funds are valued at their market price.

Plan Investment Policy and Strategy in the U.S.

The Company periodically reviews the assumption for long-term expected return on pension plan assets. As part of the assumptions review, a range of reasonable expected investment returns for the pension plan as a whole was determined based on an analysis of expected future returns for each asset class weighted by the allocation of the assets. The range of returns developed relies both on forecasts, which include the actuarial firm's expected long-term rates of return for each significant asset class or economic indicator, and on broad-market historical benchmarks for expected return, correlation, and volatility for each asset class.

The Company´s overall investment strategy is to achieve a mix of approximately 99% of investments for long-term growth and income and 1% in cash or cash equivalents. Investment income and cash or cash equivalents are used for near-term benefit payments. Investments are governed by the plan investment policy and include well diversified index funds or funds targeting index performance.

The plan investment policy, utilizing a revised target investment allocation in a range around 26% equity and 74% fixed income investments, considers that there will be a time horizon for invested funds of more than 5 years. The total portfolio will be measured against a custom index that reflects the asset class benchmarks and the target asset allocation. The plan investment policy does not allow investments in securities of the Company or other related party securities. The performance benchmarks for the separate asset classes include: S&P 500 Index, S&P 400 Mid-Cap Index, Russell 2000 Index, MSCI EAFE Index, MSCI Emerging Markets Index, Bloomberg U.S. Long-Corporate Bond Index, Bloomberg Corporate High Yield Index, and Bloomberg Barclays U.S. High Yield Fallen Angel 3% Capped Index.

Defined Contribution Plans

Most FMCH employees are eligible to join a 401(k) savings plan. Employees can deposit up to 75% of their pay up to a maximum of $23.0 (€21.2) if under 50 years old ($30.5 (€28.2) if 50 or over) under this savings plan. The Company will match 50% of the employee deposit up to a maximum Company contribution of 3% of the employee's pay. The Company's total expense under this defined contribution plan for the years ended December 31, 2024, 2023, and 2022, was €76,552, €71,750 and €77,329 respectively.

Additionally, the Company contributed for the years ended December 31, 2024, 2023, and 2022 €31,072, €29,787 and €30,272 to state pension plans.

20. Shareholders' Equity

Capital Stock

At December 31, 2024, the Company's share capital consists of 293,413,449 bearer ordinary shares without par value (Stückaktien) and a nominal value of €1.00 each. The Company's share capital has been fully paid in.

Pursuant to Sections 33 and 34 of the German Securities Trading Act (WpHG) any party subject to the notification requirement shall notify the Company when certain mandatory reportable thresholds for voting rights, also by taking into account attribution provisions, are reached, exceeded or fallen below. Section 38 WpHG also stipulates a notification requirement when certain thresholds are reached, exceeded or have fallen below through directly or indirectly held instruments and Section 39 WpHG also stipulates a notification requirement when certain thresholds are reached, exceeded or have fallen below through the addition of voting rights according to Section 33 WpHG and instruments according to Section 38 WpHG. Notifications received by the Company subject to the notification requirements were published in accordance with the applicable legal provisions, as well as posted in the Investors section of the Company's website.

In a notification dated February 8, 2011, Fresenius SE disclosed to the Company pursuant to Section 21 of the WpHG at the date of notification (predecessor provision to Section 33 of the WpHG) that it held 35.74% of the voting rights in the Company. At December 31, 2024, Fresenius SE held 32.2% of the Company's voting rights.

On January 7, 2025, Harris Associates Investment Trust, Boston, Massachusetts, U.S., disclosed pursuant to Section 33 of the WpHG that 3.00% of the voting rights of the Company were held as of January 3, 2025.

On October 28, 2024, Harris Associates L.P., Wilmington, Delaware, U.S., with respect to attributed voting rights, disclosed pursuant to Sections 33, 34 of the WpHG that 4.95% of the voting rights of the Company were held as of October 23, 2024.

On October 4, 2024, BlackRock, Inc., Wilmington, Delaware, U.S., with respect to attributed voting rights, disclosed pursuant to Sections 33, 34 of the WpHG that 4.34% of the voting rights of the Company and pursuant to Section 38 of the WpHG that instruments relating to 0.16% of the voting rights of the Company were held as of October 1, 2024.

On January 6, 2023, Dodge & Cox International Stock Fund, San Francisco, California, U.S., disclosed pursuant to Section 33 of the WpHG that 3.00% of the voting rights of the Company were held as of January 3, 2023.

On December 16, 2022, Dodge & Cox, San Francisco, California, U.S., with respect to attributed voting rights, disclosed pursuant to Sections 33, 34 of the WpHG that 5.03% of the voting rights of the Company were held as of December 13, 2022. According to an amended Schedule 13G filed with the SEC on February 13, 2024, Dodge & Cox, an investment adviser registered under the U.S. Investment Advisers Act of 1940, is the beneficial owner of 7.4% of the Company's shares. The Schedule 13G states that Dodge & Cox has sole voting power and sole dispositive power over such shares, and that clients of Dodge & Cox, including investment companies registered under the U.S. Investment Company Act of 1940 and other managed accounts, have the right to receive or power to direct the receipt of dividends from, and the proceeds from the sale of, such shares.

On October 28, 2022, Richard Pzena, with respect to attributed voting rights, disclosed pursuant to Sections 33, 34 of the WpHG that 5.20% of the voting rights of the Company were held as of October 24, 2022.

On July 14, 2022, Artisan Partners Asset Management Inc., Wilmington, Delaware, U.S., with respect to attributed voting rights, disclosed pursuant to Sections 33, 34 of the WpHG that 2.99% of the voting rights of the Company were held as of July 12, 2022.

The general meeting of the Company may approve Authorized Capital (genehmigtes Kapital). The resolution creating Authorized Capital requires the affirmative vote of a majority of three quarters of the capital represented at the vote and may authorize the Management Board to issue new shares up to a stated amount for a period of up to five years. The nominal value of any proposed increase of the Authorized Capital may not exceed half of the issued capital stock at the time of the authorization.

In addition, the general meeting of the Company may create Conditional Capital (bedingtes Kapital) for the purpose of issuing (i) new shares to holders of convertible bonds or other securities which grant a right to shares, (ii) new shares as the consideration in a merger with another company, or (iii) new shares offered to management or employees. In each case, the authorizing resolution requires the affirmative vote of a majority of three quarters of the capital represented at the vote. The nominal value for any Conditional Capital may not exceed 60% of the Company's issued capital at the time of the resolution. The nominal value for any Conditional Capital created for the purpose of issuing new shares to holders of convertible bonds or other securities which grant a right to shares may not exceed 50% of the Company's issued capital at the time of the resolution. The nominal value for any Conditional Capital created for the purpose of issuing shares to management and employees may not exceed 20% of the Company's issued capital at the time of the resolution.

Authorized Capital

By resolution of the Company's Annual General Meeting (AGM) on August 27, 2020, having become effective upon registration with the commercial register of the local court (Amtsgericht) of Hof (Saale) on September 23, 2020, amended by resolution of the Company's EGM on July 14, 2023 in its wording with respect to the Company's change of legal form, registered with the local court (Amtsgericht) of Hof (Saale) on November 30, 2023, the Management Board is authorized until August 26, 2025, to increase the share capital of the Company with the approval of the Supervisory Board by up to a total of €35,000 for cash by issuing new bearer shares with no-par value on one or more occasions (Authorized Capital 2020/I). The number of shares must be increased in the same proportion as the share capital. In principle, the shareholders have subscription rights. The new shares can also be underwritten by a credit institution or a company operating in accordance with section 53 (1) sent. 1 or section 53b (1) sent. 1 or (7) of the German Banking Act (Kreditwesengesetz – KWG) (financial institution) or a consortium of such credit institutions and/or financial institutions retained by the Management Board with the obligation to offer the shares to the Company's shareholders for subscription.

However, the Management Board is authorized with the approval of the Supervisory Board to exclude the shareholders' subscription rights in order to eliminate fractional amounts from the subscription right. The Management Board may only exercise the aforementioned authorization to exclude subscription rights to the extent that the proportional amount of the total shares issued subject to an exclusion of subscription rights exceeds 10% of the share capital neither at the time of this authorization coming into effect nor at the time of the exercise of this authorization. If, during the period of validity of the Authorized Capital 2020/I until its utilization, other authorizations on the issuance or on the sale of shares of the Company or the issuance of rights which authorize or bind to the subscription of shares of the Company are exercised and the subscription rights are excluded, such subscription rights will be taken into account with regard to the aforementioned limit.

No Authorized Capital 2020/I has been issued at December 31, 2024.

In addition, by resolution of the AGM on August 27, 2020, having become effective upon registration with the commercial register of the local court (Amtsgericht) of Hof (Saale) on September 23, 2020, amended by resolution of the Company's EGM on July 14, 2023 in its wording with respect to the Company's change of legal form, registered with the local court (Amtsgericht) of Hof (Saale) on November 30, 2023, the Management Board is authorized until August 26, 2025 to increase the share capital of the Company with the approval of the Supervisory Board by up to a total of €25,000 for cash and/or contributions in kind by issuing new bearer shares with no-par value on one or more occasions (Authorized Capital 2020/II). The number of shares must be increased in the same proportion as the share capital. In principle, the shareholders have subscription rights. The new shares can also be underwritten by a credit institution or a company operating in accordance with section 53 (1) sent. 1 or section 53b (1) sent. 1 or (7) KWG (financial institution) or a consortium of such credit institutions and/or financial institutions retained by the Management Board with the obligation to offer the shares to the Company's shareholders for subscription. However, the Management Board is authorized with the approval of the Supervisory Board to exclude the shareholders' subscription rights in the following cases:

- in the case of one or more capital increases for contributions in kind for the purpose of acquiring companies, parts of companies, interests in companies or other assets, or
- in the case of one or more capital increases for cash if the issue price for the shares does not significantly fall below the stock exchange price of the shares already listed and the proportionate amount of the share capital of the Company attributable to the shares issued with exclusion of subscription rights exceeds 10% of the share capital neither at the time of this authorization coming into effect nor at the time of the exercise of this authorization. To be set off against this limitation is the proportionate amount of share capital attributable to new shares or treasury shares previously acquired by the Company which are issued or sold during the period of validity of this authorization with exclusion of subscription rights in direct, analogous or corresponding application of section 186 (3) sent. 4 AktG and the proportionate amount of the share capital attributable to shares issued or to be issued to satisfy option or conversion rights or discharge option or conversion obligations from bonds, if the bonds are issued during the period of validity of this authorization with exclusion of subscription rights in analogous application of section 186 (3) sent. 4 AktG.

The Management Board may only exercise the aforementioned authorizations to exclude subscription rights to the extent that the proportional amount of the total shares issued subject to an exclusion of subscription rights exceeds 10% of the share capital neither at the time of these authorizations coming into effect nor at the time of the exercise of these authorizations. If, during the period of validity of the Authorized Capital 2020/II until its utilization, other authorizations on the issuance or on the sale of shares of the Company or the issuance of rights which authorize or bind to the subscription of shares of the Company are exercised and the subscription rights are excluded, such subscription rights will be taken into account with regard to the aforementioned limit.

No Authorized Capital 2020/II has been issued at December 31, 2024.

Conditional Capital

By resolution of the Company's AGM on May 12, 2011, as amended by the Company's EGM on July 14, 2023, the Company's share capital was conditionally increased with regards to the Stock Option Plan 2011 (2011 SOP) by up to €12,000 subject to the issue of up to 12 million no par value bearer ordinary shares with a nominal value of €1.00 each (Conditional Capital 2011/I). (see NOTE 23). The final grant under the 2011 SOP was made in December 2015, and all unexercised stock options expired in accordance with their terms in 2023. The Conditional Capital 2011/I, to the extent it had not been made use of, was cancelled by corresponding amendment to the Company's Articles of Association effective upon registration with the commercial register on May 27, 2024. No shares were issued out of Conditional Capital 2011/I during 2024 or 2023.

Treasury Stock

By resolution of the Company's AGM on May 20, 2021, amended by the Company's EGM on July 14, 2023 in its wording with respect to the Company's change of legal form, the Management Board is authorized until May 19, 2026 to purchase treasury shares up to a maximum amount of 10% of the registered share capital existing at the time of this resolution (€29,289). The shares acquired, together with other treasury shares held by the Company or attributable to the Company pursuant to sections 71a et seqq. AktG, must at no time exceed 10% of the registered share capital. Purchases may be made through the stock exchange, by way of a public tender offer, or a public invitation to shareholders to submit an offer for sale. This authorization may not be used for the purpose of trading in treasury shares. The Management Board is authorized to use treasury shares purchased on the basis of this authorization or any other earlier authorization for any legally permissible purpose, in particular (i) to redeem shares without requiring any further resolution by the general meeting, (ii) to sell treasury shares to third parties against contributions in kind, (iii) to award treasury shares, in lieu of the utilization of conditional capital of the Company, to employees of the Company and companies affiliated with the Company, including members of the management of affiliated companies, and use them to service options or obligations to purchase shares of the Company and (iv) to use treasury shares to service bonds carrying warrant and/or conversion rights or conversion obligations issued by the Company or companies affiliated with the Company pursuant to section 17 AktG. As of December 31, 2024 and 2023, the Company did not hold treasury shares and the Company has not made any share repurchases under the current authorization granted by the resolution of the Company's AGM on May 20, 2021.

Additional Paid-in Capital

Additional paid-in capital is comprised of the premium paid on the issue of shares and stock options, the tax effects from stock options, the compensation expense from stock options, which is recognized according to IFRS 2, as well as changes in ownership interest in a subsidiary that do not result in a loss of control. Additional paid in capital decreased primarily as a result of transactions with non-controlling interests in the United States.

Retained Earnings

Retained earnings is comprised mainly of earnings generated by group entities in prior years, to the extent that they have not been distributed, as well as changes of put option liabilities.

Dividends

Under German law, the amount of dividends available for distribution to shareholders is based upon the unconsolidated balance sheet profit (Bilanzgewinn) of the Company as reported in its balance sheet determined in accordance with the German Commercial Code (Handelsgesetzbuch).

Cash dividends of €349,162 for 2023 in the amount of €1.19 per share were paid on May 22, 2024.

Cash dividends of €328,623 for 2022 in the amount of €1.12 per share were paid on May 22, 2023.

Cash dividends of €395,556 for 2021 in the amount of €1.35 per share were paid on May 17, 2022.

At the Company's AGM scheduled to be held on May 22, 2025, the Company's Management Board and Supervisory Board will propose to the shareholders a dividend of €1.44 per share for 2024, payable in 2025. The total expected dividend payment is approximately €422,515.

Noncontrolling Interests

Noncontrolling interests represent the proportion of the net assets of consolidated subsidiaries owned by minority shareholders. The Company has purchase obligations under put options held by the holders of noncontrolling interests in certain of its subsidiaries. These obligations result from contractual put options and are exercisable by the owners of the noncontrolling interests. In addition to noncontrolling interests, the related potential obligations under these put options are reclassified from equity of the Company, with no impact to the income statement, and recognized as a put option liability at the present value of the exercise price of the options in other current or non-current liabilities. Accumulated other comprehensive income allocated to noncontrolling interests mainly relates to currency effects from the translation of foreign operations.

21. Capital Management

The principle objectives of the Company's capital management strategy are to optimize the weighted average cost of capital and to achieve a balanced mix of total equity and debt. The dialysis industry, in which the Company has a strong market position in global, growing and largely non-cyclical markets, is characterized by recurring cash flows. Due to the Company's payors' mostly high credit quality, it is able to generate high, stable, predictable and sustainable cash flows. These generated cash flows allow a reasonable proportion of debt. As of December 31, 2024 and December 31, 2023, total equity and debt were as follows:

T 4.76 **TOTAL EQUITY, DEBT AND TOTAL ASSETS**
IN € THOUS

	2024	2023
Total equity including noncontrolling interests	15,768,513	14,826,535
Debt and lease liabilities (including amounts directly associated with assets held for sale)	10,988,807	12,186,790
Total assets	33,566,579	33,929,808
Debt and lease liabilities in % of total assets	32.7	35.9
Total equity in % of total assets (equity ratio)	47.0	43.7

The Company is not subject to any capital requirements provided for in its Articles of Association.

The Company's financing strategy aims at ensuring financial flexibility, managing financial risks and optimizing financing costs. Financial flexibility is ensured through maintaining sufficient liquidity. Refinancing risks are limited due to the Company's balanced maturity profile, which is characterized by a wide range of maturities of up to 2031. When deciding upon the use of available financing instruments, market capacity, investor diversification, financing conditions and the existing maturity profile are taken into account (see NOTE 17).

An important financial performance indicator for the Company is the net leverage ratio, defined as the ratio of net debt/EBITDA. To determine the net leverage ratio, debt and lease liabilities less cash and cash equivalents (net debt) is compared to EBITDA, adjusted for acquisitions and divestitures made during the last twelve months with a purchase price above a €50,000 threshold as defined in the Syndicated Credit Facility, non-cash charges, impairment loss and special items, including:

- costs related to the FME25 Program,
- the impact from the remeasurement of the Company's investment in Humacyte, Inc. and receivables related to a royalty stream that the Company is entitled to based on sales made by Humacyte, Inc. in the U.S.,
- certain costs associated with the conversion of legal form, primarily related to the requisite relabeling of the Company's products, transaction costs (such as costs for external advisors and conducting an extraordinary general meeting) and costs related to the establishment of dedicated administrative functions required to manage certain services which have historically been administered at the Fresenius SE group level and paid by the Company through corporate charges, and
- the impacts from Legacy Portfolio Optimization.

At December 31, 2024, the net leverage ratio was 2.9 (December 31, 2023: 3.2) Therefore, the net leverage ratio was below the self-set target of 3.0 to 3.5x, which management considers appropriate for the Company. The net leverage ratio decreased due to a decrease of net debt.

The Company's financing structure and business model are reflected in its credit ratings. The Company is rated investment grade by S&P Global, Moody's and Fitch. The Company's current corporate credit ratings and outlooks from the credit rating agencies are provided in the table below:

T 4.77 **RATING**[1]

	S&P Global	Moody´s	Fitch
Corporate credit rating	BBB-	Baa3	BBB-
Outlook	stable	stable	stable

[1] A rating is not a recommendation to buy, sell or hold securities of the Company, and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

22. Earnings Per Share

The following table contains reconciliations of the numerators and denominators of the basic and diluted earnings per share computations for 2024, 2023 and 2022:

T 4.78 **RECONCILIATION OF BASIC AND DILUTED EARNINGS PER SHARE**
IN € THOUS, EXCEPT SHARE AND PER SHARE DATA

	2024	2023	2022
Numerator:			
NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF FME AG	**537,913**	**498,997**	**673,405**
Denominators:			
Weighted average number of shares outstanding	293,413,449	293,413,449	293,246,430
Potentially dilutive shares	–	–	–
BASIC EARNINGS PER SHARE	**1.83**	**1.70**	**2.30**
DILUTED EARNINGS PER SHARE	**1.83**	**1.70**	**2.30**

23. Share-based Plans

General information on the Company's long-term incentive plans (performance shares)

The Company accounts for its share-based plans in accordance with IFRS 2 and has, as of December 31, 2024, various share-based compensation plans, which may either be equity- or cash-settled. These plans enable the members of the Management Board, the members of the management boards of affiliated companies of FME AG and managerial staff members to adequately participate in the long-term, sustained success of the Company. The Fresenius Medical Care Long Term Incentive Plan 2016 (LTIP 2016), the Fresenius Medical Care NxStage Long Term Incentive Plan (NxStage LTIP), the Fresenius Medical Care Management Board Long Term Incentive Plan 2019 (MB LTIP 2019), the Fresenius Medical Care Long Term Incentive Plan 2019 (LTIP 2019), the Fresenius Medical Care Management Board Long Term Incentive Plan 2020 (MB LTIP 2020), the Fresenius Medical Care Long Term Incentive Plan 2022+ (LTIP 2022+), the Fresenius Medical Care Management Board Long-Term Incentive Plan 2024+ (MB LTIP 2024+) and the Fresenius Medical Care Long-Term Incentive Plan 2024+ (LTIP 2024+) are or were each variable compensation programs with long-term incentive effects which allocate or allocated so-called "performance shares." Performance shares are compensation instruments which may entitle plan participants to receive a cash payment depending on the achievement of pre-defined performance targets (further defined below) as well as the Company's share price development throughout the respective vesting period (Performance Shares). For allocations under the MB LTIP 2024+ which have not yet been effected, the Supervisory Board may instead determine to settle in Company shares prior to each allocation. The final cash payments under the LTIP 2016 and under the NxStage LTIP took place in 2022, the final cash payments under the MB LTIP 2019 took place in 2023 and the final cash payments under the LTIP 2019 took place in 2024.

The TABLE 4.79 on the next page provides an overview of these plans.

T 4.79 **LONG-TERM INCENTIVE PLANS**

	MB LTIP 2024+	LTIP 2024+	LTIP 2022+	MB LTIP 2020	LTIP 2019	MB LTIP 2019	NxStage LTIP	LTIP 2016
Eligible persons	Members of the Management Board[1]	Other Plan participants	Other Plan participants	Members of the Management Board[1]	Other Plan participants	Members of the Management Board[1]	Other Plan participants	Members of the Management Board[1] and other plan participants
Years in which an allocation occurred	2024	2024	2022–2023	2020–2023	2019–2021	2019	2019	2016–2018
Months in which an allocation occurred	March, June	July, December	July, December	November (2020), March (2021–2023), October (2022, 2023)	July, December	July, December	February	July, December

[1] Also includes former members of the management board of the General Partner.

For members of the Management Board, the respective allocation value is determined by the Supervisory Board. For other plan participants, the determination of the allocation value will be made by the Management Board, taking into account the individual responsibilities of each plan participant. The initial allocation value is determined in the currency in which the respective participant receives their base salary at the time of the allocation. In order to determine the number of Performance Shares that each plan participant receives, the allocation value is divided by the value per Performance Share at the time of the allocation, which in turn is determined based on the Company's average share price over a period of thirty calendar days prior to the respective allocation date and assuming a 100% target achievement for the performance target total shareholder return (TSR) compared to competitors (Relative TSR) which is described below.

During 2024, the Company allocated 304,043 Performance Shares under the MB LTIP 2024+ at a measurement date weighted average fair value of €45.52 each and a total fair value of €13,840, which will be revalued if the fair value changes, reflecting all market conditions such as the current target achievement for the Relative TSR target at the measurement date. The Supervisory Board decided to settle the Performance Shares allocated in 2024 in cash. As such, the Company accounts for these allocations as a cash-settled share-based payment transaction. The total fair value will be amortized over the vesting period.

During 2024, the Company allocated 1,908,038 Performance Shares under the LTIP 2024+ at a measurement date weighted average fair value of €46.56 each and a total fair value of €88,838, which will be revalued if the fair value changes, reflecting all market conditions such as the current target achievement for the Relative TSR target at the measurement date. The total fair value will be amortized over the vesting period.

During 2023, the Company allocated 283,624 Performance Shares under the MB LTIP 2020 at a measurement date weighted average fair value of €35.84 each and a total fair value of €10,165, which will be revalued if the fair value changes. The total fair value will be amortized over the vesting period.

During 2023, the Company allocated 1,460,049 Performance Shares under the LTIP 2022+ at a measurement date weighted average fair value of €34.64 each and a total fair value of €50,576, which will be revalued if the fair value changes. The total fair value will be amortized over the vesting period.

During 2022, the Company allocated 241,835 Performance Shares under the MB LTIP 2020 at a measurement date weighted average fair value of €28.37 each and a total fair value of €6,861, which will be revalued if the fair value changes. The total fair value will be amortized over the vesting period.

During 2022, the Company allocated 1,737,591 Performance Shares under the LTIP 2022+ at a measurement date weighted average fair value of €27.33 each and a total fair value of €47,488, which will be revalued if the fair value changes. The total fair value will be amortized over the vesting period.

The number of allocated Performance Shares may change over the performance period of three years, which for all allocations in fiscal year 2024 commenced on January 1, 2024 and ends on December 31, 2026, depending on the degree of achievement of the performance targets.

The Company's Long-term Incentive Plans During 2024 (Performance Shares)

The Supervisory Board has approved and adopted the MB LTIP 2024+ effective January 1, 2024, for members of the Management Board. For the members of the management boards of affiliated companies of FME AG and managerial staff members, the Management Board has approved and adopted the LTIP 2024+ effective January 1, 2024.

For allocations in fiscal year 2024, the performance targets are as follows: (i) return on invested capital (ROIC), (ii) Relative TSR and (iii) reduction in market-based CO_2 equivalents emissions (CO_2e Reduction). The CO_2e Reduction reflects the Company's expressed goal to reduce Scope-1 and Scope-2 emissions by 50% by 2030 compared to 2020 and to achieve climate neutrality by 2040. For all three performance targets, target achievement corridors which will be used for the calculation of the respective target achievements were defined. These corridors were defined by the Supervisory Board for the MB LTIP 2024+ and by the Management Board for the LTIP 2024+. The corridors are identical for both plans.

For allocations in fiscal year 2024, the profitability target ROIC has a weight of 40% within the calculation of the degree of the overall target achievement. While the ROIC metric is not audited, the calculation of the metric is based upon financial measures derived from the Company's consolidated, reported and audited financial statements determined in accordance with IFRS Accounting Standards and further adjusted to apply the respective plan conditions. The ROIC target achievement level is determined based on the average of the three annual ROIC figures during the performance period.

For allocations in fiscal year 2024, the performance target Relative TSR is measured on the basis of the TSR compared to European and U.S. peer groups. The target achievement for this performance target is determined using the percentile ranking method. For this purpose, the TSR values of the peer companies within the respective comparison groups over the performance period are ranked and the relative positioning of the Company within the respective comparison group is determined on the basis of the percentile achieved. The performance target Relative TSR is weighted with 40% within the calculation of the degree of overall target achievement.

For allocations in fiscal year 2024, the achievement of the sustainability performance target CO_2e Reduction is based on the Company's sustainability statement, such reporting being reviewed by an independent auditor, and is measured by the reduction of market-based emissions in CO_2 equivalents in comparison to the base year 2020. This reduction is expressed in percent. The sustainability performance target has a weight of 20% within the calculation of the degree of overall target achievement. The applicable target achievement of the sustainability target is calculated based on the average annual achievement in CO_2e Reductions. For this purpose, each annual target achievement is weighted equally (1/3 each).

The overall target achievement will not exceed 200%. The number of Performance Shares allocated to plan participants at the beginning of the performance period is multiplied with the degree of overall target achievement to determine the final number of Performance Shares.

Under the MB LTIP 2024+, the final number of Performance Shares generally vests four years after the respective allocation date. Several payout conditions, such as the continuation of the service relationship (with exceptions, e.g., in the event of occupational disability or retirement), apply. The number of such vested Performance Shares is then multiplied by the average share price of the Company over a period of thirty calendar days prior to the lapse of the vesting period. The resulting amount, which is capped at 400% of the respective allocation value and can be reduced to meet the respective maximum compensation of the participant, will be paid out as cash compensation or settled in shares of the Company. Allocations made in fiscal year 2024 will be settled in cash.

Under the LTIP 2024+, the final number of Performance Shares generally vests three years after the respective allocation date. Several payout conditions, such as the continuation of the employment or service relationship (with exceptions, e.g., in the event of occupational disability or retirement), apply. The number of vested Performance Shares is then multiplied with the average share price of the Company during a period of 30 days prior to the lapse of the vesting period. The resulting amount is capped in total at an amount equaling 400% of the respective allocation value and will be paid out as cash compensation.

The Company's Long-term Incentive Plans During 2016–2023 (Performance Shares)

For allocations until 2023, the performance targets are as follows: (i) revenue growth at constant currency (Revenue Growth), (ii) net Income growth at constant currency (Net Income Growth) and (iii) ROIC.

Revenue and net income are determined according to the Company's consolidated reported and audited figures in euro for the financial statements prepared in accordance with IFRS Accounting Standards, applying the respective plan terms. While the ROIC metric is not audited, the calculation of the metric is based upon financial measures derived from the Company's consolidated financial statements and further adjusted to apply the respective plan conditions. Revenue Growth and Net Income Growth, for the purpose of the relevant plan, are determined at constant currency.

For Performance Shares allocated in years 2022 and 2023, the target achievements of the performance targets Revenue Growth and Net Income Growth are calculated based on a Compound Annual Growth Rate (CAGR) over the 3-year performance period. For ROIC, annual target values apply. For all three performance targets, target achievement corridors which are used for the calculation of the respective target achievements were defined.

For Performance Shares allocated in years 2022 and 2023, the degree of target achievement for all three performance targets is weighted with 1/3 for the purpose of determining the overall target achievement at the end of the performance period. The relevant target achievement for Revenue Growth and Net Income Growth is determined based on the CAGR over the entire performance period. The relevant target achievement for the ROIC target is determined based on the average annual target achievement for the ROIC during the performance period (i.e., 1/3 weighting per performance year). The overall target achievement cannot exceed 200%.

For Performance Shares allocated in years 2020 and 2021, for each individual year of the three-year performance period an annual target achievement level of 100% was reached for the Revenue Growth performance target if Revenue Growth was 6%; Revenue Growth of 1% led to a target achievement level of 0% and the maximum target achievement level of 200% was reached in case of Revenue Growth of at least 11%. If Revenue Growth ranged between these values, the degree of target achievement was linearly interpolated between these values.

For Performance Shares allocated in years 2020 and 2021, for each individual year of the three-year performance period an annual target achievement level of 100% for the Net Income Growth performance target was reached if Net Income Growth was 5%. In case of Net Income Growth of 0%, the target achievement level was 0%; the maximum target achievement of 200% was reached in the case of Net Income Growth of at least 10%. If Net Income Growth ranged between these values, the degree of target achievement was linearly interpolated between these values.

For Performance Shares allocated in years 2020 and 2021, for each individual year of the three-year performance period an annual target achievement level of 100% for the ROIC performance target was reached if ROIC was 6.0%. In case of a ROIC of 5.5%, the target achievement level was 0%; the maximum target achievement of 200% was reached in the case of a ROIC of at least 6.5%. Between these values, the degree of target achievement was determined by means of linear interpolation.

For Performance Shares allocated during the period from 2016 to 2019, for each individual year of the three-year performance period an annual target achievement level of 100% was reached for the Revenue Growth performance target if Revenue Growth was 7%; Revenue Growth of 0% led to a target achievement level of 0% and the maximum target achievement level of 200% was reached in case of Revenue Growth of at least 16%. If Revenue Growth ranged between these values, the degree of target achievement was linearly interpolated between these values.

For Performance Shares allocated during the period from 2016 to 2019, for each individual year of the three-year performance period an annual target achievement level of 100% for the Net Income Growth performance target was reached if Net Income Growth was 7%. In case of Net Income Growth of 0%, the target achievement level was also 0%; the maximum target achievement of 200% was reached in the case of Net Income Growth of at least 14%. Between these values, the degree of target achievement was determined by means of linear interpolation.

For Performance Shares allocated during the period from 2016 to 2019, an annual target achievement level of 100% for ROIC was reached if the target ROIC as defined for the applicable year was reached. For Performance Shares allocated during the period from 2016 to 2019, the target ROIC was 7.3% for 2016, 7.5% for 2017, 7.7% for 2018, 7.9% for 2019, 8.1% for 2020 and 8.1% for 2021. A target achievement level of 0% was reached if the ROIC fell below the target ROIC for the applicable year by 0.2 percentage points or more, whereas the maximum target achievement level of 200% was reached if the target ROIC for the respective year was exceeded by 0.2 percentage points or more. The degree of target achievement was determined by means of linear interpolation if the ROIC ranged between these values. In case the annual ROIC target achievement level in the third year of a performance period for Performance Shares allocated during the period from 2016 to 2019 was equal to or higher than the ROIC target achievement level in each of the two previous years of such performance period, the ROIC target achievement level of the third year was deemed to be achieved for all years of the applicable performance period.

For Performance Shares allocated during the period from 2016 to 2021, the target achievement level for each of the three performance targets was weighted annually at one-third to determine the yearly target achievement for each year of the three-year performance period. The level of overall target achievement over the three-year performance period was then determined on the basis of the mean of these three average yearly target achievements. The overall target achievement could be in a range of 0% to 200%.

For Performance Shares allocated in fiscal year 2019 under the LTIP 2019, the level of target achievement was subject to an increase if certain targets in relation to the second phase of the Company's Global Efficiency Program (GEP-II targets), which were measured at constant currency, and in relation to the Free Cash Flow (Free Cash Flow target) were achieved. For these Performance Shares, the overall target achievement was increased by 20 percentage points if the GEP-II targets achievement was 100%. Furthermore, the overall target achievement for these Performance Shares was increased by 20 percentage points if the Free Cash Flow target achievement was 200%. In case of a GEP-II targets achievement between 0% and 100% and a Free Cash Flow target achievement between 0% and 200%, the increase of the overall target achievement was calculated by means of linear interpolation. The overall target achievement could not exceed 200%.

The number of Performance Shares allocated to the plan participants at the beginning of the performance period is multiplied by the level of overall target achievement in order to determine the final number of Performance Shares.

Under the LTIP 2022+, the final number of Performance Shares generally vests three years after the respective allocation date. Several payout conditions, such as the continuation of the service relationship (with exceptions, e.g., in the event of occupational disability or retirement), apply. The number of vested Performance Shares is then multiplied with the average share price of the Company during a period of 30 days prior to the lapse of the vesting period. The resulting amount is capped in total at an amount equaling 400% of the respective allocation value and will be paid out as cash compensation.

Under the MB LTIP 2020, the final number of Performance Shares generally vests three years after the respective allocation date. Several payout conditions, such as the continuation of the service relationship (with exceptions, e.g., in the event of occupational disability or retirement), apply. The number of such vested Performance Shares is then multiplied by the average share price of the Company over a period of thirty calendar days prior to the lapse of the vesting period. The respective resulting amount, which is capped in total at an amount equaling 400% of the respective allocation value and which can be reduced to meet the respective maximum compensation of the participant, less taxes and contributions is generally transferred to a settlement institution which uses it for the purchase of shares of the Company on the stock exchange on behalf of the participants. Shares acquired in this way are subject to a holding period of at least one year. After the lapse of this holding period, the participant can decide to further hold or sell these shares. Under the LTIP 2019, the final number of Performance Shares generally vested three years after the respective allocation date. Several payout conditions, such as the continuation of the service relationship (with exceptions, e.g., in the event of occupational disability or retirement), applied. The number of such vested Performance Shares was then multiplied by the average share price of the Company over a period of thirty calendar days prior to the lapse of the vesting period. The respective resulting amount was capped in total at an amount equaling 400% of the respective allocation value and was paid out as cash compensation.

Under the MB LTIP 2019, the final number of Performance Shares generally vested four years after the respective allocation date. Several payout conditions, such as the continuation of the service relationship (with exceptions, e.g., in the event of occupational disability or retirement), applied. The number of such vested Performance Shares was then multiplied by the average share price of the Company over a period of thirty calendar days prior to the lapse of the vesting period. The resulting amount was paid out as cash compensation.

Under the NxStage LTIP, the final number of Performance Shares allocated in February 2019 generally vested in December 2022. Several payout conditions, such as the continuation of the service relationship (with exceptions, e.g., in the event of occupational disability or retirement), applied. The number of such vested Performance Shares was then multiplied by the average share price of the Company over a period of thirty calendar days prior to the lapse of the vesting period. The resulting amount was paid out as cash compensation.

Under the LTIP 2016, the final number of Performance Shares generally vested four years after the day respective allocation date. Several payout conditions, such as the continuation of the service relationship (with exceptions, e.g., in the event of occupational disability or retirement), applied. The number of such vested Performance Shares was then multiplied by the average share price of the Company over a period of thirty calendar days prior to the lapse of the vesting period. The resulting amount was paid out as cash compensation.

The Company's Long-term Incentive Program 2011 (Stock Options and Phantom Stock)

On May 12, 2011, the 2011 SOP was established by resolution of the Company's AGM. The 2011 SOP, together with the Phantom Stock Plan 2011, which was established by resolution of the General Partner's management board and supervisory board and the Company's Supervisory Board, formed the Company's LTIP 2011. Under the LTIP 2011, participants were granted awards, which consisted of a combination of stock options and phantom stock. Awards under the LTIP 2011 were subject to a four-year vesting period. Vesting of the awards granted was subject to achievement of pre-defined performance targets. The 2011 SOP was established with a conditional capital increase up to €12,000 subject to the issue of up to twelve million non-par value bearer ordinary shares with a nominal value of €1.00 per share. The final grant under the LTIP 2011 was made in December 2015.

Stock options granted under the LTIP 2011 had an eight-year term and could be exercised for the first time after a four-year vesting period. The exercise price of stock options granted under the LTIP 2011 was the average stock exchange price on the Frankfurt Stock Exchange of the Company's shares during the 30 calendar days immediately prior to each grant date. Stock options granted under the LTIP 2011 to U.S. participants were non-qualified stock options under the U.S. Internal Revenue Code of 1986, as amended. Stock options under the LTIP 2011 were not transferable by a participant or a participant's heirs, and could not be transferred, pledged, assigned, or disposed of otherwise. Stock options under the LTIP 2011 could be exercised for the last time in 2023.

Phantom stock awards under the LTIP 2011 entitled the holders to receive payment in euro from the Company upon exercise of the phantom stock. The payment per phantom stock in lieu of the issuance of such stock was based upon the share price on the Frankfurt Stock Exchange of one of the Company's shares on the exercise date. Phantom stock awards had a five-year term and could be exercised for the first time after a four-year vesting period. For participants who were U.S. taxpayers, the phantom stock were deemed to be exercised in any event in the month of March following the end of the vesting period.

Additional Information on Share-based Plans

At December 31, 2024 and 2023, the members of the Management Board and plan participants other than the members of the Management Board held the following Performance Shares under the share-based plans:

T 4.80 **OUTSTANDING PERFORMANCE SHARES**

	2024			2023		
	Members of the Management Board	Other plan participants	Total	Members of the Management Board	Other plan participants	Total
MB LTIP 2024+	266,497	37,546	304,043	–	–	–
LTIP 2024+	–	1,906,842	1,906,842	–	–	–
LTIP 2022+	–	2,691,190	2,691,190	–	2,885,898	2,885,898
MB LTIP 2020	236,574	267,539	504,113	427,871	268,688	696,559
LTIP 2019	–	–	–	–	712,398	712,398

As the 2011 SOP expired in 2023, no stock options were outstanding at December 31, 2024 or at December 31, 2023. The table below provides reconciliations for stock options at December 31, 2023:

T 4.81 **TRANSACTIONS**

	Options in thousands	Weighted average exercise price in €
Stock options for shares		
BALANCE AT DECEMBER 31, 2022	**2,471**	**77.02**
Granted	–	–
Exercised	–	–
Expired	2,471	77.02
BALANCE AT DECEMBER 31, 2023	**–**	**–**

During the fiscal years ended December 31, 2024, and 2023, no stock options were exercised. During the fiscal year ended December 31, 2022, the Company received cash of €20,427 from the exercise of stock options. The intrinsic value of stock options exercised for the twelve-month period ended December 31, 2022 was €1,665.

The compensation expense related to cash-settled share-based payment transactions is determined based upon the fair value at the measurement date and the number of Performance Shares allocated which will be recognized over the vesting period. The compensation expense that the Company recognized for Performance Shares for the fiscal years ended December 31, 2024, 2023 and 2022, respectively, is presented in the table below.

T 4.82 COMPENSATION EXPENSE RELATED TO CASH-SETTLED PLANS
IN € THOUS

	2024	2023	2022
MB LTIP 2024+	3,468	—	—
LTIP 2024+	12,078	—	—
LTIP 2022+	24,013	17,181	3,765
MB LTIP 2020	(1,675)	5,417	(629)
LTIP 2019	574	9,138	(4,416)
MB LTIP 2019	—	779	(358)
NxStage LTIP	—	—	(758)
LTIP 2016	—	—	(3,475)

24. Leases

The Company leases land, buildings and improvements, machinery and equipment, as well as IT- and office equipment under various lease agreements.

Leasing in the Consolidated Statements of Income

The following table shows the effects from lease agreements on the consolidated statements of income for the year ended December 31, 2024, 2023 and 2022:

T 4.83 LEASING IN THE CONSOLIDATED STATEMENTS OF INCOME
IN € THOUS

	2024	2023	2022
Depreciation on right-of-use assets	675,526	700,671	746,471
Impairments on right-of-use assets	57,226	25,486	27,646
Expenses relating to short-term leases	53,057	59,327	52,420
Expenses relating to leases of low-value assets	20,104	22,188	17,421
Expenses relating to variable lease payments	6,343	10,465	13,803
Income from subleasing right-of-use assets	3,957	3,655	3,340
Interest expense on lease liabilities	148,420	148,789	151,317

For information regarding leases with related parties, see NOTE 6 B).

Leases in the Consolidated Balance Sheets

At December 31, 2024 and 2023, the acquisition costs and the accumulated depreciation of right-of-use assets consisted of the following:

T 4.84 **ACQUISITION COSTS**
IN € THOUS

	January 1, 2024	Foreign currency translation	Changes in consolidation group	Additions	Reclassifications	Disposals[1]	December 31, 2024
Right-of-use assets: Land	41,202	427	(82)	4,282	(1,329)	(3,298)	41,202
Right-of-use assets: Buildings and improvements	6,557,178	323,334	(46,109)	556,872	(57,944)	(224,434)	7,108,897
Right-of-use assets: Machinery and equipment	324,167	9,751	—	60,731	63	(201,447)	193,265
RIGHT-OF-USE ASSETS	**6,922,547**	**333,512**	**(46,191)**	**621,885**	**(59,210)**	**(429,179)**	**7,343,364**

	January 1, 2023	Foreign currency translation	Changes in consolidation group	Additions	Reclassifications	Disposals	December 31, 2023
Right-of-use assets: Land	38,880	(2)	(78)	3,853	(106)	(1,345)	41,202
Right-of-use assets: Buildings and improvements	6,610,406	(224,345)	(5,946)	482,714	(192,024)	(113,627)	6,557,178
Right-of-use assets: Machinery and equipment	330,900	(11,471)	15	74,628	(38,713)	(31,192)	324,167
RIGHT-OF-USE ASSETS	**6,980,186**	**(235,818)**	**(6,009)**	**561,195**	**(230,843)**	**(146,164)**	**6,922,547**

[1] Included within the amounts presented for "Right-of-use assets: Building and improvements" and "Right-of-use assets: Machinery and equipment" are €34,878 and €129,377, respectively, for disposals of fully depreciated or impaired right-of-use assets from prior periods.

T 4.85 **ACCUMULATED DEPRECIATION AND IMPAIRMENT**
IN € THOUS

	January 1, 2024	Foreign currency translation	Changes in consolidation group	Additions	Impairment loss	Reclassifications	Disposals[1]	December 31, 2024
Right-of-use assets: Land	17,743	179	(25)	3,923	12	(930)	(1,794)	19,108
Right-of-use assets: Buildings and improvements	2,997,179	159,501	(23,175)	642,415	56,894	(42,315)	(200,144)	3,590,355
Right-of-use assets: Machinery and equipment	236,384	6,689	—	29,188	320	(145)	(150,991)	121,445
RIGHT-OF-USE ASSETS	**3,251,306**	**166,369**	**(23,200)**	**675,526**	**57,226**	**(43,390)**	**(352,929)**	**3,730,908**

	January 1, 2023	Foreign currency translation	Changes in consolidation group	Additions	Impairment loss	Reclassifications	Disposals	December 31, 2023
Right-of-use assets: Land	14,741	(4)	(78)	4,150	33	(43)	(1,056)	17,743
Right-of-use assets: Buildings and improvements	2,533,636	(93,661)	(1,121)	663,148	25,370	(50,221)	(79,972)	2,997,179
Right-of-use assets: Machinery and equipment	244,683	(7,946)	15	33,374	83	(5,312)	(28,513)	236,384
RIGHT-OF-USE ASSETS	**2,793,060**	**(101,611)**	**(1,184)**	**700,672**	**25,486**	**(55,576)**	**(109,541)**	**3,251,306**

[1] Included within the amounts presented for "Right-of-use assets: Building and improvements" and "Right-of-use assets: Machinery and equipment" are €34,878 and €129,377, respectively, for disposals of fully depreciated or impaired right-of-use assets from prior periods.

T 4.86 **BOOK VALUE**
IN € THOUS

	December 31, 2024	December 31, 2023
Right-of-use assets: Land	22,094	23,459
Right-of-use assets: Buildings and improvements	3,518,542	3,559,999
Right-of-use assets: Machinery and equipment	71,820	87,783
RIGHT-OF-USE ASSETS	**3,612,456**	**3,671,241**

Depreciation expense is allocated within costs of revenue, selling, general and administrative and R&D expenses, depending upon the area in which the asset is used.

Impairment losses are allocated within costs of revenue, selling, general and administrative and R&D expenses, depending upon the area in which the asset is used, or are included within other operating expense in certain instances when the corresponding assets have been identified as strategic transactions and/or programs.

For a maturity analysis of lease liabilities see NOTE 26.

Leasing in the Consolidated Statements of Cash Flows

Total cash outflows from leases were €901,938 for the year ended December 31, 2024 (December 31, 2023 and 2022: €965,486 and €1,013,913, respectively).

Leases that the Company entered into as a lessee that have not yet begun as of December 31, 2024 will result in future cash outflows of €52,309 (December 31, 2023 and 2022: €109,012 and €133,367, respectively).

Potential future cash outflows resulting from purchase options €16,548 were not reflected in the measurement of the lease liabilities as of December 31, 2022 as the exercise of the respective options was not reasonably certain. In 2024 and 2023, there were no potential future cash outflows resulting from purchase options.

Potential future cash outflows resulting from extension options of €7,513,645 were not reflected in the measurement of the lease liabilities as of December 31, 2024, as the exercise of the respective options is not reasonably certain (December 31, 2023 and 2022: €7,213,730 and €7,547,505, respectively). The major part of these potential future cash outflows relates to extension options in real estate lease agreements, primarily for dialysis clinics in the Care Delivery segment. Individual lease agreements include multiple extension options. The Company uses extension options to obtain a high degree of flexibility in performing its business. These extension options held are exercisable solely by the Company.

Potential future cash outflows resulting from termination options of €4 were not reflected in the measurement of the lease liabilities as of December 31, 2024, as the exercise of the respective options is not reasonably certain (December 31, 2023 and 2022: €2,956 and €3,338, respectively).

For additional information regarding residual value guarantees in certain lease contracts, see NOTE 25.

25. Commitments and Contingencies

Legal and Regulatory Matters

The Company is routinely involved in claims, lawsuits, regulatory and tax audits, investigations and other legal matters arising, for the most part, in the ordinary course of its business of providing health care services and products. Legal matters that the Company currently deems to be material or noteworthy are described below. The Company records its litigation reserves for certain legal proceedings and regulatory matters to the extent that the Company determines an unfavorable outcome is probable and the amount of loss can be reasonably estimated. For the other matters described below, the Company believes that the loss is not probable and/or the loss or range of possible losses cannot be reasonably estimated at this time. The outcome of litigation and other legal matters is always difficult to predict accurately and outcomes that are not consistent with the Company's view of the merits can occur. The Company believes that it has valid defenses to the legal matters pending against it and is defending itself vigorously. Nevertheless, it is possible that the resolution of one or more of the legal matters currently pending or threatened could have a material adverse effect on its business, results of operations and financial condition.

Beginning in 2012, the Company received certain communications alleging conduct in countries outside the U.S. that might violate the U.S. Foreign Corrupt Practices Act (FCPA) or other anti-bribery laws. The Company conducted investigations with the assistance of outside counsel and, in a continuing dialogue, advised the Securities and Exchange Commission (SEC) and the U.S. Department of Justice (DOJ) about these investigations. The DOJ and the SEC also conducted their own investigations, in which the Company cooperated.

In the course of this dialogue, the Company identified and reported to the DOJ and the SEC, and took remedial actions with respect to, conduct that resulted in the DOJ and the SEC seeking monetary penalties including disgorgement of profits and other remedies. This conduct revolved principally around the Company's products business in countries outside the United States. The Company's remedial actions included separation of those employees responsible for the above-mentioned conduct.

On March 29, 2019, the Company entered into a non-prosecution agreement (NPA) with the DOJ and a separate agreement with the SEC (SEC Order) intended to resolve fully and finally the U.S. government allegations against the Company arising from the investigations that included provisions for penalties and disgorgement, self-reporting obligations and retention of an independent compliance monitor whose certification of the Company's implementation of an effective anti-corruption compliance program was finalized in January 2023. The DOJ and SEC accepted the Monitor's certification and the NPA and SEC Order expired on March 1, 2023 and March 29, 2023, respectively.

In 2015, the Company self-reported certain legacy conduct with a potential nexus to Germany to the German prosecutor in the state of Hesse and continues to cooperate with government authorities in Germany in their review of the conduct that prompted the Company's and U.S. government investigations. In September 2023, the Hessian prosecutor opened independent disgorgement proceedings against a German subsidiary of the Company relating to the aforementioned conduct in West Africa.

Since 2012, the Company has made significant investments in its compliance and financial controls and in its compliance, legal and financial organizations and is continuing to further implement its compliance program in connection with the resolution with the DOJ and SEC. The Company continues to address post-FCPA review matters on various levels. The Company also continues to be fully committed to compliance with the FCPA and other applicable anti-bribery laws.

In August 2014, FMCH received a subpoena from the U.S. Attorney's Office (USAO) for the District of Maryland inquiring into FMCH's contractual arrangements with hospitals and physicians relating to the management of in-patient acute dialysis services. Thereafter, the USAO conducted an investigation in which FMCH cooperated, and the USAO declined to intervene in the matter. After the U.S. District Court for Maryland unsealed the 2014 relator's qui tam complaint that gave rise to the investigation, the relator served the complaint and proceeded on his own by filing an amended complaint, which FMCH moved to dismiss on multiple grounds. On October 5, 2021, on FMCH's motion, the District Court for Maryland transferred the case to the U.S. District Court for Massachusetts. Flanagan v. Fresenius Medical Care Holdings, Inc., 1:21-cv-11627 (Flanagan). On December 5, 2022, the Massachusetts District Court granted FMCH's motion and dismissed the case with prejudice. Relator has filed an appeal.

On October 19, 2023, a subsidiary of the Company was served with a complaint alleging that an employee was terminated in retaliation for raising concerns similar to those raised in the Flanagan litigation. Rowe v. Fresenius Medical Care Holdings, Inc., et al, 3:23-cv-00331, U.S. District Court for the Eastern District of Tennessee. FMCH will defend itself in the litigation.

In 2014, two New York physicians filed under seal a qui tam complaint in the U.S. District Court for the Eastern District of New York (Brooklyn), alleging violations of the False Claims Act relating to FMCH's vascular access line of business. On October 6, 2015, the U.S. Attorney for the Eastern District of New York (Brooklyn) issued subpoenas to FMCH indicating its investigation is seen to be related to the two relators' complaint. FMCH cooperated in the Brooklyn investigation, which was understood to be separate and distinct from settlements entered in 2015 in Connecticut, Florida and Rhode Island of allegations against American Access Care LLC (AAC) following FMCH's 2011 acquisition of AAC.

On July 12, 2022, after the court denied the USAO's motions to renew the sealing of the relators' complaint, the USAO filed a complaint-in-intervention. United States ex rel. Pepe and Sherman v. Fresenius Vascular Care, Inc. et al, 1:14-cv-3505. On October 3, 2023, the states of New York, New Jersey and Georgia filed a consolidated complaint-in-intervention. The U.S.', the three states', and relators' complaints allege that the defendants billed and received government payment for surgery that was not medically necessary. On October 31, 2024, the court granted FMCH's motion to dismiss the relators' complaint. FMCH is defending the allegations asserted in the litigation now proceeding with the remaining complainants.

On November 18, 2016, FMCH received a subpoena under the False Claims Act from the U.S. Attorney for the Eastern District of New York (Brooklyn) seeking documents and information relating to the operations of Shiel Medical Laboratory, Inc. (Shiel), which FMCH acquired in October 2013. FMCH advised the USAO that, under the asset sale provisions of its 2013 Shiel acquisition, it was not responsible for Shiel's conduct prior to the date of the acquisition. On December 12, 2017, FMCH sold to Quest Diagnostics certain Shiel operations. Nonetheless, FMCH cooperated in the Brooklyn USAO's investigation.

On June 14, 2022, the Brooklyn USAO declined to intervene on two relator complaints that underlay the investigation. The relators proceeded with litigation at their own expense against both Shiel and FMCH entities, alleging that the defendants wrongly caused government payers to pay for laboratory tests that were falsely or improperly invoiced and retaliated against relators for objecting to the alleged misconduct. Relator v. Shiel Medical Laboratory, 1:16-cv-01090 (E.D.N.Y. 2016); Relator v. Shiel Holdings, 1:17-cv-02732 (E.D.N.Y. 2017). FMCH reached a settlement in Relator v. Shiel Holdings, 1:17-cv-02732 and the matter has been dismissed with prejudice. FMCH is defending allegations directed against entities it controls in the remaining matter.

In February 2022, the Company received a formal request for information from the Hessian Data Protection Authority (Hessischer Beauftragter für Datenschutz und Informationsfreiheit or HBDI). The information request related to specific data processing functions of a few of the Company's peritoneal dialysis devices. The Company fully cooperated with the HBDI and provided all relevant information. In November 2024, the HBDI discontinued the formal request for information and closed the matter.

On January 3, 2023, FMCH received a subpoena from the Attorney General for the District of Columbia related to the activities of the American Kidney Foundation (AKF) that is grounded in anti-trust concerns, including market allocation within the District of Columbia. FMCH's relationship with AKF was the subject of a previously reported and resolved investigation by agencies of the U.S. and litigation against United Healthcare. FMCH is cooperating in the District of Columbia investigation.

On February 20, 2023, the Company received a statement of claim via the London Court of International Arbitration from its former distributor in Iraq. The Company terminated the distribution agreement in 2018. The former distributor seeks, inter alia, compensation for alleged wrongful termination and "quality issues," as well as damages for lost profits. Some of the claims are not yet quantified by the former distributor as further information from the Company is requested. The Company has denied the allegations and filed a counterclaim for malperformance under the distribution agreement. The parties have exchanged several rounds of briefs and the oral hearing in the case took place in November 2024. A decision of the arbitral tribunal is expected in 2025.

Four plaintiffs filed two actions for contestation and annulment (Anfechtungs- und Nichtigkeitsklage) against the resolution adopted at the EGM of the Company on July 14, 2023 approving the Conversion. Due to these actions for contestation and annulment, the Conversion could not immediately be registered with the commercial register and become effective. This block on registration was overcome by clearance rulings (Freigabebeschlüssen) of the competent court of appeal on October 25, 2023 and on November 28, 2023, which decided in favor of the Company on all points. Thereafter, the Conversion was registered with the commercial register and thereby became effective as of November 30, 2023. On December 11, 2024, the Company announced that the action brought before the Regional Court of Nuremberg-Fürth (Landgericht Nürnberg-Fürth) (file number: 1 HK O 4610/23), in which individual shareholders of the Company had objected to the resolution passed at the EGM regarding the Conversion had been terminated. This proceeding had been combined as the leading proceeding with the action for defective resolution initially initiated at the Regional Court of Frankfurt am Main (Landgericht Frankfurt a.M.) under the then file number 3-05 O 539/23, after the proceedings initiated at the Regional Court of Frankfurt am Main had been referred to the Regional Court of Nuremberg-Fürth. The proceeding before the Regional Court of Nuremberg-Fürth was terminated because all shareholders who had filed actions for contestation or annulment against the Conversion resolution had withdrawn their actions. No agreements were concluded between the Company and the plaintiffs.

On April 5, 2024, FMCH received two civil investigative demands (CIDs) from the U.S. Federal Trade Commission (FTC) indicating it was investigating whether FMCH, among others in the industry, has engaged in unfair or exclusionary conduct in violation of Section 5 of the FTC Act in the acquisition of Medical Director services or provision of dialysis services. The CIDs indicate they cover the period from January 1, 2016 to the present and generally request information related to FMCH's dialysis services, including information related to restrictive covenants such as non-competes with physicians. The Company is cooperating with the investigation.

From time to time, the Company is a party to or may be threatened with other litigation or arbitration, claims or assessments arising in the ordinary course of its business. Management regularly analyzes current information including, as applicable, the Company's defenses and insurance coverage and, as necessary, provides accruals for probable liabilities for the eventual disposition of these matters.

The Company, like other health care providers, insurance plans and suppliers, conducts its operations under intense government regulation and scrutiny. The Company must comply with regulations which relate to or govern the safety and efficacy of medical products and supplies, the marketing and distribution of such products, the operation of manufacturing facilities, laboratories, dialysis clinics and other health care facilities, and environmental and occupational health and safety. With respect to its development, manufacture, marketing and distribution of medical products, if such compliance is not maintained, the Company could be subject to significant adverse regulatory actions by the U.S. Food and Drug Administration (FDA) and comparable regulatory authorities outside the U.S. These regulatory actions could include warning letters or other enforcement notices from the FDA, and/or comparable foreign regulatory authority which may require the Company to expend significant time and resources in order to implement appropriate corrective actions. If the Company does not address matters raised in warning letters or other enforcement notices to the satisfaction of the FDA and/or comparable regulatory authorities outside the U.S., these regulatory authorities could take additional actions, including product recalls, injunctions against the distribution of products or operation of manufacturing plants, civil penalties, seizures of the Company's products and/or criminal prosecution. FMCH completed remediation efforts with respect to a pending FDA warning letter issued in 2011 and is awaiting confirmation as to whether the letter is now closed. FMCH has responded to a second warning letter issued in December 2023 and is engaged with the FDA about continuing remediation efforts under that letter. The Company must also comply with the laws of the U.S., including the federal Anti-Kickback Statute, the federal False Claims Act, the federal Stark Law, the federal Civil Monetary Penalties Law and the federal Foreign Corrupt Practices Act as well as other federal and state fraud and abuse laws. In Germany, where corporations are not subject to criminal law, management boards of companies must ensure business activities comply with the anti-corruption provisions of the criminal code, sections 331 et seq. (Strafgesetzbuch); breaches by individuals exercising commercial activity are subject to prosecution which can result in corporate fines and/or orders for the disgorgement of profit. Applicable laws or regulations may be amended, or enforcement agencies or courts may make interpretations that differ from the Company's interpretations or the manner in which it conducts its business. In the U.S., enforcement has become a high priority for the federal government and some states. In addition, the provisions of the False Claims Act authorizing payment of a portion of any recovery to the party bringing the suit encourage private plaintiffs to commence whistleblower actions. By virtue of this regulatory environment, the Company's business activities and practices are subject to extensive review by regulatory authorities and private parties, and continuing audits, subpoenas, other inquiries, claims and litigation relating to the Company's compliance with applicable laws and regulations. The Company may not always be aware that an inquiry or action has begun, particularly in the case of whistleblower actions, which are initially filed under court seal.

The Company operates many facilities and handles the personal data of its patients and beneficiaries throughout the U.S. and other parts of the world and engages with other business associates to help it carry out its health care activities. While the Company is committed to training its employees and business associates on applicable laws and procedures, investigating concerns and incidents in a timely manner and taking remedial and corrective action (including disciplinary action) as necessary, in such a widespread, global system it may be difficult to maintain the desired level of oversight and control over the thousands of individuals employed by the Company, its many affiliated companies and its service providers or business associates. The Company recognizes that the laws, regulations and interpretative guidance on data privacy are evolving along with potential litigation and enforcement risks, and it continues to review its processes to adapt to those changes. On occasion, the Company or its business associates may experience a breach under the Health Insurance Portability and Accountability Act Privacy Rule and Security Rules, the EU's General Data Protection Regulation or other similar laws (Data Protection Laws), which may involve certain impermissible use, access, or disclosure of unsecured personal data pertaining to patients, employees, beneficiaries or others. On those occasions, the Company is committed to compliance with applicable notification and/or reporting requirements and to take appropriate remedial and corrective action. Included within the Company's notification requirements are SEC rules that require the Company to report the occurrence of material cybersecurity incidents in a report on Form 6-K. Any such report could trigger litigation arising out of the incident. On September 29, 2023, Cardiovascular Consultants, Ltd. (CCL), a former subsidiary of the Company located in the U.S., became aware that some of its computer systems in the U.S. were affected by a security incident. The Company publicly disclosed information regarding this security breach in a Form 6-K furnished to the SEC, noting that the Company does not expect the incident to have a material impact on its financial condition or results of operations. Subsequently, Fresenius Vascular Care, Inc. d/b/a Azura Vascular Care (Azura), a wholly owned subsidiary of the Company located in the U.S., became aware that some of its files had been affected by the same security incident. There are two putative class action lawsuits pending in connection with this incident: one in Arizona state court against CCL (with which four voluntarily dismissed federal purported class actions have been combined) and one in Pennsylvania federal court against Azura (with which two purported class actions filed against Azura were later consolidated). The plaintiffs originally alleged that CCL and Azura breached various duties relating to the safeguarding of confidential patient information and seek injunctive relief requiring that CCL and Azura implement various data protection processes and unspecified monetary damages. The court in the CCL lawsuit recently dismissed nearly all counts against CCL; one negligence claim against CCL survived. The parties in the Azura lawsuit have reached an agreement in principle to settle the lawsuit on a class-wide basis, subject to court approval. None of the actions has received class certification. Under the agreement for the sale of CCL, the Company retains responsibility for defending against the CCL case. In addition, the Company continues to cooperate with requests for information from the U.S. Department of Health & Human Services' Office for Civil Rights and state regulatory agencies related to this matter.

The Company relies upon its management structure, regulatory and legal resources, and the effective operation of its compliance program to direct, manage and monitor the activities of its employees. On occasion, the Company may identify instances where employees or other agents deliberately, reck-

lessly or inadvertently contravene the Company's policies or violate applicable law and, in such instances, the Company will take appropriate corrective and/or disciplinary action. The actions of such persons may subject the Company and its subsidiaries to liability under the Anti-Kickback Statute, the Stark Law, the False Claims Act, Data Protection Laws, the Health Information Technology for Economic and Clinical Health Act and the FCPA, among other laws and comparable state laws or laws of other countries.

Physicians, hospitals and other participants in the health care industry are also subject to a large number of lawsuits alleging professional negligence, malpractice, product liability, worker's compensation or related claims, many of which involve large claims and significant defense costs. The Company has been and is currently subject to these suits due to the nature of its business and expects that those types of lawsuits may continue. Although the Company maintains insurance at a level which it believes to be prudent, it cannot assure that the coverage limits will be adequate or that insurance will cover all asserted claims. A successful claim against the Company or any of its subsidiaries in excess of insurance coverage could have a material adverse effect upon it and the results of its operations. Any claims, regardless of their merit or eventual outcome, could have a material adverse effect on the Company's reputation and business.

The Company has also had claims asserted against it and has had lawsuits filed against it relating to alleged patent infringements or businesses that it has acquired or divested. These claims and suits relate both to operation of the businesses and to acquisition and divestiture transactions. The Company has, when appropriate, asserted its own claims, and claims for indemnification. A successful claim against the Company or any of its subsidiaries could have a material adverse effect upon its business, financial condition, and the results of its operations. Any claims, regardless of their merit or eventual outcome, could have a material adverse effect on the Company's reputation and business.

The Company is subject to ongoing and future tax audits in the U.S., Germany and other jurisdictions in the ordinary course of business. Tax authorities routinely pursue adjustments to the Company's tax returns and disallowances of claimed tax deductions. When appropriate, the Company defends these adjustments and disallowances and asserts its own claims. A successful tax related claim against the Company or any of its subsidiaries could have a material adverse effect upon its business, financial condition and results of operations.

The German tax authorities re-qualified dividends received in connection with intercompany mandatorily redeemable preferred shares into fully taxable interest payments for the years 2006 until 2013, which could lead to additional tax payments in the mid-double-digit million range. Additionally, German tax authorities objected to the Company's tax returns and took the position that income of one of the Company's finance entities for 2017 and future periods should be subject to German Controlled Foreign Corporation taxation resulting in potential additional income tax payments in the low end of triple-digit millions. In both cases, the Company will take any appropriate legal action to defend its position.

The Company is subject to residual value guarantees in certain lease contracts, primarily real estate contracts, for which it is the lessee in the amount of €1,067,726 and €766,423 as of December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, the estimated fair market value of the underlying leased assets exceeded the related residual value guarantees and, therefore, the Company did not have any risk exposure relating to these guarantees.

Other than those individual contingent liabilities mentioned above, the current estimated amount of the Company's other known individual contingent liabilities is immaterial. For further information regarding the Company's purchase commitments, see NOTE 9 and NOTE 11.

26. Financial Instruments

The following tables show the carrying amounts and fair values of the Company's financial instruments at December 31, 2024 and December 31, 2023:

T 4.87 **CARRYING AMOUNT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUATION SEE NEXT PAGE)**
IN € THOUS

December 31, 2024	Carrying amount					Fair value		
	Amortized cost	FVPL	FVOCI	Not classified	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	939,197	240,990	—	—	1,180,187	240,990	—	—
Trade accounts and other receivables from unrelated parties[1]	3,258,181	—	—	87,479	3,345,660	—	—	—
Accounts receivable from related parties	40,936	—	—	—	40,936	—	—	—
Derivatives – cash flow hedging instruments	—	—	—	4,362	4,362	—	4,362	—
Derivatives – not designated as hedging instruments	—	21,453	—	—	21,453	—	21,453	—
Equity investments	—	120,813	66,787	—	187,600	90,483	67,963	29,154
Debt securities	—	95,574	369,858	—	465,432	465,432	—	—
Other financial assets[2]	307,163	142,264	—	101,322	550,749	—	—	142,264
Other current and non-current assets	307,163	380,104	436,645	105,684	1,229,596	—	—	—
FINANCIAL ASSETS	**4,545,477**	**621,094**	**436,645**	**193,163**	**5,796,379**	**—**	**—**	**—**
Accounts payable to unrelated parties[1]	864,500	—	—	—	864,500	—	—	—
Accounts payable to related parties	80,044	—	—	—	80,044	—	—	—
Short-term debt	2,099	—	—	—	2,099	—	—	—
Long-term debt	6,836,108	—	—	—	6,836,108	6,015,977	340,921	—
Lease liabilities	—	—	—	4,140,701	4,140,701	—	—	—
Derivatives – cash flow hedging instruments	—	—	—	15,388	15,388	—	15,388	—
Derivatives – not designated as hedging instruments	—	26,615	—	—	26,615	—	26,615	—
Derivatives embedded in vPPAs	—	25,394	—	—	25,394	—	—	25,394
Variable payments outstanding for acquisitions	—	7,933	—	—	7,933	—	—	7,933
Put option liabilities	—	—	—	1,299,117	1,299,117	—	—	1,299,117
Other financial liabilities[3]	951,611	—	—	—	951,611	—	—	—
Other current and non-current liabilities	951,611	59,942	—	1,314,505	2,326,058	—	—	—
FINANCIAL LIABILITIES	**8,734,362**	**59,942**	**—**	**5,455,206**	**14,249,510**	**—**	**—**	**—**

T 4.87 CARRYING AMOUNT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUATION OF THE PREVIOUS PAGE)
IN € THOUS

December 31, 2023	Carrying amount					Fair value		
	Amortized cost	FVPL	FVOCI	Not classified	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	1,205,030	198,462	–	–	1,403,492	198,462	–	–
Trade accounts and other receivables from unrelated parties	3,389,314	–	–	81,899	3,471,213	–	–	–
Accounts receivable from related parties	165,299	–	–	–	165,299	–	–	–
Derivatives – cash flow hedging instruments	–	–	–	1,990	1,990	–	1,990	–
Derivatives – not designated as hedging instruments	–	20,295	–	–	20,295	–	20,295	–
Equity investments	–	82,072	71,110	–	153,182	48,888	72,292	32,002
Debt securities	–	80,145	341,074	–	421,219	421,219	–	–
Other financial assets[2]	146,748	–	–	112,322	259,070	–	–	–
Other current and non-current assets	146,748	182,512	412,184	114,312	855,756	–	–	–
FINANCIAL ASSETS	**4,906,391**	**380,974**	**412,184**	**196,211**	**5,895,760**	**–**	**–**	**–**
Accounts payable to unrelated parties	762,068	–	–	–	762,068	–	–	–
Accounts payable to related parties	123,081	–	–	–	123,081	–	–	–
Short-term debt	456,904	–	–	–	456,904	–	–	–
Long-term debt	7,447,562	–	–	–	7,447,562	5,972,767	767,328	–
Lease liabilities	–	–	–	4,145,946	4,145,946	–	–	–
Derivatives – cash flow hedging instruments	–	–	–	4,315	4,315	–	4,315	–
Derivatives – not designated as hedging instruments	–	4,890	–	–	4,890	–	4,890	–
Variable payments outstanding for acquisitions	–	35,751	–	–	35,751	–	–	35,751
Put option liabilities	–	–	–	1,372,008	1,372,008	–	–	1,372,008
Other financial liabilities[3]	974,252	–	–	–	974,252	–	–	–
Other current and non-current liabilities	974,252	40,641	–	1,376,323	2,391,216	–	–	–
FINANCIAL LIABILITIES	**9,763,867**	**40,641**	**–**	**5,522,269**	**15,326,777**	**–**	**–**	**–**

[1] In 2024, trade accounts and other receivables from unrelated parties as well as accounts payable to unrelated parties no longer include insurance and reinsurance contract receivables (liabilities) recorded in accordance with IFRS 17, Insurance Contracts, which are presented in NOTE 5 as such receivables and liabilities are not within the scope of IFRS 7, Financial Instruments: Disclosures.
[2] As of December 31, 2024, other financial assets primarily include receivables for royalty payments from one of the Company's equity investments, lease receivables, receivables related to consent agreement on certain pharmaceuticals, deposits, guarantees, securities, notes receivable, receivables from sale of investments as well as vendor and supplier rebates. As of December 31, 2023, other financial assets primarily include lease receivables, deposits, guarantees, securities, receivables from sale of investments, vendor and supplier rebates as well as notes receivable.
[3] As of December 31, 2024 and 2023, other financial liabilities primarily include receivable credit balances and goods and services received.

Derivative and non-derivative financial instruments are categorized in the following three-tier fair value hierarchy that reflects the significance of the inputs in making the measurements. Level 1 inputs are quoted prices for similar instruments in active markets. Level 2 is defined as using valuation models (i.e. mark-to-model) with input factors that are inputs other than quoted prices in active markets that are directly or indirectly observable. Level 3 is defined as using valuation models (i.e. mark-to-model) with input factors that are unobservable inputs for which little or no market data exists, therefore requiring the Company to develop its own assumptions. Fair value information is not provided for financial instruments, if the carrying amount is a reasonable estimate of fair value due to the relatively short period of maturity of these instruments. This includes cash and cash equivalents measured at amortized costs, trade accounts and other receivables from unrelated parties, accounts receivable from related parties, other financial assets as well as accounts payable to unrelated parties, accounts payable to related parties, short-term debt and other financial liabilities. Transfers between levels of the fair value hierarchy have not occurred as of December 31, 2024 or December 31, 2023. The Company accounts for transfers at the end of the reporting period.

Non-derivative Financial Instruments

The significant methods and assumptions used for the classification and measurement of non-derivative financial instruments are as follows:

The Company assessed its business models and the cash flow characteristics of its financial assets. The vast majority of the non-derivative financial assets are held in order to collect contractual cash flows. The contractual terms of the financial assets allow the conclusion that the cash flows represent payment of principal and interest only. Trade accounts and other receivables from unrelated parties (including receivables related to the former Accounts Receivable Facility, see NOTE 17), accounts receivable from related parties and other financial assets are consequently measured at amortized cost.

Cash and cash equivalents are comprised of cash funds and other short-term investments. Cash funds are measured at amortized cost. Short-term investments are highly liquid and readily convertible to known amounts of cash. Short-term investments are measured at FVPL. The risk of changes in fair value is insignificant.

Equity investments are not held for trading. At initial recognition the Company elected, on an instrument-by-instrument basis, to represent subsequent changes in the fair value of individual strategic investments in OCI. All equity investments for which changes in fair value are recorded in OCI relate to purchases of publicly traded shares or percentage ownership of companies in the health sciences or adjacent fields and are made up of individually non-significant investments. At December 31, 2024, the Company held 11 non-listed equity investments (December 31, 2023: 11) and no listed equity investments (December 31, 2023: 0). During 2024, no gains (December 31, 2023: €129) were transferred from OCI to retained earnings. Dividends of €65 were recognized during 2024 (2023: €0) from these equity investments. If equity instruments are quoted in an active market, the fair value is based on price quotations at the period-end-date. As necessary, the Company engages external valuation firms to assist in determining the fair value of Level 3 equity investments. The external valuation uses a discounted cash flow model, which includes significant unobservable inputs such as investment specific forecasted financial statements and weighted average cost of capital, that reflects current market assessments as well as a terminal growth rate. The Company's listed and non-listed equity investments measured at FVOCI had the following fair values at December 31, 2024 and 2023:

T 4.88 **EQUITY INVESTMENTS MEASURED AT FVOCI**
IN € THOUS

	2024	2023
Listed equity investments	—	—
Non-listed equity investments	66,787	71,110
Equity investments FVOCI	**66,787**	**71,110**

The majority of the debt securities are held within a business model whose objective is achieving both contractual cash flows and selling the securities. The standard coupon bonds give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal amount. Subsequently these financial assets have been classified as FVOCI. The smaller part of debt securities does not give rise to cash flows that are solely payments of principal and interest. Consequently, these securities are measured at FVPL. In general, most of the debt securities are quoted in an active market.

Long-term debt is initially recognized at its fair value and subsequently measured at amortized cost. The fair values of major long-term debt are calculated on the basis of market information. Liabilities for which market quotes are available are measured using these quotes. The fair values of the other long-term debt are calculated at the present value of the respective future cash flows. To determine these present values, the prevailing interest rates and credit spreads for the Company as of the balance sheet date are used.

Variable payments outstanding for acquisitions are recognized at their fair value. The estimation of the individual fair values is based on the key inputs of the arrangement that determine the future contingent payment as well as the Company's expectation of these factors. The Company assesses the like-

lihood and timing of achieving the relevant objectives. The underlying assumptions are reviewed regularly.

Put option liabilities are recognized at the present value of the exercise price of the option. The exercise price of the option is generally based on fair value and, in certain limited instances, might contain a fixed floor price. The methodology the Company uses to estimate the fair values assumes the greater of net book value or a multiple of earnings, based on historical earnings, development stage of the underlying business and other factors. From time to time the Company engages an external valuation firm to assist in the valuation of certain put options. The external valuation assists the Company in estimating the fair values using a combination of discounted cash flows and a multiple of earnings and/or revenue. Under those limited circumstances in which the put option might contain a fixed floor price, the external valuation firm may assist the Company with the valuation by performing a Monte Carlo Simulation analysis to simulate the exercise price. The put option liabilities are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The estimated fair values of these put options can also fluctuate, and the discounted cash flows as well as the implicit multiple of earnings and/or revenue at which these obligations may ultimately be settled could vary significantly from the Company's current estimates depending upon market conditions. For the purpose of analyzing the impact of changes in unobservable inputs on the fair value measurement of put option liabilities, the Company assumes an increase on earnings (or enterprise value, where applicable) of 10% compared to the actual estimation as of the balance sheet date. The corresponding increase in fair value of €75,420 is then compared to the total liabilities and the shareholder's equity of the Company. This analysis shows that an increase of 10% in the relevant earnings (or enterprise value, where applicable) would have an effect of less than 1% on the total liabilities and less than 1% on the shareholder's equity of the Company.

At December 31, 2024, 2023 and 2022 the Company's potential obligations under these put option liabilities, which are recorded in other current liabilities and other non-current liabilities, were €1,299,117, €1,372,008 and €1,468,517, respectively. At December 31, 2024, 2023 and 2022, put option liabilities with an aggregate purchase obligation of €527,592, €563,692 and €533,969, respectively, were exercisable. In the last three fiscal years ending December 31, 2024, 31 such put options have been exercised for a total consideration of €67,119.

The following table provides a reconciliation of Level 3 financial instruments, excluding vPPAs as disclosed below, at December 31, 2024, 2023 and 2022:

T 4.89 **RECONCILIATION FROM BEGINNING TO ENDING BALANCE OF LEVEL 3 FINANCIAL INSTRUMENTS**
IN € THOUS

	2024				2023			2022		
	Equity investments	Variable payments outstanding for acquisitions	Put option liabilities	Other financial assets measured at FVPL[1]	Equity investments	Variable payments outstanding for acquisitions	Put option liabilities	Equity investments	Variable payments outstanding for acquisitions	Put option liabilities
Beginning balance at January 1,	32,002	35,751	1,372,008	—	42,793	37,846	1,468,517	50,679	47,690	992,423
Increase	3,085	86	8,127	41,225	4,833	5,232	31,050	2,804	46	646,271
Decrease	—	(23,472)	(71,990)	(2,292)	—	(3,603)	(42,490)	—	(6,499)	(7,026)
Reclassifications	—	—	—	90,457[2]	—	—	—	—	—	—
Gain / loss recognized in profit or loss[3]	(7,773)	(4,796)	—	4,987	(14,340)	(3,366)	—	(13,968)	(3,904)	—
Gain / loss recognized in equity	—	—	(91,987)	—	—	—	(28,034)	—	—	(180,431)
Foreign currency translation and other changes	1,840	364	82,959	7,887	(1,284)	(358)	(57,035)	3,278	513	17,280
ENDING BALANCE AT DECEMBER 31,	**29,154**	**7,933**	**1,299,117**	**142,264**	**32,002**	**35,751**	**1,372,008**	**42,793**	**37,846**	**1,468,517**

[1] Other financial assets measured at FVPL consist of receivables from licensing agreements and receivables from sale of investments.
[2] Receivables for royalty payments from one of the Company's equity investments were previously reported as a non-financial asset and were revised as of December 31, 2024.
[3] Includes realized and unrealized gains / losses.

Derivative Financial Instruments

Derivative Financial Risks

The Company is exposed to effects related to foreign exchange fluctuations in connection with its international business activities that are denominated in various currencies. In order to finance its business operations, the Company issues bonds and enters mainly into long-term credit agreements with banks. Due to these financing activities, the Company is exposed to changes to the prevailing interest rates.

In order to manage the risk of currency exchange rate and interest rate fluctuations, the Company enters into various hedging transactions by means of derivative instruments with highly rated financial institutions (generally investment grade) as authorized by the Company's Management. On a quarterly basis, the Company performs an assessment of its counterparty credit risk. The Company currently considers this risk to be low (as the counterparties are generally investment grade). The Company's policy, which has been consistently followed, is that financial derivatives be used only for the purpose of hedging foreign currency and interest rate exposure.

In certain instances, the Company enters into derivative contracts that do not qualify for hedge accounting but are utilized for economic purposes (economic hedges). The Company does not use financial instruments for trading purposes. The Company established guidelines for risk assessment procedures and controls for the use of financial instruments. They include a clear segregation of duties with regard to execution on one side and administration, accounting and controlling on the other.

To reduce the credit risk arising from derivatives, the Company entered into master netting agreements with banks. Through such agreements, positive and negative fair values of the derivative contracts could be offset against one another if a partner becomes insolvent. This offsetting is valid for transactions where the aggregate amount of obligations owed to and receivable from are not equal. If insolvency occurs, the party which owes the larger amount is obliged to pay the other party the difference between the amounts owed in the form of one net payment.

These master netting agreements do not provide a basis for offsetting the fair values of derivative financial instruments in the statement of financial position as the offsetting criteria under IFRS Accounting Standards are not satisfied.

At December 31, 2024 and December 31, 2023, the Company had €25,806 and €22,285 of derivative financial assets subject to netting arrangements and €41,897 and €9,205 of derivative financial liabilities subject to netting arrangements. Offsetting these derivative financial instruments would have resulted in net assets of €10,305 and €14,762 as well as net liabilities of €26,396 and €1,683 at December 31, 2024 and December 31, 2023, respectively.

The Company calculates benchmarks for individual exposures in order to quantify interest and foreign exchange risks. The benchmarks are derived from achievable and reasonable market rates. Depending on the individual benchmarks, hedging strategies are agreed on and implemented.

In April 2024, the Company signed several vPPAs with wind and solar energy project developers in Germany and in the U.S. with terms of up to 15 years. The German vPPA contracts have been signed with two developers for a total expected annual electricity production of 125 gigawatt hours (GWh) which is equivalent to around 72% of the electricity consumption used by the Company in the European Union during 2024. The U.S. vPPA contract has been concluded with one developer and the forecasted annual electricity production amounts to 458 GWh which corresponds to around 54% of the electricity consumption used by the Company in the U.S. during 2024. Certain of the wind and solar parks were operational as of December 31, 2024, while the remaining parks opened in January 2025. The Company does not have control or any other rights in relation to the usage of the energy-producing facilities. All contracts are designed as non-deliverable for the electricity produced and provide for the delivery of energy attribute certificates, commonly known in the U.S. and Germany as renewable energy certificates and guarantees of origin, respectively. All contracts are analyzed as physical host contracts to purchase the certificates and separable embedded electricity swaps to pay a fixed price for the electricity produced and to receive a variable spot energy price in the respective countries. The host contracts fulfill the "own-use" criteria in accordance with IFRS 9, Financial Instruments (IFRS 9). The derivatives embedded in the vPPAs are recognized separately at fair value through profit or loss. Embedded derivatives with positive fair values are recorded in other non-current financial assets within the consolidated balance sheets. Embedded derivatives with negative fair value are recorded in other non-current financial liabilities within the consolidated balance sheets. The fair value allocated to level 3 is derived from the present value of the expected cash flows from the derivatives. The main valuation parameters include significant unobservable inputs such as electricity future price curves and expected electricity production volumes. A change in the key valuation parameters as of December 31, 2024, would have affected the fair value of the derivatives embedded in vPPAs as follows:

T 4.90 **SENSITIVITIES OF DERIVATIVES EMBEDDED IN VPPAS TO CHANGES IN UNOBSERVABLE INPUTS**
IN € THOUS

Change in expected electricity prices		Change in expected production volumes		Change in expected interest rates	
10% increase	10% decrease	10% increase	10% decrease	1% increase	1% decrease
26,774	(26,761)	(2,540)	2,540	2,247	(2,507)

Due to the volatile nature of such instruments which may be considered to be speculative, it is difficult to accurately predict what impact the volatility of unobservable inputs, such as changes in expected energy prices or production volumes, may have on the valuation of such instruments in the future. The estimated fair values of these derivative instruments may fluctuate significantly from quarter to quarter and the price at which these derivatives may ultimately be settled could vary significantly from the Company's current estimates, depending upon market conditions.

The following table provides a reconciliation of derivatives embedded in the vPPAs at December 31, 2024:

T 4.91 **RECONCILIATION OF DERIVATIVES EMBEDDED IN VPPAS**
IN € THOUS

	2024
	Derivatives embedded in the vPPAs – Liabilities
Beginning balance at January 1,	—
Settlements	460
Gain (loss) recognized in profit or loss[1]	(24,959)
Foreign currency translation and other changes	(895)
Ending balance at December 31,	**(25,394)**

[1] Includes realized and unrealized gains / losses.

Market Risk

Foreign Exchange Risk Management

The Company conducts business on a global basis in various currencies, though a majority of its operations are in Germany and the United States. For financial reporting purposes, the Company reports in euro pursuant to Section 315e and Section 244 HGB. Therefore, changes in the rate of exchange between the euro and the local currencies in which the financial statements of the Company's international operations are maintained, affect its results of operations and financial position as reported in its consolidated financial statements.

Additionally, individual subsidiaries are exposed to transactional risks mainly resulting from intercompany purchases between production sites and other subsidiaries with different functional currencies. This exposes the subsidiaries to fluctuations in the rate of exchange between the invoicing currencies and the currency in which their local operations are conducted. For the purpose of hedging existing and foreseeable foreign exchange transaction exposures the Company enters into foreign exchange hedge contracts.

The notional amounts of foreign exchange contracts in place that are designated and qualify as cash flow hedges totaled €475,890 and €438,206 at December 31, 2024 and December 31, 2023, respectively. At December 31, 2024, the Company had foreign exchange derivatives with maturities of up to 12 months. Earnings of the Company were not materially affected by hedge ineffectiveness in the reporting period since the critical terms of the foreign exchange derivatives matched the critical terms of the underlying exposures.

The Company also enters into derivative contracts for forecasted product purchases and sales and for intercompany loans in foreign currencies which do not qualify for hedge accounting but are utilized for economic hedges as defined above. The notional amounts of economic hedges totaled €2,421,508 and €1,750,198 at December 31, 2024 and December 31, 2023, respectively.

The Company uses a Cash-Flow-at-Risk (CFaR) model in order to estimate and quantify transaction risks from foreign currencies. The basis for the analysis of the currency risks are the foreign currency cash flows that are reasonably expected to arise within the following twelve months, less any hedges. Under the CFaR approach, the potential currency fluctuations of these net exposures are shown as probability distributions based on historical volatilities and correlations using the values of the last 50 exchange rates with an interval of 21 trading days. The calculation is made assuming a confidence level of 95% and a holding period of up to one year. The aggregation of currency risks has risk-mitigating effects due to correlations between the transactions concerned, i.e. the overall portfolio's risk exposure is generally less than the sum total of the underlying individual risks. Based on a net exposure of €944,842, the Company's CFaR amounts to €30,376 at December 31, 2024, this means with a probability of 95% a potential loss in relation to the forecasted foreign exchange cash flows of the next twelve months will be not higher than €30,376.

The following table shows the average hedging rate and the nominal amount of the foreign exchange forward contracts for the currencies with highest hedging volume at December 31, 2024:

T 4.92 **SIGNIFICANT CURRENCY PAIRS**
IN € THOUS

	Nominal amount	Average hedging rate
EUR/USD	1,785,983	1.0670
EUR/CNY	189,035	7.7718
EUR/GBP	77,499	0.8467

Interest Rate Risk Management

The Company's interest rate risks mainly arise from money market and capital market transactions of the group for financing its business activities.

For purposes of analyzing the impact of changes in the relevant reference interest rates on the Company's results of operations, the Company calculates the portion of financial debt which bears variable interest rate and which has not been hedged by means of interest rate swaps or options against rising interest rates. For this particular part of its liabilities, the Company assumes an increase in the Reference Rates of 0.5% compared to the actual rates as of the balance sheet date. The corresponding additional annual interest expense is then compared to the Company's net income. This analysis shows that an increase of 0.5% in the relevant Reference Rates would have an effect of less than 1% on the consolidated net income and less than 0.1% on the shareholder's equity of the Company.

The Company entered into interest rate hedges (pre-hedges) in anticipation of future long-term debt issuance. These pre-hedges are used to hedge interest rate exposures with regard to interest rates which are relevant for the future long-term debt issuance and which could rise until the respective debt is actually issued. These pre-hedges were settled at the issuance date of the corresponding long-term debt with the settlement amount recorded in AOCI amortized to interest expense over the life of the debt. At December 31, 2024 and December 31, 2023, the Company had €4,714 and €5,426, respectively, related to settlements of pre-hedges deferred in AOCI, net of tax.

Derivative Financial Instruments Valuation

The following table shows the carrying amounts of the Company's derivatives at December 31, 2024 and December 31, 2023:

T 4.93 **DERIVATIVE FINANCIAL INSTRUMENTS VALUATION**
IN € THOUS

	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Current				
Foreign exchange contracts	4,362	(15,388)	1,990	(4,315)
Non-current				
Foreign exchange contracts	—	—	—	—
DERIVATIVES IN CASH FLOW HEDGING RELATIONSHIPS	**4,362**	**(15,388)**	**1,990**	**(4,315)**
Current				
Foreign exchange contracts	19,726	(26,471)	16,603	(4,890)
Non-current				
Foreign exchange contracts	1,727	(144)	3,692	—
Derivatives embedded in vPPAs	—	(25,394)	—	—
DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS	**21,453**	**(52,009)**	**20,295**	**(4,890)**

The significant methods and assumptions used in estimating the fair values of derivative financial instruments are as follows:

To determine the fair value of foreign exchange forward contracts, the contracted forward rate is compared to the current forward rate for the remaining term of the contract as of the balance sheet date.

The result is then discounted on the basis of the market interest rates prevailing at the balance sheet date for the applicable currency.

The Company's own credit risk is incorporated in the fair value estimation of derivatives that are liabilities. Counterparty credit risk adjustments are factored into the valuation of derivatives that are assets. The Company monitors and analyses the credit risk from derivative financial instruments on a regular basis. For the valuation of derivative financial instruments, the credit risk is considered in the fair value of every individual instrument. The default probability is based upon the credit default swap spreads of each counterparty appropriate for the duration. The calculation of the credit risk considered in the valuation is performed by multiplying the default probability appropriate for the duration with the expected discounted cash flows of the derivative financial instrument.

The Effect of Financial Instruments on the Consolidated Statements of Income

The effects of financial instruments recorded in the consolidated statements of income consist of interest income of €68,998 (2023: €88,137), interest expense of €393,322 (2023: €420,900) as well as expected credit losses of €18,968 (2023: €112,242).

In the fiscal year 2024, net losses from foreign currency transactions amount to €23,057 (2023: net losses €35,497).

The following table shows the effect of derivatives in cash flow hedging relationship on the consolidated financial statement:

T 4.94 **THE EFFECT OF DERIVATIVES IN CASH FLOW HEDGING RELATIONSHIPS ON THE CONSOLIDATED FINANCIAL STATEMENTS**
IN € THOUS

	Fair value gain (loss) recognized in AOCI on hedging instrument (hedge reserve)		Fair value gain (loss) recognized in AOCI on hedging instrument (cost of hedging)		Location of reclassified amounts from AOCI	Amount reclassified from hedge reserve		Amount reclassified from cost of hedging	
For the year ended December 31,	**2024**	**2023**	**2024**	**2023**		**2024**	**2023**	**2024**	**2023**
					Interest income/expense	1,318	1,319	—	—
Foreign exchange contracts	(7,159)	2,787	(895)	(3,547)	thereof:				
					Revenue	(1,840)	(500)	2,641	838
					Costs of revenue	(5,136)	(7,912)	300	1,538
TOTAL	**(7,159)**	**2,787**	**(895)**	**(3,547)**		**(5,658)**	**(7,093)**	**2,941**	**2,376**

The following table shows the effect of derivatives not designated as hedging instruments on the consolidated financial statements:

T 4.95 **THE EFFECT OF DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS**
IN € THOUS

	Location of (gain) loss recognized in income on derivatives	Amount of (gain) loss recognized in income on derivatives for the year ended, December 31	
		2024	2023
Foreign exchange contracts	Other operating income/expense	49,806	(57,083)
Foreign exchange contracts	Interest income/expense	9,984	14,748
Derivatives embedded in vPPAs	Other operating income/expense	24,959	—
DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS		**84,749**	**(42,335)**

Credit Risk

The Company is exposed to potential losses in the event of non-performance by counterparties. With respect to derivative financial instruments it is not expected that any counterparty will fail to meet its obligations as the counterparties are highly rated financial institutions (generally investment grade). The maximum credit exposure of derivatives is represented by the fair value of those contracts with a positive fair value at the balance sheet date. The maximum credit exposure of all derivatives amounted to €25,815 at December 31, 2024 (2023: €22,285). The maximum credit risk resulting from the use of non-derivative financial instruments is defined as the total amount of all financial assets. In order to control this credit risk, the Company's management carries out an aging analysis of trade accounts and other receivables from unrelated parties. For details on the aging analysis and on expected credit losses, see NOTE 8.

Liquidity Risk

The liquidity risk is defined as the risk that a company is potentially unable to meet its financial obligations. The Management of the Company manages the liquidity of the group by means of effective working capital and cash management as well as an anticipatory evaluation of refinancing alternatives. The Company's management believes that existing credit facilities, net cash provided by operating activities and additional short-term debt are sufficient to meet the Company's foreseeable demand for liquidity (see NOTE 16).

The following table shows the future undiscounted contractual cash flows (including interest) resulting from recognized financial liabilities and derivative financial instruments recorded in the consolidated balance sheets:

T 4.96 **PAYMENTS AGREED BY CONTRACTS (CONTINUATION SEE NEXT PAGE)**
IN € THOUS

	Payments due by period of			
	Less than 1 year	**1 – 3 years**	**3 – 5 years**	**Over 5 years**
2024				
Non-Derivatives				
Accounts payable to unrelated parties	904,278	378	—	—
Accounts payable to related parties	80,044	—	—	—
Other financial liabilities	937,181	365	363	13,324
Short-term debt	2,099	—	—	—
Bonds	638,721	2,906,524	1,128,390	2,460,076
Other long-term debt	46,220	81,585	242,992	3,564
Lease liabilities[1]	783,791	1,476,278	1,067,295	1,408,652
Variable payments outstanding for acquisitions	1,127	4,986	157	1,739
Put option liabilities	807,207	402,667	90,460	24,902
	4,200,668	4,872,783	2,529,657	3,912,257
Derivatives				
Derivative financial instruments – in cash flow hedging relationships				
(Inflow)	(371,514)	—	—	—
Outflow	388,522	—	—	—
	17,008	—	—	—
Derivative financial instruments – not designated as hedging instrument				
(Inflow)	(1,774,151)	(16,598)	(4,747)	(18,954)
Outflow	1,818,926	19,182	11,401	52,269
	44,775	2,584	6,654	33,315
TOTAL	**4,262,451**	**4,875,367**	**2,536,311**	**3,945,572**

[1] Includes amounts from related parties.

T 4.96 **PAYMENTS AGREED BY CONTRACTS (CONTINUATION OF THE PREVIOUS PAGE)**
IN € THOUS

	Payments due by period of			
	Less than 1 year	**1 – 3 years**	**3 – 5 years**	**Over 5 years**
2023				
Non-Derivatives				
Accounts payable to unrelated parties	762,068	427	–	–
Accounts payable to related parties	123,081	–	–	–
Other financial liabilities	973,824	–	–	–
Short-term debt	456,904	–	–	–
Bonds	514,786	2,632,933	930,793	3,440,274
Accounts receivable facility[2]	23,411	–	–	–
Other long-term debt	65,910	445,622	35,786	201,263
Lease liabilities[1]	751,688	1,414,781	1,081,025	1,507,220
Variable payments outstanding for acquisitions	11,085	20,630	–	4,410
Put option liabilities	681,442	481,365	285,584	117,787
Letters of credit	25,640	–	–	–
	4,389,839	4,995,758	2,333,188	5,270,954
Derivatives				
Derivative financial instruments – in cash flow hedging relationships				
(Inflow)	(284,439)	–	–	–
Outflow	288,111	–	–	–
	3,672	–	–	–
Derivative financial instruments – not designated as hedging instrument				
(Inflow)	(324,009)	–	–	–
Outflow	330,513	–	–	–
	6,504	–	–	–
TOTAL	**4,400,015**	**4,995,758**	**2,333,188**	**5,270,954**

[1] Includes amounts from related parties.
[2] Future interest payments for financial liabilities with variable interest rates were calculated using the latest interest rates fixed prior to the end of the respective reporting period.

27. Other Comprehensive Income (Loss)

The changes in the components of other comprehensive income (loss) for the years ended December 31, 2024, 2023, and 2022 are as follows:

T 4.97 **OTHER COMPREHENSIVE INCOME (LOSS)**
IN € THOUS

	2024			2023			2022		
	Pretax	Tax effect	Net	Pretax	Tax effect	Net	Pretax	Tax effect	Net
Components that will not be reclassified to profit or loss:									
Equity method investees – share of OCI	—	—	—	—	—	—	22,705	—	22,705
FVOCI equity investments	(15,586)	(98)	(15,684)	18,046	(209)	17,837	2,883	(231)	2,652
Actuarial gain (loss) on defined benefit pension plans	15,990	(2,843)	13,147	(58,455)	16,405	(42,050)	318,595	(94,062)	224,533
Components that may be reclassified subsequently to profit or loss:									
Foreign currency translation adjustment, net of reclassification adjustments resulting from deconsolidation	727,473	—	727,473	(607,873)	—	(607,873)	826,847	—	826,847
FVOCI debt securities	(857)	271	(586)	7,299	(1,321)	5,978	(44,996)	8,050	(36,946)
Other comprehensive income (loss) relating to cash flow hedges:									
Changes in fair value of cash flow hedging reserve during the period	(7,159)	783	(6,376)	2,787	(1,031)	1,756	12,036	(3,045)	8,991
Cost of hedging	(895)	39	(856)	(3,547)	1,132	(2,415)	(3,379)	887	(2,492)
Reclassification adjustments	(2,718)	1,502	(1,216)	(4,718)	1,474	(3,244)	3,756	(1,044)	2,712
Total other comprehensive income (loss) relating to cash flow hedges	(10,772)	2,324	(8,448)	(5,478)	1,575	(3,903)	12,413	(3,202)	9,211
OTHER COMPREHENSIVE INCOME (LOSS)	**716,248**	**(346)**	**715,902**	**(646,461)**	**16,450**	**(630,011)**	**1,138,447**	**(89,445)**	**1,049,002**

28. Supplementary Cash Flow Information

The following additional information is provided with respect to net cash provided by (used in) investing activities for the years ended December 31, 2024, 2023 and 2022:

T 4.98 **DETAILS FOR NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES**
IN € THOUS

	2024	2023	2022
Details for acquisitions			
Assets acquired	(231)	(3,770)	(829,503)
Liabilities assumed	—	—	16,407
Noncontrolling interests	—	567	188,011
Non-cash consideration	54	61	577,510
Cash paid	**(177)**	**(3,142)**	**(47,575)**
Less cash acquired	—	—	58,101
NET CASH PAID FOR ACQUISITIONS	**(177)**	**(3,142)**	**10,526**
Cash paid for investments	**(14,345)**	**(5,694)**	**(23,311)**
Cash paid for intangible assets	**(8,544)**	**(26,366)**	**(46,348)**
TOTAL CASH PAID FOR ACQUISITIONS AND INVESTMENTS, NET OF CASH ACQUIRED, AND PURCHASES OF INTANGIBLE ASSETS	**(23,066)**	**(35,202)**	**(59,133)**
Details for divestitures			
Cash received from sale of subsidiaries or other businesses, less cash disposed	629,749	172,201	60,161
PROCEEDS FROM DIVESTITURES	**629,749**	**172,201**	**60,161**

The following table shows a reconciliation of debt to net cash provided by (used in) financing activities for 2024:

T 4.99 RECONCILIATION OF DEBT TO NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES
IN € THOUS

			Non-cash changes				
	January 1, 2024	Cash Flow	Acquisitions (net of divestitures)	Foreign currency translation	Amortization of debt issuance costs and discounts	Other	December 31, 2024
Short-term debt from unrelated parties	456,904	(455,687)	2,105	83	—	(1,306)	2,099
Long-term debt (excluding Accounts Receivable Facility)	7,424,705	(772,949)	(2,593)	183,142	9,029	(5,226)	6,836,108
Accounts Receivable Facility	22,857	(23,096)	—	477	—	(238)	—
Lease liabilities from unrelated parties	4,012,371	(651,686)	(53,764)	193,046	—	527,871[1]	4,027,838
Lease liabilities from related parties	133,575	(24,827)	—	(20)	—	4,135[1]	112,863

[1] Includes newly concluded leases, lease modifications and reassessments of leases with third parties and related parties. Furthermore, interest expense in the amount of €148,420, net of interest paid (included in Net cash provided by (used in) operating activities), are included.

The following table shows a reconciliation of debt to net cash provided by (used in) financing activities for 2023:

T 4.100 RECONCILIATION OF DEBT TO NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES
IN € THOUS

			Non-cash changes				
	January 1, 2023	Cash Flow	Acquisitions (net of divestitures)	Foreign currency translation	Amortization of debt issuance costs and discounts	Other[1]	December 31, 2023
Short-term debt from unrelated parties	644,767	(175,638)	(7,898)	(6,411)	—	2,084	456,904
Short-term debt from related parties	4,000	(4,000)	—	—	—	—	—
Long-term debt (excluding Accounts Receivable Facility)[1]	7,771,071	(282,786)	(1,882)	(114,447)	9,866	42,883	7,424,705
Accounts Receivable Facility	93,725	(69,363)	—	(1,773)	31	237	22,857
Lease liabilities from unrelated parties	4,525,060	(702,212)	(157,008)	(154,757)	—	501,288[2]	4,012,371
Lease liabilities from related parties	153,703	(25,157)	—	4	—	5,025[2]	133,575

[1] Included within "Other" are €44,816 related to accrued interest from prior periods previously presented in the consolidated balance sheets under Other current financial liabilities that are now included directly within the related borrowing due to a change in the Company's accounting policies as well as compounding interest on debt instruments and interest payments in the amount of €192,785 (included in Paid interest in the consolidated statements of cash flows) from the current period.
[2] Includes newly concluded leases, lease modifications and reassessments of leases with third parties and related parties. Furthermore, interest expense in the amount of €148,789, net of interest paid (included in Net cash provided by (used in) operating activities), are included.

Interest payments are included in operating activities in the consolidated statements of cash flows in the amount of €367,503 and €393,467 as of December 31, 2024 and 2023.

29. Segment and Corporate Information

The operating segments are determined based upon how the Company manages its businesses and allocates resources with responsibilities by products and services and is aligned to the financial information that is presented on a quarterly basis to the chief operating decision maker. The Care Enablement segment is primarily engaged in the distribution of health care products and equipment, including R&D, manufacturing, supply chain and commercial operations, as well as supporting functions, such as regulatory and quality management. The Care Delivery segment is primarily engaged in providing health care services for the treatment of CKD, ESRD and other extracorporeal therapies, including value and risk-based care programs. Care Delivery also includes the pharmaceutical products business and the income from equity method investees related to the sale of certain renal pharmaceuticals from Vifor Fresenius Medical Care Renal Pharma Ltd., which are used in the Company's clinics to provide health care services to its patients.

The Company's Global Medical Office, which seeks to optimize medical treatments and clinical processes within the Company and supports both Care Delivery and Care Enablement, is centrally managed and its profit and loss are allocated to the segments. Similarly, the Company allocates costs related primarily to headquarters' overhead charges, including accounting and finance as well as certain human resources, legal and IT costs, as the Company believes that these costs are attributable to the segments and used in the allocation of resources to Care Delivery and Care Enablement. These costs are allocated at budgeted amounts, with the difference between budgeted and actual figures recorded at the corporate level. However, certain costs, which relate mainly to shareholder activities, management activities, global internal audit and the remeasurement of certain investments and vPPAs are not allocated to a segment but are accounted for as corporate expenses. These activities do not fulfill the definition of a segment according to IFRS 8, Operating Segments and are reported separately as Corporate (Corporate). Financing is a corporate function which is not controlled by the operating segments. Therefore, the Company does not include interest expense relating to financing as a segment measurement. In addition, the Company does not include income taxes as it believes taxes are outside the segments' control.

Management evaluates each segment using measures that reflect all of the segment's controllable revenues and expenses. With respect to the performance of business operations, management believes that the most appropriate measures are revenue and operating income. The Company transfers products between segments at fair market value. The associated internal revenues and expenses and any remaining internally generated profit or loss for the product transfers are recorded within the operating segments initially, are eliminated upon consolidation and are included within "Inter-segment eliminations." Capital expenditures for production are based on the expected demand of the segments and consolidated profitability considerations.

Information pertaining to the Company's segment and Corporate activities for the years ended December 31, 2024, 2023 and 2022 is set forth on the next page.

T 4.101 **SEGMENT AND CORPORATE INFORMATION (CONTINUATION SEE NEXT PAGE)**
IN € THOUS

	Care Delivery	Care Enablement	Total Segment	Inter-segment eliminations	Corporate	Total
2024						
Revenue from health care services[1]	13,471,363	—	13,471,363	—	—	13,471,363
Revenue from health care products[1]	189,733	3,996,462	4,186,195	—	—	4,186,195
Revenue from contracts with customers[1]	**13,661,096**	**3,996,462**	**17,657,558**	**—**	**—**	**17,657,558**
Revenue from insurance contracts[1]	1,614,024	—	1,614,024	—	—	1,614,024
Revenue from lease contracts[1]	—	64,327	64,327	—	—	64,327
Revenue from external customers	**15,275,120**	**4,060,789**	**19,335,909**	**—**	**—**	**19,335,909**
Inter-segment revenue	—	1,495,745	1,495,745	(1,495,745)	—	—
Revenue	**15,275,120**	**5,556,534**	**20,831,654**	**(1,495,745)**	**—**	**19,335,909**
Costs of revenue	(12,120,133)	(3,915,405)	(16,035,538)	1,471,547	(15,266)	(14,579,257)
Research and development	(41)	(183,449)	(183,490)	—	(3)	(183,493)
Operating income (loss)	**1,189,819**	**267,098**	**1,456,917**	**(16,571)**	**(47,951)**	**1,392,395**
Interest						(335,469)
Income before income taxes						**1,056,926**
Depreciation and amortization	(1,045,180)	(462,507)	(1,507,687)	44,073	(71,922)	(1,535,536)
Impairment loss	(185,156)	(21,555)	(206,711)	—	(10)	(206,721)
Income (loss) from equity method investees	134,875	—	134,875	—	—	134,875
Total assets[1]	43,399,009	14,685,989	58,084,998	(35,330,991)	10,812,572	33,566,579
thereof investment in equity method investees[1]	620,831	—	620,831	—	—	620,831
Additions of property, plant and equipment, intangible assets and right-of-use assets[1]	883,079	506,501	1,389,580	(56,301)	41,450	1,374,729

[1] These line items are included to comply with requirements under IFRS 8 and IFRS 15 or are provided on a voluntary basis, but not included in the information regularly reviewed by the chief operating decision maker.

T 4.101 SEGMENT AND CORPORATE INFORMATION (CONTINUATION OF THE PREVIOUS PAGE)
IN € THOUS

	Care Delivery	Care Enablement	Total Segment	Inter-segment eliminations	Corporate	Total
2023						
Revenue from health care services[1]	14,166,796	—	14,166,796	—	—	14,166,796
Revenue from health care products[1]	184,021	3,795,101	3,979,122	—	—	3,979,122
Revenue from contracts with customers[1]	**14,350,817**	**3,795,101**	**18,145,918**	**—**	**—**	**18,145,918**
Revenue from insurance contracts[1]	1,227,140	—	1,227,140			1,227,140
Revenue from lease contracts[1]	—	80,559	80,559	—	—	80,559
Revenue from external customers	**15,577,957**	**3,875,660**	**19,453,617**	**—**	**—**	**19,453,617**
Inter-segment revenue	—	1,469,768	1,469,768	(1,469,768)	—	—
Revenue	**15,577,957**	**5,345,428**	**20,923,385**	**(1,469,768)**	**—**	**19,453,617**
Costs of revenue	(12,151,346)	(3,834,084)	(15,985,430)	1,457,064	(246)	(14,528,612)
Research and development	(42)	(231,656)	(231,698)	—	(272)	(231,970)
Operating income (loss)	**1,515,812**	**(66,521)**	**1,449,291**	**(12,705)**	**(67,148)**	**1,369,438**
Interest						(336,423)
Income before income taxes						**1,033,015**
Depreciation and amortization	(1,125,625)	(457,497)	(1,583,122)	41,079	(70,694)	(1,612,737)
Impairment loss	(89,963)	(49,154)	(139,117)	—	(117)	(139,234)
Income (loss) from equity method investees	115,354	6,431	121,785	—	—	121,785
Total assets[1]	41,713,669	13,392,422	55,106,091	(31,135,993)	9,959,710	33,929,808
thereof investment in equity method investees[1]	642,928	—	642,928	—	—	642,928
Additions of property, plant and equipment, intangible assets and right-of-use assets[1]	776,134	528,769	1,304,903	(31,118)	42,953	1,316,738

[1] These line items are included to comply with requirements under IFRS 8 and IFRS 15 or are provided on a voluntary basis, but not included in the information regularly reviewed by the chief operating decision maker.

T 4.101 SEGMENT AND CORPORATE INFORMATION (CONTINUATION OF THE PREVIOUS PAGE)
IN € THOUS

	Care Delivery	Care Enablement	Total Segment	Inter-segment eliminations	Corporate	Total
2022						
Revenue from health care services[1]	14,566,485	—	14,566,485	—	—	14,566,485
Revenue from health care products[1]	174,903	3,701,418	3,876,321	—	—	3,876,321
Revenue from contracts with customers[1]	**14,741,388**	**3,701,418**	**18,442,806**	**—**	**—**	**18,442,806**
Revenue from insurance contracts[1]	851,584	—	851,584			851,584
Revenue from lease contracts[1]	—	103,627	103,627	—	—	103,627
Revenue from external customers	**15,592,972**	**3,805,045**	**19,398,017**	**—**	**—**	**19,398,017**
Inter-segment revenue	—	1,548,091	1,548,091	(1,548,091)	—	—
Revenue	**15,592,972**	**5,353,136**	**20,946,108**	**(1,548,091)**	**—**	**19,398,017**
Costs of revenue	(12,195,436)	(3,857,164)	(16,052,600)	1,548,272	—	(14,504,328)
Research and development	(3,908)	(224,716)	(228,624)	—	—	(228,624)
Operating income (loss)	**1,686,296**	**(29,809)**	**1,656,487**	**181**	**(144,913)**	**1,511,755**
Interest						(292,476)
Income before income taxes						**1,219,279**
Depreciation and amortization	(1,215,032)	(461,797)	(1,676,829)	14,743	(56,716)	(1,718,802)
Impairment loss	(85,009)	(31,381)	(116,390)	—	(3,171)	(119,561)
Income (loss) from equity method investees	72,809	(6,553)	66,256	—	303	66,559
Total assets[1]	40,550,380	14,114,579	54,664,959	(27,347,432)	8,436,587	35,754,114
thereof investment in equity method investees[1]	440,924	332,800	773,724	—	—	773,724
Additions of property, plant and equipment, intangible assets and right-of-use assets[1]	810,028	475,495	1,285,523	(19,592)	52,490	1,318,421

[1] These line items are included to comply with requirements under IFRS 8 and IFRS 15 or are provided on a voluntary basis, but not included in the information regularly reviewed by the chief operating decision maker.

For the geographic presentation, revenues are attributed to specific countries based on the end user's location for products and the country in which the service is provided. Information with respect to the Company's geographic operations is set forth in the table below:

T 4.102 **GEOGRAPHIC PRESENTATION**
IN € THOUS

	Germany	U.S.	Rest of the world	Total
2024				
Revenue from external customers	478,962	13,667,244	5,189,703	19,335,909
Long-lived assets	1,866,455	19,681,537	3,072,517	24,620,509
2023				
Revenue from external customers	484,238	13,506,250	5,463,129	19,453,617
Long-lived assets	2,053,635	18,932,918	3,255,850	24,242,403
2022				
Revenue from external customers	487,281	13,380,091	5,530,645	19,398,017
Long-lived assets	1,517,741	20,833,093	4,188,962	26,539,796

30. Subsequent Events

No other significant activities have taken place subsequent to the balance sheet date December 31, 2024 that have a material impact on the key figures and earnings presented. Currently, there are no other significant changes in the Company's structure, management, legal form or personnel.

31. Compensation of the Management Board and the Supervisory Board

Compensation of the Management Board

The total compensation of the members of the Management Board for the fiscal year 2024 amounted to €21,109 (2023: €19,994) and consisted of non-performance-based compensation (including, for example, fringe benefits and cash pension allowances) in the total amount of €8,915 (2023: €6,316), short-term performance-based compensation in the total amount of €7,094 (2023: €6,585) and components with long-term incentive effects (multi-year variable compensation) with a total fair value on the allocation date of €5,100 (2023: €7,093). The components with long-term incentive effects consist of 266,497 Performance Shares allocated under the MB LTIP 2024+ (2023: 219,185 under the MB LTIP 2020). The fringe benefits for the fiscal year 2024 include a cash payment of €416 which was provided as payment for forfeited compensation from a previous employment relationship and of which 50% of the net amount was invested in shares of the Company in line with a contractual agreement.

Under IFRS Accounting Standards, pension expense (service costs) for the members of the Management Board in 2024 amounted to €1,737 (2023: €2,648), expense from long-term incentive share-based compensation plans amounted to €1,757 (2023: €3,935) and expense for other long-term benefits amounted to €144 (2023: €81). In 2024, no expense for termination benefits incurred (2023: €904) Total compensation expense, in accordance with IFRS Accounting Standards, for the members of the Management Board amounted to €19,647 (2023: €20,469).

As of December 31, 2024, outstanding balances with respect to the members of the Management Board amounted to €18,283 (December 31, 2023: €25,124) and consisted mainly of pension commitments and provisions for performance-based compensation components. Short-term performance-based compensation is linked to the achievement of three financial targets (based on Revenue, Operating income and Net income) and one non-financial target (Sustainability). The individual contractual defined benefit pension commitments provide for pension and survivor benefits as of the time of conclusively ending active work or in case of full or partial reduction in earning capacity, and the amount of such benefits is calculated by reference to the amount of the Management Board member's most recent base salary. The defined contribution pension commitments, which are designed in the form of external financing as a defined contribution plan with a reinsurance policy, can be paid out after reaching the relevant retirement age either as a one-off payment or optionally in ten annual installments. For information on the terms and conditions of the components with long-term incentive effects see NOTE 23.

The total compensation of former members of the Management Board and the management board of Fresenius Medical Care Management AG amounted to €2,525 (2023: €4,520). As of December 31, 2024, pension obligations, according to IAS 19, towards this group of persons exist in an amount of €58,609 (December 31, 2023: €61,175).

Compensation of the Supervisory Board

In 2024, the total compensation of the members of the Supervisory Board amounted to €3,002 (2023: €1,297).

In 2023, the compensation of the supervisory board of the Fresenius Medical Care Management AG and the compensation of its committees was, in compliance with article 7 para. 3 of the Articles of Association of the Company valid until the Conversion, charged to the Company; the total compensation of the members of the supervisory board of Fresenius Medical Care Management AG in 2023 amounted to €977.

32. Principal Accountant Fees and Services

In 2024, 2023 and 2022, fees for the auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), and its affiliates were expensed as follows:

T 4.103 **FEES**
IN € THOUS

	2024		2023		2022	
	Consolidated group	thereof Germany	Consolidated group	thereof Germany	Consolidated group	thereof Germany
Audit fees	16,126	4,694	14,250	3,215	14,354	2,961
Audit-related fees	1,549	960	1,897	937	686	301
Tax fees	—	—	—	—	1,204	—
Other fees	—	—	—	—	2,940	2,940

Audit fees are the aggregate fees billed by the Company's auditors for the audit of the Company's consolidated financial statements and the statutory financial statements of FME AG and of its subsidiaries, reviews of interim financial statements and attestation services that are provided in connection with statutory and regulatory filings or engagements. Fees related to the audit of internal control over financial reporting are included in audit fees.

Audit-related fees are fees charged by the Company's auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under audit fees. This category mainly comprises fees billed by PwC for comfort letters, audit of the compensation report of the management board, audit of the sustainability reporting, agreed-upon procedure engagements and other attestation services subject to regulatory requirements.

Tax fees are fees for professional services rendered by the Company's auditors for tax compliance, tax consulting associated with international transfer prices, as well as support services related to tax audits.

In 2022, other fees included amounts related to services from the Company's auditors, mainly related to corporate governance.

33. Corporate Governance

The Management Board and the Supervisory Board of Fresenius Medical Care AG issued a compliance declaration pursuant to Section 161 of the German Stock Corporation Act (AktG). The Company has frequently made this declaration available to the public by publishing it on its website.

The Company's declaration of compliance can be found at the following address:
https://www.freseniusmedicalcare.com/en/investors/corporate-governance/declaration-of-compliance/.

Hof (Saale), February 28, 2025

Fresenius Medical Care AG

Management Board

H. GIZA **C. CORDOLA, ED.D.** **M. FISCHER**

DR. J. HÄRING **F. W. MADDUX, M.D** **DR. K. MAZUR-HOFSÄß**

Supervisory Board and Management Board

Supervisory Board

Shareholder Representative

Michael Sen (Chair)
Member of the Management Board of Fresenius Management SE, General Partner of Fresenius SE & Co. KGaA (Chair)

Member of the Supervisory Board of:
Fresenius Kabi AG (Chair) (non-listed company) (Fresenius group mandate)

Sara Hennicken (also Vice Chair until March 14, 2024)
Member of the Management Board of Fresenius Management SE, General Partner of Fresenius SE & Co. KGaA

Member of the Supervisory Board of:
Deutsche Lufthansa AG (since May 7, 2024) (listed company)
Fresenius Kabi AG (Vice Chair) (non-listed company) (Fresenius group mandate)
VAMED AG, Austria (Vice Chair) (non-listed company) (Fresenius group mandate)

Shervin J. Korangy
President and Chief Executive Officer (CEO) of BVI Medical, Inc., U.S.

Member of the Board of Directors of:
BVI Group Ltd., U.S. (Non-Executive Director) (non-listed company) (BVI Medical group mandate)
The Hain Celestial Group, Inc., U.S. (Non-Executive Director) (listed company)

Dr. Marcus Kuhnert
Member of Supervisory Boards

Member of the Supervisory Board of:
maxingvest GmbH & Co. KGaA (since June 20, 2024) (non-listed company)
MEWA Textil-Service SE (Non-Executive Director) (since April 1, 2024) (non-listed company)

Member of the Board of Administration of:
Döhler Group SE (Non-Executive Director) (non-listed company)

Gregory Sorensen, M.D.
Member of the Board of Directors of RadNet, Inc., U.S.

Member of the Board of Directors of:
REALM IDx, Inc., U.S. (Non-Executive Director) (until April 30, 2024) (non-listed company)

Pascale Witz
President of PWH Advisors, U.S.

Member of the Board of Directors of:
Regulus Therapeutics, Inc., U.S. (Non-Executive Director) (listed company)
Revvity Inc., U.S. (Non-Executive Director) (listed company)

Employee representative (since January 26, 2024)

Stefanie Balling (also Vice Chair since March 14, 2024)
Chairwoman of the General Works Council of Fresenius Medical Care AG
Chairwoman of the Works Council Schweinfurt of Fresenius Medical Care Deutschland GmbH

Ralf Erkens
Trade Union Secretary in the head office of Industrial Union for Mining, Chemicals and Energy

Member of the Supervisory Board of:
Abbott GmbH

Beate Haßdenteufel
Deputy Chairwoman of the Works Council St. Wendel of Fresenius Medical Care Deutschland GmbH

Regina Karsch
Executive Secretary to the Deputy Chairperson, Industrial Union for Mining, Chemicals and Energy

Frank Michael Prescher
Care service manager and Chairman of the Works Council of Nephrocare Mönchengladbach GmbH

Dr. Manuela Stauss-Grabo
Senior Vice President and Head of Clinical Research at the Global Medical Office of Fresenius Medical Care, Fresenius Medical Care Deutschland GmbH

Supervisory Board Committees

Audit Committee
Dr. Marcus Kuhnert (Chair)
Gregory Sorensen, M.D.
Pascale Witz (until March 14, 2024, until then also Vice Chair)
Stefanie Balling (since March 14, 2024, since then also Vice Chair)
Frank Michael Prescher (since March 14, 2024)

Presiding Committee
Michael Sen (Chair)
Dr. Marcus Kuhnert
Stefanie Balling (since March 14, 2024, since then also Vice Chair)
Ralf Erkens (since March 14, 2024)

Compensation Committee
Pascale Witz (Chair)
Shervin J. Korangy
Dr. Manuela Stauss-Grabo (since March 14, 2024, since then also Vice Chair)
Regina Karsch

Nomination Committee
Michael Sen (Chair)
Shervin J. Korangy (Vice Chair)
Sara Hennicken
Pascale Witz

Mediation Committee (since March 14, 2024)
Michael Sen (Chair)
Gregory Sorensen, M.D.
Stefanie Balling (Vice Chair)
Beate Haßdenteufel

Management Board

Helen Giza
Chair and Chief Executive Officer

Member of the Board of Directors of:
Fresenius Medical Care Holdings, Inc., U.S. (Non-Executive Director) (non-listed company) (Fresenius Medical Care group mandate)
Resonetics, LLC, U.S. (Non-Executive Director) (non-listed company)

Member of the Board of Administration of:
Vifor Fresenius Medical Care Renal Pharma Ltd., Switzerland (Non-executive Director) (Vice Chair) (non-listed company)

Craig Cordola, Ed.D.
Member of the Management Board responsible for Care Delivery

Member of the Board of Administration of:
Vifor Fresenius Medical Care Renal Pharma Ltd., Switzerland (since February 13, 2024) (Non-executive Director) (non-listed company)

Martin Fischer
Chief Financial Officer

Dr. Jörg Häring
Member of the Management Board responsible for Legal, Compliance and Labor Relations Director (each since June 1, 2024)

Franklin W. Maddux, M.D.
Global Chief Medical Officer

Member of the Board of Directors of:
Fresenius Medical Care Holdings, Inc., U.S. (Non-executive Director) (non-listed company) (Fresenius Medical Care group mandate)

Member of the Board of Administration of:
Vifor Fresenius Medical Care Renal Pharma Ltd., Switzerland (Non-executive Director) (non-listed company)

Dr. Katarzyna Mazur-Hofsäß
Member of the Management Board responsible for Care Enablement (as well as Labor Relations Director from March 14, 2024 until May 31, 2024)

Member of the Supervisory Board of:
Xenios AG (Chair) (non-listed company) (Fresenius Medical Care group mandate)

Member of the Board of Directors of:
Smith & Nephew plc, United Kingdom (Non-Executive Director) (listed company)

Auditor's Reports

359 Report on the Audit of the Consolidated Financial Statements and of the Group Management Report
365 Report on the Audit of the Sustainability Statement

Independent Auditor's Report

To Fresenius Medical Care AG, Hof (Saale)

Report on the Audit of the Consolidated Financial Statements and of the Group Management Report

Audit Opinions

We have audited the consolidated financial statements of Fresenius Medical Care AG, Hof (Saale), and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of income, consolidated statement of shareholders' equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of Fresenius Medical Care AG for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

- In our view, the matter of most significance in our audit was as follows:

- Recoverablity of goodwill

Our presentation of this key audit matter has been structured as follows:

1. Matter and issue
2. Audit approach and findings
3. Reference to further information

Hereinafter we present the key audit matters:

Recoverablity of goodwill

1. In the Company's consolidated financial statements goodwill amounting in total to € 15,171 million (45.2% of total assets or 96.2% of equity) is reported under the "Goodwill" balance sheet item. In accordance with IAS 36, the Company performs an annual impairment test of goodwill at least once a year for each group of cash generating units ("CGUs") or more frequently if the Company becomes aware of events that occur or if circumstances change that would indicate the carrying value may not be recoverable. To perform the annual impairment test of goodwill, the Company identified its groups of cash generating units and determined their carrying value by assigning the operating assets and liabilities, including the existing goodwill and intangible assets, to those groups of CGUs. Groups of CGUs reflect the lowest level on which goodwill is monitored for internal management purposes. To comply with IFRS Accounting Standards to determine possible impairments of these assets, the value in use of the groups of CGUs is first compared to the group of CGU's carrying amount. In cases where the value in use of the group of CGUs is less than its carrying amount and the fair value less cost of disposal is not estimated to be higher than the value in use, the difference is recorded as an impairment of the carrying amount of the group of CGUs. The value in use of each group of CGUs is determined using estimated future cash flows for the unit discounted by a discount rate ("WACC") specific to that group of CGUs. The annual impairment tests determined that no write-downs were necessary.

   The outcome of this valuation is dependent to a large extent on the estimates made by the executive directors with respect to the future cash flows from the respective group of CGUs, the pre-tax discount rate used as well as other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complex nature of the valuation, this matter was of particular significance in the context of our audit.

2. As part of our procedures on the recoverability of goodwill, we assessed the effectiveness of controls relating to Company's goodwill impairment assessments, including controls over the valuation of the Company's groups of CGUs. These procedures also included, among others, assessing Company's process for developing the value in use of the groups of CGUs, evaluating the appropriateness of the discounted cash flow model used by management, testing the completeness and accuracy of underlying data used in the discounted cash flow model, and evaluating the reasonableness of the significant assumptions used by the executive directors related to revenue growth rates, projected operating income margins, residual value growth rates, and the pre-tax discount rates. Evaluating the assumptions of the executive directors related to revenue growth rates and projected operating income margins involved evaluating whether the assumptions used by the executive directors were reasonable considering the current and past performance of the groups of CGUs, the consistency with external market and industry data, and whether the assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in evaluating the appropriateness of the Company's valuation model and the pre-tax discount rate for both groups of CGUs

   Overall, the valuation parameters and assumptions used by the executive directors are in line with our expectations and are also within the ranges considered by us to be reasonable.

3. The Company's disclosures on goodwill are contained in NOTE 1G), NOTE 2A) and NOTE 12 of the notes to the consolidated financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report, which we obtained prior to the date of our auditor's report:

The other information comprises further

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB, which we obtained prior to the date of our auditor's report
- the remuneration report pursuant to § 162 AktG [Aktiengesetz: German Stock Corporation Act], for which the supervisory board is also responsible, which we obtained prior to the date of our auditor's report
- all remaining parts of the annual report, which are expected to be made available to us after the date of the auditor's report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

> is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
> otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

> Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
> Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.
> Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file FME_AG_KA_KLB_ESEF-2024-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 16 May 2024. We were engaged by the supervisory board on 13 November 2024. We have been the group auditor of the Fresenius Medical Care AG, Hof (Saale), without interruption since the financial year 2020.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Reference to an Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consoli-

dated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Peter Kartscher.

Frankfurt am Main, February 28, 2025

PRICEWATERHOUSECOOPERS GMBH

Wirtschaftsprüfungsgesellschaft

(SGD. PETER KARTSCHER)
Wirtschaftsprüfer
(German Public Auditor)

(SGD. DOMINIK HÖHLER)
Wirtschaftsprüfer
(German Public Auditor)

Assurance Report of the Independent German Public Auditor on a Limited Assurance Engagement in Relation to the Group Sustainability Statement

To Fresenius Medical Care AG, Hof (Saale)

Assurance Conclusion

We have conducted a limited assurance engagement on the group sustainability statement of Fresenius Medical Care AG, Hof (Saale), (hereinafter the "Company") included in section "Sustainability Statement" of the group management report for the financial year from 1 January to 31 December 2024 (hereinafter the "Group Sustainability Statement"). The Group Sustainability Statement has been prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as §§ [Articles] 315b to 315c HGB [Han-delsgesetzbuch: German Commercial Code] to prepare a group non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, § 315c in conjunction with §§ 289c to 289e HGB to prepare a group non-financial statement as well as with the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that no matters have come to our attention that cause us to believe:

- that the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information to be included in the Group Sustainability Statement (hereinafter the "materiality assessment") is not, in all material respects, in accordance with the description set out in section "Double material-ity assessment" of the Group Sustainability Statement, or
- that the disclosures set out in section "EU Taxonomy" of the Group Sustainability State-ment do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852

Basis for the Assurance Conclusion

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Re-views of Historical Financial Information, issued by the International Auditing and Assurance Stand-ards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the "German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement" section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has complied with the quality management system requirements of the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibility of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company. They are also responsible for the design, implementation and maintenance of such internal controls that they have considered necessary to enable the preparation of a Group Sustainability Statement in accordance with these regulations that is free from material misstatement, whether due to fraud (i.e., manipulation of the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in the Preparation of the Group Sustainability Statement

The CSRD and the relevant German statutory and other European regulations contain wording and terms that are still subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the Company to identify the information to be included in the Group Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited as-surance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material mis-statement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls. In addition, the risk of not detecting a material misstatement within value chain information from sources not under the control of the company (value chain information) is generally higher than the risk of not detecting a material misstatement of value chain information from sources under the control of the company, as both the executive directors of the Company and we, as assurance practitioners, are ordinarily subject to limitations on di-rect access to the sources of value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In conducting our limited assurance engagement, we have, amongst other things:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement.
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the company to identify the information to be included in the Group Sustainability Statement, and about the internal controls relating to this process.
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement.
- evaluated the reasonableness of the estimates and the related disclosures provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonable-ness of these estimates, but does not include identifying information in the value chain that the executive directors have been unable to obtain.
- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Statement.
- considered the presentation of the information in the Group Sustainability Statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

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. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is solely towards the Company. We do not accept any responsibility, duty of care or liability towards third parties.

Frankfurt am Main, 28 February 2025

PRICEWATERHOUSECOOPERS GMBH
Wirtschaftsprüfungsgesellschaft

SGD. PETER KARTSCHER
Wirtschaftsprüfer
[German public auditor]

SGD. NICOLETTE BEHNCKE
Wirtschaftsprüferin
[German public auditor]

Further Information

369 Responsibility Statement
369 Regional Organization
371 Five-Year Summary
373 Financial Calendar, Imprint and Contact

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the results of operations, financial position and net assets of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Hof (Saale), February 28, 2025

Fresenius Medical Care AG

Management Board

H. GIZA
C. CORDOLA, ED.D.
M. FISCHER
DR. J. HÄRING
F. W. MADDUX, M.D.
DR. K. MAZUR-HOFSÄSS

Regional Organization

T 6.1 REGIONAL ORGANIZATION OF FRESENIUS MEDICAL CARE (CONTINUATION SEE NEXT PAGE)

Europe, Middle East and Africa

Austria	FME Austria GmbH	Vienna	100%
Belgium	FME Belgium N.V.	Willebroek	100%
Bosnia and Herzegovina	FME BH d.o.o.	Sarajevo	100%
Bulgaria	FME Bulgaria EOOD	Gabrovo	100%
Croatia	FME-Nephro d.o.o.	Zagreb	100%
Czech Republic	FME-DS, s.r.o.	Prague	100%
Denmark	FME Danmark A/S	Taastrup	100%
Finland	FME Suomi Oy	Helsinki	100%
France	FME France S.A.S.	Fresnes	100%
Germany	FME Deutschland GmbH	Bad Homburg v. d. Höhe	100%
Great Britain	FME (U.K.) Ltd.	Nottinghamshire	100%
Hungary	FME Dializis Center Kft.	Budapest	100%
Ireland	FME (Ireland) Ltd.	Dublin	100%
Israel	FME Israel Ltd.	Raanana	100%
Italy	FME Italia S.p.A.	Palazzo Pignano	100%
Kazakhstan	FME Kazakhstan LLP	Almaty	100%
Kyrgyzstan	FME KGZ LLC	Bishkek	100%
Morocco	FME Nord Ouest et Centre Afrique S.A.	Casablanca	100%
Poland	FME Polska S.A.	Poznan	100%
Portugal	NephroCare Portugal, S.A.	Lisbon	100%
Romania	FME Romania S.r.l.	Bucharest	100%
Russian Federation	JSC Fresenius SP	Moscow	100%
Saudi Arabia	Saudi Advanced Renal Services Ltd.	Riyadh	100%
Serbia	FME Srbija d.o.o.	Vršac	100%
Slovakia	FME Slovensko, spol. s.r.o.	Pieštany	100%

T 6.1 REGIONAL ORGANIZATION OF FRESENIUS MEDICAL CARE (CONTINUATION FROM PREVIOUS PAGE)

Europe, Middle East and Africa

Slovenia	FME Slovenija d.o.o.	Celje		100%
South Africa	FME South Africa (Pty.) Ltd.	Johannesburg		100%
Spain	NME of Spain, S.A.U.	Madrid		100%
Sweden	FME Sverige AB	Sollentuna		100%
Switzerland	FME (Schweiz) AG	Oberdorf		100%
The Netherlands	FME Nederland B.V.	Nieuwkuijk		100%
Turkey	Fresenius Medikal Hizmetler A.S.	Istanbul		100%
Ukraine	FME Ukraine TOV	Kiew		100%

North America

Mexico	FME de México, S.A. de C.V.	Zapopan		100%
U.S.	FME Holdings, Inc.	New York		100%

Latin America

Brazil	FME Ltda.	Jaguariúna		100%
Chile	FME S.p.A.	Las Condes		100%
Colombia	FME S.A.S.	Cota		100%
Ecuador	NEFROCONTROL S.A.	Quito		100%
Guatemala	SUGERENCIAS MEDICAS, S.A.	Guatemala-City		100%
Panama	FME Panama S.A.	Panama		100%
Peru	FME del Perú S.A.	Lima		100%
Uruguay	FME del Uruguay S.R.L.	Montevideo		100%

Asia-Pacific

Australia	FME Australia Pty. Ltd.	Sydney		100%
Bangladesh	FME Bangladesh Ltd.	Dhaka		100%
China	FME (Shanghai) Co., Ltd.	Shanghai		100%
Hong Kong	FME Hong Kong Ltd.	Wan Chai		100%
India	FME India Private Ltd.	Gurugram		100%
Indonesia	PT FME Indonesia	Jakarta		100%
Japan	Fresenius-Kawasumi Co., Ltd.	Tokyo		70%
Malaysia	FME Malaysia Sdn. Bhd.	Petaling Jaya		100%
Myanmar	FME Myanmar Company Ltd.	Yangon		100%
Pakistan	FME Pakistan (Private) Ltd.	Lahore		100%
Philippines	FME Philippines, Inc.	Manila		100%
Singapore	Asia Renal Care (SEA) Pte. Ltd.	Singapore		100%
South Korea	FME Korea Ltd.	Seoul		100%
Sri Lanka	FME Lanka (Private) Ltd.	Colombo		100%
Taiwan	FME Taiwan Co., Ltd.	Taipei		100%
Thailand	FME (Thailand) Ltd.	Bangkok		100%
Vietnam	FME Vietnam LLC	Ho Chi Minh City		100%

Simplified chart of Fresenius Medical Care's regional organization.
* Line of business in respective country in 2024.
We use FME for Fresenius Medical Care.

Production Sales Service

* Some percentage of subsidiaries represent direct and indirect shareholdings.

Five-Year Summary

T 6.2 **FIVE-YEAR SUMMARY (CONTINUATION SEE NEXT PAGE)**
IN € M, EXCEPT PER SHARE DATA

	2024	2023	2022	2021	2020
Statements of income					
Revenue	19,336	19,454	19,398	17,619	17,859
Earnings before interest, taxes, depreciation, amortization and impairment loss (EBITDA)	3,135	3,121	3,350	3,476	4,090
Operating income	1,392	1,369	1,512	1,852	2,304
Net income (attributable to shareholders of FME AG)	538	499	673	969	1,164
Basic earnings per share in €	1.83	1.70	2.30	3.31	3.96
Balance sheets					
Non-current assets	25,644	25,229	27,551	26,400	24,414
Total assets	33,567	33,930	35,754	34,367	31,689
Equity	15,769	14,827	15,449	13,979	12,331
Total debt and lease liabilities (including amounts directly associated with assets held for sale)	10,988	12,187	13,192	13,320	12,380
Cash flow					
Net cash provided by (used in) operating activities	2,386	2,629	2,167	2,489	4,233
Free cash flow (net cash provided by (used in) operating activities after capital expenditures, before acquisitions and investments)	1,701	1,960	1,480	1,660	3,197
Share data					
Year-end share price Frankfurt, Xetra in €	44.16	37.96	30.57	57.14	68.20
Year-end share price (ADS) New York in $	22.64	20.83	16.34	32.46	41.56
Weighted average number of shares	293,413,449	293,413,449	293,246,430	292,944,732	294,055,525
Total dividend amount[1] in € M	423	349	329	396	392
Dividend per share[1] in €	1.44	1.19	1.12	1.35	1.34

T 6.2 **FIVE-YEAR SUMMARY (CONTINUATION OF THE PREVIOUS PAGE)**
IN € M, EXCEPT PER SHARE DATA

	2024	2023	2022	2021	2020
Employees					
Headcount	111,513	119,845	128,044	130,251	133,129
Operational ratios in %					
Operating income margin	7.2	7.0	7.8	10.5	12.9
Basic earnings per share growth	7.8	(25.9)	(30.6)	(16.4)	(0.1)
Organic revenue growth	4.1	3.9	1.6	1.4	3.1
Return on invested capital (ROIC)[2]	3.5	2.8	3.3	4.9	5.8
Net leverage ratio[3]	2.9	3.2	3.4	3.3	2.7
Net cash provided by (used in) operating activities in % of revenue	12.3	13.5	11.2	14.1	23.7
Free cash flow in % of revenue	8.8	10.1	7.6	9.4	17.9
Equity ratio (equity / total assets)	47.0	43.7	43.2	40.7	38.9
Dialysis care data					
Treatments in M	47.6	51.7	52.3	52.9	53.6
Patients	299,352	332,548	344,687	345,425	346,553
Dialysis clinics	3,675	3,925	4,116	4,171	4,092

[1] 2024: proposal to be approved by the Annual General Meeting on May 22, 2025.
[2] See calculation in the Group Management Report, chapter "Overview of the Group", section "Performance Management System".
[3] See calculation in the Group Management Report, chapter "Economic Report", section "Results of Operations, Financial Position and Net Assets - Financial position - Financing strategy".

Financial Calendar 2025

Subject to change

May	May	May	August	November
06	22	27	05	04
Report on First Quarter	Annual General Meeting	Payment of Dividend Subject to the approval by the Annual General Meeting	Report on Second Quarter	Report on Third Quarter

Imprint and Contact

Published by
Fresenius Medical Care AG

Editorial Office
Investor Relations & Global Communications

Concept and Design
muehlhausmoers corporate communications gmbh
www.muehlhausmoers.com

Contact
Fresenius Medical Care AG
61346 Bad Homburg v. d. H.
Germany
P + 49 6172 609 0
www.freseniusmedicalcare.com

Global Communications
P + 49 6172 26 88 605
F + 49 6172 609 23 01
fme_corporate_communications@freseniusmedicalcare.com

Investor Relations
P + 49 6172 609 25 25
F + 49 6172 609 23 01
ir@freseniusmedicalcare.com

Date of Publication
March 13, 2025

Picture Credits
Page 4, 5, 64, 133: Getty Images
Page 4, 51, 90: Matthias Haslauer
Page 8, 10, 12: Thorsten Jansen
Page 13: Andreas Pohlmann

Forward-looking Statements

This Annual Report contains forward-looking statements that are based on plans, projections, and estimates and are subject to various risks and uncertainties. Actual results could differ materially from those described in these forward-looking statements due to certain factors. The risks and uncertainties are detailed in the reports filed with the U.S. Securities and Exchange Commission. We do not undertake any obligation to update any forward-looking statements in this Annual Report.

Publication Service

This Annual Report is available in both German and English. Annual Reports, Interim Reports, and further information on the Company are also available on our website: www.freseniusmedicalcare.com.

The title, text, and illustrations are subject to copyright. They may not be copied for commercial use, nor may these objects be modified or reposted to other sites without prior written authorization of Fresenius Medical Care.

FRESENIUS MEDICAL CARE AG
Else-Kroener-Str. 1
61352 Bad Homburg v. d. H.
Germany
P + 49 6172 609 0
www.freseniusmedicalcare.com

Global Communications
P + 49 6172 26 88 605
F + 49 6172 609 23 01
fme_corporate_communications@freseniusmedicalcare.com

Investor Relations
P + 49 6172 609 25 25
F + 49 6172 609 23 01
ir@freseniusmedicalcare.com

fmc_ag
freseniusmedicalcare.corporate
freseniusmedicalcare



Find out more:
www.freseniusmedicalcare.com
/en/facts-and-figures