

- Convenience Translation -

**Declaration by the Management Board of the general partner of
Fresenius SE & Co. KGaA, Fresenius Management SE, and by the Supervisory
Board of Fresenius SE & Co. KGaA on the German Corporate Governance Code
pursuant to Section 161 German Stock Corporation Act (Aktiengesetz)**

The Management Board of the general partner of Fresenius SE & Co. KGaA, Fresenius Management SE, (hereafter the Management Board) and the Supervisory Board of Fresenius SE & Co. KGaA declare that since issuance of the previous declaration of conformity in December 2012 (amended in May 2013) the recommendations of the “Government Commission on the German Corporate Governance Code” published by the Federal Ministry of Justice (Justizministerium) in the official section of the Federal Gazette (Bundesanzeiger) (hereafter the Code) in the version of May 15, 2012 as well as in the version of May 13, 2013 since its publication in the Federal Gazette have been met and that the recommendations of the Code in the version of May 13, 2013 will be met in the future. Only the following recommendations of the code in the versions of May 15, 2012 and of May 13, 2013 have not been and will not be met:

- **Code number 4.2.3 paragraph 4: Severance payment cap**

Pursuant to code number 4.2.3 paragraph 4, in concluding Management Board contracts, care shall be taken to ensure that payments made to a Management Board member on premature termination of his/her contract, including fringe benefits, do not exceed the value of two years’ compensation (severance payment cap) and compensate no more than the remaining term of the employment contract. The severance payment cap shall be calculated on the basis of the total compensation for the past full financial year and if appropriate also the expected total compensation for the current financial year.

These recommendations are not met insofar as the employment contracts of the members of the Management Board do not contain severance payment arrangements for the case of premature termination of the contract and consequentially insofar do not contain a limitation of any severance payment amount. Uniform severance payment arrangements of this kind would contradict the concept practiced by Fresenius in accordance with the German Stock Corporation Act

(Aktiengesetz) according to which employment contracts of the members of the Management Board are, in principle, concluded for the period of their appointment. They would also not allow for a well-balanced assessment of the individual case.

- **Code number 5.1.2 paragraph 2 sentence 3: Age limit for members of the Management Board**

Pursuant to code number 5.1.2 paragraph 2 sentence 3, an age limit shall be specified for members of the Management Board. As in the past, Fresenius will refrain from determining an age limit for members of the Management Board in the future since this would unduly limit the selection of qualified candidates.

- **Code number 5.3.2 sentence 3: Independence of the Chairman of the Audit Committee**

Pursuant to code number 5.3.2 sentence 3, the chairman of the Audit Committee shall be independent. Pursuant to code number 5.4.2 sentence 2, a Supervisory Board member is not to be considered independent in particular if he/she has personal or business relations with the company, its executive bodies, a controlling shareholder or an enterprise associated with the latter which may cause a substantial and not merely temporary conflict of interests.

The chairman of the Audit Committee of Fresenius SE & Co. KGaA, Prof. Dr. h.c. Roland Berger, is at the same time a shareholder of Roland Berger Strategy Consultants Holding GmbH and the honorary chairman of the Supervisory Board of Roland Berger Strategy Consultants Holding GmbH. The Fresenius Group is being advised by Roland Berger Strategy Consultants GmbH (hereafter RBSC), an associated enterprise of the management consulting firm Roland Berger Strategy Consultants Holding GmbH. In the context of a project in the course of the 2013 financial year, the Fresenius Group has been sourcing advisory services from RBSC. The Fresenius Group will pay an estimated fee of approximately EUR 8 million to RBSC in case of successful finalization of the project. The Management Board and Supervisory Board believe that these business relations neither constitute a substantial or long-term conflict of interest, nor do they interfere with the tasks of the chairman of the Audit Committee. For reasons of precaution, however, a

deviation from code number 5.3.2 sentence 3 is being declared against the background of the possible fee volume given the legal views taken with regards to the question of independence.

- **Code number 5.4.1 paragraph 2 and paragraph 3: Specification of concrete objectives regarding the composition of the Supervisory Board and their consideration when making recommendations to the competent election bodies**

Pursuant to code number 5.4.1 paragraph 2 and paragraph 3, the Supervisory Board shall specify concrete objectives regarding its composition and, when making recommendations to the competent election bodies, take these objectives into account. The objectives specified by the Supervisory Board and the status of the implementation shall be published in the Corporate Governance Report. These recommendations are not met. As the composition of the Supervisory Board needs to be aligned to the enterprise's interest and has to ensure the effective supervision and consultation of the Management Board, it is a matter of principle and of prime importance that each member is suitably qualified. When discussing its recommendations to the competent election bodies, the Supervisory Board will take into account the international activities of the enterprise, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of code number 5.4.2, and diversity. This includes the aim to establish an appropriate female representation on a long-term basis.

In the enterprise's interest not to limit the selection of qualified candidates in a general way, the Supervisory Board confines itself to a general declaration of intent and particularly refrains from fixed diversity quotas and from an age limit. As the next regular elections of the Supervisory Board will take place in the year 2016, reasonably a report on implementation of the general declaration of intent cannot be made till then.

- **Code number 5.4.6 paragraph 2 sentence 2: A performance-related compensation of the members of the Supervisory Board oriented toward sustainable growth of the enterprise**

Pursuant to code number 5.4.6 paragraph 2 sentence 2, a performance-related compensation, if promised to the members of the Supervisory Board, shall be oriented toward sustainable growth of the enterprise. The variable compensation of the Supervisory Board members of Fresenius SE & Co. KGaA does not have a calculation basis of several years and is, therefore, not oriented, in this sense, toward the sustainable growth of the enterprise. The Supervisory Board rather receives a performance-related compensation which pursuant to section 13 paragraph 1 of the articles of association of Fresenius SE & Co. KGaA depends on the dividend. This compensation model has been in existence since the year 1995. It continues to bring forth an adequate compensation of the Supervisory Board in line with the law and with the interests of the shareholders.

In addition, the following recommendations of the code in the version of May 13, 2013 have not been and will not be met:

- **Code number 4.2.3 paragraph 2 sentence 6: Caps regarding specific compensation amounts**

Pursuant to code number 4.2.3 paragraph 2 sentence 6 in the version of May 13, 2013, the amount of compensation shall be capped, both overall and for variable compensation components.

This recommendation is not met. The Management Board contracts do not provide for caps regarding specific amounts for all compensation components and accordingly not for caps regarding specific amounts for the overall compensation. The performance-based short-term compensation (the variable bonus) is capped. As regards stock options and phantom stocks as compensation components with long-term incentives, the Management Board contracts do provide for a possibility of limitation but not for caps regarding specific amounts. Introducing caps regarding specific amounts in relation to such stock-based compensation components would contradict the basic idea of the members of the Management Board participating appropriately in the economic risks and opportunities of the company. Instead of that, Fresenius pursues a flexible concept considering each individual case. In

situations of extraordinary developments in relation to the stock-based compensation which are not related to the performance of the Management Board, the Supervisory Board may cap the stock-based compensation.

- **Code number 4.2.5 paragraph 3: Presentation in the compensation report**

Pursuant to code number 4.2.5 paragraph 3 in the version of May 13, 2013, the presentation of the compensation for each individual member of the Management Board in the compensation report shall for financial years starting after December 31, 2013 inter alia present the maximum and minimum achievable compensation by using corresponding model tables.

Since Fresenius in deviation from code number 4.2.3 paragraph 2 sentence 6 does not provide for caps regarding specific amounts for all compensation components and, therefore, does not provide for caps regarding specific amounts for the overall compensation, the compensation report cannot meet all recommendations of the code in the future. Irrespective thereof, Fresenius will continue to present its compensation system and the amounts paid to members of the Management Board in its compensation report in a comprehensive and transparent manner in the future. This will also include the maximum and minimum achievable variable bonus.

Bad Homburg v.d.H., December 2013

Management Board of the general partner of Fresenius SE & Co. KGaA, Fresenius Management SE, and Supervisory Board of Fresenius SE & Co. KGaA