



**Letter from the Chairman of the Supervisory Board  
on the occasion of the virtual Annual General Meeting  
of Fresenius SE & Co. KGaA on May 13, 2022**

Dear Shareholders,

as my first year as chair of the Supervisory Board ends, I would like to sincerely thank you for your trust. The Supervisory Board's proposed succession plan for the chairmanship of the Supervisory Board has ensured a smooth transition. I am delighted to accompany the company in these turbulent times, to drive forward future projects and to set the course for our long-term success.

Again, we look back on an extraordinary year. A year of continued challenges in both medical and economic terms. Our top priority continues to be the protection of the health of patients and our employees. The Fresenius employees in all business segments around the world are making an unparalleled effort to ensure that our patients receive the care they need, sometimes under very difficult conditions. On behalf of the entire Supervisory Board, I would like to express my heartfelt thanks to all employees and the Management Board for their tireless efforts.

Also in Ukraine, where since end of February a cruel war has been raging, our greatest concern and special commitment right now are the protection of our employees in Ukraine and caring for our patients, who remain in urgent need of our medical assistance. Our responsibility as a healthcare company also includes not abandoning our patients in Russia but continuing to provide them with medical care. I can assure you that there is no financial incentive for us. We are not making any money there and will not in the foreseeable future. I wish with all my heart that the violence ends, and that peace is restored in this region.

#### **VIRTUAL ANNUAL GENERAL MEETING**

Unfortunately, to protect you as well as our employees, we will once again only be able to hold a virtual Annual General Meeting this year. As a healthcare company and in light of the unstable pandemic situation, we feel that we have a special obligation to be very cautious. As in 2021, however, we are offering you the opportunity to submit video statements via the shareholder portal. Furthermore, we will publish the speech of CEO Stephan Sturm around a week before the Annual General Meeting so that you can refer to it with your questions.

At this Annual General Meeting, we have a long list of matters to submit for your approval. Most of them are housekeeping items. For the first time we will ask you to vote on the compensation report for the past year. We are also proposing two new shareholder representatives to be elected on the Supervisory Board to represent your interests in supervising and advising the Company. Comprehensive information on these items is already available in the Annual Report and the invitation to the Annual General Meeting, which was published on March 30, 2022, in the German Federal Gazette (Bundesanzeiger).

In the following, we would like to provide you with further information to explain the rationale behind our entrepreneurial decisions and hope that they will find your support.

## **SUPERVISORY BOARD ELECTION, CHANGE IN THE AUDIT COMMITTEE**

Based on the recommendation of the Nomination Committee, the Supervisory Board proposes that Susanne Zeidler and Dr. Christoph Zindel be elected as new shareholder representatives on the Supervisory Board.

In last year's letter, I told you that Susanne Zeidler was the designated successor to Klaus-Peter Müller chair of the Company's Audit Committee. As Hauke Stars resigned from the Supervisory Board to take on her new Management role, we were very pleased that Susanne Zeidler was available to join the Board earlier and was mandated by court order on March 6, 2022. Susanne Zeidler has already served on the the Supervisory Board of the General Partner Fresenius Management SE over the course of 2021 and attended the meetings of the Audit Committee as a guest.

Dr. Christoph Zindel has a background in medicine, extensive international experience and comprehensive knowledge of the healthcare industry. This makes him an outstanding addition to our Board.

The current composition of the Supervisory Board is in line with the resolved profile of competence. The stated objectives continue to be met, the share of women on the Supervisory Board remains at 42%. In the opinion of the Supervisory Board, all of its new and proposed members are independent.

## **COMPENSATION REPORT**

At last year's Annual General Meeting of Fresenius SE & Co. KGaA our shareholders approved the new Compensation System 2021+ for the the members of the General Partner's Management Board with an approval rate of 92.2%. The new system has been effective since January 1, 2021.

The compensation report was audited by the auditor both in terms of its content and whether the legally required disclosures were made. This audited compensation report is to be submitted to the Annual General Meeting for approval. The compensation report for fiscal year 2021,

including the auditor's report, is part of the notice convening the Annual General Meeting and is also available on the Company's website. Our recommendation is to approve the compensation report for the fiscal year 2021.

### **SUSTAINABILITY**

The fact that we take sustainability very seriously is reflected in the ESG component of the proposed compensation system for members of the Management Board. Currently, 15% of the annual bonus is linked to the achievement of these targets. In 2021, the members of the Management Board achieved their targets by identifying and implementing sustainability KPIs for the future inclusion in their compensation. They come from the focus topics that are essential for Fresenius: Medical Quality, Employees, Innovation, Compliance and Environment. In 2022, the reporting for these KPIs will be further improved as part of the Management Board's targets. In a next step, we plan to add sustainability criteria to the long-term variable compensation component as well. This adjustment is expected to be proposed for approval at the 2023 Annual General Meeting.

In February of this year, Fresenius also set itself a climate target. The Company aims to be climate neutral by 2040. By 2030, Fresenius aims to reduce Scope 1 and Scope 2 emissions by 50% in absolute terms compared to 2020. Furthermore, the Company will assess the impact of Scope 3 emissions in order to be able to include them in its targets in the future.

The Supervisory Board will continue to closely follow and monitor developments in the area of sustainability and receive regular updates on planned initiatives and targets.

### **COVID-19, DIVIDEND**

The Supervisory Board of Fresenius Management SE has discussed the adequacy of the compensation of the Management Board in detail in these challenging times. So far, the Management Board has steered Fresenius well and safely through the pandemic. Sales even increased further and earnings have been stable at a high level. We were able to avoid COVID-19-related layoffs and short-time work as far as possible.

Against this background, we have not changed the Company's dividend policy: Dividend and growth in earnings per share are to be aligned. In view of the Company's solid operating performance in the past fiscal year we propose to increase the dividend for 2021 by 5% to €0.92 per share (2020: €0.88). If the proposal is approved by the Annual General Meeting, this will be the 29th consecutive dividend increase. We plan to maintain this dividend policy in the future.

For the first time, we are proposing a scrip dividend, giving you the option to receive your dividend (except for the tax portion of the dividend) in the form of new Fresenius shares. You can find more information on our website <https://www.fresenius.com/scrip-dividend>. The Else Kröner-Fresenius-Foundation has informed Fresenius that it intends to fully participate in the scrip dividend.

Let us briefly look ahead: For the current fiscal year 2022, we expect further profitable growth despite continuing COVID-19 effects as well as effects from cost inflation. The accelerated implementation of the cost and efficiency program will lead to earlier and significantly higher savings. Overall, we are therefore confident about the future.

We hope that these course-settings and measures will find your support. The Supervisory Board greatly appreciates the constructive feedback and support of our shareholders.

Bad Homburg v. d. H., May 2022



**Wolfgang Kirsch**  
Chairman of the Supervisory Board