



CORPORATE GOVERNANCE

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CORPORATE GOVERNANCE DECLARATION.

The Supervisory Board and the Management Board are committed to responsible management that is focused on achieving a sustainable increase in the value of the Company. Long-term corporate strategies, solid financial management, strict adherence to legal and ethical business standards, and transparency in corporate communication are key factors.

In this Corporate Governance Declaration, the Supervisory Board of Fresenius SE & Co. KGaA and the Management Board of the general partner of Fresenius SE & Co. KGaA, Fresenius Management SE (Management Board), report on corporate management pursuant to Sections 289 f and 315 d of the German Commercial Code (HGB) and on the corporate governance of the Company pursuant to the German Corporate Governance Code. The Corporate Governance Declaration is published on our website, see www.fresenius.com/corporate-governance.

CORPORATE GOVERNANCE DECLARATION

GROUP MANAGEMENT AND SUPERVISION STRUCTURE AND CORPORATE BODIES

GROUP MANAGEMENT AND SUPERVISION STRUCTURE

The Company has the legal form of a KGaA (Kommanditgesellschaft auf Aktien – partnership limited by shares). The **Annual General Meeting**, the **Supervisory Board**, and the **general partner** Fresenius Management SE are the legal

corporate bodies. There have been no changes in the Group management and the supervision structure in the reporting period. The chart on the following page provides an overview of the Group structure.

The articles of association of Fresenius SE & Co. KGaA, which, in addition to legal provisions, further define the responsibilities of the individual corporate bodies, can be downloaded from our website, see www.fresenius.com/corporate-governance.

SHAREHOLDERS

The shareholders uphold their rights at the Annual General Meeting, where they exercise their **voting rights**. Every ordinary share of Fresenius SE & Co. KGaA confers one vote. None of the shares carry multiple or preferential voting rights.

We report in detail on our investor relations activities in the section “Fresenius share” on page 34.

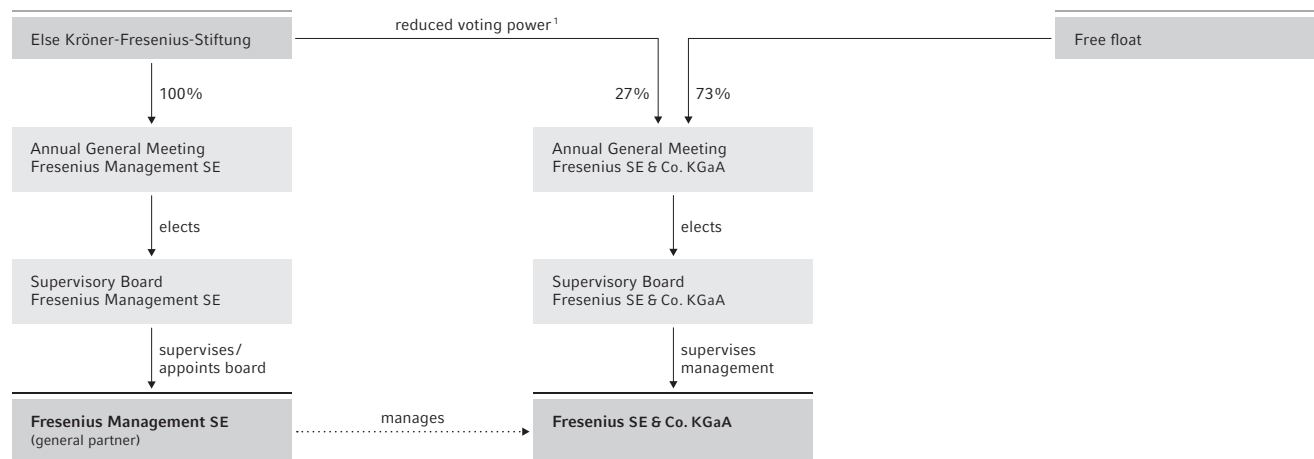
ANNUAL GENERAL MEETING

Our virtual Annual General Meeting (AGM) was held on August 28, 2020, in Bad Homburg vor der Höhe. Approximately 73% of the share capital was represented. The Annual General Meeting was originally scheduled for May 20, 2020, but was postponed due to the Covid-19 pandemic. In order to protect the health of the shareholders and the employees and external partners involved in the organization, Fresenius took advantage of the option provided by law to hold the Annual General Meeting virtually.

During the AGM, the shareholders approved the proposal made by the general partner and the Supervisory Board to increase the 2019 dividend by 5% to €0.84 per ordinary share with a majority of more than 99% of the votes cast. Shareholder majorities of around 99% and 85%, respectively, approved the actions of the general partner and the Supervisory Board in 2019.

With regard to certain subject matters, legally required voting right exclusions exist for the general partner and in some instances for its sole shareholder, the Else Kröner-Fresenius-Stiftung. These pertain, for example, to the appointment of the Supervisory Board of Fresenius SE & Co. KGaA, the approvals of the actions of the general partner

STRUCTURE OF FRESENIUS SE & CO. KGAA



¹ For selected items no voting power, e.g., election of Supervisory Board of Fresenius SE & Co. KGaA, discharge of general partner and Supervisory Board of Fresenius SE & Co. KGaA, election of the auditor

and the members of the Supervisory Board, and the selection of the auditor. This guarantees that the remaining shareholders retain the sole authority to decide on these matters, especially those that pertain to the supervision of management.

Documents and information on the Annual General Meeting, as well as the voting results, are available on our website at www.fresenius.com/annual-general-meeting.

MANAGEMENT BOARD AND SUPERVISORY BOARD PROCEDURES

The **responsibilities** are distributed as follows in Fresenius SE & Co. KGaA: the Management Board of the general partner is responsible for conducting the business of Fresenius SE & Co. KGaA. The Supervisory Board of Fresenius SE & Co.

KGaA supervises the management of the Company’s business by the general partner.

General partner – Management and Supervisory Boards

The general partner, Fresenius Management SE, represented by its Management Board, manages Fresenius SE & Co. KGaA at its own responsibility and conducts its business. The Management Board formulates the Company’s strategy, discusses it with the Supervisory Boards of Fresenius Management SE and Fresenius SE & Co. KGaA, and oversees its implementation. Its actions and decisions are aligned

with the best interests of Fresenius SE & Co. KGaA. The Management Board is committed to increasing the value of the Company on a sustainable basis. The rules of procedure for the Management Board were established by the Supervisory Board of Fresenius Management SE. They define the activities within the board more specifically, especially with regard to the individual duties and responsibilities of the members, matters reserved for the full Management Board, and resolutions to be passed by the full Management Board.

The Management Board, in principle, consists of seven members: the Chairman, the Chief Financial Officer, the Management Board Member responsible for Legal, Compliance, Insurance and Human Resources and Labor Relations Director, and the chief executive officers of the four business segments. This ensures that the full Management Board is kept constantly informed about important events, plans, developments, and measures within the business segments. According to the rules of procedure, the CEO is responsible for coordinating the business segments, the general corporate policy, and the investment policy. The subject of Group sustainability is also directly reported to the CEO. Further information on sustainability matters can be found in the Group Non-financial Report on pages 109 ff.

The Group departments Finance, Group Controlling, Internal Audit, and Tax report to the Chief Financial Officer directly. Further, the Chief Financial Officer coordinates cybersecurity activities at Fresenius.

Members of the Management Board also lead internal working groups or committees, for example the Compliance Steering Committee or the Group Sustainability Board. Further information is included on pages 109 ff. of the Group Non-financial Report.

There are no Management Board committees owing to Fresenius SE & Co. KGaA's role as an operating holding company. The Management Board is listed on page 329 of the Annual Report.

Members of the Management Board are appointed for a maximum period of five years. Following the recommendation of the Code, first-time appointments are for a three-year period.

As of December 1, 2020, Dr. Sebastian Biedenkopf was appointed as Management Board Member responsible for Legal, Compliance, Insurance and Human Resources, and Labor Relations Director of Fresenius Management SE. He succeeds Dr. Jürgen Götz, who left the Company as of June 30, 2020. From July 1, 2020 to November 30, 2020, Mr. Stephan Sturm held the positions of Chairman of the Management Board and Management Board member responsible for Legal, Compliance, Insurance and Human Resources and Labor Relations Director on a combined basis.

The **meetings of the Management Board** are convened as required, but at least once a month, and are chaired by the Chairman of the Management Board or, if he is incapacitated, by the Chief Financial Officer or, if she is also incapacitated, by the Management Board member present who is most senior in age. However, Management Board meetings are usually held twice a month. The person chairing the meeting decides the order in which the items on the agenda are dealt with and the form in which the voting is conducted. The Management Board passes its resolutions by a simple majority of the votes cast or, outside its meetings, by a simple majority of its members, except in cases where mandatory provisions of law impose stricter requirements. The Chairman of the Management Board has the casting vote if a vote is tied. If the Chairman is incapacitated or absent, the motion is deemed rejected if a vote is tied. The

rules of procedure for the Management Board also govern the relations between the Management Board and the Supervisory Board of the general partner, as well as between the general partner and the Supervisory Board of Fresenius SE & Co. KGaA, and also matters that require approval of the general partner's Supervisory Board.

As a European company (SE – Societas Europaea), Fresenius Management SE has its own **Supervisory Board**. It consists of six members, and its Chairman is Dr. Gerd Krick. The Supervisory Board appoints the members of the Management Board of Fresenius Management SE and supervises and advises the Management Board in conducting business. If necessary, e.g., in order to discuss or decide on matters concerning the Management Board, the Supervisory Board meets without the Management Board. It has established its own rules of procedure.

The Supervisory Board members of Fresenius Management SE can be found on page 330 of the Annual Report. Dr. Heinrich Hiesinger has been a member of the Supervisory Board of Fresenius Management SE since July 1, 2020. He succeeds Dr. Kurt Bock, who resigned from the Supervisory Board of Fresenius Management SE as of June 30, 2020.

The Supervisory Board of Fresenius Management SE appoints the members of the Management Board of the general partner and also ensures long-term succession planning. This is based on discussions with members of the Management Board and impressions of other managers gained at the meetings of the Supervisory Boards of Fresenius Management SE and Fresenius SE & Co. KGaA. In this way, the Supervisory Board can form an opinion on potential successors from within the Company.

The Supervisory Board of Fresenius SE & Co. KGaA

The Supervisory Board of Fresenius SE & Co. KGaA supervises the management of the Company's business by the general partner Fresenius Management SE. It supervises business operations to ensure that the Management Board's corporate decisions are compliant, suitable, and financially sound. In addition, the Supervisory Board reviews the Group's annual financial statements, taking into account the auditor's reports. Another important part of the Supervisory Board's activities is the work conducted within the committees formed in accordance with the requirements of the German Stock Corporation Act and the recommendations of the Code. The Management Board of the general partner – Fresenius Management SE – continuously informs the Supervisory Board of the corporate development, planning, and strategy.

The Supervisory Board of Fresenius SE & Co. KGaA consists of 12 members. The Supervisory Board members can be found on page 327f. of the Annual Report. Half of its members are elected by the AGM. The proposals for the members of the Supervisory Board primarily take account of the knowledge, ability, and expert experience required to perform the tasks. The election proposals provided by the Supervisory Board will reflect its designated **objectives** as well as its **profile of expertise and skills**. A Nomination Committee has been instituted for election proposals for the **shareholder representatives**. Its activities are aligned with the provisions of law and the Code. The European Works Council elects the **employee representatives** to the Supervisory Board of Fresenius SE & Co. KGaA. If an

employee representative retires within their term of office, the substitute member will become a member of the Supervisory Board. Mr. Niko Stumpfögger has left the Supervisory Board of Fresenius SE & Co. KGaA as of April 30, 2020. Ms. Grit Genster was appointed as a substitute member as of May 1, 2020, and subsequently elected Deputy Chairwoman of the Supervisory Board.

For the Supervisory Board of Fresenius SE & Co. KGaA, the law requires a quota of at least 30% women and 30% men. These mandatory quotas were met by the Supervisory Board in fiscal year 2020 and are still met. The average age within the Supervisory Board was around 61 at the end of 2020. All members have served an average of more than five years on the board. As it is in the Company's interest not to limit the selection of qualified candidates in a general way, the Supervisory Board has not yet defined an age limit. The statutorily required declaration of conformity concerning the Code accordingly includes a justified limitation. Nevertheless, the Supervisory Board intends to examine in detail the introduction of an age limit in the coming year.

The competencies and the expert knowledge of all members support the discussion and the information exchange within the board. In 2020, the objectives for the composition and profile of skills and expertise of the Board were met. Further information can be found on pages 191 ff. of the Annual Report.

The Supervisory Board of Fresenius SE & Co. KGaA fulfills its tasks in accordance with the provisions of law, the articles of association of Fresenius SE & Co. KGaA, and its rules of procedure. The Chairman is responsible for coordinating the activities of the Supervisory Board, chairing the **meetings**, and representing its interests externally. The Supervisory Board should convene once each calendar quarter,

and must convene twice each calendar half-year. The meetings are convened and chaired by the Chairman or, if he is incapacitated, by a chairperson named by the Chairman. The person chairing the meeting decides the order in which the items on the agenda are dealt with and the form in which the voting is conducted. Unless other majorities are mandatory by law, the Supervisory Board passes its resolutions by a simple majority of the votes submitted in the voting. If a vote is tied, the Chairman has the casting vote or, if he does not take part in the voting, the matter is decided by the vote of the Deputy Chairman, who is a shareholder representative. The shareholder representatives and the employee representatives within the Supervisory Board conduct separate meetings on a regular basis.

The **articles of association** of Fresenius SE & Co. KGaA and the rules of procedure of the Supervisory Board of Fresenius SE & Co. KGaA regulate the details with regard to the Supervisory Board's election, constitution, term of office, meetings and resolutions, and rights and duties. They are published on our website, see www.fresenius.com/corporate-governance.

Independence and conflicts of interest

The Supervisory Board of Fresenius SE & Co. KGaA is of the opinion that all its members are independent. The Supervisory Board shall include what it deems to be an appropriate number of **independent members** who do not have any business or personal relationship with the Company, its corporate bodies, a controlling shareholder, or a party related

to the latter that may give grounds for a material and not merely temporary conflict of interest. This also applies to Dr. Gerd Krick and Klaus-Peter Müller, who have been members of the Supervisory Board for more than 12 years. Their respective performance in office demonstrate the necessary critical distance to properly advise and monitor the business conduct of the general partner in every respect.

The general partner, acting through the Management Board, and the Supervisory Board of Fresenius SE & Co. KGaA are committed to the interests of the Company. The members of these bodies neither pursue personal interests in the performance of their duties nor grant unjustified advantages to other persons. Any sideline activities or transactions of the members of the executive bodies with the Company must be disclosed to the Supervisory Board without delay and approved by the Supervisory Board. The Supervisory Board of Fresenius SE & Co. KGaA reports to the AGM on any **conflicts of interest** and their treatment. There were no conflicts of interest of Supervisory Board members in the past fiscal year.

Fresenius publishes information on related parties on page 316 of the Annual Report.

Supervisory Board training and further education measures

The members of the Supervisory Board independently take on necessary training and further education measures required for their tasks. They keep themselves regularly informed, through internal and external sources, about the latest requirements with regard to their supervisory activities. The Supervisory Board at all times ensures that its mem-

bers are suitably qualified, keep their professional knowledge up to date, and further develop their judgment and expertise. They are supported appropriately by the Company in accordance with the Code. External experts as well as experts from the Company continuously provide information about important developments, for example about relevant new laws and precedents, or changes in the IFRS accounting and auditing standards. In addition, the Company holds an onboarding event for new members of the Supervisory Board.

The members of the Supervisory Board of Fresenius SE & Co. KGaA can be found on page 327 f. of the Annual Report. On page 29 f. of the Annual Report, the Supervisory Board reports on the main focuses of its activities and those of its committees in 2020.

Supervisory Board efficiency evaluation/ self-assessment

The Supervisory Board of Fresenius SE & Co. KGaA carries out an efficiency evaluation, or an assessment of how effectively it as a whole and its committees perform their duties, at least once a year, most recently in March 2020.

The review is carried out through an open discussion within the full Supervisory Board. A **company-specific questionnaire** covering the salient points for a self-evaluation serves as the basis for the discussion. Among other things, this includes the organization and structuring of the meetings, the amount of information, and how this information was provided. The most recent review showed that the Supervisory Board, including its committees, assesses its organization as well as its work as efficient and that it fulfills its tasks effectively.

Cooperation between the general partner and Supervisory Board of Fresenius SE & Co. KGaA

Good corporate governance requires **trusting and efficient cooperation** between the Management and the Supervisory Board. The Management Board of the general partner and the Supervisory Board of Fresenius SE & Co. KGaA closely cooperate for the benefit of the Company. Open communication is essential. The common goal is to sustainably increase the company value in line with the corporate governance and compliance principles. The Management Board of the general partner and the Supervisory Board of Fresenius SE & Co. KGaA coordinate with each other, especially with regard to the Company's strategic focus. As the monitoring body, the Supervisory Board of Fresenius SE & Co. KGaA also needs to be fully informed about operating performance and corporate planning, as well as the risk situation, risk management, and compliance. The Management Board of the general partner provided this information in full and in compliance with its duties in the reporting period.

The representatives of the shareholders and of the employees may prepare the Supervisory Board meetings separately, and, if applicable, with members of the Management Board. Pre-meetings of the employee representatives as well as consultations of the shareholder representatives take place on a regular basis. The Supervisory Board meets without the Management Board on a regular basis.

COMPOSITION AND PROCEDURES OF THE SUPERVISORY BOARD COMMITTEES

The Supervisory Board of Fresenius SE & Co. KGaA forms two **permanent committees** from among its members: the Audit Committee, consisting of five members, and the Nomination Committee, consisting of three members. The committee members were elected for the duration of their term as a member of the Supervisory Board of Fresenius SE & Co. KGaA. In accordance with the articles of association of Fresenius SE & Co. KGaA, only members of the Audit Committee receive additional compensation (Section 13 (5)). There is no Personnel Committee in the KGaA because the Supervisory Board of Fresenius SE & Co. KGaA is not responsible for appointing members of the Management Board of the general partner or for their service contracts. Responsibility for these personnel matters lies with the Supervisory Board of the general partner.

The provisions for the Supervisory Board of Fresenius SE & Co. KGaA apply analogously to the committees. The committees hold meetings as required. The meetings are convened by the committee chairmen. They report during the following Supervisory Board meeting about the work of the respective committee. The rules of procedure for the committees are regulated in the rules of procedure of the Supervisory Board of Fresenius SE & Co. KGaA. Accordingly, the committees do not have their own rules of procedure.

The members of the Supervisory Board's committees are listed on page 328 of the Annual Report.

Audit Committee

The Audit Committee's function is, among other things, to prepare the Supervisory Board's approval of the financial statements – and the consolidated financial statements – and

the Supervisory Board's proposal to the AGM on the appointment of the auditor for the financial statements, and to make a preliminary review of the proposal on the allocation of distributable profits. It also reviews the quarterly reports before they are published and – following discussions with the Management Board – engages the auditor for the financial statements (and concludes the agreement on the auditor's fees), determines the main focuses of the audit, and defines the auditor's reporting duties in relation to the Supervisory Board of Fresenius SE & Co. KGaA. Other matters within its remit are to review the effectiveness of the internal controls system, of the risk management system, of the internal audit system, and of the compliance.

The Audit Committee consists of Klaus-Peter Müller (Chairman), Grit Genster (as of May 1, 2020), Konrad Kölbl, Dr. Gerd Krick, Hauke Stars, and Niko Stumpfögger (until April 30, 2020). Klaus-Peter Müller is independent and has the required expertise in the fields stated in Section 100 (5) of the German Stock Corporation Act (AktG), as well as specialist knowledge and experience in the application of accounting principles and internal control processes.

The Audit Committee also examined in detail the non-audit services rendered additionally by the auditor KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as well as PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main.

Nomination Committee

The Nomination Committee proposes suitable candidates to the Supervisory Board for the nominations it makes to the AGM for the election of Supervisory Board members on the shareholders' side. It consists solely of shareholder representatives. In making its proposals, the Nomination Committee is guided by the requirements of the Code.

The Nomination Committee consists of Dr. Gerd Krick (Chairman), Michael Diekmann, and Klaus-Peter Müller.

Mediation Committee

Fresenius SE & Co. KGaA does not have a Mediation Committee because the provisions of the German Co-Determination Act that require such a committee do not apply to a partnership limited by shares and because the Code does not require such a committee either.

Joint Committee

Pursuant to Sections 13a et seq. of the Articles of Association of Fresenius SE & Co. KGaA, the Supervisory Board of Fresenius SE & Co. KGaA has formed a Joint Committee together with the Supervisory Board of Fresenius Management SE. For some matters, which are defined in further detail in Section 13c (1) of the articles of association of Fresenius SE & Co. KGaA, the general partner requires the approval of the Joint Committee if 40% of the consolidated sales, the consolidated balance sheet total, and the consolidated profit are affected by the matter. These include, for example, the divestiture and acquisition of large investments and business units or the divestiture of large business units from the assets of Fresenius SE & Co. KGaA or a wholly owned company. The approval of the Joint Committee is also required for certain legal transactions between Fresenius SE & Co. KGaA or its affiliates and the Else Kröner-Fresenius-Stiftung.

Dr. Gerd Krick and Michael Diekmann are members of the Joint Committee. The other members are Dr. Dieter Schenk (Chairman) and Mr. Klaus-Peter Müller, who were appointed by the general partner. The Joint Committee did not meet in 2020.

OBJECTIVES FOR THE COMPOSITION, PROFILE OF SKILLS AND EXPERTISE, AND DIVERSITY CONCEPT

The Supervisory Board of Fresenius SE & Co. KGaA has determined concrete objectives for its composition and prepared a profile of skills and expertise for the entire board. Furthermore, it resolved on a diversity concept for itself and the Management Board of Fresenius Management SE.

OBJECTIVES FOR THE COMPOSITION OF THE SUPERVISORY BOARD AND PROFILE OF SKILLS AND EXPERTISE FOR THE ENTIRE BOARD

The Supervisory Board of Fresenius SE & Co. KGaA is to be composed in such a way that its members in entirety have the required knowledge, skills, and professional experiences for duly observing the tasks. Thereby, it is necessary to differentiate between the requirements for the individual Supervisory Board members and the requirements for the composition of the entire Board.

Requirements for the individual Supervisory Board members

The Supervisory Board members have to be professionally as well as personally qualified to advise and supervise the Management Board of a globally active health care Group.

Good corporate governance

Each Supervisory Board member is to have the knowledge of good corporate governance of a capital-market-oriented company required for duly observing its tasks. This includes knowledge of the main features of accounting, risk management, internal control mechanisms, and of compliance matters.

Sector experience and internationality

Each Supervisory Board member is to have general knowledge of the health care sector, as well as a basic understanding of the global activities of Fresenius.

Independence

A minimum of half of the Supervisory Board members and a minimum of the half of the shareholder representatives in the Supervisory Board are to be independent within the meaning of the German Corporate Governance Code. Independent in this meaning is someone who does not have a personal or business relationship with the Company, its governing bodies, a controlling shareholder, or a company affiliated with such that may cause a substantial and not merely temporary conflict of interest. The shareholder structure may be appropriately taken into account.

When assessing independence, in the view of the Supervisory Board, neither an appointment to the Management Board lapsed for more than two years nor the duration of the membership to the Supervisory Board exclude the classification as independent per se.

With regard to the employee representatives, the independence is not contested by the fact of representing employees nor by the employment relationship.

Individuals exercising an office in a body of a significant competitor of Fresenius or who hold, directly or indirectly, more than 3% of the voting capital in such are not to be a member of the Supervisory Board.

In cases where a Supervisory Board member is active for another company having business relationships with Fresenius, this activity is described in the section "Legal relationships with members of the corporate bodies" of the Annual Report.

Time availability and limit to the numbers of offices held

Each Supervisory Board member is to have sufficient time available for duly observing the office as Supervisory Board member and to comply with the limit to the offices held as recommended by the German Corporate Governance Code. Under the assumption of four meetings annually, the expected time expenditure of new members generally amounts to approximately 12 to 24 days a year. This includes the preparation and follow-up of the Supervisory Board's meetings, the review of reports to the Supervisory Board, the participation in the Annual General Meeting, and regular training. Thereby, it is to be considered that the time expenditure also depends on the membership of one or several Supervisory Board committees.

Age limit and duration limit on the term of membership

In order to not unduly limit the selection of qualified candidates, the Supervisory Board has refrained from setting an age limit and a duration limit on the term of membership.



The statutorily required declaration on the German Corporate Governance Code therefore includes a reasoned exception. The Supervisory Board is rather to include members with long-term experience and therefore generally older members. A balanced ratio of Supervisory Board members of various ages and various durations of term of membership is essential. Nevertheless, the Supervisory Board intends to examine in detail the introduction of an age limit in the coming year.

Requirements for the entire Board

Sector experience

The Supervisory Board in its entirety needs to be familiar with the health care sector. An appropriate number of Supervisory Board members are to have in-depth knowledge and/or experience in the important sectors of the Company's operations:

- dialysis products, dialysis services, and Care Coordination
- essential medicines, medical products, and services for the critically and chronically ill
- operation of hospitals
- planning, construction, and management of health care institutions

The Supervisory Board is to include an appropriate number of members with management experience in the health care sector.

Financial knowledge

The Supervisory Board in its entirety needs to have financial knowledge, in particular in the fields of accounting, reporting, and auditing. At least one member needs to have expert knowledge in the fields of accounting or annual auditing.

Knowledge of relevant legal issues as well as relevant regulatory and compliance matters

The Supervisory Board in its entirety is to be familiar with the relevant legal issues, as well as relevant regulatory and compliance matters.

Experience in the field of digitalization

The Supervisory Board in its entirety is to have the required understanding of the requirements of digitalization.

Internationality

Fresenius is present in more than 100 countries. Therefore, the Supervisory Board in its entirety is to have knowledge and experience in the regions important for Fresenius. The Supervisory Board is to include an appropriate number of members with, due to their origin or business experience, a particular relation to the international markets relevant for Fresenius.

Management experience

The Supervisory Board is to include an appropriate number of members with experience in managing or supervising a medium-sized or large company.

Diversity and appropriate representation of women

The Supervisory Board is to rely on as different as possible expert knowledge, skills, and experiences. Therefore, diversity is to be appropriately considered for its composition, and when making election proposals, in the Company's interest, attention should be paid to ensuring that the candidates' profiles reasonably complement each other.

At least 30% of the Supervisory Board are women and at least 30% are men. In general, the participation of women is a joint responsibility of the shareholder and employee sides. For nominations, both the shareholder and employee sides will consider, to the extent possible, whether the proportion of women can be increased with qualified female candidates. Please note that the responsibility for electing employee representatives is with the European Works Council. Therefore, the Supervisory Board cannot provide a recommendation.

In fiscal year 2020, there were no changes with regard to the objectives for the composition and profile of skills and expertise of the Board. The current composition of the Supervisory Board of Fresenius SE & Co. KGaA still fulfills the designated objectives. Furthermore, the current composition complies with the profile of competence. The Supervisory Board is of the opinion that all of its members are currently independent.

DIVERSITY CONCEPT

A diversity concept applies for the Management Board of Fresenius Management SE and the Supervisory Board of Fresenius SE & Co. KGaA. The concept is outlined below.



The objectives of the diversity concept, the way in which they are implemented, and the results achieved in the fiscal year are also explained. Diversity enables us to look at matters from different perspectives and against the background of different experiences. Fresenius seeks diversity in the Management Board of Fresenius Management SE as well as in the Supervisory Board of Fresenius SE & Co. KGaA in terms of age, gender, education, professional background, and international experience.

Age

Finding a balance between expertise and novel approaches is important for the Management Board of Fresenius Management SE and the Supervisory Board of Fresenius SE & Co. KGaA. Therefore, both the Management Board of Fresenius Management SE and the Supervisory Board of Fresenius SE & Co. KGaA should have a balanced mix of experienced and new members, ensuring that different perspectives are taken into consideration in the decision-making processes and a continuous transfer of knowledge is fostered. Therefore, there is no age limit for members of the Management Board and Supervisory Board and also no duration limit for the term of membership of those serving on the Supervisory Board.

Gender

Fresenius believes that a mix of women and men on both the Management Board of Fresenius Management SE and the Supervisory Board of Fresenius SE & Co. KGaA is desirable. At least 30% of the Supervisory Board are women and at least 30% are men. In general, the participation of women is a joint responsibility of the shareholder and employee

sides. For nominations, both the shareholder and employee sides will consider, to the extent possible, whether the proportion of women can be increased with qualified female candidates. Please note that the responsibility for electing employee representatives is with the European Works Council. Therefore, the Supervisory Board cannot provide a recommendation. Besides, qualification is the decisive criterion for filling board positions.

Professional background

For each one of the Company's key business areas, one member of the Management Board of Fresenius Management SE shall have longstanding experience:

- dialysis products, dialysis services, and Care Coordination
- essential medicines, medical devices, and services for the critically and chronically ill
- operation of hospitals
- planning, construction, and management of health care institutions

In addition, one of the members shall have long-standing experience and expertise in finance and one in corporate governance, law, and compliance. This takes into account the special requirements of a capital-market-oriented company.

The Supervisory Board of Fresenius SE & Co. KGaA shall have a reasonable number of members experienced in the management or supervision of a medium-sized or large company. A reasonable number of Supervisory Board members should have leadership experience in the health care industry. At least one member of the Supervisory Board shall have expertise in accounting or auditing.

International experience

Fresenius is present in more than 100 countries. Against this background, the majority of the members of the Management Board of Fresenius Management SE are expected to have international experience in at least one of the markets relevant to Fresenius, based on their background, professional training, or career.

An appropriate number of members of the Supervisory Board of Fresenius SE & Co. KGaA should also have a special connection to international markets relevant to Fresenius as a result of their origin or business experience.

Implementation of objectives

The implementation of the objectives of the Diversity Concept with regard to the composition of the Management Board of Fresenius Management SE will be reflected by future personnel decisions of the Supervisory Board of Fresenius Management SE. The Diversity Concept will be reflected in the proposals of candidates by the Supervisory Board of Fresenius SE & Co. KGaA to the AGM of the Company. As far as possible, this should be taken into account by the European Works Council in the election of employee representatives to the Supervisory Board of Fresenius SE & Co. KGaA.

In the past fiscal year, Ms. Grit Genster was appointed as a substitute member for Mr. Niko Stumpfögger on the Supervisory Board of Fresenius SE & Co. KGaA and elected as Deputy Chair of the Supervisory Board. Dr. Sebastian Biedenkopf was appointed to the Management Board of Fresenius Management SE. There were no further changes on the Supervisory Board of Fresenius SE & Co. KGaA and



the Management Board of Fresenius Management SE. Overall, the objectives of the diversity concept continue to be fulfilled.

RELEVANT DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES

The general partner, represented by its Management Board, manages the Company's business with the due care and diligence of a prudent and conscientious company director in compliance with the provisions of the law, the articles of association, the rules of procedure for the Management Board, the resolutions passed by the full Management Board, and the Supervisory Board of the general partner. The basic rules of corporate conduct, partly extending beyond the requirements of law, are defined in the **Fresenius Code of Conduct**. It defines the framework of our rules and specifies the key principles for our conduct within the Company and in our relations with external partners and the public. We have published the Fresenius Code of Conduct on our website at www.fresenius.com/compliance. In addition, all Fresenius business segments have implemented their own Codes of Conduct. They cover the specifics of their businesses and reflect the values of the Fresenius Code of Conduct.

COMPLIANCE MANAGEMENT SYSTEMS

For us, compliance means more than acting in accordance with laws and regulations. Compliance means doing the right thing. This means: we adhere to all rules, including legal requirements, internal guidelines, as well as our commitments, and we act according to ethical principles. Compliance is part of our corporate culture and, consequently, our daily work.

Each of our business segments has appointed a **Chief Compliance Officer**, or a dedicated Compliance Committee, responsible for overseeing the development, implementation, and monitoring of the Compliance Management System (CMS) of the business segment. Furthermore, in line with the business structure and organization, the business segments have established compliance responsibilities at the respective organizational levels. The respective compliance organization supports management and employees in all compliance-related principles.

Our **Compliance Management Systems** are designed to achieve the implementation of and adherence to our rules within the Company. We have implemented risk-based Compliance Management Systems in all our business segments and at Fresenius SE & Co. KGaA's corporate level. They comprise three pillars: Prevent, Detect, and Respond. Emphasis is placed on actively preventing any acts of non-compliance before they occur. Such systems consider the markets Fresenius is operating in. They are tailored to the specific requirements of each business segment.

Essential **measures for prevention** include comprehensive risk recording and risk assessment, effective policies as well as adequate and effective procedures, regular training, and continuous advice. Through objective indicators, we try to detect potential compliance risks early on. To this end, we have implemented tools for early risk detection and internal control structures, e.g., for cash and bank transactions, and monitor these measures regularly in workshops and internal audits.

We take even potential misconduct seriously. This is why Fresenius employees who are aware of potential misconduct, can contact their superior or the responsible compliance function or report a potential compliance case anonymously through whistleblowing systems or dedicated e-mail

addresses. Most whistleblowing systems are open not only to employees, but also to third parties, such as customers, suppliers, and other partners, via the corporate website in local languages.

Any illegal actions or violations of the rules may harm the individual and Fresenius. We do not tolerate non-compliance. If a violation of applicable regulations is detected, we will take the necessary actions to remediate the violation and prevent any recurrence. We also take all reports as an opportunity to review our company processes for possible improvements.

Further information on compliance and the Compliance Management Systems can be found on pages 154 ff. of our Group Non-financial Report.

RISK MANAGEMENT AND CONTROL SYSTEM

In our view, responsible risk management is a crucial element of good corporate governance. Fresenius has a systematic risk management and control system that allows the Management Board to identify risks and market trends at an early stage and to react promptly to relevant changes in our risk profile. It consists of the following elements:

- internal control system,
- early warning system for risks,
- steering of financial, operational, and strategic risks,
- quality management systems,
- Compliance Management Systems,



- reporting on legal risks, and
- risk assessment in investment and acquisition processes.

The well-being of our patients is important to us. Our risk management and control system, as well as efficiently designed processes, help to enhance the Company's performance. Our early risk detection system is reviewed as part of the annual audit of the financial statements. The auditor assesses whether the monitoring system set up by the Management Board is suitable for the early identification of risks that could jeopardize the Company's existence. The risk management and control systems is regularly reviewed by the Management Board and the Internal Audit department. The Audit Committee of the Supervisory Board supervises the effectiveness of the risk management system. Further information can be found in the Report of the Supervisory Board on page 32 in the Annual Report 2019 and on pages 88 ff. of the Management Report.

The Internal Audit department supports the Management Board as an independent function outside the Company's day-to-day operations. The department assesses internal processes from an objective viewpoint and with the necessary distance. Our goal is to create added value for Fresenius, and thus to help achieve organizational goals

through improved internal controls, optimized business processes, cost reduction, and efficiency increases. Results from internal audits are evaluated both by the business segments and by the compliance organization to continuously improve preventive measures, for example to prevent corruption.

Fresenius Medical Care AG & Co. KGaA has its own internal risk management and control system.

GERMAN CORPORATE GOVERNANCE AND DECLARATION OF CONFORMITY

The German Corporate Governance Code aims to provide more transparency for investors with regard to existing regulations covering the management and monitoring of companies. Our value-enhancing strategies, as well as the majority of the guidelines, recommendations, and suggestions for **responsible management** contained in the Code, have been basic components of our activities for many years. Extensive information on Corporate Governance can be found on our website at www.fresenius.com/corporate-governance.

The Management Board of the general partner of Fresenius SE & Co. KGaA, Fresenius Management SE, and the Supervisory Board of Fresenius SE & Co. KGaA have issued the required **Declaration of Conformity** pursuant to Section 161 of the German Stock Corporation Act (AktG) and have made it available to shareholders on the website of the Company:

“Declaration by the Management Board of the General Partner of Fresenius SE & Co. KGaA, Fresenius Management SE, and the Supervisory Board of Fresenius SE & Co. KGaA on the German Corporate Governance Code pursuant to Section 161 German Stock Corporation Act (Aktien-gesetz)

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 the issuance of the previous Declaration of Conformity in December 2019, the recommendations of the “Government Commission on the German Corporate Governance Code” published by the Federal Ministry of Justice and Consumer Protection (Bundesministerium der Justiz und für Verbraucherschutz) in the official section of the Federal Gazette (Bundesanzeiger) (hereafter the Code) in the version of February 7, 2017, and in the version of December 16, 2019 since its publication in the Federal Gazette on March 20, 2020, have been met and that the Code in its version of December 16, 2019 will also be met in the future. Only the following recommendations of the Code in the version of February 7, 2017 and of December 16, 2019, have not and will not be met as explained in the following:

► **Code recommendation B. 5 (formerly Code number 5.1.2 paragraph 2 sentence 3): age limits of the Management Board members**

Pursuant to the Code recommendation B.5 (formerly Code number 5.1.2 paragraph 2 sentence 3) an age limit is to be specified for members of the Management Board and disclosed in the Corporate Governance Statement.

Fresenius has not yet specified an age limit for members of the Management Board, as this might unduly limit the selection of qualified candidates. Nevertheless, Fresenius intends to examine in detail the introduction of an age limit next year.

► **Code recommendation C. 2 (formerly Code number 5.4.1 paragraph 2 and paragraph 4): age limit for members of the Supervisory Board**

Pursuant to the Code recommendation C.2 (formerly Code number 5.4.1 paragraph 2 and paragraph 4), an age limit is to be specified for members of the Supervisory Board and disclosed in the Corporate Governance Statement.

Fresenius has not yet specified an age limit and a regular limit for the tenure of a member of the Supervisory Board, as this might unduly limit the selection of quali-

fied candidates. Nevertheless, Fresenius intends to examine in detail the introduction of an age limit next year.

► **Code recommendations G.1 – G.3 and G.6: compensation of the members of the Management Board**

The principles, recommendations and suggestions relating to Management Board compensation have been extensively revised. In contrast to the Code, the Act Implementing the Second EU Shareholder Rights Directive (ARUG II) envisages transitional provisions for the implementation of a new compensation system for the Management Board. In order to establish a compensation system for the Management Board that gives balanced consideration to the interests of all parties involved, in line with the statutory transitional provisions, Fresenius has decided to submit a revised compensation system to the Annual General Meeting for approval in 2021. Until such point in time, the existing compensation system will remain in place. In this respect, Fresenius declares (prospectively merely temporary) non-compliance with the Code recommendations G.1 to G.3 and G.6.

► **Precautionary statement of non-compliance with regards to the Management Board compensation of Mr. Rice Powell**

Management Board member Rice Powell receives his compensation exclusively from Fresenius Medical Care Management AG. Up until the introduction of the new compensation system that took effect on January 1,

2020, there were no caps in place on the compensation at Fresenius Medical Care Management AG for all compensation components and thus for overall compensation. A compensation cap by specific amount is therefore also not included in the corresponding model table of the compensation report. In addition, there was until then no Code-complying severance payment cap in place. For this reason, with regards to Mr. Rice Powell, a precautionary statement of non-compliance with Code numbers 4.2.3 paragraph 2 sentence 6, 4.2.3 paragraph 4 and 4.2.5 paragraph 3 is made with reference to the compensation system of Fresenius Medical Care effective until December 31, 2019.

Bad Homburg v. d. H., December 2020
Management Board of the General Partner of Fresenius SE & Co. KGaA, of Fresenius Management SE, and Supervisory Board of Fresenius SE & Co. KGaA"

This declaration and all past declarations are published on our website, see www.fresenius.com/corporate-governance.

FURTHER INFORMATION ON CORPORATE GOVERNANCE

DIVERSITY

The Management Board takes diversity into account when filling executive positions. At Fresenius, the individual's qualifications are the paramount consideration in all hiring and promotion decisions. This means that women and men with comparable qualifications and suitability have the same career opportunities. Fresenius will continue to consistently act upon this principle, and will of course comply with the law on the equal participation of women and men in executive positions in private companies and the public service:

For the Supervisory Board of Fresenius SE & Co. KGaA, the law requires a quota of at least 30% women and 30% men. These mandatory quotas were met by the Supervisory Board elections in 2016.

The legally stipulated targets for the Management Board do not apply to Fresenius Management SE or to Fresenius SE & Co. KGaA. Due to its legal form, Fresenius SE & Co. KGaA does not have a Management Board. Fresenius Management SE is not listed on the stock exchange and is also not subject to codetermination.

In accordance with the legal requirements, the Management Board specifies composition of the two management levels directly below the Management Board as follows:

The first management level includes all Senior Vice Presidents and Vice Presidents who have an employment contract with Fresenius SE & Co. KGaA and who report directly to a Member of the Management Board. Through a decision effective January 1, 2016, the Management Board has set a target, which has to be met by December 31, 2020, and calls for a proportion of women of 33.3% at the first management level. This target corresponds with the proportion as of December 31, 2015.

The second management level includes all Vice Presidents who have an employment contract with Fresenius SE & Co. KGaA and who report directly to a member of the first management level. Through the decision effective January 1, 2016, the Management Board has set a target, which has to be met by December 31, 2020, and calls for a proportion of women of 37.5% at the second management level. This target corresponds with the proportion as of December 31, 2015.

The implementation period with regard to the target for the first and second management levels ended on December 31, 2020. At the first management level below the Executive Board, the proportion of women was around 23.1% as of the reporting date. At the second management level below the Executive Board, the proportion of women was 20.0% as of the reporting date. The set targets were therefore not achieved.

The development of the proportion of women at the first and second level below the Management Board is due in particular to internal changes within the Group and unplanned departures as well as the resulting organizational changes. For Fresenius SE & Co. KGaA, there is a small

number of management positions to be considered, so that individual personnel changes have a significant impact on the percentage of women.

The percentage of women as at the reporting date of December 31, 2020 represents a snapshot: In fact, the values at both management levels fluctuate from year to year; among other things, this is evidence that promotions and appointments are based on the criterion of qualification and not on gender.

The Management Board believes that inclusion in the company-wide long-term incentive programs is a strong indicator that an individual holds a leading executive position. The proportion of women in this group of our top 1,700 executives was approximately 32% as of December 31, 2020.

In accordance with legal requirements, the Management Board has again set targets for the proportion of women on the first two management levels below the Executive Board as well as deadlines for achieving these targets. For the proportion of women on the first management level as well as the proportion of women on the second management level, the target figure of 30.0% was set by resolution of the Management Board with effect from 1 January 2021, with a deadline of 31 December 2025, while the definition of the management levels remained unchanged.

Further information on diversity, as well as personnel development and personnel management, is included in the Group Management Report on page 52 ff. and in the Group Non-financial Report on pages 133 ff.

DISCLOSURES ON DIRECTORS' DEALINGS / MANAGERS' TRANSACTIONS AND SHAREHOLDINGS IN 2020

According to the provisions of Art. 19 Market Abuse Regulation (MAR) regarding managers' transactions, persons discharging managerial responsibilities, as well as persons closely associated with them, shall notify the Company of transactions conducted on their own account relating to the shares or debt instruments of Fresenius SE & Co. KGaA or to derivatives or other financial instruments linked thereto. Managers' transactions in 2020 are disclosed on our website at www.fresenius.com/corporate-governance.

None of the Management or Supervisory Board members of the general partner or of the Supervisory Board of Fresenius SE & Co. KGaA directly or indirectly holds more than 1% of the shares issued by Fresenius or any related financial instruments.

The members of the Management and Supervisory Boards of Fresenius Management SE and the members of the Supervisory Board of Fresenius SE & Co. KGaA together hold 0.26% of the shares of Fresenius SE & Co. KGaA outstanding as of December 31, 2020, in the form of shares or related financial instruments and stock options under the

Fresenius SE & Co. KGaA stock option plans. 0.24% are held by members of the Management Board of Fresenius Management SE, 0.02% by members of the Supervisory Board of Fresenius Management SE, and 0.01% by members of the Supervisory Board of Fresenius SE & Co. KGaA. Due to the fact that some persons are members of both Supervisory Boards, the amount of shares or related financial instruments and stock options held by the Boards of Fresenius SE & Co. KGaA and Fresenius Management SE in total can be smaller than the cumulative holdings of the three Boards as reported herein.

There were no notifications that the shareholdings of members of the Management and Supervisory Boards had reached, exceeded, or fallen below the reporting thresholds stipulated in the German Securities Trading Act.

TRANSPARENCY AND COMMUNICATION

Fresenius adheres to all recommendations of the Code. Transparency is guaranteed by continuous communication with the public. In that way, we are able to validate and deepen the trust given to us. Of particular importance to us is the **equal treatment** of all recipients. To ensure that all market participants receive the same information at the same time, we post all important publications on our website at www.fresenius.com. We report in detail on investor relations activities on page 34 of the Annual Report.

FINANCIAL ACCOUNTING AND REPORTING

Fresenius, as a publicly traded company based in a member country of the European Union, has to prepare and publish its consolidated financial statements, as required, in accordance with International Financial Reporting Standards (IFRS) pursuant to Section 315e of the German Commercial Code (HGB).

The leading auditor Dr. Bernd Roesse, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, has been responsible for the audit of the consolidated financial statements since 2020.

The Audit Regulation (EU) No. 537/2014 introduced the obligation for regular external rotation of the auditor and the Group auditor. For Fresenius SE & Co. KGaA, such external rotation took place for fiscal year 2020. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, was elected as auditor for 2020 by the Annual General Meeting 2020.

COMPENSATION REPORT

The compensation report summarizes the main elements of the compensation system for the members of the Management Board of Fresenius Management SE as the general partner of Fresenius SE & Co. KGaA, and in this regard notably explains the amounts and structure of the compensation paid to the Management Board as well as the principles for determining the compensation of the Supervisory Board and the amounts of the compensation. The compensation report is part of the Management Report of the annual financial statements and the annual consolidated financial statements of Fresenius SE & Co. KGaA as of December 31, 2020 and was prepared in accordance with the regulations of the German Commercial Code.

COMPENSATION OF THE MANAGEMENT BOARD

The Supervisory Board of Fresenius Management SE is responsible for determining the compensation of the Management Board. The Supervisory Board is assisted in this

task by a personnel committee which is also responsible for the tasks of a compensation committee. The personnel committee of Fresenius Management SE was composed of Dr. Gerd Krick, Dr. Dieter Schenk, and Michael Diekmann.

The Annual General Meeting of Fresenius SE & Co. KGaA approved the compensation system for the members of the Management Board of the general partner on May 18, 2018, with an approval rate of approximately 63%.

At its meeting on December 3, 2020, the Supervisory Board of Fresenius Management SE resolved to further develop the existing system for the compensation of the members of the Management Board. The aim is, with effect from January 1, 2021, to ensure compliance with the provisions of the German Stock Corporation Act as amended by the German Act Implementing the Second Shareholder Rights Directive and the recommendations of the German Corporate Governance Code as amended on December 16, 2019. The revised system for the compensation of the members of the Management Board is to be submitted for

approval to the Annual General Meeting in 2021 in accordance with the provisions of the Stock Corporation Act as amended by the German Act Implementing the Second Shareholders Rights Directive.

The objective of the current compensation system, applicable in 2020, is to enable the members of the Management Board to participate reasonably in the sustainable development of the company's business and to reward them based on their duties and performance as well as their successes in managing the company's economic and financial position, giving due regard to the peer environment.

The compensation of the Management Board is, as a whole, performance-based and geared towards promoting sustainable corporate development. It is composed of the following elements:

- ▶ Non-performance-based compensation (fixed compensation and fringe benefits)
- ▶ Short-term performance-based compensation (one-year variable compensation (bonus))
- ▶ Components with long-term incentive effects (multi-year variable compensation comprising performance shares and postponed payments of the one-year variable compensation/of the bonus)

In addition, there are pension commitments for the members of the Management Board.

COMPENSATION ELEMENTS

Non-performance-based compensation	Fixed compensation	
	Fringe benefits	
Performance-based compensation	Short-term	Bonus
	Long-term	Postponed payment of the bonus
		Long Term Incentive Plan 2018

Dr. Jürgen Götz quit the Management Board of Fresenius Management SE with effect as of June 30, 2020, such date being the end of his term of office as a member of the Management Board. He received non-performance-based compensation and short-term performance-based compensation on a pro rata basis for the fiscal year. As a consequence of his departure, he was not granted any performance

shares under the Long Term Incentive Plan 2018 for the 2020 fiscal year. The terms and conditions of the 2013 Stock Option Plan stipulate that, in the event of mutually agreed departure, participants may exercise stock options within 60 calendar days (plus any blackout periods) of their departure, provided that the waiting period has expired and the performance target has been met. Dr. Jürgen Götz made

use of this option and exercised 45,000 stock options after leaving the company. Stock options, performance shares and phantom stocks not exercised forfeited without replacement following his departure, because their scheduled waiting period had not yet expired or the exercise price had not been reached. Dr. Jürgen Götz’s contractual pension commitment remains unaffected by his departure.

The design of the individual elements of the Management Board compensation is based on the following criteria:

PERFORMANCE-BASED COMPENSATION

Short-term	Bonus	<ul style="list-style-type: none"> ▶ Annual cash payment after the end of the fiscal year ▶ Depending on the achievement of certain target parameters based on the net income attributable to Fresenius SE & Co. KGaA or the relevant business segments
Long-term	Postponed payments of the bonus	<ul style="list-style-type: none"> ▶ The maturity of the one-year variable compensation can be postponed by two years. ▶ Payment only if (i) no subsequent adjustment is made to the relevant consolidated net income attributable to Fresenius SE & Co. KGaA or the relevant business segment outside a tolerance range and (ii) the consolidated net income attributable to Fresenius SE & Co. KGaA or the relevant business segment in the two relevant years is not significantly lower than the consolidated net income attributable to Fresenius SE & Co. KGaA or the relevant business segment in the respective preceding years.
	LTIP 2018	<ul style="list-style-type: none"> ▶ Performance Share Plan with a vesting period of four years and cash payment ▶ Two performance targets: growth rate of adjusted net income and relative total shareholder return based on the STOXX Europe 600 Health Care Index ▶ Overall target achievement: 0 – 200%

The fixed compensation was generally paid in monthly installments in the fiscal year 2020. Where Mr. Rice Powell received his base salary as part of his fixed compensation components from Fresenius Medical Care North America, such compensation was paid in 26 installments. Moreover, the members of the Management Board received fringe

benefits. These consisted mainly of insurance premiums, the private use of a company car, special payments such as rent supplements and reimbursement of certain other charges, tuition fees, and costs for the operation of intrusion detection systems, as well as contributions to pension and health insurance.

The performance-based compensation will be granted for the fiscal year 2020 as a short-term cash component (one-year variable compensation) and as compensation components with long-term incentive effects (performance shares and postponed payments of the one-year variable compensation).

The amount of the one-year variable compensation in each case is dependent on certain target parameters oriented on the net income attributable to Fresenius SE & Co. KGaA and/or to the relevant business segments being achieved. In the case of the members of the Management Board with functional responsibility for the entire Group – such members being Mr. Stephan Sturm, Ms. Rachel Empey, Dr. Jürgen Götz¹ and Dr. Sebastian Biedenkopf² – the amount of the one-year variable compensation is based in its entirety on the respective net income attributable to Fresenius SE & Co. KGaA (after deduction of noncontrolling interests). For Mr. Mats Henriksson and Dr. Francesco De Meo, approximately half of the amount of the one-year variable compensation depends on the development of the net income attributable to Fresenius SE & Co. KGaA and for the remainder on the development of the net income of the business segment (in each case after deduction of

¹ Dr. Jürgen Götz quit the Management Board of Fresenius Management SE with effect as of June 30, 2020. He will receive pro rata short-term performance-based compensation for 2020 contractually accruing to his term of office until June 30, 2020.

² Dr. Sebastian Biedenkopf was appointed to the Management Board of Fresenius Management SE with effect as of December 1, 2020. The payment of his pro rata variable compensation for the period from December 1, 2020 to December 31, 2020 was postponed in full by two years.

noncontrolling interests) for which the respective member of the Management Board is responsible. Approximately half of the amount of the one-year variable compensation of Dr. Ernst Wastler is oriented on the net income attributable to Fresenius SE & Co. KGaA (after deduction of noncontrolling interests), as well as on the net income before tax and extraordinary income/expenditures of the VAMED Group.

For the one-year variable compensation, there are no target values or comparable values for Board members who receive their compensation from Fresenius Management SE. The one-year variable compensation is calculated on the basis of bonus curves that are valid for several years.

Mr. Rice Powell receives his compensation exclusively from Fresenius Medical Care in accordance with the revised

remuneration system of Fresenius Medical Care entering into effect as of January 1, 2020, in accordance with the provisions of the German Stock Corporation Act as amended by the Act Implementing the Second Shareholder Rights Directive.

The service agreements do not provide for a discretionary bonus.

For the fiscal years 2020 and 2019, the amount of cash payment to the Management Board of the general partner of Fresenius SE & Co. KGaA consisted of the following:

€ in thousands	Non-performance-based compensation				Short-term performance-based compensation		Cash compensation (without long-term incentive components)	
	Fixed compensation		Fringe benefits ³		Bonus		2020	2019
	2020	2019	2020	2019	2020	2019		
Stephan Sturm	1,100	1,100	82	55	1,838	1,866	3,020	3,021
Dr. Sebastian Biedenkopf (since December 1, 2020)	50	n.a.	4	n.a.	0	n.a.	54	n.a.
Dr. Francesco De Meo	630	630	41	32	1,388	1,403	2,059	2,065
Rachel Empey	704	600	196	198	799	812	1,699	1,610
Dr. Jürgen Götz (up to June 30, 2020)	255	510	36	45	475	950	766	1,505
Mats Henriksson	660	660	88	114	1,345	1,369	2,093	2,143
Rice Powell ¹	1,769	1,340 ²	429	256 ²	1,734	1,970 ²	3,932	3,566 ²
Dr. Ernst Wastler	550	550	75	76	769	932	1,394	1,558
Total	5,718	5,390	951	776	8,348	9,302	15,017	15,468

¹ Mr. Rice Powell's compensation is exclusively paid by Fresenius Medical Care, of which Fresenius SE & Co. KGaA held around 32.23% of the total subscribed capital.

As a member of the Management Board of Fresenius Management SE, his compensation has to be included in the compensation report of the Fresenius Group.

² With regard to the comparability of the amounts reported for 2019 with those for the fiscal year, it should be noted that the contractually agreed compensation payments in U.S. dollar for Mr. Rice Powell may be subject to fluctuations in the exchange rate. The U.S. dollar amounts were translated using the average exchange rate for the calendar year in question.

³ Includes insurance premiums, private use of a company car, contributions to pension and health insurance, as well as other benefits.

As compensation for long-term incentives from her former employer that were forfeited due to her change to Fresenius, Ms. Rachel Empey receives a fixed, additional special payment of €166,667 for each full year of service, limited to three such payments.

In the fiscal year 2020, the one-year variable compensation, excluding the payment of the short-term variable compensation to Mr. Rice Powell, amounted to €6,614 thousand. This equals 97% of the total one-year variable compensation. The remaining part in an amount of €183 thousand was converted into a component based on a multi-year assessment and the payment was postponed by two years.

To ensure that the overall system of compensation of the members of the Management Board is oriented towards long-term and sustained corporate development, the compensation system provides that the share of long-term variable compensation components is at least equal in its amount to half of the total variable compensation components granted to the respective member of the Management Board. As a means of ensuring this minimum ratio in favor of the variable compensation components oriented towards the long term, it is expressly provided that the Supervisory Board may determine that the one-year variable compensation to be paid as a rule annually is converted (pro rata) into a variable compensation component based on a multi-year assessment, in order to also take account of any negative developments within the performance period. This is done in such a way that the maturity of the one-year variable compensation earned yearly on a variable basis is postponed at the discretion of the Supervisory Board, either on a pro rata basis or in its entirety, by two years. At the same time, it is ensured that any payment is made to the member of the Management Board after expiration of such multi-year period only if (i) no subsequent adjustment of the net income (adjusted for extraordinary effects) attributable to Fresenius SE & Co. KGaA or the relevant

business segment (after deduction of noncontrolling interests) decisive for assessing the one-year variable compensation beyond an amount equal to a tolerance range of 10% is made, and (ii) the amount of net income attributable to Fresenius SE & Co. KGaA or the relevant business segment (adjusted for extraordinary effects) in the two relevant subsequent years is not substantially less than the net income attributable to Fresenius SE & Co. KGaA or the relevant business segment (adjusted for extraordinary effects, after deduction of noncontrolling interests) of the respective preceding fiscal years. In the event of the aforementioned conditions for payment being missed only to a minor and/or partial extent, the Supervisory Board may resolve on a corresponding pro rata payment of the converted portion of the one-year variable compensation. No interest is payable on the converted one-year variable compensation claim from the time when it first arises until the time of its effective payment. In this way, the one-year variable compensation can be converted pro rata or in its entirety into a genuine variable compensation component on a multi-year assessment basis, which also participates in any negative developments during the relevant performance period.

In the fiscal year 2020, as a further component with long-term incentive effect, the Management Board members were granted performance shares under the Fresenius SE & Co. KGaA Long Term Incentive Plan 2018 (LTIP 2018). Mr. Rice Powell was granted performance shares under the Fresenius Medical Care Management Board Long Term Incentive Plan 2020 (MB LTIP 2020) of Fresenius Medical Care AG & Co. KGaA. Based on the LTIP 2018, both members of the Management Board and other executives were granted performance shares. In accordance with the division of powers under stock corporation law, grants to members of the Management Board were made by the Supervisory Board of Fresenius Management SE, and grants to

other executives were made by the Management Board. The number of performance shares for Management Board members to be granted was determined by the Supervisory Board at the Supervisory Board's own due discretion, provided that generally all acting Management Board members as of December 31, 2020 received the same amount of performance shares, with the exception of the Chairman of the Management Board, who received approximately double the respective amount of performance shares, and Dr. Sebastian Biedenkopf who was not granted performance shares for the year 2020. Dr. Jürgen Götz was not granted any performance shares for the fiscal year on grounds of his departure from the Management Board of Fresenius Management SE with effect as of June 30, 2020.

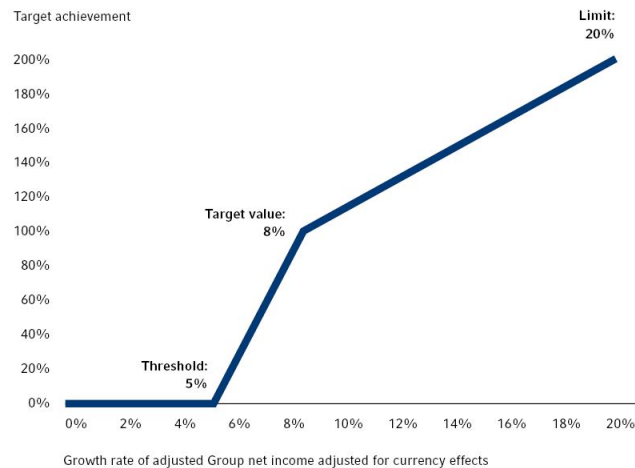
The vesting of the performance shares granted under the LTIP 2018 is subject to several conditions, such as the expiration of a four-year performance period, the absence of a compliance violation, the achievement or exceeding of two performance targets, and the continuation of the service or employment relationship. The number of performance shares may change over a period of four years, depending on the level of achievement of the performance targets. This could entail the entire loss of all performance shares or also – at maximum – the doubling of their number.

The LTIP 2018 has two equally weighted performance targets: firstly, the growth rate of the adjusted net income (adjusted for currency effects) and, secondly, the relative Total Shareholder Return based on the STOXX Europe 600 Health Care Index. Disbursement entitlement requires that at least one of the two performance targets must be reached or surpassed over the four-year performance period.

For the performance target “Net Income Growth Rate”, a level of target achievement of 100% is reached when the same is at least 8% p. a. over the four-year performance period. If the growth rate falls below or corresponds to only 5% p. a., the level of target achievement is 0%. If the growth rate is between 5% p. a. and 8% p. a., the level of target achievement is between 0% and 100%, while, where the growth rate is between 8% p. a. and 20% p. a., the level of target achievement will be between 100% and 200%. Intermediate values are calculated through linear interpolation.

The following graph shows the degree of target achievement between the threshold of 5% p. a. and the limit of 20% p. a.

GROWTH RATE OF ADJUSTED GROUP NET INCOME ADJUSTED FOR CURRENCY EFFECTS

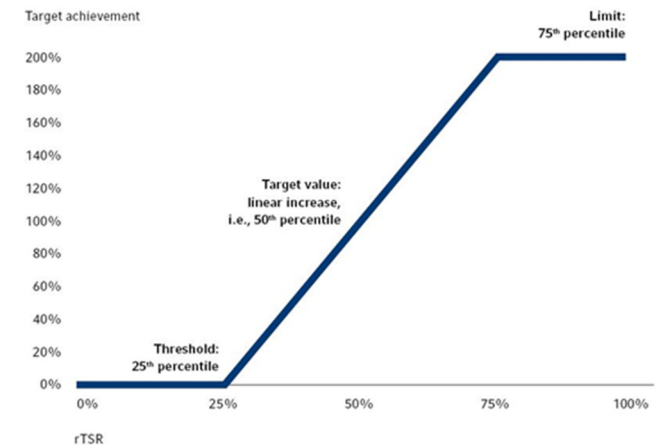


For the “Total Shareholder Return” performance target, a target achievement of 100% is met when the Total Shareholder Return of Fresenius SE & Co. KGaA in comparison with the Total Shareholder Return of the other companies of the STOXX Europe 600 Health Care Index achieves an average ranking within the benchmark companies, i.e., exactly in the middle (50th percentile), over the four-year performance period. If the ranking corresponds to the 25th percentile or less, the level of target achievement is 0%. Where the ranking is between the 25th percentile and the 50th percentile, the level of target achievement is between 0% and 100%; and, for a ranking between the 50th percentile and the 75th percentile, between 100% and 200%. Intermediate values will also be calculated through linear interpolation.

The degree of target achievement between the threshold at the 25th percentile and the limit at the 75th percentile is presented in the adjacent graph.

Total Shareholder Return denotes the percentage change in the stock market price within the performance period including reinvested dividends and all capital measures, whereby capital measures are to be calculated through rounding down to the fourth decimal place.

RELATIVE TOTAL SHAREHOLDER RETURN (STOXX EUROPE 600 HEALTH CARE)



To calculate the level of overall target achievement, the level of target achievement of the two performance targets are given equal weighting. The total number of performance shares vested on each plan participant is calculated through multiplying the number of performance shares granted by the overall target achievement. Four years after the grant, the vested performance shares will be paid out in cash. The number of vested performance shares is then multiplied by the average stock exchange

price of Fresenius SE & Co. KGaA's share over a period of 60 stock exchange trading days prior to the lapse of this vesting period plus the total of the dividends per share of Fresenius SE & Co. KGaA paid by Fresenius SE & Co. KGaA between the grant date and the vesting date. The possible disbursement entitlement of a Management Board member is limited to a maximum of 250% of the grant value (cap).

In the event of violation of compliance rules, the Supervisory Board, in due exercise of its discretion, is entitled to reduce the number of performance shares vested on a member of the Management Board to zero. Furthermore, Fresenius SE & Co. KGaA is entitled to a complete or partial reimbursement in the event of violation of compliance rules in the period of three years following disbursement.

If a member of the Management Board leaves the company, the performance shares are forfeited as a matter of principle.

Until the end of the fiscal year 2017, benefits under LTIP 2013 of Fresenius SE & Co. KGaA were granted as another component with long-term incentive effect, which resulted in an inflow in the 2020 fiscal year and may result in an inflow in the future. The benefits consisted, on the one hand, of share-based compensation with cash settlement (phantom stocks) and on the other hand of stock options

on the basis of the Stock Option Plan 2013 of Fresenius SE & Co. KGaA. Based on the LTIP 2013, both members of the Management Board and other executives were granted stock options and phantom stocks. In accordance with the division of powers under stock corporation law, grants to members of the Management Board were made by the Supervisory Board of Fresenius Management SE, and grants to other executives were made by the Management Board. The number of stock options and phantom stocks for Management Board members to be granted was determined by the Supervisory Board at the Supervisory Board's own due discretion, provided that generally all Management Board members received the same amount of stock options and phantom stocks, with the exception of the Chairman of the Management Board, who received double the respective amount of stock options and phantom stocks. At the time of the grant, the participants in LTIP 2013 had the right to elect whether they wished to receive stock options and phantom stocks in a ratio of 75 : 25, or in a ratio of 50 : 50.

Exercise of the stock options and the phantom stocks granted under LTIP 2013 of Fresenius SE & Co. KGaA is subject to several conditions, such as expiry of a four-year waiting period, observance of blackout periods, achievement of the specified performance target, and continuance of the service or employment relationship. The vested stock

options can be exercised within a period of four years. The vested phantom stocks are settled on March 1 of the year following the end of the waiting period.

The amount of the cash settlement pursuant to the Phantom Stock Plan 2013 is based on the volume-weighted average market price of the share of Fresenius SE & Co. KGaA during the three months preceding the exercise date.

The respective performance target has been reached if the adjusted consolidated net income of the company (net income attributable to the shareholders of the company) has increased by a minimum of 8% per year in comparison to the previous year within the waiting period, after adjustment for foreign currency effects. The performance target has also been achieved if the average annual growth rate of the adjusted consolidated net income of the company during the four-year waiting period is at least 8%, adjusted for foreign currency effects. If, with respect to one or more of the four reference periods within the waiting period, neither the adjusted consolidated net income of the company has increased by a minimum of 8% per year in comparison to the previous year, after adjustment for foreign currency effects, nor the average annual growth rate of the adjusted consolidated net income of the company during the four-year waiting period is at least 8%, adjusted for foreign currency effects, the respective granted stock options and

phantom stocks are forfeited on a pro-rata basis according to the proportion of the performance target that has not been achieved within the waiting period, i.e., by one fourth, by two fourths, by three fourths, or completely. If a member of the Management Board leaves the company, the stock options and phantom stocks are forfeited as a matter of principle.

The principles of the LTIP 2018 and the LTIP 2013 of Fresenius SE & Co. KGaA and of the Management Board Long Term Incentive Plan 2019 (MB LTIP 2019) and the MB LTIP 2020 of Fresenius Medical Care AG & Co. KGaA are described in more detail in note 36 of the notes of the Fresenius Group, Share-based compensation plans.

Furthermore, through fiscal year 2017, the then acting members of the Management Board, with the exception of

Ms. Rachel Empey and Mr. Rice Powell, were granted an entitlement to further share-based compensation with cash settlement (further phantom stocks) in the equivalent value of €100 thousand per Management Board member. With regard to the performance target and waiting period, the same conditions that pertain to the phantom stocks granted under LTIP 2013 apply to them.

For the fiscal years 2020 and 2019, the number and the value of performance shares issued and the value of the postponed performance-based compensation, is shown in the following table.

LONG-TERM INCENTIVE COMPONENTS

	Performance shares ¹				Postponed payment of the one-year variable compensation		Total	
	Number		Value, € in thousands		Value, € in thousands		Value, € in thousands	
	2020	2019	2020	2019	2020	2019	2020	2019
Stephan Sturm	59,552	55,115	2,500	2,500	0	0	2,500	2,500
Dr. Sebastian Biedenkopf (since December 1, 2020)	0	n.a.	0	n.a.	50	n.a.	50	n.a.
Dr. Francesco De Meo	30,967	28,660	1,300	1,300	88	103	1,388	1,403
Rachel Empey	30,967	28,660	1,300	1,300	0	0	1,300	1,300
Dr. Jürgen Götz (up to June 30, 2020)	0	28,660	0	1,300	0	0	0	1,300
Mats Henriksson	30,967	28,660	1,300	1,300	45	69	1,345	1,369
Rice Powell	35,030	25,127	2,170	2,232 ²	0	0	2,170	2,232
Dr. Ernst Wastler	30,967	28,660	1,300	1,300	0	0	1,300	1,300
Total	218,450	223,542	9,870	11,232	183	172	10,053	11,404

¹ The amounts comprise all performance shares including performance shares and share based awards of Fresenius Medical Care AG & Co. KGaA that were granted in 2020 and 2019.

² With regard to the comparability of the amounts reported for 2019 with those for the fiscal year, it should be noted that the contractually agreed compensation payments in U.S. dollar for Mr. Rice Powell may be subject to fluctuations in the exchange rate. The U.S. dollar amounts were translated using the closing price on the day on which the performance shares in question were granted.

The stated values for the year 2020 correspond to the fair value of the performance shares at the time of grant, namely a value of €41.98 per performance share of Fresenius SE & Co. KGaA and a value of US\$72.17 per performance share of Fresenius Medical Care AG & Co. KGaA

(2019: €45.36 per performance share of Fresenius SE & Co. KGaA and US\$69.71 per performance share of Fresenius Medical Care AG & Co. KGaA).

At the end of the fiscal year 2020, the members of the Management Board held a total of 467,335 performance shares (2019: 331,849) and 43,150 phantom stocks (2019:

138,385) of Fresenius SE & Co. KGaA and 97,213 performance shares (2019: 92,700) of Fresenius Medical Care AG & Co. KGaA. Furthermore, they held a total of 890,156 stock options (2019: 1,434,375) of Fresenius SE & Co. KGaA as well as 224,100 stock options (2019: 256,781) of Fresenius Medical Care AG & Co. KGaA.

The development and the status of the stock options of the Management Board in the fiscal year 2020 are shown in the following table:

	Stephan Sturm	Dr. Francesco De Meo	Rachel Empey	Mats Henriksson	Rice Powell ¹	Dr. Ernst Wastler	Total ²
Options outstanding on January 1, 2020							
Number	371,250	247,500	28,125	247,500	256,781	270,000	1,164,375
Average exercise price in €	61.03	61.65	64.69	56.15	66.06	56.97	59.27
Options exercised during the fiscal year							
Number	0	0	0	0	32,681	0	0
Average exercise price in €	0				52.99		0
Average stock price in €	0				72.00		0
Options forfeited during the fiscal year							
Number	101,250	50,625	21,094	50,625	0	50,625	274,219
Average exercise price in €	74.77	74.77	64.69	74.77	n.a.	74.77	73.79
Options outstanding on December 31, 2020							
Number	270,000	196,875	7,031	196,875	224,100	219,375	890,156
Average exercise price in €	55.88	58.27	64.69	51.36	67.97	52.87	54.74
Average remaining life in years	2.8	2.9	4.9	2.4	2.2	2.5	2.6
Range of exercise prices in €	33.10 to 74.77	36.92 to 74.77	64.69	33.10 to 74.77	49.93 to 76.99	33.10 to 74.77	33.10 to 74.77
Exercisable options on December 31, 2020							
Number	236,250	180,000	0	180,000	224,100	202,500	798,750
Average exercise price in €	53.18	56.73		49.17	67.97	51.04	52.53

¹ Mr. Rice Powell holds stock options under the Fresenius Medical Care AG & Co. KGaA Stock Option Plan 2011.

² Only stock options of Fresenius SE & Co. KGaA, excluding stock options of Mr. Rice Powell

The following table shows the total compensation of the Management Board of the general partner of Fresenius SE & Co. KGaA for the years 2020 and 2019:

	Cash compensation (without long-term incentive components)		Long-term incentive components		Total compensation (including long-term incentive components)	
	2020	2019	2020	2019	2020	2019
Stephan Sturm	3,020	3,021	2,500	2,500	5,520	5,521
Dr. Sebastian Biedenkopf (since December 1, 2020)	54	n.a.	50	n.a.	104	n.a.
Dr. Francesco De Meo	2,059	2,065	1,388	1,403	3,447	3,468
Rachel Empey	1,699	1,610	1,300	1,300	2,999	2,910
Dr. Jürgen Götz (up to June 30, 2020)	766	1,505	0	1,300	766	2,805
Mats Henriksson	2,093	2,143	1,345	1,369	3,438	3,512
Rice Powell	3,932	3,566 ¹	2,170	2,232 ¹	6,102	5,798 ¹
Dr. Ernst Wastler	1,394	1,558	1,300	1,300	2,694	2,858
Total	15,017	15,468	10,053	11,404	25,070	26,872

¹ With regard to the comparability of the amounts reported with those for the fiscal year, it should be noted that the contractually agreed compensation benefits in U.S. dollar for Mr. Rice Powell may be subject to fluctuations in the exchange rate. The U.S. dollar amounts were translated using the average exchange rate for the calendar year in question; the U.S. dollar amounts for performance shares granted under the MB LTIP 2020 (for the fiscal year) and under the MB LTIP 2019 (for 2019) were translated using the closing price on the day on which the performance shares in question were granted.

The entitlement to cash payment of a share-based compensation (performance shares and phantom stocks) only arises after the expiry of a four-year vesting period, just as stock options can only be exercised after a vesting period of four

years. Their value is recognized over the vesting period as expense in the respective fiscal year. The expenses and income attributable to the fiscal years 2020 and 2019 are stated in the following table. In the case of Dr. Jürgen Götz,

the values for 2020 include adjustments to the expenses of previous years for the stock options, phantom stocks and performance shares that were forfeited due to his departure.

EXPENSES/INCOME FOR LONG-TERM INCENTIVE COMPONENTS

€ in thousands	Performance shares/ Phantom stocks		Stock options		Total expenses/income for share-based compensation	
	2020	2019	2020	2019	2020	2019
Stephan Sturm	-556	913	-650	909	-1,206	1,822
Dr. Sebastian Biedenkopf (since December 1, 2020)	0	n.a.	0	n.a.	0	n.a.
Dr. Francesco De Meo	-323	569	-287	616	-610	1,185
Rachel Empey	-180	223	-135	75	-315	298
Dr. Jürgen Götz (up to June 30, 2020)	-912	650	-2,433	568	-3,345	1,218
Mats Henriksson	-344	713	-338	482	-682	1,195
Rice Powell	2,666	2,588 ¹	0	327	2,666	2,915
Dr. Ernst Wastler	-330	650	-287	568	-617	1,218
Total	21	6,306	-4,130	3,545	-4,109	9,851

¹ Includes expenses for performance shares, phantom stocks and share based awards of Fresenius Medical Care AG & Co. KGaA

The short-term performance-based compensation is limited in its amount. As regards stock options, phantom stocks and performance shares, there are contractually agreed limitation possibilities. This makes it possible to adequately take account in particular of those extraordinary developments that are not in any relevant proportion to the performance of the Management Board.

With regard to the compensation granted to the members of the Management Board starting fiscal year 2018, the service agreements with Fresenius Management SE provide for a cap regarding both every single variable compensation amount and overall compensation. Furthermore, they include an allocation cap in the amount of €6,000 thousand for Ms. Rachel Empey, Dr. Francesco De Meo, Dr. Jürgen Götz (Management Board member until June 30, 2020), Mr. Mats Henriksson, and Dr. Ernst Wastler and €9,000 thousand for Mr. Stephan Sturm.

The compensation of Dr. Sebastian Biedenkopf (Management Board member since December 1, 2020) is based on the revised compensation system for members of the Management Board entered into effect on January 1, 2021. For the period from December 1, 2020 to December 31, 2020, the compensation components granted to Dr. Sebastian Biedenkopf were contractually fixed. With regard to the

compensation granted to Mr. Rice Powell, the Fresenius Medical Care compensation system, which was amended with effect as of January 1, 2020, stipulates a maximum amount of total compensation (maximum compensation) of €12.000 thousand (or US\$13.434 thousand).

Under the compensation system, the amount of the fixed and the total compensation of the members of the Management Board was, and will be, assessed giving particular regard to the relevant comparison values of other DAX companies and similar companies of comparable size and performance from the relevant industrial sector.

COMMITMENTS TO MEMBERS OF THE MANAGEMENT BOARD IN THE EVENT OF THE TERMINATION OF THEIR APPOINTMENT

There are individual contractual pension commitments for the Management Board members Mr. Stephan Sturm, Dr. Francesco De Meo, and Rachel Empey based on their service agreements with the general partner of Fresenius SE & Co. KGaA. The member of the Management Board, Dr. Jürgen Götz, who retired on June 30, 2020, is entitled to an individual pension commitment on the basis of his terminated service agreement with the general partner of Fresenius SE & Co. KGaA. The Management Board member

Dr. Ernst Wastler has a pension commitment from VAMED Aktiengesellschaft, Vienna; Fresenius SE & Co. KGaA has issued a guarantee for the commitments thereunder. The Management Board member Mr. Mats Henriksson has an individual contractual pension commitment from Fresenius Kabi AG. The Management Board member Mr. Rice Powell has received an individual contractual pension commitment from Fresenius Medical Care Management AG. Furthermore, he has acquired non-forfeitable entitlements from participating in pension plans for employees of Fresenius Medical Care North America, and during the fiscal year 2020, he participated in the U.S.-based 401(k) Savings Plan. This plan generally enables employees in the United States to invest part of their gross income into retirement plans. The Management Board member Dr. Sebastian Biedenkopf does not have a pension commitment. With regard to the pension commitments for acting Management Board members as of December 31 of the fiscal year, the Fresenius Group had pension obligations of €46,446 thousand as of December 31, 2020 (2019: €46,870 thousand). The additions to pension liability in the fiscal year 2020 amounted to -€424 thousand (2019: €9,988 thousand).

The pension commitments are as follows:

€ in thousands	As of January 1, 2020	Additions	As of December 31, 2020
Stephan Sturm	8,259	457	8,716
Dr. Sebastian Biedenkopf (since December 1, 2020)	n.a.	0	0
Dr. Francesco De Meo	4,816	-1,107	3,709
Rachel Empey	0	1,150	1,150
Dr. Jürgen Götz (up to June 30, 2020)	4,176	-11	4,165
Mats Henriksson	6,733	20	6,753
Rice Powell	16,249	-1,522	14,727
Dr. Ernst Wastler	6,637	589	7,226
Total	46,870	-424	46,446

As of December 31, 2020, the settlement amount of the pension obligation under the German Commercial Code totaled €38,558 thousand (previous year: €36,720 thousand). Thereof attributable to Mr. Stephan Sturm €7,291 thousand, to Dr. Francesco De Meo €3,071 thousand, to Ms. Rachel Empey €873 thousand, to Dr. Jürgen Götz €3,449 thousand, to Mr. Mats Henriksson €5,444 thousand, to Mr. Rice Powell €12,791 thousand and to Dr. Ernst Wastler €5,639 thousand. No pension obligations in the fiscal year and in the previous year are attributable to Dr. Sebastian Biedenkopf.

Each of the pension commitments provides for a pension and survivor benefit, depending on the amount of the most recent fixed compensation, from the 63rd year of life (or 65th year for Mr. Rice Powell), or, in the case of termination because of professional or occupational incapacity, from the time of ending active work.

The pension's starting percentage of 30% of the last fixed compensation increases with every full year of service as a Management Board member by 1.5 percentage points, 45% being the attainable maximum.

Current pensions increase according to legal requirements (Section 16 of the German law to improve company pension plans, BetrAVG).

30% of the gross amount of any post-retirement income from an occupation of the Management Board member is offset against the pension for professional or occupational incapacity.

In the event of the death of one of the Management Board members, the surviving spouse receives a pension equivalent to 60% of the pension entitlement accruing at the time of death. In addition, biological children of the deceased Management Board member and/or, in individual

cases, biological children of the deceased Management Board member's spouse who were adopted by the deceased Management Board member as children, receive an orphan's pension equivalent to 20% of the pension entitlement accruing at the time of death until completion of their vocational training, but at the most until the age of 25 years. However, all surviving dependents' pensions are capped at an aggregate 90% of the Management Board member's pension entitlement.

If a Management Board member's service as a member of the Management Board of Fresenius Management SE (or Mr. Rice Powell as a member of the Management Board of Fresenius Medical Care Management AG) ends before the age of 63 years (or 65 years for Mr. Rice Powell) for reasons other than professional or occupational incapacity, the rights to the said pension benefits vest, but the pension payable upon the occurrence of a pensionable event is reduced pro rata according to the actual length of service as a Management Board member compared to the potential length of service until the age of 63 years (or 65 years for Mr. Rice Powell).

The pension commitment for Dr. Ernst Wastler provides for a normal pension, a professional incapacity pension, and a widow's and orphan's pension. The normal pension is payable at the earliest at the age of 62 years. The pension benefits are equivalent to 1.2% per year of service based on the last fixed compensation, with a cap of 40%. The widow's pension (60%) and the orphan's pension (20% each) are capped in aggregate at not more than Dr. Ernst Wastler's pension entitlement at the time of death. Pensions, retirement, and other benefits from third parties are set off against the pension benefit if the credited periods of service overlap.

The Management Board member Mr. Mats Henriksson has solely a pension commitment from Fresenius Kabi AG from the period of his previous service as simple member of the Management Board of Fresenius Kabi AG. This pension commitment remained unaffected by the service agreement with Fresenius Management SE, beginning on January 1, 2013. It is based on the pension policy of the Fresenius companies, and provides for retirement, incapacity, and survivors' pensions. It does not set forth any deduction of other income or pension benefits. The widow's

pension amounts to 60% of the incapacity or retirement pension to be granted at the time of death; the orphan's pension amounts to 10% (half-orphans) or 20% (orphans) of the incapacity or retirement pension to be granted at the time of death. The total entitlements of widows and orphans are limited to 100% of Mr. Mats Henriksson's pension entitlements.

A post-employment non-competition covenant was agreed upon for all Management Board members. If such a covenant becomes applicable, the Management Board members receive a waiting allowance that is generally equivalent to half of the sum of the most recently received fixed compensation and the minimum amount of bonus for each year of respective application of the non-competition covenant, up to a maximum of two years.

The service agreements of the Management Board members do not contain any explicit provision for the event of a change of control.

Payments in the event of premature termination of a member's services for the Management Board, including fringe benefits, are limited to two years' compensation, at maximum no more than the compensation due for the remaining term of the respective service agreement (severance payment cap).

No severance payments will be due in the event of termination of the service agreement for cause on grounds attributable to the relevant member of the Management Board. The calculation of the severance payment cap is

based on the total compensation within the meaning of Section 285 No. 9a of the German Commercial Code (HGB) for the past fiscal year as well as the anticipated total compensation for the fiscal year in which the termination occurs (whereby only the non-performance-based compensation components are taken into account for the calculation of the relevant annual compensation of Mr. Rice Powell).

In the event of termination of his employment, Dr. Ernst Wastler is entitled to a severance payment based on contractual agreements with VAMED Aktiengesellschaft. The severance payment stipulates entitlement to a payment that depends on the length of service and amounts to a maximum of one year's gross compensation (within the meaning of Section 23 of the Austrian Salaried Employees Act). With regard to the severance payment entitlement of Dr. Ernst Wastler, a severance payment provision of €1,283 thousand (IFRS DBO (defined benefit obligation)) is in place as of December 31 of the fiscal year.

MISCELLANEOUS

All members of the Management Board have received individual contractual commitments for the continuation of their compensation in the event of sickness for a maximum period of 12 months, provided that, after 6 months of sickness-related absence, any insurance benefits that may be paid are to be deducted from such continued compensation. In the event of death of a member of the Management Board, the surviving dependents will receive three monthly payments after the month in which the death occurred, at maximum, however, until the expiry of the respective employment agreement.

During the fiscal year 2020, no loans or advance payment on future compensation components were granted to any member of the Management Board of Fresenius Management SE.

Fresenius SE & Co. KGaA undertook to indemnify the Management Board members, to the legally permitted extent, against any claims that may be asserted against them in the course of their service for the company and its affiliated Group companies to the extent that such claims exceed their liability under German law. To cover such obligations, the company purchased a directors' & officers' insurance, the deductible complying with the requirements of stock corporation law. The indemnification covers the period during which the respective member of the Management Board holds office, as well as any claim in this regard after termination of the service on the Management Board.

Based on pension commitments to former members of the Management Board, €1,147 thousand were paid in the fiscal year 2020 (2019: €1,154 thousand). The benefit obligation for these persons amounted to €23,867 thousand (2019: €24,863 thousand).

In the fiscal year 2019, €568 thousand were paid to Dr. Ben Lipps as a result of a consultancy agreement entered into with Fresenius Medical Care Management AG. Also in 2019, an amendment to the agreement was made

which provided for a one-off payment of €1,129 thousand for the remaining term of the agreement until 2021. This payment was made in the fiscal year 2019 as well. All payments for services to be performed by him under the consulting agreement have thus been made.

Due to the post-employment non-competition covenant applicable following his departure on June 30, 2020, Dr. Jürgen Götz obtained a waiting allowance of €303 thousand for the period from July 1, 2020 to December 31, 2020.

REVISION OF THE COMPENSATION SYSTEM FOR MEMBERS OF THE MANAGEMENT BOARD

The Supervisory Board attaches great importance to good corporate governance – also with regard to Management Board compensation. This includes ensuring an effective incentive system that is in line with the market. For this reason, in the 2020 fiscal year, the Supervisory Board dealt intensively with the system for compensating the members of the Management Board of the general partner, continuously and closely monitored the ongoing development of the standards of good corporate governance, and identified suitable measures for adapting the existing compensation arrangements. On the basis of intensive discussions – also with external stakeholders – and the provisions of the German Stock Corporation Act as amended by the Act

Implementing the Second Shareholder Rights Directive and the recommendations of the German Corporate Governance Code as amended on December 16, 2019, the system for the compensation of the members of the Management Board of the general partner was comprehensively revised.

The Supervisory Board is convinced that the changes to the compensation system will make a significant contribution to creating greater incentives to harmonize the long-term strategic business alignment even more closely with the changing interests of the shareholders of the company, while giving due consideration to the changed regulatory environment. Furthermore, the basic system for compensating the members of the Management Board was adjusted, its complexity reduced and the performance-related nature of the variable compensation enhanced.

The company's commitment to environmental, social and governance (ESG) aspects will be reinforced by the introduction of ESG performance targets to the compensation of the Management Board. The guaranteed payment of short-term variable compensation will be abolished in order to further enhance the performance-related nature of the compensation system, thereby giving due consideration to a key concern of our shareholders. Short-term variable compensation will be fully variabilized, as a result of which the new compensation system will be significantly aligned

to the company's performance through the significant share of variable compensation. In the future, malus and clawback clauses will also be implemented to the short-term variable compensation in line with the LTIP 2018. Furthermore, the new compensation system stipulates mandatory share retention rules that will give a further boost to share ownership and an ownership culture. The possibility of paying a discretionary special payment (discretionary bonus) is expressly excluded. In addition, the company pension scheme will be decoupled from the basic compensation; for newly appointed members of the Management Board it will be structured as a defined contribution plan. In addition, a maximum compensation will be fixed for each Management Board member, which will cover all compensation components.

The comprehensively revised system for compensating the members of the Management Board of the general partner is to be submitted for approval to the Annual General Meeting of the company on May 21, 2021, in accordance with the provisions of the German Stock Corporation Act as amended by the Act Implementing the Second Shareholder Rights Directive and will apply from the fiscal year 2021 onward.

TABLES DISPLAYING THE VALUE OF BENEFITS GRANTED AND ALLOCATIONS

The German Corporate Governance Code dated February 7, 2017, stipulated that specific information shall be presented in the compensation report pertaining to the benefits granted for the year under review as well as the allocations and service costs in/for the year under review. The model tables provided in the appendix of the German Corporate

Governance Code in the stated version shall be used to present the information.

The following tables contain disclosures on both the value of the benefits granted and on the allocations. They conform to the structure and to the specification of the model tables of the German Corporate Governance Code as amended on February 7, 2017, to enable the best possible comparability with the previous year's figures. The table displaying allocations additionally shows the allocation for

the fiscal year, that is, without multi-year variable compensation/components with long-term incentive effect. This illustrates clearly which allocation is to be attributed to the activity in the respective year under review and which allocation results from the compensation components that were granted in the previous reporting year – or even several years. Through differentiation, the comparability of the respective development in compensation is also increased.

	Stephan Sturm Chairman of the Management Board (since July 1, 2016) Board member since January 1, 2005				Dr. Sebastian Biedenkopf Chief Legal, Compliance and Insurance Officer, and Labor Relations Director Board member since December 1, 2020				Dr. Francesco De Meo CEO Fresenius Helios Board member since January 1, 2008				Rachel Empey Chief Financial Officer Board member since August 1, 2017			
	2020	2020 min.	2020 max.	2019	2020	2020 min.	2020 max.	2019	2020	2020 min.	2020 max.	2019	2020	2020 min.	2020 max.	2019
Benefits granted Value € in thousands																
Fixed compensation	1,100	1,100	1,100	1,100	50	50	50	n.a.	630	630	630	630	704	704	704	600
Fringe benefits	82	82	82	55	4	4	4	n.a.	41	41	41	32	196	196	196	198
Total non-performance-based compensation	1,182	1,182	1,182	1,155	54	54	54	n.a.	671	671	671	662	900	900	900	798
One-year variable compensation ¹	1,838	1,750	2,300	1,866	0	0	0	n.a.	1,388	1,050	1,750	1,403	799	760	1,000	812
Multi-year variable compensation/ components with long-term incentive effect	2,500	0	6,250	2,500	50	50	50	n.a.	1,388	0	3,250	1,403	1,300	0	3,250	1,300
Thereof postponed one-year variable compensation	0	0	n.a.	0	50	50	50		88	0	n.a.	103	0	0	n.a.	0
Thereof performance shares (LTIP 2018) (five-year term)	2,500	0	6,250	2,500	0	0	0		1,300	0	3,250	1,300	1,300	0	3,250	1,300
Total non-performance-based and performance-based compensation	5,520	2,932	9,732	5,521	104	104	104	n.a.	3,447	1,721	5,671	3,468	2,999	1,660	5,150	2,910
Service cost	541	541	541	468	0	0	0	n.a.	391	391	391	336	1,150	1,150	1,150	0
Value of benefits granted²	6,061	3,473	10,273	5,989	104	104	104	n.a.	3,838	2,112	6,062	3,804	4,149	2,810	6,300	2,910

¹ For the one-year variable compensation, there are no target values or comparable values for Board members who receive their compensation from Fresenius Management SE. The one-year variable compensation is calculated on the basis of bonus curves that are valid for several years. For this reason, the allocation from the one-year variable compensation is stated for the years 2020 and 2019.

² Furthermore, an allocation cap in the amount of €6,000 thousand for Ms. Rachel Empey, Dr. Francesco De Meo, Dr. Jürgen Götz, Mr. Mats Henriksson, and Dr. Ernst Wastler and €9,000 thousand for Mr. Stephan Sturm applies. The maximum amount of total compensation (maximum compensation) of €12,000 thousand (or US\$13,434 thousand) under the Fresenius Medical Care compensation system, as amended with effect from January 1, 2020, shall apply to Mr. Rice Powell.

	Dr. Jürgen Götz Chief Legal and Compliance Officer, and Labor Relations Director (up to June 30, 2020) Board member since July 1, 2007				Mats Henriksson CEO Fresenius Kabi Board member since January 1, 2013				Rice Powell CEO Fresenius Medical Care Board member since January 1, 2013				Dr. Ernst Wastler CEO Fresenius Vamed Board member since January 1, 2008			
Benefits granted Value € in thousands	2020	2020 min.	2020 max.	2019	2020	2020 min.	2020 max.	2019	2020	2020 min.	2020 max.	2019 ²	2020	2020 min.	2020 max.	2019
Fixed compensation	255	255	255	510	660	660	660	660	1,769	1,769	1,769	1,340	550	550	550	550
Fringe benefits	36	36	36	45	88	88	88	114	429	429	429	256	75	75	75	76
Total non-performance-based compensation	291	291	291	555	748	748	748	774	2,198	2,198	2,198	1,596	625	625	625	626
One-year variable compensation ¹	475	350	475	950	1,345	1,300	1,800	1,369	1,857	0	2,228	2,211	769	650	950	932
Multi-year variable compensation/ components with long-term incentive effect	0	0	0	1,300	1,345	0	3,250	1,369	2,170	0	9,361	2,232 ³	1,300	0	3,250	1,300
Thereof postponed one-year variable compensation	0	0	n.a.	0	45	0	n.a.	69					0	0	n.a.	0
Thereof performance shares (LTIP 2018) (five-year term)	0	0	0	1,300	1,300	0	3,250	1,300					1,300	0	3,250	1,300
Total non-performance-based and performance-based compensation	766	641	766	2,805	3,438	2,048	5,798	3,512	6,225	2,198	13,787	6,039	2,694	1,275	4,825	2,858
Service cost	292	292	292	251	252	252	252	216	0	0	0	828	189	189	189	153
Value of benefits granted⁴	1,058	933	1,058	3,056	3,690	2,300	6,050	3,728	6,225	2,198	13,787	6,867	2,883	1,464	5,014	3,011

¹ For the one-year variable compensation, there are no target values or comparable values for Board members who receive their compensation from Fresenius Management SE. The one-year variable compensation is calculated on the basis of bonus curves that are valid for several years. For this reason, the allocation from the one-year variable compensation is stated for the years 2020 and 2019.

² With regard to the comparability of the amounts reported with those for the fiscal year, it should be noted that the contractually agreed compensation benefits in U.S. dollar for Mr. Rice Powell may be subject to fluctuations in the exchange rate. The U.S. dollar amounts were translated using the average exchange rate for the calendar year in question; the U.S. dollar amounts for performance shares granted under the MB LTIP 2020 (for the fiscal year) and under the MB LTIP 2019 (for 2019) were translated using the closing price on the day on which the performance shares in question were granted.

³ Mr. Rice Powell was granted share-based payments from the programs of Fresenius Medical Care AG & Co. KGaA as follows:
in 2020: €2,170 thousand from the Management Board Long Term Incentive Plan 2020

in 2019: €657 thousand from the Share Based Award and €1,575 thousand from the Management Board Long Term Incentive Plan 2019

⁴ Furthermore, an allocation cap in the amount of €6,000 thousand for Ms. Rachel Empey, Dr. Francesco De Meo, Dr. Jürgen Götz, Mr. Mats Henriksson, and Dr. Ernst Wastler and €9,000 thousand for Mr. Stephan Sturm applies. The maximum amount of total compensation (maximum compensation) of €12,000 thousand (or US\$13,434 thousand) under the Fresenius Medical Care compensation system, as amended with effect from January 1, 2020, shall apply to Mr. Rice Powell.

	Stephan Sturm Chairman of the Management Board (since July 1, 2016) Board member since January 1, 2005		Dr. Sebastian Biedenkopf Chief Legal, Compliance and Insurance Officer, and Labor Relations Director Board member since December 1, 2020		Dr. Francesco De Meo CEO Fresenius Helios Board member since January 1, 2008		Rachel Empey Chief Financial Officer Board member since August 1, 2017	
Allocations Value € in thousands	2020	2019	2020	2019	2020	2019	2020	2019
Fixed compensation	1,100	1,100	50	n.a.	630	630	704	600
Fringe benefits	82	55	4	n.a.	41	32	196	198
Total non-performance-based compensation	1,182	1,155	54	n.a.	671	662	900	798
One-year variable compensation	1,838	1,866	0	n.a.	1,388	1,403	799	812
Multi-year variable compensation/ components with long-term incentive effect	633	2,524	0	n.a.	506	654	0	0
Thereof postponed one-year variable compensation					148			
Thereof Stock Option Plan 2008 (five-year term)								
Issue 2012		1,870						
Thereof Stock Option Plan 2013 (five-year term)								
Issue 2013								
Thereof Phantom Stock Plan 2013 (five-year term)								
Issue 2014		523				523		
Issue 2015	550				275			
Thereof further phantom stocks								
Issue 2014		131				131		
Issue 2015	83				83			
Other	0	0	0	n.a.	0	0	0	0
Total non-performance-based and performance-based compensation	3,653	5,545	54	n.a.	2,565	2,719	1,699	1,610
Service cost	541	468	0	n.a.	391	336	1,150	0
Allocation including multi-year variable compensation/ components with long-term incentive effect	4,194	6,013	54	n.a.	2,956	3,055	2,849	1,610
Allocation for the year under review (not including multi-year variable compensation/ components with long-term incentive effect)	3,561	3,489	54	n.a.	2,450	2,401	2,849	1,610

	Dr. Jürgen Götz (up to June 30, 2020) Chief Legal and Compliance Officer, and Labor Relations Director Board member since July 1, 2007		Mats Henriksson CEO Fresenius Kabi Board member since January 1, 2013		Rice Powell CEO Fresenius Medical Care Board member since January 1, 2013		Dr. Ernst Wastler CEO Fresenius Vamed Board member since January 1, 2008	
Allocations Value € in thousands	2020	2019	2020	2019	2020	2019 ¹	2020	2019
Fixed compensation	255	510	660	660	1,769	1,340	550	550
Fringe benefits	36	45	88	114	429	256	75	76
Total non-performance-based compensation	291	555	748	774	2,198	1,596	625	626
One-year variable compensation	475	950	1,345	1,369	1,734	1,970	769	932
Multi-year variable compensation/ components with long-term incentive effect	672	654	633	654	4,331 ²	494 ²	633	654
Thereof postponed one-year variable compensation								
Thereof Stock Option Plan 2008 (five-year term)								
Issue 2012								
Thereof Stock Option Plan 2013 (five-year term)								
Issue 2013	39 ³							
Thereof Phantom Stock Plan 2013 (five-year term)								
Issue 2013		523		523				523
Issue 2014	550		550				550	
Thereof further phantom stocks								
Issue 2013		131		131				131
Issue 2014	83		83				83	
Other	0	0	0	0	0	0	0	0
Total non-performance-based and performance-based compensation	1,438	2,159	2,726	2,797	8,263	4,060	2,027	2,212
Service cost	292	251	252	216	0	828	189	153
Allocation including multi-year variable compensation/ components with long-term incentive effect	1,730	2,410	2,978	3,013	8,263	4,888	2,216	2,365
Allocation for the year under review (not including multi-year variable compensation/ components with long-term incentive effect)	1,058	1,756	2,345	2,359	3,932	4,394	1,583	1,711

¹ With regard to the comparability of the amounts reported with those for the fiscal year, it should be noted that the contractually agreed compensation benefits in U.S. dollar for Mr. Rice Powell may be subject to fluctuations in the exchange rate.

The terms and conditions of the Share Based Award and the Long Term Incentive Program 2011 stipulate an entitlement to an inflow in euro at all times. The U.S. dollar amounts were generally translated using the average exchange rate for the relevant calendar year; the U.S. dollar amounts for the LTIP 2016 were translated using the closing rate on the respective vesting date.

² Mr. Rice Powell had this allocation from the share-based compensation plans of Fresenius Medical Care:

in 2020: €659 thousand from the Share Based Award issue 2016, €171 thousand from the Long Term Incentive Program 2011–Stock Option Plan 2011 issue 2012, €450 thousand from the Long Term Incentive Program 2011–Stock Option Plan 2011 issue 2013, €748 thousand from the Long Term Incentive Program 2011–Phantom Stock Plan 2011 issue 2015, €2,303 thousand from the Long Term Incentive Program 2011–Phantom Stock Plan 2011 issue 2016

in 2019: €150 thousand from the Share Based Award issue 2015 and €344 thousand from the Long Term Incentive Program 2011–Phantom Stock Plan 2011 issue 2014

³ This inflow originates from stock options exercised by Dr. Jürgen Götz in accordance with the terms and conditions of the 2013 Stock Option Plan following his retirement on June 30, 2020.

COMPENSATION OF THE SUPERVISORY BOARD

The compensation of the Supervisory Board is determined by the Annual General Meeting and is governed by Section 13 of the Articles of Association of Fresenius SE & Co. KGaA applicable to the compensation of the Supervisory Board in the fiscal year.

Each member of the Supervisory Board shall receive an amount of €150 thousand annually for each full fiscal year as fixed compensation, payable after the end of the fiscal year. In addition, each member of the Supervisory Board shall receive variable success-oriented compensation for each full fiscal year that is oriented on the respective average growth rate of the net income attributable to shareholders of Fresenius SE & Co. KGaA for the compensation year and the two preceding fiscal years (three-year average growth of the net income attributable to shareholders of Fresenius SE & Co. KGaA).

The calculation of the amount of this variable compensation shall be made in accordance with the following formula:

Three-year average growth of net income attributable to shareholders of Fresenius SE & Co. KGaA	Variable compensation
> 0 to 2.5%	€30,000
> 2.5 to 5%	€60,000
> 5 to 7.5%	€90,000
> 7.5 to 10%	€120,000
> 10%	€150,000

A claim to grant variable compensation shall only accrue from the achievement of three-year annual growth of the net income attributable to shareholders of Fresenius SE & Co. KGaA of more than 0%. On the achievement of the five percentage corridors described above, the amounts of variable compensation shall each be provided in full, i.e., no interpolation shall take place within these corridors. The net income attributable to shareholders of Fresenius SE & Co. KGaA disclosed in the consolidated annual financial statements shall be authoritative in each case. This variable compensation is limited to a maximum amount of €150 thousand p. a. The disbursement of variable compensation shall generally be made annually, provided targets have been reached and in each case at the end of the calendar quarter in which the annual financial statements of the company are approved by the Annual General Meeting. If the Annual General Meeting approves a resolution providing higher compensation, this shall apply.

The Chairman of the Supervisory Board receives three times and his deputies one and a half times the fixed compensation of a member of the Supervisory Board.

A member of the Audit Committee of the Supervisory Board shall for their membership receive additional fixed compensation of €20 thousand and the Chairman of the Audit Committee twice this amount.

If a fiscal year does not encompass a full calendar year or if a member of the Supervisory Board is on the Supervisory Board only for a part of the fiscal year, the compensation shall be paid on a pro rata temporis basis. This applies accordingly to membership of the Audit Committee of the Supervisory Board.

The members of the Supervisory Board shall be refunded expenses incurred when exercising their functions, which also includes applicable value-added tax due for payment.

Fresenius SE & Co. KGaA shall provide members of the Supervisory Board with insurance coverage to an appropriate extent for exercising Supervisory Board activities.

If a member of the Supervisory Board of Fresenius SE & Co. KGaA is at the same time a member of the Supervisory Board of the general partner Fresenius Management SE and receives compensation for his services on the Supervisory Board of Fresenius Management SE, compensation shall be reduced by half. The same applies with respect to the additional part of compensation for the Chairman, provided he is simultaneously the Chairman of the Supervisory Board of Fresenius Management SE; this applies to his deputies accordingly, provided the deputies are at the same time the deputies of the Chairman of the Supervisory Board of Fresenius Management SE. If a deputy of the Chairman of the Supervisory Board of Fresenius SE & Co. KGaA is at the same time the Chairman of the Supervisory Board of Fresenius Management SE, he shall not receive compensation for his service as Deputy Chairman of the Supervisory Board of Fresenius SE & Co. KGaA. According to Section 7 of the articles of association of Fresenius SE & Co. KGaA, the compensation of the Supervisory Board of Fresenius Management SE will be charged to Fresenius SE & Co. KGaA.

Additionally, in his capacity as Chairman of the Supervisory Board of Fresenius Management SE, Dr. Gerd Krick was reimbursed for the costs for the operation of an intrusion detection system in the amount of €1.0 thousand.

For the fiscal years 2020 and 2019, the compensation for the members of the Supervisory Boards of Fresenius SE & Co. KGaA and Fresenius Management SE (excluding expenses and reimbursements), including compensation for committee services, was as follows:

€ in thousands	Fixed compensation				Compensation for committee services				Variable compensation				Total compensation	
	Fresenius SE & Co. KGaA		Fresenius Management SE		Fresenius SE & Co. KGaA		Fresenius Management SE		Fresenius SE & Co. KGaA		Fresenius Management SE		2020	2019
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019		
Dr. Gerd Krick	225	225	225	225	20	20	20	20	0	45	0	45	490	580
Michael Diekmann	150	150	75	75	0	0	10	0	0	45	0	45	235	315
Grit Genster (since May 1, 2020)	147	0	0	0	12	0	0	0	0	0	0	0	159	0
Dr. Dieter Schenk	0	0	225	225	0	0	10	10	0	0	0	90	235	325
Niko Stumpfögger (up to April 30, 2020)	74	225	0	0	7	20	0	0	0	90	0	0	81	335
Prof. Dr. med. D. Michael Albrecht	150	150	0	0	0	0	0	0	0	90	0	0	150	240
Stefanie Balling	150	150	0	0	0	0	0	0	0	90	0	0	150	240
Bernd Behlert	150	150	0	0	0	0	0	0	0	90	0	0	150	240
Dr. Kurt Bock (up to June 30, 2020)	0	0	75	150	0	0	0	0	0	0	0	90	75	240
Dr. Heinrich Hiesinger (since July 1, 2020)	0	0	75	0	0	0	0	0	0	0	0	0	75	0
Wolfgang Kirsch (since January 1, 2020)	0	0	150	0	0	0	0	0	0	0	0	0	150	0
Konrad Kölbl	150	150	0	0	20	20	0	0	0	90	0	0	170	260
Frauke Lehmann	150	150	0	0	0	0	0	0	0	90	0	0	150	240
Prof. Dr. med. Iris Löw-Friedrich	150	150	0	0	0	0	0	0	0	90	0	0	150	240
Klaus-Peter Müller	75	75	75	75	40	40	0	0	0	45	0	45	190	280
Oscar Romero De Paco	150	150	0	0	0	0	0	0	0	90	0	0	150	240
Dr. Karl Schneider (up to December 31, 2019)	0	0	0	150	0	0	0	10	0	0	0	90	0	250
Hauke Stars	150	150	0	0	20	20	0	0	0	90	0	0	170	260
Total	1,871	1,875	900	900	119	120	40	40	0	945	0	405	2,930	4,285

ADJUSTMENT OF THE COMPENSATION OF MEMBERS OF THE SUPERVISORY BOARD

The compensation of the members of the Supervisory Board shall be adjusted in line with the recommendations of the German Corporate Governance Code as amended on December 16, 2019. The compensation of the Supervisory Board shall be changed to purely fixed compensation and no longer include any variable compensation components. It is intended to present the adjusted compensation system to the Annual General Meeting in 2021.

DIRECTORS' & OFFICERS' INSURANCE

Fresenius SE & Co. KGaA has taken out a consequential loss liability insurance policy (D & O insurance), on an excess amount basis, for the members of the Management Board and the Supervisory Board of the general partner of Fresenius SE & Co. KGaA and for the Supervisory Board of Fresenius SE & Co. KGaA, as well as for all representative bodies of affiliates in Germany and elsewhere. The insurance policy stipulates a deductible for the Management Board in line with the requirements of stock corporation law. The D & O policy applies throughout the world and runs until the end of June 2021. The policy covers the legal defense costs of a member of a representative body when a claim is made and, where relevant, any damages to be paid that are covered by the policy.