

**Fresenius Medical Care AG & Co. KGaA
Annual General Meeting 2023**

**Explanatory statement by Fresenius Medical Care AG & Co. KGaA ("Company")
regarding agenda item 6 "Resolution on the approval of the compensation
report for fiscal year 2022" and the recommendation by Institutional
Shareholder Services Inc. ("ISS") to vote against this item due to the payments
to former CEO Dr. Carla Kriwet following her departure**

Context

The Management Board and the Supervisory Board of the Company's general partner, Fresenius Medical Care Management AG ("General Partner"), and the Supervisory Board of the Company prepared a compensation report for fiscal year 2022 ("Report") and submitted the Report to the Company's Annual General Meeting 2023 for approval, in accordance with the applicable legal provisions of the German Stock Corporation Act. The Report, which was reviewed by the auditor, presents in detail the compensation benefits awarded or due in fiscal year 2022 to the current and former members of the Management Board and the Supervisory Board of the General Partner and the current and former members of the Supervisory Board of the Company.

The compensation system for the compensation of the Management Board of the General Partner (the "Compensation System 2020+") was approved by the Company's 2020 Annual General Meeting with a vote of 95.05%.

Voting on the Report shall enable the shareholders to address any concern that the applicable compensation system was not implemented correctly in the respective reporting year or that the compensation-related information was not presented clearly and understandably.

Vote recommendation by ISS

In its review as of April 28, 2023, ISS testifies the Report`s "good level of disclosure. The remuneration report continues to provide a detailed breakdown of the compensation components granted to executives as well as the applicable variable performance targets. Moreover, the company discloses specific and measurable financial targets within its variable compensation. The ex-post disclosure regarding performance conditions, profit sharing plan (STI) payouts, LTI payouts, and the overall general level of transparency goes beyond market practice."

At the end of its analysis, ISS concludes that "while the company's remuneration report is broadly in line with market practice, due to the concerns noted above in regard to the termination (and other) payments made to former CEO Carla Kriwet, a vote against the remuneration report is considered warranted."

The Company fully respects the independent view and advice of ISS regarding voting. The Company invites investors to consider the following additional information regarding the raised concerns in their decision to approve the Report.

Appointment process of Dr. Carla Kriwet

As announced on March 5, 2022, Dr. Carla Kriwet was appointed as new CEO of Fresenius Medical Care as of January 1, 2023. Before appointing Dr. Kriwet, the Supervisory Board of the General Partner had obtained a comprehensive picture of her qualifications, her experience and her suitability for the position.

Entry of office and departure

Dr. Kriwet effectively joined the Company as a member and Chair of the Management Board on October 1, 2022, three months earlier than originally envisaged. For her willingness to take up her position early on October 1, 2022, rather than on January 1, 2023, Dr. Kriwet received an inaugural bonus of €100 THOUS.

In the course of the fourth quarter of 2022, Dr. Kriwet and the Supervisory Board of the General Partner, which is responsible for appointing the Management Board, developed different strategic ideas for the future of Fresenius Medical Care, which could not be reconciled. As the Company faces a number of challenges, which it must address with a coordinated strategy, the management of the company and the administration as a whole must be in agreement. As became apparent during the initial weeks after Dr. Kriwet took office, no agreement on key strategic issues relating to the future direction of the Company and the measures required in this respect could be reached.

Against this background and in order to avert potentially lasting damage from the value of the Company, all parties involved came to the conclusion that it was in the best interest of all parties not to continue the cooperation. Dr. Kriwet then resigned from the Management Board at her own request and by mutual agreement. Dr. Kriwet's service agreement ended with the end of fiscal year 2022.

Compensation

Dr. Kriwet was entitled to payment of her base salary of €450 THOUS for the period from October 1, 2022 to December 31, 2022. In addition, Dr. Kriwet was entitled to short-term variable compensation for fiscal year 2022 in the amount of €176 THOUS, in accordance with the relevant plan conditions and the targets agreed upon therein. In addition, Dr. Kriwet received a payment of €600 THOUS for forfeited compensation benefits from a previous service relationship, as agreed on conclusion of her service agreement. Further entitlement to payments of up to €1,300 THOUS for forfeited compensation benefits from a previous service relationship, as agreed with Dr. Kriwet on conclusion of her service agreement, remains unaffected; corresponding payments can become due in March 2024 and in March 2025.

Dr. Kriwet has no entitlement to the long-term variable compensation allocated to her in the fiscal year 2022 and no entitlement to pension payments.

It was agreed with Dr. Kriwet that she is entitled to a severance payment in the amount of one annual base salary of €1,800 THOUS. A post-contractual non-competition clause was agreed with Dr. Kriwet for the period from December 6, 2022, to December 5, 2024.

The compensation that Dr. Kriwet receives for the two-year post-employment non-competition covenant amounts to €1,800 THOUS. The post-contractual non-competition clause is customary and is also part of the employment contract for Dr. Kriwet. The post-contractual non-competition clause could not be effectively agreed without compensation. Dr. Kriwet had already spent weeks and months familiarizing herself with the issues and becoming familiar with the Company and its business model, as well as the industry in which the Company operates, before taking up her position. It was and is therefore in the best interest of the Company to adhere to the post-contractual non-competition clause in order to protect sensitive information.

Finally, Dr. Kriwet is entitled to use her company car for the period until December 5, 2024. Furthermore, it was agreed with Dr. Kriwet that she will be reimbursed for the costs of legal advice she retained in connection with her departure from the Management Board. Both, the entitled use of the company car and the reimbursement for legal costs, are customary.

Concluding consideration

With its action, the Supervisory Board of the General Partner demonstrated its capacity to quickly respond and take decisive corrective measures. The Company presented the financial terms of the termination agreement with Dr. Kriwet in full detail in the Report which is up to the Company's shareholders approval at the 2023 Annual General Meeting. In balance, the Company considers the outcome of this unplanned early end of the collaboration with Dr. Kriwet and the subsequent appointment of Ms. Helen Giza as Chair of the Management Board of the General Partner in the best interest of the Company's shareholders.

As outlined in the Report, the compensation granted and due to the Management Board members in fiscal year 2022 was determined in accordance with the Compensation System 2020+ and the relevant recommendations of the German Corporate Governance Code. This also holds true for the compensation granted or due to Dr. Kriwet.

The General Partner and the Supervisory Board of the Company therefore propose to approve the compensation report for fiscal year 2022.