

RHÖN-KLINIKUM Aktiengesellschaft
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FINANCIAL YEAR 2023:
REMUNERATION REPORT OF RHÖN-KLINIKUM AKTIENGESELLSCHAFT
PURSUANT TO SECTION 162 AKTG

A. Introduction

The Remuneration Report explains the principles of the remuneration of the members of the Board of Management of RHÖN-KLINIKUM Aktiengesellschaft as well as the remuneration of the members of the Supervisory Board pursuant to the Articles of Association. In particular, the Remuneration Report contains the disclosures pursuant to section 162 of the German Stock Corporation Act (Aktiengesetz, AktG).

The Remuneration Report moreover provides individualised and specific information on the remuneration granted and owed to the members of the Board of Management and of the Supervisory Board of RHÖN-KLINIKUM Aktiengesellschaft in financial year 2023. The disclosures on the remuneration of directors and officers meet the requirements of the German Stock Corporation Act as well as those of applicable German and international accounting standards.

B. Remuneration of the Board of Management

In March 2021 the Supervisory Board of RHÖN-KLINIKUM Aktiengesellschaft adopted a revised remuneration scheme for the members of the Board of Management with effect from 1 April 2021 ("Remuneration Scheme 2021"). In this regard the Supervisory Board, in view of the Company's special ownership structure, was guided by the objective of implementing a remuneration scheme which is as simple as possible and which also takes account of the remuneration structures in those companies in which the indirect main shareholder of RHÖN-KLINIKUM Aktiengesellschaft holds a sole or majority interest. For the same reason, the Supervisory Board, in the Declarations of Compliance from November 2021 onwards, stated deviations from several recommendations of the German Corporate Governance Code in its version as amended ("GCGC") as well as the reasons for such deviations.

The Remuneration Scheme 2021 was approved by the shareholders of RHÖN-KLINIKUM Aktiengesellschaft at the Annual General Meeting held on 9 June 2021.

The Supervisory Board may temporarily deviate from the Remuneration Scheme if this is necessary in the best interest of the Company in the long term. This includes, for example, aligning the remuneration scheme to take account of significant changes in corporate strategy to ensure adequate incentives, or of a serious economic crisis. The extraordinary circumstances underlying and justifying such alignment are to be established by way of Supervisory Board resolution. The components of the remuneration scheme that may be deviated from are the procedure, the provisions on the remuneration structure and amount, as well as the individual remuneration components. Furthermore, the Supervisory Board may, according to its reasonably exercised discretion if required in the event of a significant change in requirements being determined, reimburse the expenditures for extraordinary additional payments (e.g. security measures). Moreover, the Supervisory Board has the right to grant newly joining members of the Board of Management special payments as compensation for losses in salary under a previous service relationship or to cover the costs arising from a relocation.

The Remuneration Scheme 2021 does not yet apply to the service contracts with members of the Board of Management entered into before 1 April 2021 (cf. also section 26j Introductory Act to the German Stock Corporation Act (Einführungsgesetz zum Aktiengesetz, EGAktG)). In individual points this concerns the follow-on service contract entered into with Dr. Weiß for the period from 1 January 2022. The Remuneration Scheme 2021 is presented under I below. Where the follow-on service contract with Dr. Weiß deviates from the latter, this will be explained separately.

I. Structure of remuneration of the Board of Management in financial year 2023

The aggregate remuneration of all members of the Board of Management is comprised of several remuneration components. Specifically, the remuneration is comprised of the base salary and the management profit sharing bonus (tantieme) as well as fringe benefits (non-cash benefits). In the case of Dr. Weiß the remuneration additionally includes a contingent post-retirement benefit on the basis of the follow-on service contract.

Although the Supervisory Board has taken account of the wage and salary structure within the Company when setting the remuneration of the Board of Management, the Supervisory Board does not expressly determine how the senior management and the relevant overall staff are to be differentiated. The relationship of the remuneration of the Board of Management to the remuneration of the senior management and the relevant overall staff is consequently not reflected by application of such determinations either. In view of the management structure and the specific staffing of a hospital company, the Supervisory Board does not find such determinations to be objectively justified.

There are no plans to grant shares or stock options to the members of the Board of Management, nor has any commitment been made to do so. Since the agreement of the performance criteria for the variable remuneration ensures that the financial and non-financial targets will promote the business strategy and make a contribution towards a long-term development of the Company, the Supervisory Board has not seen any need to provide for a share-based variable remuneration.

1. Fixed remuneration

The annual base salary is a fixed cash remuneration with reference to the full year which is paid in twelve equal monthly instalments. If employment begins or ends during the year under way, fixed remuneration is paid pro rata temporis.

The fixed remuneration is to guarantee a base market remuneration for exercising the office and in this way ensure that the Company is able to attract the best qualified candidates to implement its corporate strategy and manage the Company.

2. Performance-linked annual management profit-sharing bonus (tantieme)

a) Provisions of Remuneration Scheme 2021

The members of the Board of Management receive a performance-linked annual management profit-sharing bonus (tantieme) based on an annual target agreement to be entered into each year. The Supervisory Board and the member of the Board of Management re-negotiate the criteria for the amount of the tantieme to be paid for each financial year before or at the beginning of such financial year. In the event the negotiations fail, the Supervisory Board is entitled to define the criteria according to its reasonably exercised discretion (section 315 of the German Civil Code (Bürgerliches Gesetzbuch, BGB)). The performance-linked annual tantieme is a maximum of 50% of the annual base salary.

The amount of the tantieme is defined after expiry of the reference period. The Supervisory Board and the members of the Board of Management try to reach agreement on the extent to which the non-financial targets are to be achieved. If no agreement can be reached, it is defined by the Supervisory Board according to its reasonably exercised discretion. The payment is made as a one-off payment at the earliest after the corresponding values have been calculated for the reference period. If employment begins or ends during the year under way, the tantieme is paid pro rata temporis.

When agreeing the performance criteria for the variable remuneration, the Supervisory Board ensures that the financial and non-financial targets will promote the business strategy and make a contribution towards a long-term development of the Company. If consolidated profit or EBITDA (earnings before interest, taxes, depreciation and amortisation) pursuant to IFRS consolidated financial statements is defined as the performance criterion, this provides incentives to strengthen the Company's operative earnings strength. The non-financial criteria are oriented on strategic targets in the interest of a sustainable corporate development. In this regard the Supervisory Board takes into account the strategic focus issues for the respective remuneration year.

For these reasons the Supervisory Board did not see any need to provide for further abstract requirements for defining long-term-oriented targets and their relationship to short-term-oriented targets, nor to provide for a share-based variable remuneration, in order to implement the remuneration scheme of the Board of Management. Lastly, based on the specific terms of the variable remuneration there is also no reason in the view of the Supervisory Board to provide for rights of retention or recovery. To enable the Supervisory Board to take a comprehensive decision in connection with defining the achievement of targets for the past financial year, the Supervisory Board reserves the right to decide on performance criteria for the new financial year at the beginning of such financial year.

b) Determination and application of performance criteria in financial year 2023

According to the Remuneration Scheme 2021, the Board of Management contracts of Prof. Dr. Kaltenbach, Dr. Stranz and Dr. Weiß provide that they are each entitled to receive a performance-linked annual management profit-sharing bonus (tantieme) based on a target agreement to be entered into each year. This totals a maximum amount of EUR 250,000 in each case.

In the case of Prof. Kaltenbach, Dr. Stranz and Dr. Weiß, 50% of the performance criteria defined for financial year 2023 consists of financial targets (Tranche 1) and 50% consists of non-financial targets (Tranche 2). For the financial targets of Tranche 1, the achievement of targets is measured in each case using a range with reference to EBITDA of the consolidated financial statements of RHÖN-KLINIKUM Aktiengesellschaft according to IFRS. For the non-financial targets of Tranche 2, individual sub-targets were agreed in the target agreements with the members of the Board of Management for 2023 on the basis of the resolution of the Supervisory Board in March 2023 which relate to sustainably improving processes and the quality of the hospitals, expanding research activities, streamlining processes and group structures, reducing the workload of employees, and thus increasing the satisfaction of patients and employees overall.

At the end of September 2023, the target agreements entered into with the members of the Board of Management for financial year 2023 were ended by mutual consent and it was stipulated that the members of the Board of Management concerned in each case would not be promised nor given any prospect or expectation of any form of variable or similar remuneration components for financial year 2023. The reason for this was that the Company and its affiliates at that time had already received or applied for grants and relief measures for higher energy prices and the Company as a result – given the revision of the respective acts of legislation that took place in July 2023 after the target agreements had been entered into – might be subject to the provisions in section 37a Electricity Price Brake Act (Strompreisbremsegesetz, StromPBG) and in section 29a Gas and Heat Price Brake Act (Erdgas-Wärme-Preisbremsengesetzes, EWPBG). Under these provisions, companies receiving relief amounts exceeding the threshold of EUR 25 million or EUR 50 million may not grant to the members of their management bodies for 2023 among other things any variable and similar remuneration components nor any increased base remuneration (hereinafter referred to as "Bonus Ban" for the sake of simplicity). Even if with regard to the general applicability and specific relevance of the provisions mentioned – irrespective of the revision of the respective acts of legislation by the legislator in July 2023 – numerous issues of legal uncertainty existed, the Company and the members of the Board of Management wanted to avoid any violation of the Bonus Ban by terminating the target agreements as a precautionary measure. For this reason it was clarified in the termination agreements that (i) the assumption that the Company and thus also the members of the Board of Management as a general rule are subject to the Bonus Ban is made strictly as a precaution and without prejudice to its own legal view, (ii) all other provisions of the Board of Management service contract concerned, in particular also the claims to remuneration, shall remain unaffected, and (iii) the termination of the target agreement shall not be construed as a general waiver by the Board of Management member concerned of his claims to variable remuneration. At the same time, each of the members of the Board of Management has accepted that the Supervisory Board for financial year 2023 may stipulate any management profit sharing bonus at a later time in accordance with the provision governing service contracts giving due regard to section 315 of the German Civil Code (Bürgerliches Gesetzbuch, BGB).

Up to the date of this Remuneration Report being signed, it was still not possible to clarify conclusively the issues of legal uncertainty with regard to the general applicability and specific relevance of the

provisions of the StromPBG and EWPBG and thus of the Bonus Ban for financial year 2023 since the discussions with the competent auditing body were still ongoing. For this reason the Supervisory Board, at its meeting in March 2024, did not reach a decision on whether the members of the Board of Management will be granted a variable remuneration for financial year 2023 giving due regard to section 315 BGB and – if so – in what amount the remuneration granted would be reasonable in each case. In the individual remuneration tables under clause III.1, the variable remuneration of the incumbent members of the Board of Management in financial year 2023 were therefore stated as "zero" based on the termination agreements entered into in September 2023. By reason of the agreements entered into with the members of the Board of Management in September 2023, the Supervisory Board will make a decision on granting and paying a variable remuneration for financial year 2023 as soon as it can do so with legal certainty.

3. Fringe benefits

In accordance with the Company's policies, members of the Board of Management are provided with a company vehicle, which they may also use for personal purposes, as a fringe benefit. Furthermore, a personal accident insurance policy is taken out in favour of the members of the Board of Management. Since use of a company car and the accident insurance premiums are remuneration components, each individual member of the Board of Management has to pay tax on these benefits. As a general rule, all members of the Board of Management are entitled to these in the same way, the amount of which varies depending on the member's personal situation.

The purpose of granting reasonable fringe benefits, like the fixed remuneration, is to ensure a base market remuneration for exercising the office. For the fringe benefits described above, the Remuneration Scheme 2021 provides for a maximum amount of EUR 50,000.

Moreover, D&O insurance cover is provided which is subject to a deductible in accordance with the requirements of the German Stock Corporation Act equal to 10% of the claim up to one-and-a-half times the annual base salary of the member of the Board of Management. In addition to the members of the Board of Management, this insurance cover also extends to the members of the Supervisory Board as well as other senior executives of the Group. It covers the personal liability risk in the event of pecuniary damage claims being made against the aforementioned group of persons by reason of the performance of their activity for the Company. In this regard, the premiums to be paid by the Company are not broken down amongst all persons included under the insurance cover and for that reason are not recorded under fringe benefits in the tables under III.1.

4. Post-retirement benefits

The Board of Management contract with Dr. Weiß contains provisions on post-retirement benefits. If the service contract ends or the member of the Board of Management deceases during his term of office, the member of the Board of Management receives or, as the case may be, his heirs thereafter receive for each full year of work as member of the Board of Management a payment equal to 0.125 times the annual payments owed (annual base salary plus management profit-sharing bonus (tantieme)) for the calendar year of the departure or decease. The amount of the payment is limited to 1.5 times the annual payments last owed. If the annual payments in the year of termination or, as the case may be, decease are lower than the average remuneration during the entire period of work for the Board of Management, the latter remuneration shall apply.

By contrast, the Board of Management contracts with Prof. Dr. Kaltenbach and Dr. Stranz – in line with the Remuneration Scheme 2021 – do not contain any provisions on post-retirement benefits for the Board of Management members.

5. Total target remuneration or remuneration caps

To implement the simplest remuneration scheme possible in view of the Company's special ownership structure, the Supervisory Board did not consider it necessary to differentiate between defining a total target remuneration and the statutorily required maximum remuneration. The maximum remuneration defined under the Remuneration Scheme 2021 at the same time represents the total target remuneration of the individual members of the Board of Management.

The total remuneration of the members of the Board of Management to be granted for a financial year (sum of all remuneration amounts to be expended for the financial year concerned, including annual base salary, variable remuneration components and fringe benefits) – irrespective of whether it is paid out in such financial year or at a later time – is limited for the individual members of the Board of Management to a maximum amount (“maximum remuneration”).

For Prof. Dr. Kaltenbach, Dr. Stranz and Dr. Weiß, the contractual maximum remuneration for the annual base salary and the variable remuneration amounts to EUR 750,000.00 (plus fringe benefits such as company car and personal accident insurance) respectively.

In addition, Dr. Weiß receives the post-retirement benefits described under 4 above.

The remuneration caps for financial year 2023 were observed (in this regard see disclosures in the tables under III.1).

6. Benefits in the event early termination of Board of Management activity

If a member of the Board of Management is removed before expiry of the appointment period, the service contract remains in force. In the event of early removal, the member of the Board of Management is entitled to terminate the service contract on two weeks' notice for the end of the month following the removal. In such case he is entitled to 80% of the total remuneration (base salary and management profit-sharing bonus (tantieme)) which he still would have received in the event of his contract having been continued to its end in accordance with the contractual provisions, unless the removal was validly effected for cause attributable to the member of the Board of Management. At the most, however, the member of the Board of Management shall receive payments equal to double an annual remuneration (base salary and tantieme). In this regard, the amount of the annual remuneration of the financial year ending before the termination, or of the financial year under way upon termination, is to be applied, whichever annual remuneration is lower. The maturity of the payments is governed by the maturity that would apply if the service contract had been continued.

If the member of the Board of Management resigns his Board of Management mandate, the remuneration claim under the service contract ends at the same time. If the resignation is submitted for cause, however, the member of the Board of Management receives the aforementioned payments as in the case of a self-termination after removal without cause, unless at the same time a legal cause for a removal or for a termination of the service contract by the Company exists.

The service contract with Prof. Dr. Kaltenbach provides that the Company, in the event of his removal, has the right to release Prof. Dr. Kaltenbach irrevocably, subject to continued payment of 80% of his fixed remuneration and with such period of release being deducted from his paid holiday entitlement, from the obligation to perform his services and that no claims to the management profit-sharing bonus (tantieme) arise during the period of release. The obligation to pay the fixed remuneration moreover ends when a new activity is commenced in another company.

II. Post-employment benefits to former members of the Board of Management and/or post-employment obligations towards former members of the Board of Management

Between the Company and the former members of the Board of Management Jens-Peter Neumann (member of Board of Management until 23 February 2017) and Dr. Dr. Martin Siebert (member of Board of Management until 28 March 2018) a legal dispute was pending which related to claims arising from the sale of shares in RHÖN-Innovations GmbH to RHÖN-KLINIKUM Aktiengesellschaft. The two former members of the Board of Management had sold their shares in RHÖN-Innovations GmbH to RHÖN-KLINIKUM Aktiengesellschaft and in return, in financial year 2021, had initially received purchase price payments amounting to EUR 121,264 (Mr. Neumann for the nominal value of EUR 100,000) and EUR 181,896 (Dr. Dr. Siebert for the nominal value of EUR 150,000), respectively. Mr. Neumann and Dr. Dr. Siebert then filed legal actions to claim further purchase price payments. In March 2023, the Company – due to the not unambiguous provisions regarding the calculation of the purchase price in the articles of association and in the shareholders' agreement – lastly reached an agreement with both claimants in a settlement whereby the Company pays to Mr. Jens-Peter Neumann an amount of EUR 82,285.50 and to Dr. Dr. Martin Siebert an amount of EUR 122,770.42, in each case plus interest equal to 5 percentage points above the base rate since 29 June 2021. Each of the parties paid their own legal costs and shared the court costs equally. As at 31 December 2022 the Company had formed adequate provisions in view of the pending dispute and based on the proposed settlement agreement under discussion at that time.

Apart from that, no post-employment benefits were granted to former members of the Board of Management and/or no post-employment obligations were entered into towards former members of the Board of Management in financial year 2023.

III. Individual remuneration of members of the Board of Management

1. Level of remuneration of members of the Board of Management for financial year 2023

This section presents an individualised statement of the remuneration "granted and owed" to the current and former members of the Board of Management within the meaning of section 162 (2) sentence 1 of the German Stock Corporation Act (AktG). These terms were included in the German Stock Corporation Act on entry into force of the Act Implementing the Second Shareholder Rights Directive (ARUG II) and thus replace the remuneration definitions used as a basis in the template tables of the GCGC 2017.

In which remuneration report a remuneration component pursuant to section 162 (1) sentence 2 no. 1 AktG is to be stated depends on whether it is granted or owed in the financial year for which the remuneration report is prepared. Since section 162 AktG does not tie remuneration reporting to the existence of an expense, reporting is not to be based on an expense recognition approach.

The legislation wording does not state whether or under what conditions a remuneration component is "granted". According to the legislative materials, a remuneration is granted and thus, pursuant to section 162 (1) sentence 2 no. 1 AktG, to be disclosed, if it effectively, i.e. actually, accrues to the director or officer and thus accrues to the latter's assets, irrespective of whether the accrual takes place to fulfil an obligation or without a legal reason. Accordingly, a remuneration pursuant to section 162 (1) sentence 2 no. 1 AktG is to be disclosed in the remuneration report (only) for the financial year in which it actually accrues. This is largely consistent with the accrual principle of the GCGC 2017.

By contrast, a remuneration is "owed" if the company has a legally existing obligation towards the director or officer which is due but not yet fulfilled. If such obligation is not yet due, it constitutes a (mere) commitment to pay a remuneration. For RHÖN-KLINIKUM Aktiengesellschaft the latter relates, in the case of individual members of the Board of Management, to the performance-linked management profit-sharing bonus (tantieme) which is determined after the end of the financial year and after determination of the target achievement by the Supervisory Board early in the following year and which is then paid out.

In the table below, the granted and owed remuneration within the meaning of section 162 AktG is given in the columns entitled "Accrual" and compared with the previous year. Moreover, the respective relative share of all fixed and variable remuneration components is presented.

In addition, the table below contains by way of comparison disclosures on the remuneration "earned" in the financial year concerned (and the previous year) (which corresponds to the benefits granted within the meaning of the GCGC 2017), once again including the respective relative share of all fixed and variable remuneration components. In this place the presentation also contains other additional disclosures relating to the minimum and maximum remuneration as well as on the post-retirement expense incurred to the Company. With regard to the disclosures made below on variable remuneration, reference is made to the statements on the agreements entered into with the members of the Board of Management relating to the – possibly applicable – Bonus Ban pursuant to section 37a StromPBG and section 29a EWPPBG under I.2 b).

Incumbent member of Board of Management	Prof. Dr. Tobias Kaltenbach (Chairman of the Board of Management from 1 November 2022)									
	Remuneration earned in financial year						Inflow ¹			
	2023		2022		2023	2023	2023		2022	
	€ '000	%	€ '000	%	(min.) € '000	(max.) € '000	€ '000	%	€ '000	%
Base salary (fixed remuneration)	500	99%	83	63%	500	500	500	91%	83	92%
Fringe benefits	7	1%	7	5%	7	7	7	1%	7	8%
Total	507	100%	90	68%	507	507	507	92%	90	100%
One-year variable remuneration	0 ²	0%	42	32%	0	250	42	8%	0	0%
Total remuneration	507	100%	132	100%	507	757	549	100%	90	100%

¹Remuneration granted and owed in financial year.

²In this regard, see explanations under I.2 b).

Incumbent member of Board of Management	Dr. Stefan Stranz (Member of the Board of Management)									
	Remuneration earned in financial year						Inflow ¹			
	2023		2022		2023	2023	2023		2022	
	€ '000	%	€ '000	%	(min.) € '000	(max.) € '000	€ '000	%	€ '000	%
Base salary (fixed remuneration)	500	92%	500	75%	500	500	500	75%	500	71%
Fringe benefits	43	8%	43	6%	43	43	43	6%	43	6%
Total	543	100%	543	81%	543	543	543	81%	543	77%
One-year variable remuneration	0 ²	0%	126	19%	0	250	126	19%	158	23%
Total remuneration	543	100%	669	100%	543	793	669	100%	701	100%

¹Remuneration granted and owed in financial year.

²In this regard, see explanations under I.2 b).

Incumbent member of Board of Management	Dr. Gunther K. Weiß (Member of the Board of Management)									
	Remuneration earned in financial year						Inflow ¹			
	2023		2022		2023	2023	2023		2022	
	€ '000	%	€ '000	%	(min.) € '000	(max.) € '000	€ '000	%	€ '000	%
Base salary (fixed remuneration)	500	80%	500	68%	500	500	500	78%	500	97%
Fringe benefits	17	3%	17	2%	17	17	17	3%	17	3%
Total	517	83%	517	70%	517	517	517	81%	517	100%
One-year variable remuneration	0 ²	0%	126	17%	0	250	126	19%	0	0%
Total payments	517	83%	643	87%	517	767	643	100%	517	100%
Pension expense ³	108	17%	90	13%	108	108	0	0%	0	0%
Total remuneration	625	100%	733	100%	625	875	643	100%	517	100%

¹Remuneration granted and owed in financial year.

²In this regard, see explanations under I.2 b).

³Pension expense includes service cost according to IAS 19.

Earned remuneration of the incumbent members of the Board of Management in financial year 2023 totalled EUR 1.7 million (previous year: EUR 4.7 million). Of this total, EUR 1.7 million (previous year: EUR 3.5 million) was accounted for by components that are not results-based and EUR 0 (previous year: EUR 1.2 million) by variable components. The provision for claims to post-retirement benefits by the incumbent Board of Management in accordance with IFRS amounted to EUR 0.5 million (previous year: EUR 0.5 million) as at 31 December 2023.

In financial year 2023, the granted and owed remuneration (within the meaning of section 162 AktG) of the incumbent members of the Board of Management totalled EUR 1.9 million (previous year: EUR 5.5 million). Of this total, EUR 1.6 million (previous year: EUR 4.3 million) was accounted for by components that are not results-based and EUR 0.3 million (previous year: EUR 1.2 million) by variable components.

With regard to the payments made in financial year 2023 to the former members of the Board of Management Jens-Peter Neumann (member of Board of Management until 23 February 2017) and Dr. Dr. Martin Siebert (member of Board of Management until 28 March 2018), reference is made to the statements under II.

2. Overview of post-retirement benefits

The table below provides an overview of the commitments to the payment of benefits made to Dr. Weiß in the event of termination of his activity, notably at their present value and the amount spent or provisions made for this by the Company during the last financial year:

Retirement benefits	Provision as at 31 December 2022 € '000	Change in retirement benefits € '000	Provision as at 31 December 2023 € '000	nominal amount on contract expiry ¹ € '000
Dr. Gunther K. Weiß	495	52	547	647

¹ Claim after ordinary expiry of employment contracts based on remuneration.

3. Additional disclosures

If individual members of the Board of Management exercise mandates in affiliates of the Company and receive separate remuneration for this, they are required to pay such remuneration amounts to the Company.

C. Remuneration of the Supervisory Board

The remuneration of the Supervisory Board is governed by section 14 of the Company's Articles of Association and was confirmed by the Annual General Meeting on 9 June 2021.

The task of the Supervisory Board is to advise and supervise the Board of Management as it directs the Company under its own responsibility and manages its business activities. The members of the Supervisory Board are entitled to a reasonable remuneration taking into consideration, in terms of both its structure and amount, the requirements of the Supervisory Board office, the time commitment involved as well as the responsibility assumed by the Supervisory Board members for the Company. The remuneration of the Supervisory Board in this context – in addition to the attendance fee and reimbursement for outlays – consists of a purely fixed remuneration. The independence of the remuneration of the Supervisory Board from results-based key ratios is to ensure that the members of the Supervisory Board perform their duties in a neutral and objective manner. The grant of a purely fixed remuneration is consistent with Recommendation G.18 Sentence 1 GCGC.

I. Remuneration of the Supervisory Board according to the Articles of Association

Section 14 of the Articles of Association contains the following provisions on the remuneration of the members of the Supervisory Board:

Each member of the Supervisory Board shall receive a fixed annual remuneration in the amount of EUR 25,000.00.

For the work in the committees of the Supervisory Board, the members of the Supervisory Board shall additionally receive remuneration as follows:

- the chairman of the Audit Committee EUR 25,000.00, each other member of the Audit Committee EUR 5,000.00;

- the chairman of another committee EUR 10,000.00, each other member of another committee EUR 2,500.00 if such other committee in each case has acted at least once during the financial year.

Membership on the Nomination Committee and on committees formed on an ad hoc basis shall not be taken into consideration. If a member of the Supervisory Board exercises more than one office simultaneously, that member shall receive only the remuneration for the highest remunerated office.

In derogation from the remuneration previously specified, the chairman of the Supervisory Board shall receive a fixed annual remuneration of EUR 75,000.00, his deputy chairmen a fixed annual remuneration of EUR 50,000.00 in each case. This shall also compensate their memberships on committees.

Members of the Supervisory Board who have not been on the Supervisory Board or a committee during a full year, or in each case have not held the chair or deputy chair of the Supervisory Board or the chair of a committee during a full year, shall receive the remuneration for each commenced calendar month of their activity pro rata temporis. The remuneration for committee activities on a pro rata temporis basis shall be conditional on the committee in question having met for the fulfilment of its duties during the period in question.

For their participation in person in a meeting of the Supervisory Board, of a committee and of an Annual General Meeting, each member of the Supervisory Board shall receive a fixed attendance fee of EUR 2,000.00. For joining a meeting by conference call or video conference, the participants concerned shall receive a fixed attendance fee in the amount of EUR 1,000.00. If several meetings of the Supervisory Board and/or committee meetings and/or an Annual General Meeting are held on the same day, fixed attendance fees shall be paid only for one meeting or, as the case may be, Annual General Meeting.

The chairman of the Supervisory Board and the deputy chairmen of the Supervisory Board shall receive double the amount of the fixed attendance fee for the Supervisory Board and committee meetings chaired by them in each case. Chairmen of Supervisory Board committees with power to adopt resolutions on behalf of the Supervisory Board, unless they hold office as chairman of the Supervisory Board or deputy chairman of the Supervisory Board at the same time, shall also receive double the aforementioned amount for the committee meetings chaired by them in each case. If a Supervisory Board member chairs several committees with power to adopt resolutions, he shall receive double the amount only once.

All members of the Supervisory Board shall be reimbursed the expenses incurring to them in the performance of their work, notably communication and travel expenses as well as any VAT to be paid on remuneration and on reimbursement of expenses.

Since the remuneration of the members of the Supervisory Board is made up not of variable but exclusively fixed components, there is no need to define a maximum total remuneration for the members of the Supervisory Board.

In addition it is pointed out that the members of the Supervisory Board are also included in a D&O insurance policy covering the personal liability risk in the event of pecuniary damage claims being made against them by reason of the performance of their activity for the Company. In this regard, the premiums to be paid by the Company are not broken down amongst all persons included under the insurance cover and for that reason are not recorded in the table under II.

II. Individual remuneration of members of the Supervisory Board for financial year 2023 and compared with financial year 2022

The members of the Supervisory Board received the following remuneration for financial year 2023:

Total payments 2023	Attendance fee		Fixed annual Remuneration		Activity in the Committees		Total
	€ '000	%	€ '000	%	€ '000	%	€ '000
Dr. Jan Liersch [Chairman]	27	26%	75	74%	0	0%	102
Georg Schulze [1st Deputy Chairman]	10	17%	50	83%	0	0%	60
Hafid Rifi [2nd Deputy Chairman]	19	28%	50	72%	0	0%	69
Peter Berghöfer	15	33%	25	56%	5	11%	45
Dr. Julia Dannath-Schuh	6	19%	25	81%	0	0%	31
Regina Dickey	15	33%	25	56%	5	11%	45
Peter Ducke	11	28%	25	64%	3	8%	39
Prof. (apl.) Dr. med. Leopold Eberhart	15	33%	25	56%	5	11%	45
Irmtraut Gürkan	13	30%	25	58%	5	12%	43
Kai Hankeln	9	24%	25	68%	3	8%	37
Dr. Martin Mandewirth	10	29%	25	71%	0	0%	35
Dr. Thomas Pillukat	9	24%	25	68%	3	8%	37
Christine Reißner	8	24%	25	76%	0	0%	33
Oliver Salomon	9	26%	25	74%	0	0%	34
Dr. Cornelia Sufke	7	22%	25	78%	0	0%	32
Marco Walker	7	22%	25	78%	0	0%	32
Total	190	26%	500	70%	29	4%	719

Compared with this, the members of the Supervisory Board received the following remuneration for financial year 2022:

Total payments 2022	Attendance fee		Fixed annual Remuneration		Activity in the Committees		Total
	€ '000	%	€ '000	%	€ '000	%	€ '000
Dr. Jan Liersch [Chairman]	32	30%	75	70%	0	0%	107
Georg Schulze [1st Deputy Chairman]	12	19%	50	81%	0	0%	62
Hafid Rifi [2nd Deputy Chairman]	18	26%	50	74%	0	0%	68
Peter Berghöfer	16	35%	25	54%	5	11%	46
Nicole Mooljee Damani (until 8 Janua	0	0%	2	100%	0	0%	2
Dr. Julia Dannath-Schuh	5	17%	25	83%	0	0%	30
Regina Dickey	16	35%	25	54%	5	11%	46
Peter Ducke	13	32%	25	61%	3	7%	41
Prof. (apl.) Dr. med. Leopold Eberhart	14	32%	25	57%	5	11%	44
Irmtraut Gürkan	11	27%	25	61%	5	12%	41
Kai Hankeln	8	22%	25	69%	3	8%	36
Dr. Martin Mandewirth	12	32%	25	68%	0	0%	37
Dr. Thomas Pillukat	14	33%	25	60%	3	7%	42
Christine Reißner	11	31%	25	69%	0	0%	36
Oliver Salomon	11	31%	25	69%	0	0%	36
Dr. Cornelia Sufke (from 2 March 2022	8	28%	21	72%	0	0%	29
Marco Walker	7	22%	25	78%	0	0%	32
Total	208	28%	498	68%	29	4%	735

D. Comparative presentation

The tables below show a comparison of the percentage change in remuneration of the members of the Board of Management and the Supervisory Board with the trend in earnings of RHÖN-KLINIKUM -

Aktiengesellschaft and the average remuneration of the employees on an equivalent full-time basis compared with the years 2020 to 2022 (section 162 (1) sentence 2 no. 2 AktG in conjunction with section 26j (2) sentence 2 EGAktG).

For the comparison with the trend in average remuneration of the employees, the average headcount of RHÖN-KLINIKUM Aktiengesellschaft and its subsidiaries in Germany according to the employee benefits expense (not including the employee benefits expense accounted attributable to the members of the Board of Management) recognised in the consolidated financial statements of RHÖN-KLINIKUM Aktiengesellschaft according to IFRS is used. To ensure comparability, the remuneration of part-time employees was converted to full-time equivalents. For reasons of consistency, the remuneration earned in the last financial years was used as a basis for the change in remuneration of members of the Board of Management.

The trend in earnings is presented on the basis of the result for the year of RHÖN-KLINIKUM Aktiengesellschaft. Since the remuneration of the members of the Board of Management – as stated above – exclusively depends on the trend in key ratios of the Group, the trend in EBITDA according to the consolidated financial statements of RHÖN-KLINIKUM Aktiengesellschaft is stated according to IFRS.

	Total	Total	Difference	Total	Difference	Total	Difference
	2023	2022	2023 vs 2022	2021	2022 vs 2021	2020	2021 vs 2020
	€ '000	€ '000	%	€ '000	%	€ '000	%
Total payments of the Board of Management							
Prof. Dr. Tobias Kaltenbach (Chairman of the Board of Management from 1 November 2022)	507	132	>100%	0	>100%	0	-
Dr. Stefan Stranz	543	669	-19%	700	-4%	264	165%
Dr. Gunther K. Weiß	625	733	-15%	1,031	-29%	1,047	-2%
Dr. Christian Höftberger (Chairman of the Board of Management until 31 October 2022)	0	2,080	-100%	666	212%	303	120%
Prof. Dr. Bernd Griewing (Member of the Board of Management until 31 October 2022)	0	1,106	-100%	1,371	-19%	1,377	0%
Stephan Holzinger (member of Board of Management until 22 June 2020; service relationship until 30 September 2020)	0	0	-	0	-	3,293	-100%
Total	1,675	4,720	-65%	3,768	25%	6,284	-40%

	Total	Total	Difference	Total	Difference	Total	Difference
	2023	2022	2023 vs 2022	2021	2022 vs 2021	2020	2021 vs 2020
	€ '000	€ '000	%	€ '000	%	€ '000	%
Total payments of the Supervisory Board							
Dr. Jan Liersch (from 3 June 2020) [Chairman]	102	107	-5%	96	11%	67	43%
Georg Schulze (until 31 December 2023) [1st Deputy Chairman]	60	62	-3%	57	9%	122	-53%
Hafid Rifi (from 19 August 2020) [2nd Deputy Chairman]	69	68	1%	67	1%	27	148%
Peter Berghöfer	45	46	-2%	41	12%	91	-55%
Nicole Mooljee Damani (from 19 August 2020 to 8 January 2022)	0	2	-100%	29	-93%	18	61%
Dr. Julia Dannath-Schuh (from 3 June 2020)	31	30	3%	30	0%	40	-25%
Regina Dickey (from 19 August 2020)	45	46	-2%	42	10%	18	133%
Peter Dücke (from 19 August 2020)	39	41	-5%	33	24%	15	120%
Prof. (apl.) Dr. med. Leopold Eberhart (from 19 August 2020)	45	44	2%	41	7%	20	105%
Prof. Dr. Gerhard Ehninger (until 15 January 2021)	0	0	-	2	-100%	68	-97%
Irmtraut Gürkan (from 19 August 2020)	43	41	5%	41	0%	18	128%
Kai Hankeln (from 19 August 2020)	37	36	3%	34	6%	16	113%
Dr. med. Martin Mandewirth (from 19 August 2020)	35	37	-5%	32	16%	18	78%
PD Dr. med. Thomas Pillukat (from 19 August 2020)	37	42	-12%	33	27%	15	120%
Christine Reißner	33	36	-8%	32	13%	81	-60%
Oliver Salomon	34	36	-6%	31	16%	70	-56%
Dr. Cornelia Sufke (from 2 March 2022)	32	29	10%	0	>100%	0	-
Marco Walker (from 9 March 2021)	32	32	0%	25	28%	0	>100%
Dr. Annette Beller (until 3 June 2020)	0	0	-	0	-	83	-100%
Jan Hacker (until 19 August 2020)	0	0	-	0	-	57	-100%
Stefan Härtel (until 19 August 2020)	0	0	-	0	-	55	-100%
Klaus Hanschur (until 19 August 2020)	0	0	-	0	-	50	-100%
Meike Jäger (until 19 August 2020)	0	0	-	0	-	70	-100%
Dr. Brigitte Mohn (until 19 August 2020)	0	0	-	0	-	43	-100%
Eugen Münch (until 19 August 2020)	0	0	-	0	-	219	-100%
Wolfgang Mündel (until 19 August 2020)	0	0	-	0	-	196	-100%
Evelin Schiebel (until 19 August 2020)	0	0	-	0	-	57	-100%
Dr. Katrin Vernau (until 19 August 2020)	0	0	-	0	-	56	-100%
Natascha Weihs (until 19 August 2020)	0	0	-	0	-	57	-100%
Total	719	735	-2%	666	10%	1,647	-60%

Comparative presentation	As at	As at	Difference	As at	Difference	As at	Difference
	31 Dec.	31 Dec.		31 Dec.		31 Dec.	
	2023	2022		2021		2020	
	€ '000	€ '000	%	€ '000	%	€ '000	%
Average employee remuneration	68	66	3%	64	4%	62	2%
Board of Management remuneration earned in financial year	1,675	4,720	-65%	3,768	25%	6,284	-40%
Supervisory Board remuneration earned in financial year	719	735	-2%	666	10%	1,647	-60%
EBITDA acc. to Consolidate Financial Statements of RHÖN-KLINIKUM AG	105,884	105,645	0%	101,160	4%	80,225	26%
Profit for the year of RHÖN-KLINIKUM AG	22,307	10,835	106%	7,579	43%	-10,309	> 100%

Bad Neustadt a. d. Saale, 27 March 2024

The Board of Management

The Supervisory Board

Independent Auditor's Assurance Report on Examination of the Remuneration Report pursuant to Section 162 (3) AktG

To RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale

Opinion

We have formally examined the remuneration report of RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale, for the financial year from 1 January to 31 December 2023 to determine whether the disclosures pursuant to Section 162 (1) and (2) AktG have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not examined the content of the remuneration report.

In our opinion, the accompanying remuneration report complies, in all material respects, with the disclosure requirements pursuant to Section 162 (1) and (2) AktG. Our opinion does not cover the content of the remuneration report.

Basis for the Opinion

We conducted our examination of the remuneration report in compliance with Section 162 (3) AktG taking into account the IDW assurance standard: Examination of the remuneration report pursuant to Section 162 (3) AktG (IDW AsS 870 (08.2021)). Our responsibilities under this regulation and this standard are further described in the "Our Responsibilities" section of our assurance report. Our audit firm has applied the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms ((IDW QMS 1) (09.2022)). We have complied with our professional duties pursuant to the German Public Accountants Act [WPO] and the Professional Charter for Auditors/Chartered Accountants [BS WP/vBP], including the independence requirements.

Responsibilities of the Board of Management and the Supervisory Board

The Board of Management and the Supervisory Board are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The Board of Management and the Supervisory Board are also responsible for such internal controls as they have determined necessary to enable the preparation of the remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

Our Responsibilities

Our objectives are to obtain reasonable assurance about whether the remuneration report complies, in all material respects, with the disclosure requirements pursuant to Section 162 (1) and (2) AktG, and to issue an assurance report that includes our opinion.

We planned and performed our examination to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have not examined whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

Frankfurt am Main, 27 March 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft

Huber-Straßer
Wirtschaftsprüferin
[German Public Auditor]

Schrum
Wirtschaftsprüfer
[German Public Auditor]