



RHÖN-KLINIKUM
AKTIENGESELLSCHAFT

2024

Annual Report

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Our Mission

RHÖN-KLINIKUM AG is one of the largest healthcare providers in Germany. We offer excellent medical care with a direct tie-in to universities and research facilities.

Our hospital sites – RHÖN-KLINIKUM Campus Bad Neustadt, Klinikum Frankfurt (Oder), Universitätsklinikum Gießen und Marburg (UKGM) as well as Zentralklinik Bad Berka – are highly specialised maximum- and intermediate-care providers.

As a modern, diverse and future-oriented Company, we are attractive both as an employer and training centre. Diversity is our strength. Our activities are defined by common values such as responsibility, tolerance, respect, integrity, openness and togetherness.

As a healthcare group, we carry significant responsibility for people and the environment. As a result, sustainability is an essential part of our identity.

Letter to Shareholders

DEAR SHAREHOLDERS, DEAR LADIES AND GENTLEMEN,

RHÖN-KLINIKUM AG can once again look back on a successful financial year with a satisfactory performance in 2024. Our forecast figures were reached, with revenues and earnings going up for the third year in a row. This is more than remarkable given the trend in the sector, which for three years has been going in exactly the opposite direction. According to the German Hospital Association (Deutsche Krankenhausgesellschaft, DKG), 80 per cent of German hospitals now expect to record a loss for the year in 2024. This becomes even more striking if we look at hospitals on a stand-alone basis. For example, RHÖN's own university hospital, Universitätsklinikum Gießen und Marburg (UKGM), stands out as one of the very few university hospitals that managed to close off financial year 2024 with a profit.

It is certainly true that, in many ways, 2024 was a challenging year for the healthcare industry. The major hospital reform launched at the end of the year undoubtedly continues to be the most important policy initiative right now. Its approval by the Federal States in the Federal Council (Bundesrat) at the end of November has given German hospitals a certain level of planning certainty to adapt to the new conditions going forward. That said, a number of key issues have yet to be addressed. Hospitals are still not being provided with an adequate level of funding to meet the steep rise in operating and investment costs in the hospital sector.

RHÖN-KLINIKUM AG has been very keen to adapt to the tremendous challenges faced by the sector whilst also anticipating how to leverage our portfolio, structures and processes to prepare for the new requirements introduced by the reform. This in turn will enable us to generate stable earnings.

Our employees provided care to 912,965 patients in the Group's hospitals and medical care centres. This increase of 3.5 per cent translated into a yoy increase in revenues and earnings. Revenues increased by 9.0 per cent to 1.60 billion euros. Our consolidated profit rose by 5.0 million euros, reaching 45.2 million euros in financial year 2024. Earnings before interest, taxes, depreciation and amortisation (EBITDA) improved to 110.8 million euros. Materials and consumables used increased as a result of higher purchasing prices to 535.5 million euros. Overall, we once again met our forecast for financial year 2024.

For the coming financial year we expect revenues of 1.7 billion euros within a range of +/-5 per cent. For earnings before interest, tax and depreciation/amortisation (EBITDA), we expect a level of between 110 million euros and 125 million euros. In addition to the financial numbers, we also take account of the non-financial performance indicators of number of cases and cost weights in the management of the Company and expect these to show a moderate increase over the previous year.

Looking at our Company's performance and development, we have every reason to say that – thanks to our strong position and affiliation with the Asklepios Kliniken Group – RHÖN-KLINIKUM AG not only is well prepared to meet the challenges of the upcoming hospital reform but is also embracing this as an opportunity. Our five hospital sites are highly specialised facilities providing cutting-edge healthcare to the highest quality standards. With the growing outpatient care offerings as well as provision of innovative healthcare services, we are taking advantage of new opportunities as they arise and using them in the best interests of our patients.

This strategy is paying off. We are making targeted investments in modern care delivery approaches and cooperation schemes and leveraging our experience in promising innovations. In this area our university hospital sites are playing a key role by developing insights into medical science and translating these directly into modern diagnostics and therapeutic procedures for our patients. This unique approach of combining research, teaching and healthcare delivery is what makes Universitätsklinikum Gießen und Marburg (UKGM) such an essential pillar of our Company.

The investments made under the White Paper Plus (Zukunftspapier Plus) agreed with the Federal State of Hesse and UKGM are already showing results: around 850 million euros will go towards the modernisation and expansion of both sites by 2032. Key projects such as the modernisation of the central surgery wings and the new build of the adult psychiatry clinic in Marburg, the expansion and modernisation of the surgical clinic in Giessen, as well as the purchase of state-of-the-art large medical equipment units and investment in medical technology are already under way. With the agreement on a relief collective agreement for non-medical employees and doctors, we have made our Company more attractive as an employer and have taken key steps towards making lasting improvements in working conditions in many areas at UKGM.

RHÖN-KLINIKUM AG has always been an innovation trailblazer, with many new opportunities now being created particularly in the wake of digitalisation. Digitalisation is helping to improve medical, therapeutic and nursing care delivery to patients, to significantly reduce the day-to-day workload of doctors and nurses and to make administrative processes more efficient. Far from being an end in itself, then, digitalisation for us is something we embrace and promote wherever it is sensible and appropriate.

This also rings true for artificial intelligence (AI). The future of medical care will be influenced decisively by the digital transformation. Already today, AI-based systems are capable of analysing large amounts of medical data and detecting diseases at the earliest possible stage. At our University Hospital in Marburg work is under way in this area on a very special project: namely "DokPro", the first AI system of its kind, which we expect to use to perform initial assessments of patients being admitted to the emergency ward. Patients sit in a booth where they are walked through their medical history with an avatar. Their vital signs are recorded and a detailed report is created which is then sent automatically to the hospital's internal information system. The aim is to further optimise patient flows and reduce the workload on staff. This has to be one of the finest developments by universities in the Federal State of Hesse.

2025 is a big year for electronic patient files. The countdown for rolling out the telematics infrastructure (TI) has begun. But to become the digital data highway it will need powerful TI components, especially for large hospitals and hospital networks. In August 2024 our Company became the first German healthcare provider to receive from the National Digital Health Agency (Gematik) the operating licence for a high-speed connector – a particularly efficient solution offering high performance and flexibility whilst significantly reducing existing hardware requirements. The connector has since been undergoing thoroughgoing testing in day-to-day clinical activities with a view to being rolled out Group-wide. In this context, top priority is given to data security and data protection at all times. Here, too, we are leveraging the experiences of our hospital network and establishing ourselves as a driver of innovation. This in turn is strengthening our position within the sector.

For RHÖN-KLINIKUM AG, acting sustainably is a non-negotiable and something that has been an integral part of our identity for years. We are convinced that lasting success becomes possible only by harmonising economic, ecological and social factors. To achieve this goal, RHÖN has set sustainability targets. These are based on the existing ESG strategy.

When it comes to the environment, RHÖN-KLINIKUM AG's goal is to significantly reduce the CO₂ emissions of its healthcare facilities (Scope 1 and 2). We are also aiming to lower waste volumes in proportion to patient numbers. Currently, a transition plan for climate change mitigation is being prepared and, in this context, the sustainability strategy adapted. This strategy is to be completed and adopted within the next three years. We report on this in our CSRD Report, which from 2024 will be adopted for the first time in accordance with the ESRS Standards of the European CSRD Directive and is set out in the Management Report of the 2024 Annual Report.

Our Company will continue to focus on its strengths and values. That is why it is everyone's job to bring in their ideas and talents to advance our overall objective: delivering the best possible care for our patients. One of the things that is key to our success is keeping an open mind. Openness, a thirst for knowledge and the courage to embrace change are in our DNA. Another thing that sets us apart is our network and the collaboration within the Asklepios and MEDICLIN Group. As a learning organisation, we exploit synergies and mutually benefit from one another.

As a modern, diverse and future-oriented Company, we create a working environment for our employees in which they can play an active part in shaping the healthcare delivery of tomorrow. We have highly qualified specialist staff in all professional areas. In 2024 we developed our integrated and Group-wide HOUSE OF BEST CARE concept with the aim of creating excellent working conditions for our employees and ensuring that the work we do and the care we provide for patients meet the highest quality standards.

The concept encompasses numerous dimensions for the workplace, working procedures and patient care, including interprofessional treatment teams, professional development opportunities, modern work equipment, innovative nursing concepts, a focused patient journey and a transformative leadership culture.

One important contribution being made to towards achieving this goal is our new digital staffing/staffing shortage management system. We are there for our patients 365 days a year, 24/7. That is why having reliable and fair staffing management structures is so important when it comes to reducing the workload on our employees and making sure they remain happy and healthy in the long term. And by the way, ensuring efficient time management and staffing management in compliance with the legal requirements is not only strategically vital but also the key to ensuring our high level of care.

Training and academisation are also essential to our HOUSE OF BEST CARE concept. We will actively promote the academic qualification of our nursing staff and integrate students and university graduates into new areas of work on the wards. To this end, we are working in close cooperation various universities. Our strategic cooperation with the Asklepios Group opens up additional opportunities for improving the quality of continued and higher-qualification training and creating a harmonised training offering to be adopted throughout the Group.

Dear Shareholders,

We cannot not take our success for granted. Also in the future, we must and will work together to take and implement significant steps to achieve our ambitious but perfectly realistic goals, i.e. of further developing and promoting RHÖN-KLINIKUM AG as an innovative healthcare company and top player within the German healthcare system.

Lastly, I would like to express my heartfelt thanks to our more than 18,000 employees who have made decisive contributions to the Company's overall success thanks to their wealth of ideas, loyalty and commitment. Each and every one of us has an important part to play in the success of our team.

Our thanks also goes out to the members of the Supervisory Board as well as our business partners for their continued constructive and trusted cooperation.

And I thank you, our shareholders, for the trust you place in the future viability of our Company. We will continue our journey together, remaining steadfastly committed to our time-honoured efforts.

Yours sincerely

Prof. Dr Tobias Kaltenbach
Chairman of the Board of Management
RHÖN-KLINIKUM Aktiengesellschaft

Bad Neustadt a. d. Saale, March 2025

Report of the Supervisory Board

DEAR SHAREHOLDERS,

Financial year 2024 was significantly influenced by economic challenges. The regulatory environment associated with the hospital reform and higher wages, coupled with higher costs for energy and purchase of materials as a result of the war in Ukraine, all had an impact on the result.

A significant part of the Supervisory Board's work was taken up by these topics. At several meetings the Supervisory Board thoroughly examined the trend in the economy and adjustments needed to address the worsening environment as well as key the key issues currently faced by the healthcare industry.

In the following I would like to inform you in greater detail on the work of the Supervisory Board and its committees during financial year 2024.

Cooperation between the Supervisory Board and the Board of Management

During financial year 2024 also, the Supervisory Board examined on an ongoing basis and in detail the situation and development of the Company, performing fully, and with the requisite care, the duties incumbent on it by law, the Articles of Association and the Terms of Reference. These include continuously monitoring management activity and regularly advising the Board of Management on directing the Company. In performing its duties, the Supervisory Board was at all times guided by the decisive principles of propriety, compliance with legal provisions, expediency and efficiency. Observance of these principles by the Board of Management was monitored by a regular review of the Company's general organisation and verifying the instruments used for internal risk control.

The Supervisory Board was involved in fundamental and important decisions taken by the Board of Management of RHÖN-KLINIKUM Aktiengesellschaft. The Board of Management complied with its duties to keep us informed, doing so on a timely basis and comprehensively both in written form and orally. Documents and records of relevance for decisions were provided to us in good time prior to the respective consultations and meetings. We acknowledged the reporting and the information submitted by the Board of Management regarding strategic and operative business performance, compliance issues as well as risks and risk management, and reviewed the same for plausibility and comprehensibility, advised the Board of Management and discussed issues of business performance thoroughly with the Board of Management and also scrutinised the same.

As chairman of the Supervisory Board, I also personally engaged in a regular exchange of information and ideas with all members of the Board of Management – also between meetings held by the corporate bodies – and was kept thoroughly informed at all times about material developments and current business transactions. We thoroughly discussed the resolution proposals made by the Board of Management in the Supervisory Board committee responsible for the respective items and/or the Supervisory Board plenary session and, to the extent required by the provisions of law, the Articles of Association and the Terms of Reference, gave our opinion on the same after a careful review. Where required in the case of particularly pressing and time-critical business matters, the Supervisory Board, or, as the case may be, the competent committee adopted resolutions by voting in written form.

Work of the Supervisory Board in the plenary session

During financial year 2024 a total of five meetings of the Supervisory Board plenary session were held (four ordinary meetings and one extraordinary meeting); moreover, twelve written resolutions were adopted in the written voting procedure. The resolutions adopted in the written voting procedure related in particular to urgent decisions of the Supervisory Board in connection with major construction projects (in particular at Universitätsklinikum Gießen und Marburg (UKGM)). The members of the Board of Management attended all meetings of the Supervisory Board except where agenda items relating to internal matters of the Supervisory Board and matters pertaining to the Board of Management were discussed. The meetings of the Supervisory Board plenary session were held as in-person meetings, with the possibility of joining the meetings virtually (so-called hybrid meeting).

At the meetings of the Supervisory Board the plenary session, based on detailed reports of the Board of Management on current developments, strategic issues and the financial position of the Group, as well as based on the written reports and presentations by the Board of Management, regularly deliberated together with the Board of Management on the net assets, financial position and results of operations, the trend in revenues and earnings, the performance data, key figures and human resources of the Company and Group and of individual Group subsidiaries. The Supervisory Board was informed of deviations of business performance from the targets. The Board of Management moreover informed on current developments in healthcare policy, the healthcare environment, healthcare legislation and their impact on the Group as well as on the competitive situation. In particular, the planned hospital reform and its significance for the RHÖN-KLINIKUM Group was thoroughly discussed.

Moreover, the Supervisory Board together with the Supervisory Board discussed the topic of sustainability. RHÖN-KLINIKUM Aktiengesellschaft is convinced that lasting success becomes possible only by harmonising economic, ecological and social factors. To achieve this goal, the Company has set sustainability targets. These are based on the existing ESG strategy and cover the areas of action of environmental protection, social matters and governance: in the environmental area, the Company strives to significantly reduce the CO₂ emissions of its healthcare facilities. We are also aiming to lower waste volumes in proportion to patient numbers. In the area of social matters, the focus is on the topics of employee health, patient safety and patient satisfaction.

In this context, a transformation policy with CO₂ reduction paths as well as energy savings and energy substitution measures was drawn up already in financial year 2023, revised in financial year 2024 and is currently being adopted pursuant to the Corporate Sus-

tainability Reporting Directive (CSRD) (ESRS E1). Moreover, in financial year 2024 the Group's sustainability strategy was formally enshrined its corporate strategy.

In financial year 2024, the Supervisory Board also repeatedly examined the planned investment measures at the five hospital sites of the RHÖN-KLINIKUM Group. The Supervisory Board carefully reviewed the planned measures and – to the extent required by law, the Articles of Association and the Terms of Reference – gave its approval to the implementation of the investment measures.

At the balance sheet meeting on 27 March 2024, which was also attended by KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG), we thoroughly discussed in the Supervisory Board plenary session together with the Board of Management – after an opinion given by the Audit Committee – the annual financial statements and management report of RHÖN-KLINIKUM Aktiengesellschaft as well as the consolidated financial statements and the Group management report for financial year 2023. The plenary session approved both the annual financial statements and the consolidated financial statements. In addition, the Supervisory Board resolved to support the Board of Management's proposal for the appropriation of net distributable profit for financial year 2023. Furthermore, the non-financial report, the Related Parties Report (also referred to as Dependant Company Report) pursuant to section 312 of the German Stock Corporation Act (Aktiengesetz, AktG), the Declaration on Corporate Governance and the Remuneration Report were approved. The Supervisory Board also adopted the Report of the Supervisory Board for financial year 2023.

At the balance sheet meeting, the agenda for the 2024 Annual General Meeting including the related resolution proposals were also prepared. With regard to the impending elections to the Supervisory Board and the related nominations, the Supervisory Board in this regard also resolved on an interim amendment to the Declaration of Compliance pursuant to section 161 AktG of 14 December 2023 related to Recommendation C.9 of the German Corporate Governance Code (GCGC).

Lastly, in view of the personnel changes on the Supervisory Board (as described in detail below under "Composition of the Supervisory Board and changes on the Supervisory Board"), Mr. Stefan Röhrhoff was elected as 1st deputy chairman of the Supervisory Board and a resolution on the filling vacancies on various committees adopted.

At the Ordinary Meeting on 5 June 2024 that was held following the Annual General Meeting, the Supervisory Board examined the position of the Company, the economic performance as well as developments in staffing and wages. In addition, the Board of Management reported on progress in strategic areas of action as well as the implementation of projects under the follow-on agreement with the Federal State of Hesse. The meeting also focused on matters

pertaining to the Board of Management. In this regard the Supervisory Board deliberated on the conclusion of a termination agreement with former member of the Board of Management Prof. Dr Bernd Griewing, a renewal of the Board of Management service contract with Dr Gunther K. Weiß, as well as the target agreements with the members of the Board of Management for 2024. Furthermore, the Supervisory Board, on account of the election of new Supervisory Board members by the Annual General Meeting, resolved on filling vacancies on two committees. The shareholder representatives on the Supervisory Board moreover objected to overall fulfilment of the gender quota pursuant to section 96 (2) AktG. As a result, the minimum share of 30% for women and men in each case in future will have to met separately in the impending elections to the Supervisory Board in financial year 2025 on the side of the shareholder representatives and on the side of the employee representatives. Lastly, the Supervisory Board approved investments at several hospital sites that were subject to approval.

At the extraordinary Supervisory Board meeting on 10 July 2024, the Supervisory Board deliberated on the participation of RHÖN-KLINIKUM Aktiengesellschaft in a bidding procedure for an investment project. No resolutions were adopted at this meeting.

At the ordinary meeting on 25 September 2024, the Supervisory Board once again discussed the Company's current position and economic performance. The Board of Management also informed on select projects from the Group divisions and presented a status report on the implementation of the follow-on agreement with the Federal State of Hesse. At this meeting the Supervisory Board also approved investments at several hospital sites that were subject to approval.

Moreover, the Supervisory Board examined several avoidance actions lodged with the Nuremberg-Fürth District Court against resolutions by the Annual General Meeting on 5 June 2024. Two avoidance actions related to the formal approval of the actions of the members of the Supervisory Board for financial year 2023; a further avoidance action related (and relates) to the resolution on the appropriation of net distributable profit.

With regard to the avoidance actions brought against resolutions on formal approval of the actions of members of the Company's corporate bodies relating to a drafting error in the Report of the Supervisory Board for financial year 2023, the Supervisory Board subsequently agreed, by written voting procedure, to the statement of an acknowledgement and approved the publication of an addendum to the Report of the Supervisory Board whereby the drafting error was corrected in the wording of the statutory auditor's report on the Dependant Company Report. Following the declaration of the acknowledgement by the Company, the legal actions were ended by way of judgment by confession on 5 December 2024. The addendum to the Report of the Supervisory Board for financial year 2023 was published on the Company's website and in the companies register.

At the ordinary meeting on 12 December 2024, the Supervisory Board together with the Board of Management considered the current trend in service volumes as at 30 November 2024, current developments in staffing and wages, as well as projects from the Group divisions and progress being made in their implementation, in particular the investment projects related to the follow-on agreement with the Federal State of Hesse. The Board of Management presented the preliminary economic targets for financial year 2024 as well as the related framework conditions and measures. The submitted targets, target assumptions, target figures and the accompanying explanatory statements by the Board of Management were discussed in-depth in the plenary session of the Supervisory Board. At this meeting the Supervisory Board also examined the regular issuance of the Statement of Compliance pursuant to section 161 AktG relating to the implementation of the recommendations and suggestions of the GCGC. Moreover, the Supervisory Board approved investments in UKGM that were subject to approval.

The Supervisory Board also adopted an anticipatory resolution related to sustainability reporting in which the Supervisory Board as a precaution instructed KPMG to issue a review of the Sustainability Statement (in the version of a non-financial statement pursuant to sections 289b to 289e and sections 315b, 315c of the German Commercial Code (Handelsgesetzbuch, HGB) with limited assurance in the event of the CDRD not being timely implemented in German law based on existing legislation (for details, see "Audit of Sustainability Statement" below).

Work of the Supervisory Board in the committees

With a view to performing its tasks in the best possible way, the Supervisory Board has set up standing committees whose members possess specific expertise and experience for the special issues dealt with in those committees. The committees prepare in particular the resolutions of the Supervisory Board. In individual cases, decision-making powers of the Supervisory Board may be delegated to the committees to the extent this is permitted by law. This division of responsibilities promotes the efficiency of the work of the Supervisory Board and has proven itself in practice.

At three virtual meetings held in financial year 2024, the **Personnel Affairs Committee** prepared subjects relating to personnel matters of the Board of Management for the Supervisory Board and, to the extent required, adopted resolutions and accordingly made recommendations to the Supervisory Board on the adoption of resolutions.

During the past financial year, the **Mediation Committee** (pursuant to section 27 (3) of the Co-Determination Act (MitBestG)) did not meet.

The **Audit Committee** of the Supervisory Board met five times during financial year 2024, with one meeting held as an in-person meeting and four held as virtual meetings. Furthermore, the Audit Committee adopted a resolution in the written voting procedure.

The Audit Committee notably was responsible for review and preliminary consultation for the RHÖN-KLINIKUM Aktiengesellschaft consolidated annual financial statements for financial year 2023.

The Audit Committee assessed the independence of KPMG designated as statutory auditor to audit the consolidated financial statements and the Group management report as well as the annual financial statements and the management report for financial year 2023 and to conduct the review of the half-year financial report, obtained the statement regarding the auditor's independence, recommended to the plenary session of the Supervisory Board a proposal for the election of the auditor to be submitted to the Annual General Meeting and – after the election – issued the statutory auditor with the audit assignment and concluded with it a fee agreement for the same. The Audit Committee also defined the areas of emphasis of the audit of the 2024 annual financial statements that were to be considered by the statutory auditor beyond the statutory audit scope.

Questions of fundamental importance relating to accounting, corporate planning, the capital base, the monitoring of the accounting process, as well as the effectiveness of the internal controlling system, risk management system (including special business risks), and the internal audit system were discussed with the Board of Management and in some cases also with the statutory auditor. The interim reports were thoroughly discussed on a regular basis with the Board of Management prior to their publication, as well as the half-year financial report with the Board of Management and in the presence of the statutory auditor giving due regard to the review by the latter.

The Group controlling report on performance and finance controlling submitted quarterly, which forms part of our risk management system, was thoroughly discussed in each case with the Board of Management. Here, the development of service volumes and earnings of the Group and of the individual Group hospitals was also analysed, scrutinised and discussed with the Board of Management, also with regard to deviations from targets. The Audit Committee kept itself regularly informed about the activity of the Internal Audit and Compliance departments.

The **Nomination Committee**, which selects candidates from the shareholders' representatives and proposes them for nomination to the Supervisory Board, did not hold any meetings in financial year 2024. However, in the written voting procedure it resolved on making recommendations to the plenary session in connection with the personnel changes on the Supervisory Board.

The **Committee for Decisions on Related Party Transactions** did not meet during the past financial year 2024.

Corporate Governance and issuance of Declaration of Compliance

Pursuant to section 161 AktG, the management board and supervisory board of a German exchange-listed stock corporation are required to state each year in a Declaration of Compliance to what extent the company complies with the recommendations of the GCGC and in what respects it deviates from such recommendations.

The Board of Management and the Supervisory Board in December 2024 submitted such Declaration of Compliance pursuant to section 161 AktG – prepared by the Audit Committee – which is permanently available on the website of RHÖN-KLINIKUM Aktiengesellschaft. The Supervisory Board reports on corporate governance jointly with the Board of Management in the Declaration on Corporate Governance likewise published on the website.

Furthermore, the Report on the Remuneration of the Board of Management and of the members of the Supervisory Board and on the statutory auditor's report in this regard pursuant to section 162 AktG is also publicly available on the Company's website. It is also there that the remuneration scheme for the members of the Board of Management approved by the Annual General Meeting on 9 June 2021 (including the resolution by the Annual General Meeting in this regard) is publicly available.

Examination and approval of the 2024 financial statements

The Board of Management adopted the financial statements of the Company and the management report for the year ended 31 December 2024 in accordance with the provisions of the HGB, while the consolidated financial statements as at 31 December 2024 and group management report for financial year 2024 were adopted pursuant to section 315e HGB in accordance with the principles set out in the International Financial Reporting Standards (IFRS). The auditor, KPMG, examined the annual financial statements and the management report of the Company for financial year 2024 as well as the consolidated financial statements and Group management report for financial year 2024. The statutory auditor issued an unqualified auditor's report in each case.

The financial statements and management report of the Company, the consolidated financial statements and Group management report as well as the reports of the auditor KPMG as statutory auditor on the result of its audit were received by all members of the Supervisory Board together with the Board of Management's proposal for the appropriation of the net distributable profit for the year. These documents were examined by the Supervisory Board and extensively discussed by the Audit Committee and by the Supervisory Board with representatives of the auditor at the respective balance sheet meetings. As part of the audit, the Audit Committee and the Supervisory Board examined both the accounting findings and the

procedures and processes relating to the accounting findings and their auditing. Based on the findings of the preliminary review by the Audit Committee, the Supervisory Board concurred with the findings of the auditor and, having conducted its own review, determined that it also sees no grounds for objections.

On recommendation of the Audit Committee, the Supervisory Board approved the annual financial statements of the Company and the consolidated financial statements prepared by the Board of Management at the meeting on 26 March 2025; the annual financial statements of the Company are thus adopted as final. The Supervisory Board approved the Board of Management's proposals for the appropriation of net distributable profit for financial year 2024.

Moreover, the Supervisory Board, together with the Board of Management, adopted the Remuneration Report for financial year 2024 in accordance with section 162 AktG.

Review of Sustainability Statement

The Audit Committee and the Supervisory Board also examined the Sustainability Statement (in the version of a non-financial statement pursuant to sections 289b to 289e and sections 315b, 315c HGB) prepared by the Board of Management for financial year 2024, which was prepared on a basis similar to CSRD requirements and the related European Sustainability Reporting Standards (ESRS).

In the course of financial year 2024, uncertainty arose as to whether the CSRD would be timely implemented by the German legislator by 31 December 2024. Since around the end of the financial year it emerged that the implementation of the CSRD in German law would no longer take place before 31 December 2024, the Supervisory Board, at its meeting on 12 December 2024, adopted an anticipatory resolution whereby KPMG, in the event of the CSRD not being implemented in a timely manner based on the current legislation, was instructed as a precaution to issue a review of the Sustainability Statement with limited assurance.

Since ultimately the CSRD Implementing Act had not been adopted by the end of 2024, KPMG, as instructed, conducted the review to obtain limited assurance related to the Sustainability Statement and issued an unqualified auditor's report. The documents were carefully reviewed by the Audit Committee at its meeting on 25 March 2025 and by the Supervisory Board at its meeting on 26 March 2025. The Board of Management thoroughly explained the non-financial statement at both meetings. Representatives of the auditor attended the meetings and reported on the key results of their review and answered additional questions from the Supervisory Board members. After its review, the Supervisory Board had no objections.

Audit of the Related Parties Report

Since the takeover by Asklepios Kliniken GmbH & Co. KGaA in 2020 and in the absence of a controlling agreement, a Report on Related Parties (also known as Dependent Company Report) is to be prepared by the Board of Management of the Company annually pursuant to section 312 AktG. This Report must state all legal transactions effected by the Company over in the past financial year with the controlling enterprise or an enterprise affiliated with it or at the request or in the interests of such enterprises, and all other measures it has taken or refrained from taking in the past financial year at the request or in the interests of such enterprises. The performance effected and consideration paid for the legal transactions, and the reasons for the measures and their advantages and disadvantages entailed for the Company and, in the case of disadvantages, how such disadvantages have been offset, must be stated.

KPMG, as statutory auditor, audited the Dependant Company Report and issued the following auditor's report:

"Based on our duly performed audit and assessment, we hereby confirm that

1. the factual statements of the Report are true,
2. for the legal transactions as specified in the Report, the consideration paid by the Company was not unduly high."

The Supervisory Board reviewed the Dependant Company Report and at its meeting on 26 March 2025, which was attended by KPMG as statutory auditor, thoroughly discussed the Report with the Board of Management. Questions put to the Board of Management on individual legal transactions and measures specified in the Report were answered by the Board of Management fully and to the satisfaction of the Supervisory Board. Based on its review the Supervisory Board takes the view that the Dependant Company Report satisfies the legal requirements. Following the conclusive findings of the reviews conducted by the Supervisory Board, no objections are to be raised against the declaration by the Board of Management at the end of the Report. Moreover, the Supervisory Board approved the audit report of the statutory auditor.

Composition of the Board of Management and changes in the Board of Management

There were no personnel changes on the Board of Management in financial year 2024. In accordance with Section 7 (1) of the Articles of Association of RHÖN-KLINIKUM Aktiengesellschaft, the Board of Management is currently composed of three persons: Prof. Dr Tobias Kaltenbach (CEO), Dr Stefan Stranz (CFO) and Dr Gunther K. Weiß (COO).

The personal details, functions and duties of the individual members of the Board of Management are presented in detail under the heading “Corporate bodies of the Company”.

Composition of the Supervisory Board and changes in the Supervisory Board

In accordance with the requirements of the Co-Determination Act (MitBestG), the Supervisory Board of RHÖN-KLINIKUM Aktiengesellschaft pursuant to section 10 (1) MitBestG is comprised of 16 members, of which eight Supervisory Board members are elected by the shareholders and eight Supervisory Board members are elected by the employees. In accordance with section 96 (2) AktG, at least 30 per cent of the Supervisory Board is to be made up of women and at least 30 per cent of men, which – relative to the entire Supervisory Board – corresponds to at least five seats in each case.

During financial year 2024, there were personnel changes. Mr. Kai Hankeln notified the Company on 13 February 2024 that he was resigning his mandate as member of the Supervisory Board with immediate effect and left the Supervisory Board with effect from 13 February 2024 with the consent of the chairman of the Supervisory Board. The Supervisory Board therefore resolved on 21 February 2024 on the recommendation of the Nomination Committee to propose Mr. Joachim Gemmel, for the election to be held at the 2024 Annual General Meeting, to succeed Mr. Hankeln as member of the Supervisory Board of RHÖN-KLINIKUM Aktiengesellschaft. For the period until then, the Local Court of Schweinfurt, by Decision of 14 March 2024, issued on the application by the Board of Management based on a corresponding proposal of the Supervisory Board, appointed Mr. Joachim Gemmel as member of the Supervisory Board of the Company.

The Annual General Meeting then elected Mr. Joachim Gemmel to the Supervisory Board with effect from conclusion of the 2024 Annual General Meeting.

In addition, the Annual General Meeting removed Ms. Irmtraut Gürkan and Ms. Christine Reißner as members of the Supervisory Board and in their place elected PD Dr Sara Sheikzadeh and Dr Dagmar Federwisch to the Supervisory Board with effect from conclusion of the 2024 Annual General Meeting.

The nominations were based on recommendations by the Nomination Committee.

The appointment of the new members of the Supervisory Board was made pursuant to Section 10 (5) of the Articles of Association for the end of the term of office of the departing members of the Supervisory Board, i.e. for the period until conclusion of the Annual General Meeting resolving on formal approval of actions for financial year 2024.

There were also changes with the employee representatives on the Supervisory Board in financial year 2024. By resolution of 7 December 2023, the Local Court of Schweinfurt appointed Mr. Stefan Röhrhoff as member of the Supervisory Board of the Company to replace Mr. Georg Schulze with effect from 1 January 2024. Mr. Georg Schulze already in September 2023 had notified the chairman of the Supervisory Board that he was resigning from his Supervisory Board mandate with effect from the expiry of 31 December 2023.

The personal details of the members of the Supervisory Board in 2024 are set out in the Notes to the consolidated financial statements. The section also provides information on the professional qualifications of the Supervisory Board members as well as their other mandates. The organisational structure of the Supervisory Board and the composition of the committees during the past financial year are set out in the overview provided following this Report.

The Supervisory Board thanks the Board of Management, all employees of the Group as well as the employee representatives of all Group companies for all their tremendous commitment and work that made financial year 2024 such a success.

The Supervisory Board

Dr Jan Liersch
Chairman

Bad Neustadt a. d. Saale, 26 March 2025

OVERVIEW OF THE ORGANISATIONAL STRUCTURE OF THE SUPERVISORY BOARD AND COMPOSITION OF THE STANDING COMMITTEES (AS AT 31 DECEMBER 2024)

1. Composition of the Supervisory Board¹

Dr Jan Liersch
Chairman

Georg Schulze
1st deputy chairman

Hafid Rifi
2nd deputy chairman

Members	Number of meetings: 5	
	Attendance	
Peter Berghöfer	5	100 %
Dr Julia Dannath-Schuh	5	100 %
Regina Dickey	5	100 %
Peter Ducke	4	80 %
Prof. Dr Leopold Eberhart	5	100 %
Dr Dagmar Federwisch (from 5 June 2024)	3	75 %
Joachim Gemmel (from 14 March 2024)	2	40 %
Irmtraut Gürkan (until 5 June 2024)	1	100 %
Kai Hankeln (until 13 February 2024)	0	n/a
Dr Jan Liersch	5	100 %
Dr Martin Mandewirth	5	100 %
Dr Thomas Pillukat	4	80 %
Christine Reißner (until 5 June 2024)	1	100 %
Hafid Rifi	5	100 %
Stefan Röhrhoff (from 1 January 2024)	4	80 %
Oliver Salomon	5	100 %
PD Dr Sara Sheikzadeh (from 5 June 2024)	3	75 %
Dr Cornelia Süfke	4	80 %
Marco Walker	4	80 %

¹With one exception, the members of the Supervisory Board who were not in attendance were excused for their absence in each case and participated in the resolution adoption by casting a vote in writing.

2. Composition of the standing committees²

Personnel Affairs Committee

Dr Jan Liersch, Chairman

Members	Number of meetings: 3	
	Attendance	
Peter Ducke	3	100 %
Joachim Gemmel (from 27 March 2024)	1	100 %
Kai Hankeln (until 13 February 2024)	0	n/a
Dr Jan Liersch	3	100 %
Dr Thomas Pillukat	3	100 %

Mediation Committee

Dr Jan Liersch, Chairman

Members	Number of meetings: 0	
	Attendance	
Joachim Gemmel (from 27 March 2024)		
Kai Hankeln (until 13 February 2024)		
Dr Jan Liersch		
Dr Thomas Pillukat		
Stefan Röhrhoff		

Audit Committee

Hafid Rifi, Chairman

Members	Number of meetings: 5	
	Attendance	
Peter Berghöfer	4	80 %
Regina Dickey	5	100 %
Prof. Dr Leopold Eberhart	5	100 %
Joachim Gemmel (from 5 June 2024)	0	0 %
Irmtraut Gürkan (until 5 June 2024)	3	100 %
Dr Jan Liersch	5	100 %
Hafid Rifi	5	100 %

Nomination Committee

Dr Jan Liersch, Chairman

Members	Number of meetings: 0	
	Attendance	
Joachim Gemmel (from 27 March 2024)		
Kai Hankeln (until 13 February 2024)		
Dr Jan Liersch		
Hafid Rifi		

Committee for Decisions on Related-Party Transactions

Dr Jan Liersch, Chairman

Members	Number of meetings: 0	
	Attendance	
Dr Julia Dannath-Schuh (from 5 June 2024)		
Irmtraut Gürkan (until 5 June 2024)		
Dr Jan Liersch		
Oliver Salomon		
Stefan Röhrhoff (from 27 March 2024)		

²The members of the Supervisory Board who were not in attendance were excused for their absence in each case and participated in the resolution adoption by casting a vote in writing.

RHÖN-KLINIKUM SHARE

The RHÖN share started out 2024 at a XETRA closing price of 10.20 euros, reaching its high for the year of 14.00 euros on 17 December 2024. The RHÖN share closed the stock market year at a XETRA price of 13.90 euros, thus gaining 39.0 per cent compared with the previous year’s closing price. At the same time, the RHÖN share in 2024 outperformed the benchmark indices DAX, DJ EURO STOXX 50® and DJ EURO STOXX Healthcare®. In contrast to the decline in the SDAX, the RHÖN share’s performance in 2024 was positive.

RHÖN-KLINIKUM SHARE IN COMPARISON WITH THE SDAX®



Source: XETRA® share price indexed (January 2, 2024 = 100)

Performance of stock markets

The German leading index DAX® recorded an increase of 18.8 per cent in 2024 to close the stock market year at 19,909 points. The second-tier index SDAX® fell slightly by 1.8 per cent and closed the stock market year at 13,711 points. The European lead index, DJ EURO STOXX 50®, climbed 8.3 per cent to 4,896 points and the

European healthcare sector benchmark index, DJ EURO STOXX Healthcare®, by 8.6 per cent to 825 points. The RHÖN share thus outperformed the aforementioned benchmark indices in financial year 2024.

RHÖN-KLINIKUM share

ISIN	DE0007042301
Ticker symbol	RHK
Registered share capital (€)	167,406,175
Number of shares	66,962,470

Share prices (€)	1 Jan.–31 Dec. 2024	1 Jan.–31 Dec. 2023
Closing price	13.90	10.00
High	14.00	15.25
Low	9.55	10.00

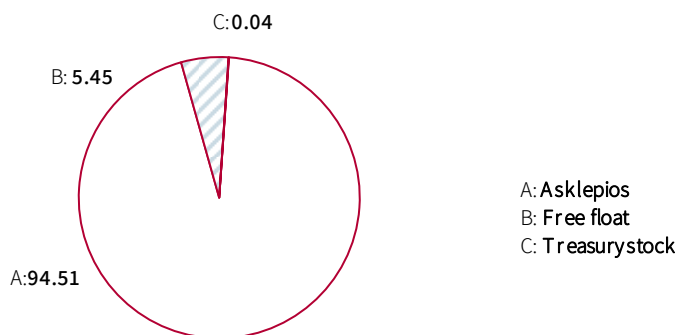
	31 Dec. 2024	31 Dec. 2023
Market capitalisation (€ m)	930.78	669.62

Shareholder structure

According to the notifications of voting rights made pursuant to section 33 et seq. of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG), the shareholder structure of RHÖN-KLINIKUM AG is as follows.

SHAREHOLDER STRUCTURE OF RHÖN-KLINIKUM AG

in %



As at 31 December 2024 (on the basis of the most recent notification of voting rights to the company)

Prime Standard and indices membership

The RHÖN share is admitted to the Prime Standard of the Frankfurt Stock Exchange, the segment with the highest post-admission obligations for exchange-listed companies, and thus upholds the highest level of transparency.

The RHÖN share is listed in the CDAX composite index and the DAX-sector Pharma+Healthcare index.

Capital market communication

RHÖN-KLINIKUM AG is committed to transparent and fair communication. That is why investor relations (i.e. the dealings it has with the shareholders) take high priority for RHÖN-KLINIKUM AG. As part of its financial market communication, RHÖN-KLINIKUM AG therefore again strived in 2024 to convey a realistic picture of the Group. For that purpose, RHÖN-KLINIKUM AG makes available to investors, analysts and all other interested market participants a platform with comprehensive and timely information. Moreover, RHÖN-KLINIKUM AG seeks a direct, ongoing and personal dialogue with investors and analysts.

As part of its financial reporting, RHÖN-KLINIKUM AG provides information on operating business performance each quarter. Investors, analysts and the media are given current and share price-relevant information on the Group directly, in real time. Moreover, such information is published promptly as news items on the Company's website. Further sources of information are the regular annual events such as the analyst conference, the annual press conference and the Annual General Meeting. The next Annual General Meeting will be held on Tuesday, 3 June 2025.

DATES FOR SHAREHOLDERS AND ANALYSTS IN 2025

27 March	Results press conference and analyst conference: publication of 2024 Annual Financial Reportdes Jahresfinanzberichts
8 May	Publication of Interim Report for the quarter ending 31 March 2025
3 June	Annual General Meeting
7 August	Publication of Half-Year Financial Report as at 30 June 2025
6 November	Publication of Interim Report for the quarter ending 30 September 2025

You will find the financial calendar containing all important financial dates for 2025 also on our website at www.en.rhoen-klinikum-ag.com within the "Investor Relations" section.

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Group Management Report

Once again, we were able to achieve our forecast results in the financial year 2024. In the past financial year, our employees treated 912,965 patients in our hospitals and medical care centres, generating revenue of €1,595.6 million, EBITDA of €110.8 million and consolidated profit of €45.2 million.

The 2024 financial year was marked by a spike in the financial crisis in the hospital sector. The cost increases of the past years are not fully reflected in hospital prices, so that according to the German Hospital Society, 80% of German hospitals expect a loss in 2024. The past twelve months have been marked by persistent global crises, including the wars in Ukraine and the Gaza Strip, tariff increases and price hikes for energy and purchases of materials, supply chain issues, efforts to find qualified staff, as well as growing regulatory challenges in Germany.

We are well prepared to face the big challenges facing by the healthcare industry so that we can continue to deliver strong earnings with our portfolio, structures and processes. RHÖN-KLINIKUM AG continues to focus on the consistent achievement, continuation and further development of strategic goals.

1 | BASIC CHARACTERISTICS OF THE RHÖN-KLINIKUM GROUP

1.1 Overview

The RHÖN-KLINIKUM AG Group provides mainly cross-sector, i.e. inpatient, semi-inpatient and outpatient healthcare services. With few exceptions, the Group has a single-tier structure. With the exception of Campus Bad Neustadt, the individual hospital companies are organised in the form of legally independent corporations that have their registered office at the respective facility sites and are managed as direct subsidiaries of RHÖN-KLINIKUM AG (Group parent company). The ultimate Group parent company has its registered office in Bad Neustadt a. d. Saale, Federal Republic of Germany.

With eight hospitals and 5,464 beds/places at a total of five sites in four federal states, we are one of the largest hospital operators in Germany. A total of 912,965 patients (previous year: 881,775) were treated in our facilities in financial year 2024. Despite the impacts of high inflation and price increases for purchases of goods and services, we generated total EBITDA of to €110.8 million (previous year: €105.9 million) on revenues of €1,595.6 million (previous year: €1,464.0 million). As of the balance sheet date, the Group employed 18,744 persons (31 December 2023: 18,246).

1.2 Future of the group

RHÖN-KLINIKUM AG again closed a successful financial year in 2024 with satisfactory performance. This is more than remarkable given the trend seen within the sector.

The hospital reform initiated at the end of the year undoubtedly continues to be the central political issue. RHÖN-KLINIKUM AG has succeeded in adapting to the tremendous challenges faced by the sector whilst also anticipating how the Company can leverage its portfolio structures and processes to prepare for the new requirements from the reform. With our Group's position and connection to the Asklepios Kliniken Group, we are well prepared for the impending hospital reform which we see as an opportunity.

Our five hospital sites are highly specialised centers of excellence with the highest quality standards. We are making targeted investments in modern care delivery approaches and cooperation models and leveraging our experience in promising innovations. In this regard, our university hospital locations are of particular importance.

Sustainable action is an obligation for RHÖN-KLINIKUM AG and has been integral part of our philosophy for years. We believe that lasting success will only be achieved if medical, economic, environmental and social factors are reconciled. To meet this aspiration, our organization has set itself sustainability-related goals. These are build on the existing ESG strategy.

Attractiveness as employer

As a modern, diverse and forward-looking company, we create a work environment for our employees in which they can actively help shape the healthcare of tomorrow. We have highly qualified specialists in all professional areas. With our "HOUSE OF BEST CARE" concept, which was developed across all subgroups and holistically in 2024, we want to create excellent working conditions for our employees. At the same time, we guarantee the quality of our work and high-level patient care.

Education and academisation are also essential to our HOUSE OF BEST CARE concept. We will actively promote the academic qualification of our nursing staff and integrate students and university graduates into new fields of responsibility on the ward at an early stage. We work closely with various universities. Our strategic collaboration with the Asklepios Group opens up additional opportunities for us to improve the quality of continuing education and training and create a harmonised training offering that is used across the Group.

Medical and nursing excellence

At RHÖN-KLINIKUM AG, patients are the focus of action. The ultimate goal is to provide them with a safe environment as well as first-class medical care and a high level of satisfaction at all times. Our Company strives for medical excellence with a structured quality management system that is coordinated across all sites and works together across the AKLEPIOS Group network.

With RHÖN-KLINIKUM Campus Bad Neustadt, Zentralklinik Bad Berka, Klinikum Frankfurt (Oder) as well as the University Hospitals Giessen and Marburg (UKGM), the Company has five maximum- and intermediate-care hospitals throughout Germany. As academic teaching hospitals and university hospitals, all facilities maintain a close collaboration with research institutions. The strong interdisciplinary cooperation enabling specific therapies for our patients based on state-of-the-art diagnostics ensures holistic medical, nursing and therapeutic patient care.

Corporate Code

RHÖN-KLINIKUM AG has always been committed to these guiding values and principles: integrity, trust and loyalty as well as quality, innovation and social responsibility. They shape the leadership style and manners of our organization and are embedded in the Company's principles of conduct.

The principles of conduct form the basis of what is to apply to all employees, regardless of what position they hold. Everyone without exception – each to the best of their abilities – is responsible for compliance with these principles. By adhering to them in daily practice, our employees meet their responsibility towards themselves, RHÖN-KLINIKUM AG, patients as well as our business partners. These principles moreover represent important, uniform basic rules governing our business activity.

Corporate Social responsibility

As a company operating in the healthcare sector, we carry responsibility. This responsibility extends not only to our patients and employees but also to the environment and the living conditions for coming generations. That is because of the close relationship of people's health with the conditions in which they live.

a) Improve quality of life

The well-being of patients is the top priority for RHÖN-KLINIKUM AG. Ethical behaviour, providing excellent medical, nursing and therapeutic care of course form part of our corporate philosophy.

We are committed to delivering patient-centered, integrated care – in every single institution and across institutions and sectors.

b) Protect the environment

When it comes to protecting our environment, RHÖN-KLINIKUM AG takes the same level of care and diligence as it does when looking after the well-being of our patients and staff. For us, protecting the environment and being a good steward of our energy and water resources is inseparably bound up with responsible corporate governance. We pursue our activity without compromising on the security of care and the comfort of our patients.

Our Group is focused on reducing the negative effects of its business activity on the environment and climate and making a contribution towards protecting the environment and mitigating the effects of climate change. Efforts for this are focused on energy consumption and climate change mitigation, on minimising waste and on climate change adaptation.

c) Nurture and retain employees

Our employees are the pillars of our success. They enable our clinical operations and are our most valuable assets. Therefore, the respectful and mindful treatment of them is a high priority for us.

Our principles of conduct and values as well as our comprehensive offering of initial, ongoing and higher-qualification training are what make RHÖN-KLINIKUM AG an attractive employer. We reach out to potential apprentices and students early, run our own schools and train people in nursing, medical, commercial and technical professions. Moreover, we specifically promote the ongoing and higher-qualification training of all professional groups in the Group.

As a Company we are fully committed to diversity, tolerance and equal opportunities and stand firmly against discrimination or harassment of any kind. This is clearly shown by our international programmes for recruiting qualified staff. Moreover, company measures support employees in harmonising their professional commitments with their personal needs.

1.3 Objectives and strategies

With the entry into force of the Hospital Care Improvement Act (Krankenhausversorgungsverbesserungsgesetz, KHVVG) on 12 December 2024, existing structures are changed and existing processes and solutions are reconsidered. With our campus concept, the consistent implementation of outpatient treatments as well as the establishment of new medical services, we are seizing the opportunities we are offering for the benefit of our patients. In this context, RHÖN-KLINIKUM AG continues to aim to further integrate medical care with digital service offerings in order to improve the quality of medical treatment and the provision of care.

We will continue to invest in modern care approaches and cooperation models and contribute our empirical values to promising innovations. With our campus concept, which links outpatient and inpatient care and thinks them holistically in the interest of patients, there is already a forward-looking care model that anticipates the upcoming health care reform in large parts.

Integration of outpatient and inpatient care calls for a high level of digitalisation. Our goal is to press ahead even further with digitalisation with a view to standardising structures and clinical processes and thus ultimately further improving the quality of healthcare for the patients treated. Digitalisation is helping to improve medical, therapeutic and nursing care delivery to patients, to significantly reduce the day-to-day workload of doctors and nurses and to make administrative processes more efficient. At the same time, the digital transformation, also in the field of artificial intelligence (AI), will have a decisive influence on the future of medical care. Already today, AI-based systems are capable of analysing large amounts of medical data and detecting diseases at the earliest possible stage. We have consistently expanded our strengths in the field of digitalisation: by implementing concepts for paperless working at the bedside with tablet and widely available patient data at all sites, digital medication prescription with interaction Aklepios to avoid errors and in the sense of improved quality of treatment, using the networking options offered by the telematics infrastructure, etc. The further focus of our efforts is on completing the projects funded out of the Hospital Future Fund (KHZF) specifically aimed at further strengthening digitalisation.

The year 2025 is therefore marked by the introduction of electronic patient files. Our aim is to establish a telematics infrastructure to serve as a digital highway. To achieve this, we need powerful telematics infrastructure components. As a trailblazer of digitalisation, RHÖN-KLINIKUM AG is already using a high-speed connector from the company Research Industrial Systems Engineering (RISE) Deutschland GmbH – an efficient solution offering high performance and flexibility whilst significantly reducing existing hardware requirements. Our goals are to achieve shorter wait times, seamless communication and even more effective healthcare delivery. Data security and data protection always have the highest priority.

In addition to the expansion of outpatient care and advances in digitalisation, conceptual and constructional modernisation of our sites continues to be a key objective. Under the “White Paper Plus” concluded at the beginning of 2023 with the Federal State of Hesse, around €850 million will be invested in modernising and expanding our Giessen and Marburg sites. Key projects such as the modernisation of the central surgery wings and the new build of the adult psychiatry clinic in Marburg, the expansion and modernisation of the surgical clinic in Giessen as well as the purchase of large state-of-the-art medical equipment and investment in medical technology are already under way. With the “White Paper Plus” and the conclusion of a relief collective agreement for all employees of our university hospitals Universitätsklinikums Gießen und Marburg (UKGM), we can ensure their successful future development and achieve a noticeable level of relief for the different work areas.

Accountability, sustainability, integrity, trust and loyalty are values to which our Company and its employees have always felt committed right from the start. As a healthcare group, we also embrace our ecological obligations in addition to our medical, social and corporate responsibilities and reaping the advantages of our sustainable orientation.

To achieve this goal of operating on a sustainable basis, RHÖN-KLINIKUM AG has set sustainability targets. These build on the existing ESG strategy aimed at protecting our environment and mitigating climate change (Environment), promoting social cohesion (Social) and ensuring sound and sustainable corporate governance (Governance). RHÖN-KLINIKUM AG’s goal is to significantly reduce the CO₂ emissions of its healthcare facilities (Scope 1 and 2). We are also aiming to lower waste volumes in proportion to patient numbers.

Our strategic cooperation with the AKLEPIOS Group opens up a wide range of opportunities, including the qualitative improvement of advanced and further training and the creation of a harmonized training offering that is used throughout the Group. The aim is to promote the academic qualification of our nursing staff and integrate students and university graduates into new areas of work on the wards. Our employees are learning new insights and subject areas which otherwise would not be available within a hospital’s own continued training programmes, and in this area are increasingly growing together into one big team. As a modern, diverse and future-oriented Company, our goal is to create a working environment for our employees in which they can play an active part in shaping the healthcare delivery of tomorrow. In 2024, we developed our integrated and Group-wide HOUSE OF BEST CARE concept in which we create the key basis for further improving excellent working conditions for our employees and further expand our high quality standards for our work and care for patients. The concept encompasses numerous dimensions for the workplace, working procedures and patient care, including a new digital staffing/staffing shortage management system, interprofessional treatment teams, professional development opportunities, modern work equipment,

innovative nursing concepts, a focused patient journey and a transformative leadership culture.

Our common goal together with Asklepios and MEDICLIN is to further foster even closer ties within our group-wide network of hospitals, to become even stronger together and to further expand our position as one of the leading healthcare providers in Germany. Together with AKLEPIOS and MEDICLIN, we will continue to drive product standardization and the leveraging of common potentials, as well as developing group-wide service and product strategies.

We will continue to work with energy and courage to achieve our corporate goals, thus contributing to the necessary transformation of healthcare.

1.4 Controlling System

The Group of RHÖN-KLINIKUM AG is directed and managed by the Board of Management of RHÖN-KLINIKUM AG. The Group is managed giving due regard to medical, strategic and financial targets.

The target system defines the most important control-relevant indicators for the growth of medical services for revenue and EBITDA. These key performance indicators are monitored by the Board of Management. Monthly reporting to the Board of Management includes the hospitals. Group management costs are fully distributed to the operative segments. The monthly plan-actual and actual-to-actual comparison in the report to the Board of Management, by aggregating the operative segments into one reporting segment, serve to control the targets published in the Company forecast. We firmly believe that profitable growth of our performance, case numbers and measurement ratios, as well as sales revenue, are important factors in driving our company value.

Revenue is one of the main financial performance indicators. For the purposes of measuring and controlling, revenues as a general rule are adjusted for effects so as to calculate organic growth.

RHÖN-KLINIKUM AG is controlled internally at the Company level by earnings before interest, tax, depreciation on tangible and amortisation on intangible assets (EBITDA). EBITDA, which is also one of the most important financial performance indicators, describes our operational performance before depreciation/amortisation, interest and tax and represents an important controlling-relevant financial performance indicator.

In addition to the above-mentioned main financial control variables, consolidated profit after taxes (EAT) is decisive for measuring profitability at the group level, but it is not primarily relevant for taxation. This figure has an influence on earnings per share (EpS) used for capital market communication.

The number of cost weights and case numbers are significant, control-related, non-financial performance indicators for RHÖN-KLINIKUM AG. Cost weight is a key figure used to bill medical services in

hospitals. Cost weights are given for each diagnosis-related group (DRG) by combining inpatient case numbers and the case mix index (index of the average severity of cases in the system of DRGs). Multiplying the cost weights by the so-called base rate produces the amount that a health insurance fund has to pay a hospital for such a case. This performance indicator provides RHÖN-KLINIKUM AG important information when it comes to both case numbers and the assessment of quality. Through supplementary fees and remuneration e.g. for new forms of treatment, this amount may increase further in certain cases.

In addition to the financial control variables, the Board uses other non-financial performance indicators that are not primarily relevant for management in order to further develop the company in a sustainable manner. Other non-financial performance indicators include quality assurance and employee development, as well as energy and environmental issues.

1.5 Quality

Ensuring the safety and satisfaction of our patients is what we put first. We achieve this goal in close collaboration with our partners of the Asklepios Group through our joint expectations of medical excellence and a comprehensive quality management programme with cross-site structures. In this way we can introduce innovations, live up to our own standards of quality and set new standards.

We continue to do everything we can to ensure that our patients feel safe, content and receive excellent medical care. We are constantly collaborating on ways to further improve the quality of our medical services, the integration of innovative technologies and process flows.

1.6 Medical research and its translation into practice

With its direct connection to maximum university provision and access to university medical research results, RHÖN-KLINIKUM AG is able to introduce modern scientific findings into medical care quickly and in a targeted manner and to integrate them into the field in a qualified manner.

Our excellent healthcare is based on this continuous transfer of knowledge from research into daily clinical practice. As academic teaching hospitals, all facilities maintain a close collaboration with research institutions and are involved in national and international research networks and projects.

1.7 Compliance

The compliance standards at RHÖN-KLINIKUM AG promote a legally compliant conduct of our employees. This is sustained and supported throughout our Group – both internally within our Company and in the relationship with our external stakeholders. Our sustainable corporate activity is built on trust and integrity.

The trust between clinical staff and patients forms the basis of our day-to-day work. We understand this in the light of the principle that “we treat all people in the same way we also would like to be treated ourselves”. This principle applies without exception to all our employees.

Our compliance management system provides the framework for legally compliant behaviour, fair dealings and responsible corporate governance. It is continuously being enhanced and promoted. In our Group-wide principles of conduct, requirements setting out the relationship with our patients, customers, suppliers, shareholders and the public as well as the behavior of employees among themselves.

1.8 Corporate Governance

Subscribed capital

The subscribed capital of RHÖN-KLINIKUM AG stated in the consolidated financial statements is completely made up of 66,962,470 ordinary voting bearer shares (non-par shares) each having a nominal share in the registered share capital of €2.50. Restrictions on voting rights or the transfer of shares – even if these may result from agreements of shareholders – do not exist or are not known to us. None of our shares have special rights giving their holders special supervisory powers. Employees who hold shares exercise their voting right freely. Shareholders may exercise their voting rights themselves at the Annual General Meeting or through proxies appointed for this purpose.

Based on the threshold events notified to us, the following picture pursuant to section 33 f. of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) in terms of shareholder structure emerges as at the relevant key date of 31 December 2024:

Person subject to notification requirement	Published on	Held directly %	Attributed %	Voting rights held %	Date that interest exceeds/falls below the threshold	Interest exceeding/falling below threshold of	Notification pursuant to section 33 f. WpHG Attribution pursuant to WpHG/ additional information:
Dr Britta große Broermann, Miriam große Broermann, Titia Olivia große Broermann, Paul Bernard große Broermann, Alexander Bernard große Broermann, Ivo Schramm, Prof. Dr Dr Friedrich Grimminger, Dr Jan Liersch, Z. große Broermann							
AMR Holding GmbH	9 Dec. 2024	0.0000	94.51	94.51	25 Febr. 2024	> 75%	Attributed (section 34 WpHG): AMR Holding GmbH

Consolidated financial statements, communication

The consolidated financial statements are prepared in accordance with the principles of the International Financial Reporting Standards (IFRS) applicable in the European Union and applying § 315 e Commercial Code (HGB) and are audited in accordance with both national and international auditing standards. When issuing audit mandates, the required independence of the appointed auditing company is ensured. The audit mandate for the annual and half-year financial statements of the Group and for the audit of the Group parent company is issued by the Chairman of the Audit Committee after due examination pursuant to the resolution in the Annual General Meeting.

We publish our consolidated financial statements in March of the following financial year. The Annual General Meeting normally takes place within the first six months of the new financial year. We announce our forecasts for the respective financial years in accordance with the requirements. We conduct analyst and investor discussions and also report on business performance in analyst conference calls. With our financial calendar published in the Annual Report and on our website, we inform our shareholders, shareholder associations, analysts and the media of all other recurring key dates.

Corporate bodies

The Board of Management and the Supervisory Board are constituted according to legislation governing German stock corporations. Under this regime the Board of Management directs the Company; the Supervisory Board advises the Board of Management and supervises its management activity. Members of the Supervisory Board and the Board of Management are appointed and dismissed in accordance with the provisions of stock corporation law (Supervisory Board: section 101 et seq. of the German Stock Corporation Act (Aktiengesetz, AktG); Board of Management: section 84 of the AktG) and the German Co-Determination Act (Mitbestimmungsgesetz, MitbestG).

In line with the principle of equal representation of shareholders and staff pursuant to the German Co-Determination Act (Mitbestimmungsgesetz, MitbestG) and the Articles of Association, the Supervisory Board of RHÖN-KLINIKUM AG comprises an equal number of employee and shareholder representatives (16) and held five meetings in 2024 (2023: five meetings).

At the virtual Annual General Meeting of RHÖN-KLINIKUM AG on June 5, 2024, the shareholders approved the appropriation of the balance sheet profit, the granting of discharge to the members of the Board of Directors and Supervisory Board, the remuneration report in accordance with Section 162 AktG, the election of the auditor for the 2024 financial year, the removal of two Supervisory Board members and the election of three Supervisory Board members.

Mr. Georg Schulze notified the Company by letter of 5 September 2023 that he was resigning his mandate as member of the Supervisory Board of the Company with effect from 31 December 2023, and accordingly left the Supervisory Board pursuant to Section 10 (3) of the Articles of Association of 14 June 2023. The Local Court of Schweinfurt – by Decision of 7 December 2023 issued on application by the Board of Management based on a corresponding proposal of the Supervisory Board – then appointed Mr. Stefan Röhrhoff, Regional Director of ver.di, region of Hesse, health department, as employee representative to the Supervisory Board of the Company with effect from 1 January 2024. By letter of 13 February 2024, Mr. Kai Hankeln notified the Company that he was resigning his mandate as member of the Supervisory Board of the Company with immediate effect. The Local Court of Schweinfurt – by Decision of 18 March 2024 issued on application by the Board of Management based on a corresponding proposal of the Supervisory Board – then appointed Mr. Joachim Gemmel, Co-Chief Executive Officer of Asklepios Kliniken GmbH & Co. KGaA, as member of the Supervisory Board of the Company with effect from 18 March 2024.

At the virtual Annual General Meeting held on 5 June 2024, Mr. Joachim Gemmel was elected by the shareholders to the Supervisory Board of RHÖN-KLINIKUM AG. The Supervisory Board members serving their terms until 5 June 2024, Ms. Irmtraut Gürkan and Ms. Christine Reißner, were removed. At the virtual Annual General Meeting, PD Dr. Sara Sheikhzadeh, Chief Medical Officer of Asklepios Kliniken GmbH & Co. KGaA, and Dr. Dagmar Federwisch, Regional Managing Director of Asklepios Kliniken GmbH & Co. KGaA, were elected by the shareholders as new members to the Supervisory Board.

As of 31 December 2024, 31.3% of the Supervisory Board is composed of women and 68.7% of men. There are five standing committees (previous year: six): the Mediation Committee as well as the Personnel Affairs Committee, the Audit Committee and the Committee for Deciding on Transactions with Related Parties within the meaning of section 111 a of the AktG (“Related Party Committee”) as committees with the power to adopt resolutions within the meaning of section 107 (3) AktG, as well as the Nomination Committee for candidates of the shareholders’ representatives. The respective committee chairmen report to the Supervisory Board as required at regular intervals on the work of the committees.

The Board of Management of RHÖN-KLINIKUM AG is responsible for directing the Company. In accordance with the Terms of Reference, its business operations are carried out under joint responsibility. The Board of Management reports regularly, without delay and comprehensively to the Supervisory Board on all significant issues relating to the business development and position of the Group and its subsidiaries. The composition of the Board of Management has not changed compared with the previous year. As of 31 December 2024, the Board of Management of RHÖN-KLINIKUM AG consists of three members: Prof. Dr. Tobias Kaltenbach (CEO), Dr. Stefan Stranz (CFO) and Dr. Gunther K. Weiß (COO). By resolution of 5 June 2024,

the Supervisory Board of the Company once again appointed Dr. Gunther K. Weiß as member of the Board of Management of the Company for the period from 1 January 2025 to 31 December 2028.

For information on the remuneration of the Board of Management and of the Supervisory Board, reference is made to the Remuneration Report published on our website.

Terms of Reference have been adopted for the activities of the Board of Management and the Supervisory Board in which among other things the allocation of responsibilities within the Board of Management and within the Supervisory Board is regularly adapted to changing requirements.

Shareholdings of members of corporate bodies

As of 31 December 2024, the members of the Supervisory Board and the Board of Management and their related parties together held, pursuant to Article 19 of the Market Abuse Regulation (MAR), 0.0% (previous year: 0.0%) of the Company's registered share capital, of which the Supervisory Board and its related parties account for 0.0% (previous year: 0.0%) of the shares in issue. As in the previous year, the members of the Board of Management and their related parties do not hold any interests in the registered share capital.

We continue to disclose all transactions of members of the Board of Management and the Supervisory Board in accordance with Art. 19 MAR.

Other contracts containing a change-of-control clause

The White Paper Plus (Zukunftsvereinbarung Plus) signed at the end of February 2023 between the Federal State of Hessen, RHÖN-KLINIKUM AG, Asklepios Kliniken GmbH & Co. KGaA, Universitätsklinikum Gießen und Marburg GmbH (UKGM), as well as their universities with their faculties of medicine, relating to the granting of investment funds for UKGM provides, as of 1 January 2023, for a re-transfer of shares to the Federal State of Hesse under certain conditions in the event of a change of control. A change of control occurs if 50.0% of the shares in RHÖN-KLINIKUM AG or more than 50.0% of the shares in Asklepios Kliniken GmbH & Co. KGaA or its personally liable shareholder is acquired by another natural or legal person.

Various contracts relating to financial instruments exist in which the lenders may demand immediate repayment in the event of a change of control. In this regard a change of control is defined as the takeover of more than 50.0% of the interests in RHÖN-KLINIKUM AG. For the former anchor shareholders B. Braun Melsungen AG/Asklepios Kliniken GmbH & Co. KGaA/Mr. Münch (HCM SE) and Ms. Münch, exceptions did and do exist in the promissory note loan agreement from financial year 2018 and the registered bond from financial year 2019. According to the contract documentation, no change of control exists if one or more of the former anchor shareholders acquire(s) more than 50.0%, but no more than 70.1% maximum (promissory note loan agreement 2018) and 70.3% maximum (registered bond 2019), respectively, of the voting shares in RHÖN-KLINIKUM AG within the group of anchor shareholders.

1.9 Corporate Governance Statement

The Corporate Governance Statement, in addition to the Declaration of Compliance of the Board of Management and the Supervisory Board pursuant to section 161 of the AktG, also contains information on corporate governance practices, the description of the work approach of the Board of Management and the Supervisory Board as well as the committees established by them, reporting on equal participation of men and women in management positions and the diversity concept.

For further details please visit our website www.rhoen-klinikum-ag.com where the Declaration on Corporate Governance is made accessible to the public under the section "Corporate Governance".

2 | ECONOMIC REPORT

2.1 Macroeconomic environment

In financial year 2024 the German economy shrank for the second year in a row. Real gross domestic product in 2024 once again declined by 0.2% in 2024. The German economy was unable to benefit from the upswing in the global economy. The decline was attributable to increasing competition with German exporters on key sales markets, high energy costs, a persistently high level of interest rates as well as uncertain economic prospects. According to the ifo business climate index, the mood in the German economy deteriorated in December 2024. After reaching 85.4 points in January 2024 and climbing to 89.0 points in April 2024 and May 2024, the index in Germany declined in the further course to 84.7 points in December 2024. The assistance programmes established by the German legislature in 2022 and 2023 as a result of the war in Ukraine to alleviate the higher costs of natural gas, district heating and electricity as well as further costs resulting from the increase in energy costs expired on 30 April 2024.

The tense economy is leaving a deeper mark on the labour market. Compared with the previous year, the number of unemployed persons rose by an average of 178,000 in 2024 to 2,787 million. The unemployment rate averaged 6.0% in 2024, an increase of 0.3% points compared with the previous year. On the one hand, demand for labor is too weak to compensate for rising supply. On the other hand, unemployment profiles often do not match demand in professional, educational and regional terms.

2.2 Sector-specific environment

The Hospital Care Improvement Act (Krankenhausversorgungsverbesserungsgesetz, KHVVG) was passed by the Federal Parliament (Bundestag) on 17 October 2024 and entered into force on 12 December 2024. The aim pursued by the KHVVG is to divide the services of hospitals into service groups with uniform structural requirements, e.g. in terms of equipment, staffing and treatment experiences as well as other additional service groups required to be kept available on a mandatory basis. These services may no longer be rendered in future unless these requirements are met. To the existing remuneration scheme comprising case flat rates (DRGs) and nursing budgets, a further component is added: the standby budget (Vorhaltebudget). Under this scheme, stand-by financing (orhaltefinanzierung) is to be paid essentially independent of case numbers. There will be a budget-neutral phase in 2025 and 2026. From 2027 the standby budget will be oriented on the service groups assigned to the hospitals by the Federal States, with a convergence phase being planned for 2027 and 2028 under which financing will be adapted. Moreover, a transformation fund will be set up. It provides for funding totalling €50 billion over a period of ten years.

On 28 March 2024, the Hospital Transparency Act (Krankenhaus-transparenzgesetz, KTG) intended to help strengthen the KHVVG entered into force. The core of the provisions is the introduction of a transparency list which will inform the population about the service offering, staffing and quality of hospitals. Since the launch of the Bundes-Klinik-Atlas (Federal Hospital Atlas) on 17 May 2024, potential patients can obtain data relating, among other things, to a hospital's case numbers, number of beds, nursing staff, emergency levels and select certificates. Further data will be made available in the future. In addition, hospitals in future will be assigned to various care levels depending on the service groups they keep available. Levels 1 to 3 as well as separate levels for specialised hospitals (Level F), cross-sector healthcare facilities without emergency medical care availability (Level 1i), and university medical care (Level 3U) are planned.

The KHVVG faces criticism from many parties because it does not provide hospitals with any tangible additional resources in terms of implementation, still contains a lot of ambiguity, and does not adequately take into account the practical reality of medical service provision and established care structures. However, the hospital sector is still unable to deal with important issues, such as how to adequately fund the sharp increase in overhead and capital expenditures. Additional adjustments are needed to make health care permanent.

RHÖN-KLINIKUM AG has intensively prepared itself for the big challenges of the hospital sector. On the basis of current internal analyzes, RHÖN-KLINIKUM AG has prepared its list for the KHVVG. In order to maintain the performance of the healthcare system, the key issues facing the industry, such as structural underfunding, the shortage of skilled workers and excessive bureaucratisation, among other things, must be responsibly guided by policy towards a sustainable solution.

2.3 Business performance

2.3.1 Overall statement on economic position

In addition to the protracted wars in Ukraine and the Gaza Strip and the associated price increases and supply chain issues, financial year 2024 was marked by the efforts to recruit qualified staff, wage increases as well as the regulatory challenges from the hospital reform in Germany. We are also affected by increased operating and investment costs due to the underfunding of the healthcare sector.

Nevertheless, our Company's economic performance continues to be robust, and can be viewed as positive in view of the economically strained situation of hospitals and the trend of the German hospital sector. We succeeded in further improving our key performance figures in financial year 2024.

During the reporting period, we treated a total of 912,965 patients at our hospitals and medical care centres (MVZs). This represents a total increase of 31,190 or 3.5%. The trend from inpatient to outpatient care is still continuing, also at our facilities.

With revenue up by €131.6 million (9.0%), we record an increase in EBITDA by € 4.9 million or 4.6% to €110.8 million, an increase in EBIT by €7.7 million or 19.1% to €48.1 million, as well as an increase in consolidated profit by €5.0 million or 12.4% to €45.2 million compared to the previous year.

2.3.2 Performance development

	Hospitals	Beds
As at 31 December 2023	8	5,460
Change in capacities	-	4
As at 31 December 2024	8	5,464

The change in capacities compared with the previous year is accounted for entirely by our stationary capacities:

	Approved beds/places		Change	
	31 Dec. 2024	31 Dec. 2023	absolute	in %
Inpatient capacities				
Acute hospitals	4,629	4,629	-	-
Rehabilitation hospitals and other inpatient facilities	616	612	4	0.7
	5,245	5,241	4	0.1
Semi-inpatient and day-clinical capacities				
	219	219	-	-
Total	5,464	5,460	4	0.1

As of 31 December 2024, we are operating eight medical care centres with a total of 59,00 specialist practices:

	Medical care centres	Specialist practices
As at 31 December 2023	9	60.75
Opened/acquired		
MVZ Frankfurt (Oder)	-	1.00
Disposals		
MVZ Bad Berka	-	-0.25
MVZ Frankfurt (Oder)	-1	-2.50
As at 31 December 2024	8	59.00

Patient numbers at our hospitals and medical care centres developed as follows:

January to December	2024	2023	Change	
			absolute	in %
Inpatient and semi-inpatient treatments at our				
Acute hospitals	194,521	187,600	6,921	3.7
Rehabilitation hospitals and other facilities	5,594	5,301	293	5.5
	200,115	192,901	7,214	3.7
Outpatient attendances at our				
Acute hospitals	496,539	476,091	20,448	4.3
Medical care centres	216,311	212,783	3,528	1.7
	712,850	688,874	23,976	3.5
Total	912,965	881,775	31,190	3.5

2.3.3 Profit situation

For computational reasons rounding differences of \pm one unit (€, %, etc.) may occur in the tables below. If information is provided below on individual companies, these are values before consolidation.

Consolidated performance figures developed as shown below:

in € million			Change	
January to December	2024	2023	in %	
Income				
Revenues	1,595.6	1,464.0	131.6	9.0
Other income	273.5	272.4	1.1	0.4
Total	1,869.1	1,736.4	132.7	7.6
Expenditure				
Materials and consumables used	535.5	488.5	47.0	9.6
Employee benefits expense	1,048.5	974.4	74.1	7.6
Other expenditure	174.2	167.3	6.9	4.1
Result of impairment on financial assets	0.1	0.3	-0.2	-66.7
Total	1,758.3	1,630.5	127.8	7.8
EBITDA	110.8	105.9	4.9	4.6
Depreciation/amortisation and impairment	62.7	65.5	-2.8	-4.3
EBIT	48.1	40.4	7.7	19.1
Finance result	8.1	7.3	0.8	11.0
EBT	56.2	47.7	8.5	17.8
Income taxes	11.0	7.5	3.5	46.7
Consolidated profit	45.2	40.2	5.0	12.4

Revenues for the 2024 financial year increased by €131.6 million or 9.0% compared with the previous year. In addition to the increase in patient numbers by 31,190 (+ 3.5%) as well as the increase in in-patient services by 6,667 cost weights (+3.7%) to roughly 186,100 cost weights, higher revenue was driven by the increase in state base rates.

The increase in other income by €1.1 million or 0.4% is mainly attributable to the higher income from ancillary and incidental activities (€22.7 million), resulting among other things from higher funding received for training centres as well as higher sales of drugs and cytostatics. This contrasts with the counter-effect of lower income from government grants and other allowances (- €16.2 million), which is mainly due to declining reimbursements from the legisla-

tor relating to relief payments for higher energy expenditures. In addition, the reversal of obligations from previous years, recognized in the prior year, had an impact of €5.0 million.

in %	2024	2023
Cost of materials ratio	33.6	33.4
Personnel expense ratio	65.7	66.6
Other expense ratio	10.9	11.4
Depreciation and amortisation ratio	3.9	4.4
Finance result ratio	0.5	0.5
Effective tax ratio	0.7	0.6

As a result of a further increase in purchasing prices and coupled with the provision of material cost-intensive services as well as higher energy costs – among other factors –, the item for materials and consumables used lead to an increase, slightly disproportionate to the increase in revenues, by €47.0 million or 9.6% in financial year 2024 compared with the previous year. This is reflected in a slight increase in the cost of materials ratio by 0.2 percentage points.

Employee benefits expense rose by €74.1 million (7.6%) compared with the same period of the previous year due to general tariff increases, together with an increase in the average full-time work force. Nevertheless, the personnel expense ratio decreased by 0.9% points.

Other expenditure rose by €6.9 million from €167.3 million to €174.2 million. The increase is mainly attributable to €5.1 million in maintenance and servicing requirements and to €1.5 million in increased repatriation for training centers. The other expense ratio declined by 0.5%.

Due in part to higher use of grants, depreciation and impairment fell by €2.8 million and 4.3% respectively to €62.7 million compared with the same period in previous year. The depreciation and amortisation ratio declined by 0.5 percentage points.

As a result of the generally positive development of interest rates, the finance result further improved from + €7.3 million by €0.8 million to + €8.1 million.

Income taxes rose by €3.5 million compared with the same period in previous year, on the background of unchanged rate taxation, due in part to a higher tax base. In addition, certain tax positions from previous years were reassessed, which led to an increase in the tax burden.

Consolidated profit increased by €5.0 million to €45.2 million (previous year: €40.2 million). Profit attributable to non-controlling interests rose compared with the same period last year by €0.4 million to €1.9 million (previous year: €1.5 million). The interest of RHÖN-KLINIKUM AG shareholders in profit for financial year 2024 rose by €4.7 million to €43.4 million (previous year: €38.7 million) compared with the previous year. This translates into earnings per share of €0.65 (previous year: €0.58) in accordance with IAS 33.

With revenues of €1.6 billion, we met our forecast for revenues for 2024 made in the 2023 Group Management Report for €1.6 billion within a range of plus or minus 5%. We also met the forecast for EBITDA made in the 2023 Group Management Report for financial year 2024 of between €110 million and €120 million (actual figure: €110.8 million). We also confirmed the moderate increase of the forecast for our non-financial performance indicators.

Total comprehensive income (sum of consolidated profit and other comprehensive income) for financial year 2024 stands at €45.7 million (previous year: €39.7 million). Here, gains from changes in fair value through other comprehensive income (FVOCI) in the amount of €0.5 million (previous year: losses of €0.6 million) had to be recognised directly in equity. There were virtually no effects from the revaluation of defined benefit pension plans due to their expiration in 2025 (previous year profits of €0.1 million).

2.3.4 Net assets and financial position

in € million	31 Dec. 2024		31 Dec. 2023	
		in %		in %
Assets				
Non-current assets	952.4	51.3	981.3	55.4
Current assets	904.1	48.7	789.2	44.6
	1,856.5	100.0	1,770.5	100.0
Liabilities				
Shareholders' equity	1,326.0	71.4	1,280.2	72.3
Long-term loan capital	125.6	6.8	154.8	8.7
Short-term loan capital	404.9	21.8	335.5	19.0
	1,856.5	100.0	1,770.5	100.0

Compared with the balance sheet date of 31 December 2023, the balance sheet total rose by €86.0 million or 4.9% to €1,856.5 million (previous year: €1,770.5 million).

At 71.4%, the equity ratio remains at a high level. As at 31 December 2024, we reported equity at €1,326.0 million (previous year: €1,280.2 million). The increase in equity by €45.8 million compared with the balance sheet date of 31 December 2023, results in €45.2 million, mainly from the consolidated profit of the 2024 financial year and €0.6 million from the gains arising from the change in the fair value of investments (FVOCI).

152.4% (previous year: 146.2%) of non-current assets is nominally covered by equity and non-current liabilities at fully matching maturities. As at 31 December 2024, we report net liquidity of €259.9 million (31 December 2023: €192.8 million). Net liquidity is calculated as follows:

in € million	31 Dec. 2024	31 Dec. 2023
Current cash	279.9	206.0
Current fixed term deposits	129.6	136.8
Cash, fixed term deposits	409.5	342.8
Current financial liabilities	31.9	1.0
Non-current financial liabilities	110.9	141.8
Liabilities under leases	6.8	7.2
Financial liabilities	149.6	150.0
Net liquidity	259.9	192.8

The origin and appropriation of our liquidity are shown in the following overview:

in € million	2024	2023
January to December		
Cash generated from (+) / cash used in (-) operating activities	127.6	109.0
Cash generated from (+) / cash used in (-) investing activities	-50.4	40.9
Cash generated from (+) / cash used in (-) financing activities	-3.3	-21.2
Change in cash and cash equivalents	73.9	128.7
Cash and cash equivalents at 1 January	206.0	77.3
Cash and cash equivalents as at 31 December	279.9	206.0

Cash and cash equivalents increased in financial year 2024 by €73.9 million (previous year: €128.7 million). For further explanations, we refer to the Notes to the Consolidated Financial Statements of RHÖN-KLINIKUM AG.

The finance management of RHÖN-KLINIKUM AG is essentially centrally organised and encompasses the functions of raising capital, capital investment, Group-internal liquidity management as well as settlement. The processes implemented in this context take into account the fundamental principles of the countercheck principle, separation of functions and transparency. We have established financial management as a service within our business model.

Our finance management has to deal with the competing goals of securing liquidity, minimising risk, and ensuring profitability and flexibility.

The top priority here is liquidity assurance with the aim of implementing a maturity commitment that is in line with the deadline and is tailored to the planning or project horizon of the company. Cash is invested on conservative terms.

At the balance sheet date, we have short-term available investments and available credit lines totaling approximately €419.5 million.

2.3.5 Investments

Total investments of €73.5 million (previous year: €62.6 million) in financial year 2024 are shown in the following table:

in € million	Use of grants	Use of own funds	Total
Current investments	39.9	33.5	73.4
Takeovers	–	0.1	0.1
Total	39.9	33.6	73.5

During financial year 2024, we invested a total of €73.5 million (previous year: €62.6 million) in intangible assets as well as in property, plant and equipment. Of this investment, €39.9 million (previous year: €29.8 million) relates to capital expenditure funded under hospital financing legislation and under the White Paper Plus, with the grants being reflected as a deduction from acquisition cost.

In the consolidated financial statements, we report net investments of €33.6 million (previous year: €32.8 million). Of the net investments, €33.5 million (previous year €32.6 million) is in current investments for the financial year and €0.1 million (previous year €0.2 million) in fixed assets and specialist practices received in the context of acquisitions.

Our equity-financed investments in fiscal year 2024 are spread over the following locations:

in € million	
Bad Berka	11.9
Giessen, Marburg	10.5
Bad Neustadt a. d. Saale	8.3
Frankfurt (Oder)	2.9
Total	33.6

The White Paper Plus (Zukunftspapier Plus), signed at the end of February 2023 between the Federal State of Hessen, RHÖN-KLINIKUM AG, Asklepios Kliniken GmbH & Co. KGaA, Universitätsklinikum Gießen und Marburg GmbH (UKGM) as well as the universities with their faculties of medicine relating to the granting of investment funds for UKGM, provides for investment obligations to be financed from own funds by the end of 2032 in the amount of around €259.0 million as of 1 January 2023. At the balance sheet date of 31 December 2024, there are still obligations for investments from own funds in the amount of €245.8 million.

With aforementioned White Paper, investment projects under the agreement from 2017 were modified and the deadlines for meeting the investment obligations adjusted. The deadlines for meeting these investment obligations are now within the time frame between 31 December 2024 and 31 December 2028.

For healthcare provision and science, it is important to have a concept for the establishment of joint ventures to be agreed between Universitätsklinikum Gießen und Marburg GmbH (UKGM) and the two universities enable better transfer of research results to clinical application. The finance volume of €60 million will be provided by UKGM.

At the balance sheet date, there are no investment obligations from concluded acquisition agreements.

2.3.6 Employees

On 31 December 2024, the Group employed 18,744 persons (31 December 2023: 18,246):

Number	
As at 31 December 2023	18,246
Change in employees at hospital companies	409
Change in employees at medical care centre companies	3
Change in employees at service companies	86
As at 31 December 2024	18,744

Doctors accounted for 15.3% (previous year: 15.3%) of the total headcount on the reporting date, while nursing and medical-technical staff accounted for 55.6% (previous year: 55.3%). On average over the year, we recorded a rise of 2.2% in full-time staff. The proportion of women is around 71% (previous year: 72%).

3 | FORECAST REPORT

3.1 Strategic objectives

In light of regulatory developments in the healthcare market, among others with the Hospital Care Improvement Act (Krankenhausversorgungsverbesserungsgesetz, KHVVG), our aim is to further integrate medical care with digital service offerings in order to further improve the quality of medical treatment and the provision of care.

In addition to medical progress, digitalisation needs to be further accelerated and the change of the care landscape with specialisation and at the same time the expansion of outpatient medicine needs to be driven forward through extensive and targeted investments. The digital transformation, including in the area of artificial intelligence, will have a decisive impact on the future of medical care. Digitalization also includes the introduction of a telematics infrastructure that will become a digital data superhighway. This requires high-performance telematic infrastructure components.

In addition to the expansion of outpatient care and advances in digitalisation, conceptual and constructional modernisation continues to be a key objective. Accountability, sustainability, integrity, trust and loyalty are values to which our Company and its employees have always felt committed right from the start. As a healthcare group, we also embrace our ecological obligations in addition to our medical, social and corporate responsibilities and reap the advantages of a sustainable orientation, also in future. This is about making the company more efficient and improving its image, but also about providing greater opportunities for recruiting young employees. In order to meet our aspiration for sustainable action, we will continue to intensively pursue and implement our sustainability-related goals.

Given the rapid pace of developments on the healthcare market it is our goal to continue setting new milestones in future as well and together with Asklepios and MEDICLIN. At the same time we can continue to benefit from our strategic cooperation and the standardisation of processes and products. Our common goal together with Asklepios and MEDICLIN is to continue to foster even closer ties within our Group-wide network of hospitals, to become even stronger together and to further expand our position as one of the leading healthcare provider in Germany. This also rings true with regard to the employees, who will grow more and more into one big team within our Group network.

Also in future we will develop and promote path breaking concepts of healthcare delivery to ensure we can continue providing excellent medical care. RHÖN-KLINIKUM AG's objective is to pursue new paths to uphold the standard of offering patients the best medical care. In this way we can better respond to the changes and increasing requirements as compared with the market as a whole thanks to the merger with Asklepios and our large sites with highly specialised centres.

With a view to continuing to improve patient care along the lines of our campus approach to ensure cross-sector and viable healthcare provision in Germany, we are also continuing to look to further developing innovative remuneration and care models.

For further information, please also refer to section 1.3 "Objectives and strategies" in this Group Management Report.

3.2 Economic and legal environment

Economic forecasts for Germany are also subdued for 2025. The Federal Government, leading economists and economic institutes as well as Germany's Five Wise Men panel expect at most modest growth in the German economy in 2025. For example, in its current Annual Economic Report the Federal Government made a downward revision of its economic forecast for 2025 from initially 1.1% in the autumn of 2024 to only 0.3% now. According to the Federal Ministry for Economic Affairs and Climate Action, current unease over US economic and trade policy coupled with the uncertainty about what the Federal Government's future course of economic and financial policy will be are dampening the mood for investment and consumption and thus also growth in real gross domestic product (GDP). According to the Federal Ministry for Economic Affairs and Climate Action, the forecast for the jobless rate for 2025 will be around 6.3%. The previous year's figure was 6.0%.

In 2025 the remodelling of inpatient care began after entry into force of the Hospital Care Improvement Act (Krankenhausversorgungsverbesserungsgesetz, KHVVG). The German DRG Institute (Institut für das Entgeltsystem im Krankenhaus (InEK)) has developed a key or grouper whereby inpatient cases handled by hospitals are assigned to the service groups defined in the KHVVG. The future range of a hospital's treatments are determined by applying the service group groupers.

The Hospital Transformation Fund Regulation (Krankenhaustransformationsfonds-Verordnung, KHTFV) is to provide further specifics regarding the basis and procedure for funding under the Transformation Fund. The Transformation Fund was established with the KHVVG for a period of ten years from 2026 to fund structure-improving projects in the hospital sector. A total of up to € 50 billion is made available for the term of the Transformation Fund. The Regulation must be approved by the Federal Council (Bundesrat). The Federal Council is expected to decide on the Regulation in March 2025.

The Service Groups Committee is to draft recommendations for further developing the service groups and related quality criteria specified in the KHVVG. The Committee was constituted in early February 2025. The recommendations serve as a basis for the Service Group Regulation (Leistungsgruppen-Verordnung) that is then to be adopted by the Federal Ministry of Health and approved by the Federal Council.

RHÖN-KLINIKUM AG has intensively adapted itself to the major challenges of the hospital industry. On the basis of current internal analyzes, we are now well prepared to list our clinics for the KHVVG.

3.3 Forecast

The economic foundation of the RHÖN-KLINIKUM Group in the coming financial year will continue to be its five large hospitals at sites in four federal states with currently 5,464 beds and more than 18,700 employees. This makes us one of the largest hospital operators in Germany.

For the coming financial year, we expect revenues of €1.7 billion within a range of plus or minus 5%. We expect earnings before interest, taxes, depreciation and amortization (EBITDA) to be between €110 million and €125 million. In addition to the financial numbers, we also take account of the non-financial performance indicators of number of cases and cost weights in the management of the Company and expect a moderate increase compared to the previous year.

This forecast reflects the legislature's further tightened regulatory interventions and the political implementation of the necessary hospital reform.

We note that our outlook is subject to considerable uncertainties in connection with the numerous global crises resulting among other things in higher prices and supply chain issues, as well as any further regulatory measures impacting our remuneration structure for medical services in 2025.

4 | OPPORTUNITIES AND RISK REPORT

A decisive element of a value-oriented and sustainable corporate governance is a company's wholehearted embrace of risk and opportunity management. The capacity to adequately weigh up opportunities and risks is a crucial factor of entrepreneurial success, and that crucially depends on the quality of the decisions made by a company's management. Within the Group of RHÖN-KLINIKUM AG, we therefore see managing risks and opportunities as well as controlling these effectively and on a sustainable basis as a core entrepreneurial task firmly enshrined in our management culture. Our risk management objectives are based on our values-oriented corporate strategy of protecting the Company's resources from risks of substantial losses, identifying new opportunities as well as safeguarding the interests of all stakeholders giving due regard to social and environmental factors.

Our corporate activity is inextricably linked to opportunities and risks. As a service provider in the healthcare sector, we operate in an extremely complex risk environment. The challenge for us is to ensure reasonable management of these risks – since it is only companies that recognise their material risks in time and take steps to systematically counter the same that are also able at the same time to identify the opportunities arising and to exploit them in an entrepreneurially responsible manner. This involves continuously weighing up opportunities against the risks. As a provider of healthcare services, we always regard the risk posed to the life and health of our patients and our employees as the greatest risk. We give utmost priority to measures that avoid even the smallest errors in the medical and nursing area. Further factors such as the regulatory and legislative environment, continually mounting cost, competitive and consolidation pressures within the sector, rising expectations for the quality of inpatient healthcare delivery and expectations of patients as well as climate change and energy present opportunities but also involve risks.

4.1 Opportunities and Risk Management System

The Board of Management of RHÖN-KLINIKUM AG has implemented a Group-wide risk management system to detect imminent risks early on and to specifically counter them in a systematic process. In this regard, the risk management system covers the totality of all provisions ensuring a structured response to risks and rewards throughout the Group, and acts as an active instrument of control to support the achievement of the corporate objectives. Our risk management system forms an integral part of the internal controlling system fully meeting the statutory requirements for early detection of risks posing a threat to the Company's existence as well as the requirements of section 91 (2) and (3) of the AktG. The centrally managed risk management function has the task of continually further developing and optimising the system.

The basis for our risk management system is the Group risk policy containing both the risk strategy and objectives, the definition of the term ‘risk’ and the principles of risk management, as well as describing the requirements for the risk management process uniformly binding on the Group as a whole including the related duties and responsibilities. Identified risks are documented in a risk management software program. With an open risk culture, regular training and feedback sessions, we ensure acceptance of risk management within the Company. On specific occasions, the Internal Auditors are tasked with the process-independent review of issues. In this context, it also monitors the functionality of risk management and the correct application of the corresponding specifications in RHÖN-KLINIKUM AG subdivisions or companies.

In the 2024 reporting year, based on the opportunities and risk management system, a process for assessing significant influencing factors and risks relating to the environment, social and corporate governance (ESG) was established for commercial risk and applies in particular to the structure of reporting according to the principles of the CSRD guideline.

Definition

By risks we understand events and potential developments within and outside RHÖN-KLINIKUM AG that might adversely impact the achievement of the Company’s stated objectives, future performance of tasks as well as the quality and reputation of RHÖN-KLINIKUM AG and its subsidiaries. Similar to the definition of risk, we understand opportunities as events and potential developments that may have a positive impact.

Risk management process

We understand risk management as an ongoing process that is divided into the phases of:

- risk identification,
- risk analysis and evaluation,
- risk control and management,
- risk communication,
- risk monitoring.

These processes are to ensure that potential risks are made manageable and opportunities are identified. Risks are identified in a bottom-up and top-down process based on the respective inventory. All risks meeting the definitions of the Group risk policy are to be reported. At the same time, our risk management function relates not only to financial risks but also all manner of risks in various areas within the Company. These also include risks affecting people and the environment as well as governance, i.e. ESG risks. Detailed information on the ESG topic, in particular on the analysis of materiality, can be found in the chapter “CSRD Sustainability Declaration (ESRS 2)” of the situation report.

With us, identifying risks and recognising opportunities are integrated into our standard business procedures, since it is only when we are aware of risks and opportunities that we can manage and control them. Risk identification encompasses the systematic and structured documentation of all relevant risks in the Company, with risk classes always being assessed in terms of their strategic and operative impacts as well as in view of the risks of reporting and potential compliance risks. Given constantly changing circumstances and requirements, risk identification is an ongoing task, and is performed on a decentralised basis in accordance with responsibilities defined in the individual Company divisions. Any relevant risks identified are categorised and recorded within the risk management system in a centrally predefined risk catalogue.

Risks identified are systematically analysed and evaluated in the context of the individual risk bearing capacity by those entrusted with such tasks. In the risk analysis, risks identified are aggregated and then analysed for the purpose of early detection to determine whether individual risks of secondary importance, when viewed in isolation, may lead to a higher or existential risk by reason of their combined or cumulative effects over time. We classify developments with an expected risk value of € 10 million or more of EBITDA as existential risks when set against with the individual risk bearing capacity. The risk bearing capacity of RHÖN-KLINIKUM AG and its subsidiaries is determined from the comparison between risk cover amount and risk exposure. The expected risk value (product of damage amount and probability of occurrence) is the expected damage extent giving due regard to the probability of occurrence and refers to the communicated target values (EBITDA) for the respective financial year.

Not all risks are to be weighted equally. To ensure efficient risk management, we perform a systematic assessment of the risks identified. Within the context of risk evaluation, the probability of occurrence and potential monetary damage amount of the risk are determined, also giving due regard to already existing and planned measures. Using a risk matrix, probability of occurrence and damage amount are classified to the four levels: “low”, “moderate”, “high” and “very high”.

Probability of occurrence is assigned to the following categories depending on their amounts:

- Low: > 0% bis <30 %
- Moderate: 30% bis < 60%
- High: 60% bis < 80%
- Very high: 80% bis < 100%

The potential damage amount refers to the target values for the respective financial year and is always calculated as a negative impact on EBITDA. Classification to the impact categories takes place independent of EBITDA:

- Low: up to 5% of EBITDA
- Moderate: up to 10% of EBITDA
- High: up to 25% of EBITDA
- Very high: from 25% of EBITDA

In this regard, the evaluation of a risk differs from its evaluation according to the status quo (gross evaluation) and target (net evaluation/accepted risk). Status quo is the current evaluation of the risk after deducting all effective measures as at the relevant inventory date. The target describes the risk evaluation to be achieved after implementation of all measures, stating by when this is to be achieved. The evaluation is made with reference to the future for the relevant duration observing criteria specified for ensuring a uniform evaluation.

In risk control and management, it is analysed by what measures risks can be controlled. For this, suitable measures for each identified risk are to be recorded with the expected effect of the measures. The primary objective of risk management is to minimise, and where possible, prevent risks, whilst always keeping in mind the opportunities associated with the risks. From the effects expected from the measures it is possible to determine how effective the measures are and the need for further measures. In this regard, the measures contemplated are to be weighed up in terms of cost-benefit aspects and selected in such a way that the expected probability of occurrence and/or amount of damage are brought to within the Company's own limits of risk tolerance.

Risk communication is performed at every phase of the risk management process. All risk managers are required to review their potential risk issues regularly during the year under way as well as in the risk inventories, to update risks and to follow up on measures. Acute occurrence of risks that might jeopardise a company's existence (ad hoc risks) must be reported to the chairman of the Board of Management as quickly as possible.

Within the scope of risk monitoring, implementation of measures introduced and their impact are reviewed. The results of the risk management process are made available at the defined dates. By timely and open risk communication both internally and externally, we create trust and the basis for self-criticism and an ongoing learning process.

4.2 Risk report

Throughout the Group, risks were identified in the risk fields described below. These were each rated as "low" in terms of probability of occurrence and damage amount. No risks posing a threat to the Company's existence were identified. The Risk Report covers the forecast period.

In the 2024 financial year, the Group's sustainability strategy was formally anchored in its corporate strategy. A transition plan according to the CSRD was prepared with a specific investment list that is taken into account in the business planning. As part of the materiality analysis in accordance with the CSRD, risks were identified, including transitory risks with a financial effect. Further information on this can be found in the chapter "CSRD Declaration of Sustainability (ESRS 2)" of the Group Annual Report.

We continue to rate the overall risk position as low. In addition to risk classification, risks having an influence on general business performance as well as the development of our net assets, financial position and results of operations are also categorised in the risk fields below:

General environment and industry risks

The regulatory and industry risks relate both to the strategic and the operative risks as well as the compliance risks of our Group. We are affected only indirectly by developments in the German economy since healthcare spending is influenced by contribution volumes of the insured and thus by the job market situation. The wars in Ukraine and the Gaza Strip, persistent supply chain problems, high energy and commodity prices as well as stubbornly high inflation, global warming as a result of climate change and other geopolitical and macroeconomic challenges are things that always also impact the health of people and the care provided to them. In the macroeconomic environment, we thus see financial risks arising from the general trend in price levels as reflected in higher material costs, energy costs and wage adjustments. Furthermore, the industry environment is characterised by heightened healthcare policy regulatory influences. In many areas the German healthcare system lacks a sustainable and resilient basis and must be much better prepared for crises such as pandemics and the effects of climate change. In addition, the shortage of qualified staff and chronic underfunding are weighing heavily on the healthcare system. Political reforms are indispensable if the framework conditions are to be improved on a sustainable basis. Systematic digitalisation, sensible outpatientisation and slashing red tape are key in this regard. Together with our strong partners in the Asklepios Group as well as our networks, we can leverage our experience. For this reason we maintain a regular dialogue with local, state and federal politicians. This also rings true with regard to the impending healthcare reform and related developments in the German hospital sector.

A further industry-specific risk is the underfunding of the German healthcare system with government grants and, in relation to that, the violation of the principle of dual financing inherent in the relevant legislation. With the Hospital Future Act (Krankenhauszukunftsgesetz, KHZG), a first important step has been taken to address underfunding and badly needed modernisation. Basically, it provides for investment funding for hospital modernisation and greater funding of emergency capacities and digital structures. To successfully implement the dynamic potential and complexity of digitalisation, further policy framework conditions have to be created where patients must be the focus of interest. For us, digitalisation is one of the prerequisites for innovative medical care and innovative forms of treatment, and thus also better healthcare delivery.

We expect demand for medical, and especially cutting-edge medical services to recover to pre-pandemic levels. At the same time there will continue to be an increasing shift of what were once inpatient services to the outpatient care sector. To successfully counter this shift in service volumes, inpatient overcapacities in hospitals need to be reduced throughout Germany and outpatient capacities ramped up. To ensure sustainable, uniform sector remuneration, hybrid DRGs introduced for the first time in 2024 were expanded to include further service areas. Moreover, the catalogue of outpatient operations and procedures substituting for inpatient care in hospitals (AOP Catalogue) was significantly expanded from 2024. We are gearing our efforts towards ensuring that we can achieve the continuous economic growth in service volumes needed in our core business with our already implemented campus approach, also in future.

With the Hospital Care Improvement Act (KHVVG) that entered into force in 2024, the hospital landscape is headed for far-reaching changes. The Act provides among other things for reorganising the system of purely volume-based DRG remuneration and additionally introducing a largely volume-independent component for standby remuneration for the services of somatic hospitals. The level of standby remuneration will be linked to service groups which will be assigned to the individual hospitals by the Federal States by the end of 2026 at the latest and which require hospitals to meet uniformly defined quality criteria. Nevertheless, since the hospital reform fails to address key problems of the sector, the structural underfunding of hospitals in Germany will not be resolved. Furthermore, it would come as no big surprise if the introduction of a third remuneration component for standby funding alongside the existing DRG-based remuneration and a separate budget for financing nursing payroll costs were to simply lead to more red tape and expenses for hospitals.

We have been very keen to adapt to the tremendous challenges faced by the sector whilst also anticipating how to leverage our portfolio, structures and processes to prepare for the new requirements introduced by the reform. This should enable us to generate stable earnings. As far as possible, the above developments have already been taken into account in our targets. Looking to the future, we will meet them through suitable activities and measures. Further regulatory and industry risks relating to us are classified as low.

Since we pursue a comprehensive risk management approach, the identification and any assessment of non-financial risks may also arise from the analysis of financially assessed risks. In this context, compliance risks of our Group are particularly important when it comes to assessing sector-specific risks. These include the mandatory observance of statutory provisions (e.g. data protection regulations). Climate-related aspects are also becoming increasingly important and may have a negative impact on the results of operations. Currently, a transition plan for climate change mitigation is being drawn up. When it comes to the environment, our goal is to significantly reduce the CO₂ emissions of our healthcare facilities (Scope 1 and 2). We are also aiming to lower waste volumes in proportion to patient numbers. Currently, no quantitative financial impacts have been identified in the areas described above. Further information can be found in the section “CSRD Sustainability Declaration (ESRS 2)” of the Group Management Report.

Performance risks

The performance risks relate in particular to operative risks of the Group subsidiaries of RHÖN-KLINIKUM AG. In Germany, hospitals approved under state hospital planning enjoy de facto state regulated protection in their respective catchment area. Traditional market and revenue risks exist only where site closures are ordered or a hospital's quality is assessed by referring physicians or by patients as significantly worse than that of neighbouring hospitals. In the latter case, that may result in large numbers of patients switching to other hospitals. Increasing shifts in service volumes from the inpatient to the outpatient area are also making themselves felt. In addition, regulatory requirements such as defined staffing floors as well as minimum volumes for performing select procedures can result in a hospital no longer being allowed to provide certain services in future. With the introduction of the service groups described above, the fulfilment of the quality criteria associated with these will also play a role in future hospital requirement planning.

Service volume fluctuations in our facilities, increasing outpatientisation, regulatory requirements and possible quality-related mark-downs may lead to revenue losses and – together with increases in personnel, material and energy costs – to diminished earnings. Through regular period-based and inter-operation comparisons with regard to revenues and EBITDA as well as selected business ratios and other key performance indicators (KPIs), it is possible for us to identify adverse developments early. Where it is appropriate and necessary, we can take corrective action and manage a reasonably

low risk potential in terms of the operative risks as well as reporting risks.

To ensure our efficiency also in future and to further improve profitability, we collaborate within the Group network with Asklepios and MEDICLIN on various optimisation measures.

Operational risks

The operational risks relate in particular to operative risks of the Group subsidiaries of RHÖN-KLINIKUM AG. We see some of our most pressing tasks for our Company in the following areas of action: strengthening nursing and medical care, ensuring that hospitals concentrate on their core activities, expanding outpatient care structures and our digital structures and offerings, further optimising our processes as well as pooling specialised know-how. We are tackling these areas with the involvement of all our employees, helped by our collaboration with the companies of the Asklepios facilities.

Advances in medicine and the call for a holistic – and not narrowly defined – approach to diagnosing and treating patients are requiring increasingly strong interdisciplinary processes characterised by a division of labour. In this regard, cooperation is needed not only at the hospital but also between outpatient and inpatient care and moreover with regard to a digital care. Whenever these processes are disrupted, this carries risks for patients, our partners from the area of community-based practitioners and the hospitals. We attach utmost importance to minimising such risks by ensuring the quality of treatment with qualified and trained staff through policy-oriented procedures in safe and hygienic hospital buildings. Permanent monitoring of all procedures and processes involved in the treatment of patients as well as the consistent orientation of all efforts to the needs of our patients create a high level of treatment quality and limit existing operating risks.

Particularly in the Group division of Patient Safety, Quality Management and Hygiene, further development of quality management is given top priority. This is the goal being pursued by our Quality Management and Clinical Risk Management expert panel. Thanks to the interdisciplinary collaboration in the areas of quality management and medical controlling, scientific quality indicators can be compared with routine data from the invoicing of medical services to gain important insights. With the help of structured risk audits performed by clinical risk managers trained internally, we can identify relevant risks as well as establish and implement risk reduction measures. For risks in the clinical area that cannot be fully averted, the Group has adequate insurance coverage which is regularly reviewed and updated.

In addition to the typical clinical risk fields in the area of patient safety (hygiene, nursing and medical care), potential risks are also seen, as in the previous years, in infrastructure (such as fire risks), and risks in technical equipment. According to the General Data Protection Regulation (GDPR), companies dealing with personal health data are subject to a particularly high degree of accountability and must be able to furnish proof of the “integrity and confidentiality” of data processing. With regard to compliance with the provisions of the GDPR and beyond that with provisions relating to IT security (cyber risks), we see ourselves well prepared and should be able to adequately respond to any targeted attacks.

Based on the measures already taken, we continue to assess the operating risk position as low overall.

Human resource risks

Personnel risks relate in particular to operative risks of the Group subsidiaries of RHÖN-KLINIKUM AG. To achieve sustained success as a diversified healthcare group with top medical professionals, we need the required number of committed and highly qualified employees. Hospitals on average have personnel cost ratios of between 50% and 70%, making them particularly dependent on qualified staff and developments in wages. As for the entire industry as well, rising demand for specialists and the related shortage of qualified staff are issues of key importance for us, with regional differences being apparent depending on the specific facilities. For us, too, finding highly qualified and motivated staff to meet the wide-ranging and complex requirements of the healthcare industry is a challenge. We meet these requirements with numerous measures at our sites tailored to local challenges. As a modern employer we offer not only modern remuneration structures, an attractive work environment, in-house kindergartens at the hospitals, provision of affordable apartments and assistance in searching for apartments, but also a wide range of personal development options and continuously invest in initial and continued training, health management as well as attractive work-life services for our staff.

Recruiting and retaining qualified staff at our Company is of key importance to us. For example, we run state accredited schools for nursing and non-medical professions, and through our academic teaching hospitals are committed to providing successful training for medical students. Currently, roughly 1,700 people are completing their training at our hospital-affiliated schools in nursing, medical, commercial and technical professions. Furthermore, thanks to our cooperation with other universities, we reach out at an early stage to qualified graduates so that we can recruit the necessary junior talent for our staff.

One of the challenges we still face is the shortage of qualified staff. Given the existing measures that have been in place for many years and the additional measures being planned for the future, such as the further establishment and expansion of structured recruiting and qualification concepts for doctors, nursing and healthcare professionals as well as for our executive talent, we still see opportunities to efficiently counteract the current staffing shortages and still classify HR risks throughout the Group as relatively low.

Procurement risks

Procurement risks relate in particular to operative risks of the Group subsidiaries of RHÖN-KLINIKUM AG. In the area of materials management, RHÖN-KLINIKUM AG is working together closely with Asklepios Großhandelsgesellschaft mbH under a cooperation agreement aimed at strengthening care delivery security at the sites meeting adequate conditions.

For materials procurement in the areas of medical facilities, equipment as well as medical supplies and energy supply, we rely on external providers. These business ties can give rise to risks that are triggered, for example, by supply and quality problems. In the past, supply shortages and product unavailability increased massively as a result of the pandemic and geopolitical crises (Ukraine, Israel). The procurement problems and price increases associated with that are regularly monitored by our materials management department and are taken into account in planning and the multiyear forecast. Thanks to the cooperation agreement with Asklepios and measures already taken, we continue to assess the risk in the purchasing area as low overall.

Financial risks

The financial risks relate in particular to operative but also strategic risks of the Group subsidiaries of RHÖN-KLINIKUM AG. RHÖN-KLINIKUM AG is characterised by a high capital base, sustainable internal financing strength and a strong liquidity position. Our financing strategy consists of a promissory note, a long-term registered bond and undrawn short-term bilateral financing lines. We rate financing and liquidity risks as currently low.

Since we operate exclusively in Germany, we are not subject to any currency risks. Except for 24,000 treasury shares and a commercial paper with terms of up to three months, no securities are held within the Group of RHÖN-KLINIKUM AG. For security reasons, other cash investments must be spread over the three large deposit security systems (savings banks sector (Sparkassensektor), cooperative banking sector (genossenschaftlicher Sektor), and banking association (Bankenverband)). Counterparty banks may only be credit institutions subject to German deposit protection. The maximum cash investment exposure to a counterparty banks is limited by the amount of the deposition protection limit. Any remaining credit rating and rate risks are closely monitored.

Overall assessment

RHÖN-KLINIKUM AG has implemented risk reduction measures. In the context of the risk inventory for financial year 2024 on a status quo view of risks, no risks having an existential risk expectation value were identified.

The principles of the statutory system for the early detection of stock-related risks were continued in the reporting year in line with previous years. ESG-related information can be found in the Chapter “CSRD Sustainability Declaration (ESRS 2)” of the Group Situation Report.

As an overall assessment based on our analysis of the risk position within the Group and at its subsidiaries for financial year 2024, we have concluded that there are no risks that could jeopardise the existence of the subsidiaries or the Group of RHÖN-KLINIKUM AG, and do not see any matters having an adverse effect on corporate development. The risks at the individual companies as well as at the Group as a whole continue to be rated as low.

4.3 Opportunity report

To take advantage of opportunities, it is sometimes necessary to deliberately accept potential risks. For example, patients are exposed to a risk in any medical intervention, but at the same time also have the prospect or opportunity of recovering and/or being cured. Our management of opportunities thus covers the totality of all measures promoting the systematic and transparent handling of opportunities. The process and communication paths involved are similar to risk management.

Public studies show that in 2024 some 80% of hospitals in Germany report losses in their annual financial statements. Some facilities are experiencing liquidity shortages and after modernisation measures are now returning to profit or even averting insolvency. In times such as these, the importance of financial security is growing. Having sound finances with the availability of liquidity that this brings is a significant competitive advantage for our Group. This enables us to continue operating flexibly in a dynamic market, to be a strong partner for our business partners and to have reliable dealings with our employees. In addition, we can continue to pursue innovative concepts and strengthen our strategic position in the German healthcare market. That is why we can turn certain risks of our sector into potential opportunities thanks to our financial stability.

Whether it be our campus approach for comprehensive, cross-sector healthcare provision that is one step ahead of the impending healthcare reform or the flow principle that allowed us to re-invent how hospitals are organised, we have time and again demonstrated our ability to reach new milestones.

Another thing that sets us apart is our network and the collaboration within the Asklepios and MEDICLIN Group. As a learning organisation, we exploit synergies and mutually benefit from one another. In the network we can gain a stronger position on the market and mutually benefit from the know-how of the other. We have the opportunity to further expand our care offering, to effectively promote specialisation and to provide fresh impetus for scientific research. For example, the Comprehensive Cancer Center (CCC) of the Giessen and Marburg University Hospitals and the Asklepios Tumour Centre of Hamburg are already stepping up their cooperation. Standardisation and levying joint potential as well as further developing Group-wide service and product strategies are also the focus of interest in the Purchasing Working Group. A key component of the centralised supply and procurement structure of the Group network is the modern logistics centre of Asklepios for supplying hospitals and healthcare facilities within the Asklepios Group. The highly automated and digitalised central warehouse boasts a warehousing capacity that is double the Group's inventory volume on a six-month horizon.

Our strategic cooperation with the Asklepios Group opens up additional opportunities for improving the quality of continued and higher-qualification training and creating a harmonised training offering to be adopted throughout the Group. Our employees are learning new insights and subject areas which otherwise would not be available within a hospital's own continued training programmes, and in this area are increasingly growing together into one big team. In 2024 we developed our integrated and Group-wide HOUSE OF BEST CARE concept in which we create the key basis for further improving excellent working conditions for our employees and further expanding our high quality standards of our work and care for patients. The concept encompasses numerous dimensions for the workplace, working procedures and patient care, including a new digital staffing/staffing shortage management system, inter-professional treatment teams, professional development opportunities, modern work equipment, innovative nursing concepts, a focused patient journey and a transformative leadership culture.

We still see an urgent need for healthcare policy reform. The healthcare system in Germany, like other areas of society and the economy, is continuously being confronted with structural changes. This structural transformation offers huge potential for innovation and opportunities to shape the healthcare system of the future and is bringing about lasting change in the healthcare system. With the entry into force of the Hospital Care Improvement Act (Krankenhausversorgungsverbesserungsgesetz, KHVVG) at the end of 2024, existing structures will be changed and existing processes and solutions will be given a fresh look. With our campus approach,

the consistent implementation of outpatientisation as well as the establishment of new medical services, we will seize the opportunities afforded by these developments and realise them in the best interests of our patients.

As one of the leading providers of healthcare in Germany, we as RHÖN-KLINIKUM AG play a trailblazing role in the healthcare industry with our campus and digitalisation strategy. Our campus approach, which integrates outpatient and inpatient care and takes a holistic view of the patient, is a viable care model of the future. At the RHÖN-KLINIKUM Campus Bad Neustadt, the Continued Training Network for General Medicine offers aspiring general practitioners structured continuing training in qualified continuing training practices from the region. Continued professional training for general medicine includes structured and scheduled continued training phases in the clinical and outpatient areas and can be completed under a fixed rotation schedule within a region. We are thus setting standards for excellent medical care – not just in rural areas.

Since the integration of outpatient and inpatient care calls for a high level of digitalisation, we will continue to forge ahead with digitalisation to further reduce the workload on our staff with a view to standardising structures and clinical processes and thus ultimately further improving the quality of healthcare in the interests of the patients treated. At the same time, the digital transformation, also in the field of artificial intelligence (AI), will have a decisive influence on the future of medical care. Already today, AI-based systems are capable of analysing large amounts of medical data and detecting diseases at the earliest possible stage. We have been steadfast in our efforts to build on our strengths in the area of digitalisation, for example by implementing concepts for performing paperless bedside work with the use of tablets so that patient data are available everywhere, through digital prescriptions that include drug-drug interaction tests to prevent errors and improve treatment quality, and leveraging networking possibilities resulting from telematics infrastructure. These are focused on completing the projects funded out of the Hospital Future Fund (KHZF) specifically aimed at further strengthening digitalisation, and on networking using digital services. Shorter wait times, seamless communication, more effective healthcare provision: as a trailblazer of innovation, RHÖN-KLINIKUM AG is using the new generation of connectors from the company RISE and is thus already creating the basis for implementing concepts of telematics infrastructure 2.0. In this way RHÖN-KLINIKUM AG is actively leading the way with strong and forward-looking trends in healthcare through digital networking and the integration of all those involved in the treatment process: community-based practitioners, hospitals, rehab facilities and other providers further down the chain of care delivery.

With the growing outpatient care offerings and provision of innovative healthcare services, we are taking advantage of new opportunities and using them in the best interests of our patients. For example, at the Bad Neustadt site we established at the Outpatient Operation Centre (AOZ) a new operating theatre enabling the implanting

of cardiac pacemakers and defibrillators. At the neurosurgery clinic, a spinal operation using an innovative robotic arm was performed for the first time. At Klinikum Frankfurt (Oder) there is a new innovative point of contact for children and youth suffering from nervous system disorders or diseases that combines outpatient and inpatient care. At Zentralklinik Bad Berka, all patients have been admitted digitally since June 2024. Furthermore, Zentralklinik modernised and expanded its outpatient diagnostic services, including in the area of laboratory services. With the commissioning of the photon CT, the basis for excellent outpatient diagnostics was created. The photon-counting CT makes it possible to show more detailed structures and combines them with functional information, all at a very low radiation dose. At Giessen University Hospital the world's first TAVI aortic valve "BostonAcurate Prime" was inserted. At the ophthalmological clinic, a comprehensive management and information system for ophthalmologists went live. At the radiology, neuro-radiology and nuclear medicine departments, voice recognition was introduced. At the University Hospital the outpatients' department was further established as a coordination centre for post-COVID and post-vac patients. At the centralised laboratory, the service robot "Olaf" has been a valuable addition to the team and has enhanced the efficiency of clinical operations with automated errand running and a futuristic touch. In the building of the Marburg Ion Beam Therapy Center a new oncological practice was opened.

In addition to the expansion of outpatient care and the advance in digitalisation, conceptual and constructional modernisation of our sites continues to be a major issue. Our extensive investments at almost all sites of the Group will result in positive impacts on medical care for patients. By the end of 2032, funds totalling almost € 850 million allocated under the "White Paper Plus" agreement will be allocated for the Giessen and Marburg university hospitals to investments in healthcare delivery, research and teaching and will enable the university hospitals to implement an extensive modernisation of its medical, technical and building infrastructure. Key projects such as the modernisation of the central surgery wings and the new build of the adult psychiatry clinic in Marburg, the expansion and modernisation of the surgical clinic in Giessen, as well as the purchase of state-of-the-art large medical equipment units and investment in medical technology are already under way. The new "White Paper Plus" and the collective wage agreement for job security and relief provides the university hospital with big opportunities for its successful future development with the aim of achieving noticeable relief for the different work areas.

Responsibility, sustainability, integrity, trust and loyalty are values to which our Company and its employees have always felt committed right from the start. As a healthcare group, we also embrace our ecological obligations in addition to our medical, social and corporate responsibilities and reap the advantages of a sustainable orientation. It is all about being more efficient, improving the Company's image, but also creating better opportunities when it comes to recruiting junior staff.

Overall, we see ourselves very well positioned thanks to the partnership with Asklepios. Our common goal is to continue to foster even closer ties within our Group-wide network of hospitals, to become even stronger together and to further expand our position as one of the leading healthcare provider in Germany. Also in future, we will continue to be amongst the major hospital operators in Germany operating as an efficient, homogenous Group with a consistent orientation and focus on cutting-edge medicine geared towards maximum care, as well as the further strengthening of treatment excellence and patient care through our focus on digitalisation and network medical care. To this end we avail ourselves of all opportunities presented to us and meet the potential risks head-on with a practised and functioning risk management approach.

5 | REPORTING PURSUANT TO SECTION 315 (4) OF THE GERMAN COMMERCIAL CODE (HANDELSGESETZBUCH, HGB) ON INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS PERTAINING TO THE ACCOUNTING PROCESS

Within the group of RHÖN-KLINIKUM AG, the internal control system for accounting purposes consists of the internal control system and the internal monitoring system which ensures the preparation of the annual financial statements for the group of RHÖN-KLINIKUM AG and RHÖN-KLINIKUM AG itself and its subsidiaries. The risk management system, as part of the internal control system, also addresses the risk of accounting misstatement and external reporting with respect to financial reporting.

The accounting-related internal control system within our Group comprises all principles, procedures and measures to ensure the effectiveness, efficiency and adequacy of accounting as well as compliance with the relevant legal regulations.

The Group's accounting process is organised in such a way that for each of the subsidiaries on each reporting date – i.e. monthly, quarterly and annually – a financial statement according to the HGB is prepared in the Group's own data centres based on a uniform Group-wide accounting policy and a uniform Group-wide accounting programme. From these financial statements, a consolidated financial statement is derived for each quarter in accordance with the International Financial Reporting Standards (IFRSs) as applicable in the European Union. The financial statements of the subsidiaries are summarized in the consolidated financial statements after capital consolidation and a consolidation of expenses and income, receivables and liabilities as well as elimination of any intercompany

profits. IFRS-relevant revaluations and/or reclassifications are performed at the Group level according to uniform accounting and valuation methods.

The financial statements are reported, prepared and published to the Group Accounting Department promptly after the respective cut-off date. Together with the Controlling department and, if necessary, the Internal Audit department, the financial statements are analyzed, subject to plausibility tests and evaluated.

In order to standardize accounting, there are correspondingly extensive accounting requirements and guidelines for both the preparation of individual financial statements in accordance with the HGB and the preparation of consolidated financial statements in accordance with the applicable IFRS, as applied in the European Union, and compliance with these requirements is closely monitored. Both the individual companies and the group have clear responsibilities for preparing the annual financial statements. The case-by-case preventive or downstream or manual or automated controls applied take account of the principles of segregation of duties.

The quarterly financial statements and notifications, the half-year financial statements and the annual financial statements are submitted for review to the Audit Committee of the Supervisory Board. The findings of the Audit Committee are documented. Moreover, the Audit Committee also regularly engages the statutory auditor to conduct an accounting-related in-depth audit. If the examinations by the Audit Committee and of the statutory auditor call for improvements in the Group accounting process, these are implemented without delay.

Bad Neustadt a. d. Saale, 6. March 2025
RHÖN-KLINIKUM Aktiengesellschaft
THE BOARD OF MANAGEMENT

Prof. Dr. Tobias Kaltenbach

Dr. Stefan Stranz

Dr. Gunther K. Weiß

Unlike the Consolidated Financial Statements and other parts of the Group Management Report, the disclosures in the CSRD Sustainability Declaration were not audited for the purpose of obtaining a reasonable, but a limited audit assurance under a separate audit assignment.

6 | CSRD SUSTAINABILITY STATEMENT

Introduction

Condensed Non-Financial Group Statement

This section is the Condensed Non-Financial Group Statement of RHÖN-KLINIKUM AG (hereinafter also referred to as “Sustainability Report”) in accordance with sections 315b and 315c of the German Commercial Code (Handelsgesetzbuch, HGB) in conjunction with sections 289b to 289e HGB and moreover contains disclosures relating to EU Taxonomy pursuant to Article 8 of Regulation (EU) 2020/852. This Sustainability Report discloses required non-financial information both for the Group of RHÖN-KLINIKUM AG (hereinafter also referred to as “RHÖN”) and for RHÖN-KLINIKUM AG for financial year 2024.

The Sustainability Report for financial year 2024 was reviewed by the Supervisory Board of RHÖN-KLINIKUM AG, Bad Neustadt a. d. Saale, and on behalf of the Supervisory Board by KPMG AG Wirtschaftsprüfungsgesellschaft with respect to the disclosures required by law pursuant to sections 315b and 315c in conjunction with sections 289b to 289e HGB for the purpose of obtaining a limited assurance engagement. In this regard, the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, published by the International Auditing and Assurance Standards Board (IAASB), was observed.

The Sustainability Report contains a description of policies and due diligence processes as well as their results pursuant to the five non-financial matters in accordance with section 315c in conjunction with section 289c HGB: “Environmental matters”, “Employee matters”, “Social matters”, “Respect for human rights” and “Anti-corruption and anti-bribery”. The following table gives an overview of the pages of the Sustainability Report dealing with these matters.

Matters pursuant to section 289c (2) HGB	Chapter in Sustainability Report 2024
Environmental matters	Environmental information
Employee matters	Social information
Social matters	Social information
Human rights	Governance information
Anti-corruption and anti-bribery	Governance information

The Group Declaration of RHÖN-KLINIKUM AG for financial year 2024 is prepared in accordance with the European Sustainability Reporting Standards (ESRS). Disclosures on policies and matters apply equally to the Declaration of the parent company.

As a general rule, the structure of the Sustainability Report follows the structure of the ESRS.

We make every effort to achieve gender-neutral wording of our reports. For ease of reading, however, we point out that this Sustainability Report in the following refrains from addressing simultaneously the male and female forms and that in the absence of a gender-neutral form the generic masculine form is used. However, words importing one gender are to be construed as importing all genders.

1 General information

ESRS 2: GENERAL DISCLOSURES

For financial year 2024 (1 January 2024 – 31 December 2024), RHÖN performed a materiality analysis subject to the provisions of the European Sustainability Reporting Standards (ESRS). In addition to general disclosures, the required information is published for five subject standards: governance; strategy; impact, risk and opportunity management; and metrics and targets:

- ESRS 2: General disclosures
- E1: Climate change
- E5: Resource use and circular economy
- S1: Own workforce
- S4: Consumers and end-users
- G1: Business conduct.

BP-1 – General basis for preparation of sustainability statements

RHÖN has prepared the Sustainability Report on a consolidated basis. The group of consolidated entities of this Sustainability Declaration corresponds to that of the Consolidated Financial Statements for RHÖN-KLINIKUM AG, which were prepared in accordance with the International Financial Reporting Standards (IFRS). It thus includes all healthcare facilities of the Group of RHÖN-KLINIKUM AG with its registered office in Bad Neustadt a. d. Saale operating in Germany. The Company is entered in the Commercial Register of the Register Court of Schweinfurt (Federal Republic of Germany) under the company registration number HRB 1670. The RHÖN-KLINIKUM Group (smallest consolidation group) is indirectly included by way of full consolidation through AMR Holding GmbH, Königstein im Taunus, Federal Republic of Germany, in the consolidated financial statements of Broermann Holding GmbH, Königstein im Taunus, Federal Republic of Germany (largest consolidation group), whose sole shareholder, after the decease of Dr. Bernard große Broermann, is the große Broermann family. Furthermore, the RHÖN-KLINIKUM Group is included in the subgroup financial statements of Asklepios Kliniken GmbH & Co. KGaA (hereinafter also referred to in short as Asklepios), Hamburg, Federal Republic of Germany.

When identifying and analysing the impacts, risks and opportunities, the value chain was taken into account wherever the nature of the activities, business relationships, geographies or other factors were considered likely. The Sustainability Report was prepared on a consolidated basis. Wherever possible, the upstream and downstream value chain is also covered in policies, targets, measures and

metrics. Specifications and deviations are described in the respective disclosures. Moreover, RHÖN has not claimed the exemption pursuant to Article 19a(3) and 29a(3) of Directive 2013/34/EU and thus does not explicitly waive the disclosure of impending developments and matters in the course of negotiation.

RHÖN has not used the option to omit a specific piece of information relating to intellectual property, know-how or the results of innovation.

None of the metrics specified in the Report were validated by an external assurance provider.

The option of phase-in is used.

BP-2 – Disclosures in relation to specific circumstances

Time horizons

RHÖN applies the short-, medium- and long-term time horizons for reporting purposes. Thus, the reporting year is defined as short-term, the period of up to five years as medium-term and the period of over five years as long-term.

Value chain estimation

RHÖN makes continuous efforts to improve its data management and data quality. In this regard, various approaches, for example implementation of a CSRD-specific software solution and Group-wide data warehousing solutions, are currently being reviewed and tested.

If individual metrics for the upstream or downstream value chain are based on indirect sources such as average data for the industry, assumptions, or other estimated approximation values, this is recorded in the respective disclosures. Scope 3 metrics on GHG emissions in the upstream and downstream value chain are described and shown in detail in the chapter ESRS E1. The basis for preparing the Scope 3 metrics was a comprehensive analysis of the greenhouse gas emissions in the upstream and downstream value chain. This included a review of patient flows (arrivals and departures), the purchasing area and employee commuting. The metrics are based on surveys, estimates and extrapolations, and thus on assumptions. Over the next years, the accuracy of the data collected is to be improved through an optimised process management based on group standards and the use of technologies. Scope 3 metrics were not validated by an external assurance provider.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Reporting complies with the requirements of the CSRD/ESRS. The disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation) are described in the chapter Environmental information.

Incorporation by reference

Incorporation of information by reference (in accordance with the conditions set out in ESRS 1 para. 119) into other parts of the Group Management Report is limited to references to the explanation of the risk management approach in relation to opportunities and risks with financial impact which are described in the Opportunities and Risk Report in the Group Management Report. The references are given in the table below.

Chapter in CSRD Report	Chapter in Group Management Report
Standardised process for assessment of risks and opportunities (ESRS IRO 1.53 f): reference to risk management process	Opportunities and Risk Report
Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3): Reference to further explanation of risks and opportunities situation	Opportunities and Risk Report
Risk management and internal controls over sustainability reporting (GOV-5): Reference to results of commercial risk management	Opportunities and Risk Report

SBM-1 – Strategy, business model and value chain

Within the Group of RHÖN-KLINIKUM AG, mainly cross-sector (i.e. inpatient, semi-inpatient and outpatient) healthcare services are provided. There were no changes the main groups of products and/or services offered during the reporting period. The ultimate Group parent company has its registered office in Bad Neustadt a. d. Saale, Federal Republic of Germany. With eight hospitals and 5,464 beds/places at a total of five sites in four federal states, RHÖN is one of the largest hospital operators in Germany. The RHÖN Group does not operate outside Germany. This did not change during the financial year either. At the balance sheet date, the Group employed 18,741 persons (31 December 2023: 18,246).

Value chain

The value chain of RHÖN covers all activities required to offer patients high-quality medical care. In this regard, a distinction can be made between the upstream and downstream value chain which together ensure the efficient and smooth functioning of patient care.

The upstream and downstream value chain relates to all activities taking place before the actual treatment of the patient (upstream) and after the treatment (downstream). These activities are important when it comes to optimally supporting and ensuring a hospital's core process: providing care to patients. The core value chain of RHÖN covers all processes that directly relate to providing patients with medical care. These include, but are not limited to: diagnosis, treatment, nursing and rehabilitation. The upstream and downstream processes such as purchasing goods and services, organising staff, patient logistics and discharge management are just as crucial for the hospital's success as the direct medical treatment itself. Through an interaction of all chains and continuous review and improvement of quality, a high quality of patient care can be ensured and while at the same time maintaining the hospital's economic efficiency.

As a hospital operator, RHÖN is part of a complex network of economic players working together to ensure efficient patient care. The most important economic players in the supply chain can be divided into different categories.

Suppliers

- Pharmaceutical companies: They supply drugs and vaccines which are essential for treating patients. RHÖN works together with reputed pharmaceutical companies to ensure a continuous supply of high-quality drugs.
- Manufacturers of medical devices: They supply medical sterile and non-sterile consumables, such as dressing material, syringes, surgical gloves and other materials needed for the treatment and care of patients. The materials are of high quality and are subject to the legal labelling requirements.
- Medical technology companies: They supply equipment such as magnetic resonance tomographs (MRTs), anaesthetic and respiratory units or surgical instruments. The Group of RHÖN-KLINIKUM AG maintains close ties to these companies to ensure that state-of-the-art equipment is used.
- Laboratory and diagnosis service providers: Internal and external laboratories provide diagnostic services and materials for blood tests, tissue analyses or imaging processes for diagnostic purposes.
- Food suppliers: They supply food and nutritional products which are indispensable for our patients and employees.
- Suppliers of commercial items: They supply products needed for the operation of the hospitals, such as cleaning products and basic consumables.

Logistics companies and service providers:

Logistics companies ensure the timely delivery of food, drugs, medical equipment and consumables as well as other commercial items to RHÖN. An efficient supply chain is decisive to prevent shortages. Cleaning, internal waste removal and catering services are provided by the Group's own service companies.

Healthcare service providers and insurance undertakings:

Statutory and private healthcare insurers as well as pension insurance undertakings: They play a vital role in financing hospital services. RHÖN is constantly negotiating with the insurance agencies and health insurance funds on reimbursements and settlement terms. With other healthcare service providers, for example in the outpatient area, a close dialogue is maintained in the form of cooperation schemes.

Doctors, therapists and nursing staff:

As essential players in the value chain, they are directly responsible for patient care. RHÖN invests in continuing and higher-qualification training programmes to ensure the quality of treatment.

Public institutions and supervisory authorities

- Public health authorities and ministries: They regulate hospital companies, set medical standards and monitor compliance with hygiene and safety regulations.
- Research institutions and universities: With the university hospitals in Giessen and Marburg, our hospitals have direct access to university medicine, allowing them to claim a unique selling point in Germany. This allows them to forge ahead with innovations in medical treatment and hospital operations.
- Associations and societies: Medical societies and associations are organisations whose members actively participate in the field of medical science. They organise conferences and congresses and promote the scientific dialogue with a view to achieving a high quality of medical care.

RHÖN's position in the value chain

RHÖN is at the heart of the medical value chain, as it provides the interface between patients, medical care and external economic actors. The hospital organises and coordinates the various stakeholders to ensure optimal patient care. Through strategic partnerships with suppliers, insurance companies and research institutions, RHÖN can drive efficiencies and innovation.

Overall, RHÖN relies on close cooperation with its partners to ensure high-quality and economically viable healthcare.

In the context of the materiality analysis carried out in the reporting year, RHÖN also considered the upstream and downstream value chain. The extent to which the strategies, measures, objectives and parameters also relate to parts or the entire value chain is shown in the following sections.

As a healthcare provider, RHÖN relies on a connected global upstream supply chain. RHÖN purchases not only medicinal products from numerous suppliers, but also medical devices, medical consumables, water, energy, fuels, building materials as well as other economic requirements and food to supply patients. In addition to the issue of supply security and quality, sustainability aspects are also becoming increasingly important in the supply chain.

Input in the supply chain of the hospital operator RHÖN

RHÖN requires a large number of essential resources for smooth operation. These include:

- Drugs: RHÖN obtains drugs from certified pharmaceutical companies, with safety, quality, and availability as the top priority.
- Medical devices: Co-operation with leading manufacturers of state-of-the-art diagnostic and treatment devices.
- Medical Consumables: Reliable suppliers supply disposable instruments, bandages and protective clothing.
- Water, energy and fuels: ensuring sustainable and stable supplies through long-term contracts with utilities.
- Building materials: necessary for the continuous modernisation and expansion of hospital infrastructure.
- Other Business Needs: From office supplies to specialised IT solutions for hospital administration and patient management.
- Food: Quality nutrition for patients and employees through cooperation with regional and supra-regional suppliers.

RHÖN takes different approaches to procure, develop and secure these inputs:

- Long-term supply agreements ensuring stable supply and cost control.
- Suppliers delivering certified products with regular quality checks.
- Strategic partnerships with manufacturers to develop innovative products and solutions.
- Risk management and warehousing to minimise bottlenecks especially for critical products like medicines or medical devices.
- Sustainability initiatives to reduce energy consumption and promote green procurement strategies.

Key inputs in the upstream supply chain include medical consumables and medical engineering.

Throughout our 50-year history, we have always played a role as an innovative hospital industry company. In view of the rapid developments in the healthcare market, we will continue to set new milestones in the future and position ourselves even more strongly in the market together with Asklepios and continue to benefit from strategic cooperation and the standardisation of processes and products. Together, we aim to develop and advance forward-looking healthcare concepts so that we can continue to provide excellent medical care. In future, our hospitals will continue to focus on their core activities, i.e. the concentration of in-patient treatment services, with the aim of offering our patients high-performance medicine at all sites, at any time. On the other hand and beyond, we continue to invest in expanding outpatient care to provide patients with high-quality and medically appropriate alternatives to inpatient hospitalisation without having to sacrifice the standards of in-hospital treatment. In addition to continuously improving our clinical operations, our goal is to continue to drive optimisation of processes and also product standardisation. We have defined standards for processes and medical products in all of our facilities, which are applied across all sites. Margin improvements, which can be achieved through economies of scale in Procurement and positive economies of scale, require solid economic development and stable internal financing in order to continue to make consistent investments in our healthcare facility in the future. These are all benefits for our patients, investors and other stakeholders.

RHÖN is part of a complex network of economic actors working together to ensure efficient patient care. The main economic actors in the value chain can be grouped into different categories:

Key activities

- Medical: provision of high quality healthcare, diagnostics, therapy and emergency care.
- Care and patient care: Extensive care of patients by qualified nursing staff.
- Research and Innovation: cooperation with universities and research institutes for the further development of medicine.
- Quality Management and Regulatory Compliance: Ensuring medical standards and regulatory compliance are met.
- Infrastructure and Facility Management: Operate and maintain hospital buildings and provide necessary services such as cleaning and catering services.
- Digital Transformation: Implement modern IT solutions to improve patient management and medical documentation.

Key resources

- Medical personnel: doctors, nurses and specialists who provide the core service of the hospital.
- Technological equipment: Modern medical devices and IT infrastructure for diagnostics and treatment.
- Real estate and facilities: hospital buildings, operating rooms, intensive care units and laboratories.
- Financial resources: investments from equity, loans and grants.
- Partnerships: collaborations with research institutions, pharmaceutical companies and insurance companies.

Distribution channels

- Direct patient traffic: Emergency wards, inpatient and outpatient treatments as well as rehabilitation.
- Digital platforms: Online appointment booking, telemedicine and digital medical record.
- Physician networks: Cooperation with general practitioners and specialists
- Health fairs and conferences: Presence at trade events and cooperation with other healthcare players.

Customer segments

- Patients: Main target group consisting of inpatient, outpatient and rehabilitative patients from all age groups.
- Doctors and specialist medical staff: Qualified staff who render medical services in collaboration with RHÖN.
- Insurance undertakings: Statutory and private insurers, pension insurance undertakings and occupational insurance agencies which finance treatments.
- Research institutions and companies: Partners in the area of medical innovations and clinical trials.

Business model of hospital operator RHÖN: Business relationships and their main characteristics

RHÖN maintains various business relationships that are essential for a hospital's operation. They include:

Supplier relationships

- Cooperation with pharmaceutical companies, medical device manufacturers and medical equipment manufacturers in the supply of drugs and equipment.
- Contract-based cooperation schemes with logistics companies for efficient market procurement and delivery.

Relationships with insurance undertakings and payers

- Negotiation of reimbursement terms with statutory and private healthcare insurers as well as the pension insurance agencies.
- Insuring transparent settlement for medical services and treatments.
- Cooperation with social insurance agencies for patient management and cost coverage.

Partnerships with medical and scientific institutions

- Joint research projects in our own university hospitals
- Training and higher-qualification training of specialised staff through cooperation with universities.
- Participation in clinical trials to test new treatment methods.

Public and regulatory cooperation

- Compliance with legal requirements and medical standards through close coordination with health authorities.
- Use of government grants for expanding and modernising hospital infrastructure.
- Cooperation with political decision-makers for the further development of the healthcare system.

Relationships with patients

- Provision of individual medical services to high quality standards.
- Use of digital channels to improve patient communication and care.
- Promoting a positive patient experience through transparent processes as well as comprehensive care and support.

Cost structure and revenues of the business segments

During financial year 2024 we treated 912,965 patients in our hospitals and medical care centres, generating revenues of € 1,595.6 million, EBITDA of € 110.8 million and consolidated profit of € 45.2 million. We thus achieved our financial targets for 2024. At RHÖN, the individual hospitals are the operating segments. The operating segments are aggregated to one reporting segment since they exhibit similar economic characteristics.

Products and services prohibited in certain markets

RHÖN does not make any products and does not engage in any services that are prohibited in certain markets.

Statement regarding activities in the area of fossil fuels

RHÖN operates cogeneration plants to supply hospitals with electricity and heat. These burn natural gas. RHÖN does not generate revenues from coal, oil and natural gas. Neither does RHÖN generate revenues from taxonomy-adapted economic activities relating to natural gas.

Negative declarations for other industries

RHÖN is not involved in the production of chemicals, manufacturing of controversial weapons, tobacco growing and tobacco production. RHÖN does not generate any income from the sector of fossil fuels (coal, oil and gas), chemicals production, controversial weapons and tobacco growing and production.

Corporate strategy and sustainability strategy

RHÖN pursues the objective of developing and promoting path-breaking concepts of healthcare delivery to ensure it can continue providing excellent medical care in future as well. The corporate strategy is based on several pillars which include the following core components:

- Specialisation of the hospitals: With the focus on specialised medical services, a high quality of treatment is ensured.
- Cross-sector provision of healthcare: The innovative RHÖN Campus approach is aimed at achieving path-breaking healthcare delivery in rural areas.
- Digital transformation: The gradual digitalisation of internal processes and patient services results in greater efficiency and improves patient experience.
- Strategic partnerships: Cooperation with Asklepios Kliniken GmbH & Co. KGaA strengthens the market position and expands the service offering

These strategic approaches are continuously reviewed and adapted to current developments in order to respond proactively to changes in the healthcare system.

The Group of RHÖN-KLINIKUM AG is convinced that lasting success becomes possible only by harmonising economic, ecological and social factors. To achieve this goal, RHÖN has set sustainability targets. These are based on the existing ESG strategy and cover the areas of action of environmental protection, social matters and governance: In the environmental area, RHÖN strives to significantly reduce the CO₂ emissions of its healthcare facilities (Scope 1 and 2). We are also aiming to lower waste volumes in proportion to patient numbers. In the area of social matters, the focus is on the topics of employee health, patient safety and patient satisfaction. In the area of sustainable business conduct, RHÖN seeks to adhere to and strengthen its principles of conduct. The topic areas and the related goals are described in the following chapters.

RHÖN is currently drawing up a transition plan for climate change mitigation and in this context is also revising its sustainability strategy with a view to its future reorientation. The transition plan and the sustainability strategy are to be completed and adopted within the next three years.

The sustainability strategy of the Group of RHÖN-KLINIKUM AG relates to the Group as a whole. Since RHÖN, as a hospital operator, exclusively provides medical services, there are no products or services groups which can be specifically linked to sustainability targets. Since the Group of RHÖN-KLINIKUM AG operates exclusively in Germany, there are no sustainability targets for other markets. No customer group-specific sustainability targets exist either.

IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

In financial year 2024, RHÖN identified and assessed relevant sustainability topics as part of a CSRD materiality analysis to develop a systematic approach in terms of material impacts, risks and opportunities and to define topics of focus and areas of action.

With regard to new regulation, the Group of RHÖN-KLINIKUM AG already in 2023 identified, on the basis of the ESRS drafts already available at that time, the CR topics of relevance for the Group and its stakeholders and assessed the same according to the “double materiality” principle (double materiality analysis, DMA). During the reporting year, RHÖN’s existing materiality analysis was reviewed and revised on the basis of the final ESRS standards. In this regard, the topics were re-identified, assessed and validated.

The analysis and assessment of the impacts, risks and opportunities followed a structured and multi-stage procedure. In a first step, the corporate context including the business model, the business relations as well as the upstream and downstream value chain was analysed. Moreover, the most important affected stakeholder groups were identified and their engagement with the process of the materiality analysis defined.

The assessment of the impacts, risk and opportunities was performed in three steps: First, the ESG working group evaluated the identified impacts as well as financial opportunities and risks. The ESG working group is described in the following chapter on ESRS 2 GOV1. Next, internal experts from the Group and specialist departments and representatives from the Group subsidiaries in each case assessed the IROs (impacts, risks and opportunities) relating to the topics falling within their expertise. In this context, they included the perspective of the external stakeholder groups relevant in each case. This list was discussed once again in three subject-related assessment workshops with the participation of the internal stakeholders, with adjustments and being adopted and reasoned.

The assessment results from the workshops were subjected to a critical review by the ESG working group and submitted to the experts for commenting. Moreover, representatives from the Group subsidiaries reviewed those business activities relating only to one part of RHÖN.

In a last step, the assessments and thus the final list of the main sustainability topics were confirmed and approved by the Board of Management of RHÖN-KLINIKUM AG.

The materiality analysis covered all subsidiaries and hospital sites of the Group of RHÖN-KLINIKUM AG as well as the upstream and downstream value chain. To conduct the due diligence, the completeness of the scope of the included subsidiaries and hospital sites was checked by comparison with the list of all subsidiaries.

Input parameters

As input parameters, in particular for impacts on people and the environment, both internal data and external, publicly accessible sources (including regulatory and competition analyses, SASB standards for medical care, media reports and studies) are used.

Engaging with stakeholders

For the double materiality analysis, the interests of relevant internal and external stakeholder groups were included. During the financial year, no direct consultations with affected external stakeholders (e.g. affected communities) were held, but these were represented in the process by internal experts and representatives from the group companies of the Asklepios Group.

Impact materiality

The starting point for determining potentially material topics and the related impacts, financial risks and opportunities was provided by the sustainability matters according to ESRS 1 AR16 with their topics, sub-topics and sub-sub-topics. Moreover, sectoral topics were reviewed. Based on this long list, information was gathered about the topic areas in which impacts on people and the environment (impacts) may arise – along the value chain, as a result of own activity, or business relations. In this context, the materiality analyses of RHÖN from previous years as well as the material topics of the Asklepios Group were taken into account.

The materiality of impacts of the various sustainability topics was assessed and characterised independently. At the same time, both the actual and the potential positive and negative impacts on people and the environment in own business as well as in the upstream and downstream value chain were analysed. Various time horizons were looked at to reveal the short-, medium- and long-term impacts that arise for the individual sustainability topics. Moreover, it was reviewed whether negative impacts on human rights could arise for a topic area.

The question of whether impacts are categorised as material depends on the severity of the impacts and/or in the case of potential impacts additionally on the likelihood of occurrence (in %). The severity was determined as the mean value of the factors of scale, scope and irremediable character (for negative impacts), which are each rated on a scale of 0 to 5. The way in which the scale for the assessment is determined is similar to the business risk management of the Group of RHÖN-KLINIKUM AG. The overall assessment of the impacts results from the severity multiplied by the likelihood of occurrence. In the case of a potential negative human rights impact, the severity of the impact took precedence over its likelihood. To determine the material impact, a threshold (3.5) was defined on the basis of the implementation guidance of the European Financial Reporting Advisory Group (EFRAG). Topics with a categorisation of just under or above this value (3.5) were subjected to a further analysis. For this, the maximalist approach according to ESRS 1 AR 11 is taken into account: any of the three characteristics (scale, scope, and irremediable character) can render a negative impact severe.

Financial materiality

Impact materiality and financial materiality assessments were inter-linked in order to consider the interdependencies between these two dimensions – financial risks and opportunities arising from the impacts of the Group of RHÖN-KLINIKUM AG.

The financial effects were characterised along the dimensions of reward/risk, time frame as well as stage of the value chain, and assessed in the short, medium and long term based on the existing risk management and likelihood of occurrence and financial scale. The overall assessment results from the likelihood of occurrence (per cent) multiplied by the level of the financial effect (on a scale of 0 to 5). To identify material risks and opportunities, a threshold for materiality was determined on the basis of the EFRAG implementation guidance (source: https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf; The Internet page was not checked). Topics with a categorisation of just under or above this value (3.5) were subjected to a further analysis.

Standardised process for assessment of risks and opportunities

RHÖN pursues a comprehensive opportunities and risk management approach in which both risks and opportunities with financial impacts on RHÖN and non-financial risks are considered. For a further explanation of the risk management approach for risks and opportunities with financial effects, reference is made to the respective section in the Group Management Report. The risk management of non-financial risks is oriented on the material topics identified. The specified Group divisions submit their assessment in each case on 30 September and in updated form on 1 January of the following year, taking account of the already established control measures. The reporting period includes the current financial year. With this standardised process, both the risk assessment and the measures are centrally documented and tracked – and in addition to the development of the non-financial risks over time the effectiveness and efficiency of the measures initiated are also assessed. Further details on the risk management process are described in the Opportunities and Risk Report of the Group Management Report.

Future reporting

Already in financial year 2023 we performed a double materiality analysis based on ESRS 1, which was updated in 2024. The material topics and matters identified in the process for determining impacts, risks and rewards are reviewed and updated annually.

ESRS 2: Disclosure Requirement IRO1 – Description of the process to identify and assess material impacts, risks and opportunities

E1: Disclosure requirement in connection with ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

As part of the double materiality analysis, both climate-related impacts as well as physical risks and transition risks were considered. The analysis covers actual and potential impacts on climate change, e.g. as a result of GHG emissions as well as physical risks (e.g. as a result of extreme weather events or temperature fluctuations such as heat waves) and transition risks (e.g. as a result of regulatory changes or market requirements due to decarbonisation).

From the perspective of materiality of the impacts, the identified actual and/or potential positive and negative impacts were assessed in terms of their severity and likelihood. With RHÖN, the identified impacts on the climate result mainly from the energy consumption of the hospitals and the greenhouse gas emissions arising in this connection. Moreover, the production of medical-technical equipment, building materials and other commercial items and food in the upstream value chain, and the disposal of packaging and single-use products in the downstream value chain, can contribute to adverse impacts on the climate.

From the perspective of financial materiality, the identified risks and opportunities were assessed in terms of their financial impacts. In this context, both short-, medium- and also long-term time horizons were considered to gain a comprehensive view of climate-related risks and opportunities. Given the business model of RHÖN, the focus with respect to the physical risks is on the potential effects on the hospitals and medical care centres (MVZs) with respect to the transition risks on rising costs as a result of regulatory requirements.

In the context of the materiality assessment it was determined that the physical risks of climate change relating to the site characteristics of the hospitals and MVZs are low.

Like most companies in the European Economic Area, RHÖN is also exposed to transition risks in terms of rising energy costs and regulatory provisions. For this reason, five material risks were identified in this Report.

Sub-topic	Short title IRO	Description of risks	Opportunity/risk	Actual/potential	Direct/contributory/indirect	Value chain stage	Possible time horizon
E1 – Climate change							
Climate change adaptation	Costs of climate change adaptation	Financial risks from investments to make the undertaking climate-resilient and by 2045 climate-neutral (e.g. for refurbishments and new builds).	Risk	n/a	n/a	Own operations	long-term
Climate change mitigation	Costs of regulatory requirements	Financial risks from regulatory requirements relating to climate change mitigation. In addition, a financial risk in the event of non-compliance with the regulations exists.	Risk	n/a	n/a	Own operations	Short- to medium-term
Climate change mitigation	Costs of climate change mitigation actions	Financial risks from costs for actions to reduce GHG emissions in the operations of the healthcare facilities, e.g. introducing a Jobticket scheme or switching to more sustainable products.	Risk	n/a	n/a	Own operations	Short- to medium-term
Energy	Rising costs of energy (own operations)	Financial risks of potentially rising energy prices e.g. as a result of carbon pricing or switch to more expensive renewable energy sources.	Risk	n/a	n/a	Own operations	Short- to medium-term
Energy	Rising costs of products needed due to higher energy prices	Financial risks from potentially rising costs of procuring raw materials and products needed in hospital operations due to (globally) rising energy prices.	Risk	n/a	n/a	Upstream	Short- to medium-term

E2: Disclosure requirement in connection with ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

As a hospital operator, RHÖN has not identified any sites or business activities in the materiality analysis which relate to pollution. No material impacts, risks and opportunities were ascertained in this regard. Since no material impacts, risks and opportunities associated with pollution were identified, no consultation with affected communities took place.

E3: Disclosure requirement in connection with ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

Given the special characteristics of RHÖN’s business model, our assets and business activities are not dependent on water and marine resources. None of our sites is located in areas at water risk, and none of our sites has an interface with marine resources. In this regard, this statement applies to own operations and the downstream value chain. We will conduct a detailed analysis on the upstream value chain within the next three years. For these reasons, a more in-depth resilience analysis was not performed. Since no material impacts, risks and opportunities associated with water and marine resources were identified, no consultation with affected communities took place.

E4: Disclosure requirement in connection with ESRS 2 IRO-1 – Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities

RHÖN does not have any sites in or close to areas with protectable biodiversity. For this reason RHÖN, as a hospital operator, has not identified any sites or business activities in the materiality analysis which relate to biodiversity and ecosystems. No material impacts, risks and opportunities were ascertained in this regard. Since no material impacts, risks and opportunities associated with biodiversity and ecosystems were identified, no consultation with affected communities took place.

E5: Disclosure requirement in connection with ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

To identify the material impacts, risks and opportunities related to resource inflows and waste, RHÖN reviewed both its own assets and business activities as well as its upstream and downstream value chain. Internal stakeholders such as waste officers were consulted as experts to assess the impacts and risks associated with resource inflows and waste. Given the strict hygiene requirements within the healthcare system, RHÖN often uses sterile packaged single-use materials and instruments, which results in a high use of resources. Moreover, RHÖN purchases products (including drugs, chemicals, agricultural products, medical devices, instruments, hospital equipment, but also food for catering to employees and patients) whose production entails a very high use of resources. The interests of the affected communities were analysed indirectly through the internal stakeholders. The high volume of waste results in negative impacts on the environment. The waste produced in the hospitals largely consists of single-use materials made from plastics and metals (e.g. syringes, tubes, protective clothing) and their packaging. In addition, food waste is produced when meals are provided to patients, which exacerbates the volume of waste. RHÖN faces rising costs as a result of policy-related and legal requirements.

G1: Disclosure requirement in connection with ESRS 2 IRO-1 G1.6 – disclosure of all relevant criteria used in the process, including location, activity, sector and the structure of the transaction.

RHÖN comprehensively describes all relevant criteria in its process for identifying material impacts, risks and opportunities (IROs). These include the site, the nature of business activity, the sector as well as the structure of the respective transaction. All sites of the Group of RHÖN-KLINIKUM AG were included in the materiality analysis according to ESRS 1. All operating units of RHÖN work in the same sector, the healthcare sector. This sector was considered in the materiality analysis. In this regard both own operations and the upstream and downstream value chain were considered. These factors were systematically analysed to precisely assess impacts as well as potential risks and opportunities and to make sound decisions as part of business conduct. The Central Compliance department and the Group division Human Resources & Legal were included in the process of the materiality analysis in order to identify the impacts, risks and opportunities in the area of business conduct. Moreover, the materiality analysis was presented to and approved by the Board of Management of RHÖN-KLINIKUM AG. With this detailed approach, the Company ensures that all relevant matters are considered and that transparent as well as plausible estimates are made.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In the materiality analysis, RHÖN identified the impacts, risks and opportunities of materiality for it in connection with sustainability matters for financial year 2024. Here, the focus, in addition to the operations of its own healthcare facilities, was on the upstream and downstream value chain.

On a net view, RHÖN has not currently identified any recognisable financial effects of the material risks and opportunities on the financial position, results of operations and cash flows for which there is a significant or existential risk of a material adjustment within the next reporting period to net assets and liabilities. For a further explanation of the situation of risks and opportunities, reference is made to the section Opportunities and Risk Report in the Group Management Report.

RHÖN identified the impacts, risks and opportunities (IROs) of its activity on the environment, people and business conduct in the materiality analysis according to ESRS 1 and manages them in accordance therewith. This is done in accordance with the business model, the value chain as well as the strategic orientation and decision making. RHÖN has taken various measures which it is further developing on a continuous basis to control the influence of its activities on the environment, people and business conduct. For example, by investing in energy-efficient infrastructure, resources are used sparingly and the environmental footprint reduced. Moreover, continuously providing employee training and promoting an open corporate culture contribute to employee satisfaction and loyalty. With the help of transparent decision-making processes and a clear compliance strategy, RHÖN ensures responsible conduct and strengthens the trust of stakeholders. These measures are regularly evaluated and adapted as required to meet the current requirements and make optimum use of opportunities. As part of the continuous further development, the Group of RHÖN-KLINIKUM AG has made adjustments in its strategy and business model. For example, in financial year 2024, the first phase of the transition plan and investment actions for energy optimisation and energy source substitution of hospital infrastructure was adopted. In addition to the contribution made to climate change mitigation, this also secures long-term competitiveness by achieving energy cost savings. These proactive adjustments underscore the commitment made by the Group of RHÖN-KLINIKUM AG to act sustainably and responsibly to secure the Company's long-term success.

All disclosures on material impacts, risks and opportunities relate to the ESRS Standards. Impacts beyond these, which would be covered by RHÖN through additional Company-specific disclosures, are not disclosed.

RHÖN operates five highly specialised hospital sites in Bavaria, Brandenburg, Hesse and Thuringia. This geographical distribution makes it possible to reach a broad range of patients and to cover regional healthcare needs. At the same time, however, it requires a careful coordination of resources and processes to secure consistent treatment quality.

Upstream value chain

Inputs: The procurement of medical equipment, consumables and drugs is an essential part of the upstream value chain. The production of products purchased by RHÖN, including drugs, chemicals, food, agricultural products, medical devices, instruments as well as hospital equipment, are responsible for a large proportion of the GHG emissions in the value chain due to high energy consumption and emissions of pollutants. By purchasing the products, RHÖN indirectly causes GHG emissions and thus contributes to global warming. With certain product groups (including drugs, equipment) being transported by third parties over land and sea to its own sites as well as patients travelling to those sites, RHÖN indirectly causes GHG emissions and thus contributes to global warming. Moreover, since the transport of some raw materials and products (e.g. biologics, vaccines, insulin) must be temperature-controlled, this further increases the GHG emissions caused by transport. Dependence on suppliers holds risks with respect to supply shortages and quality defects. At the same time, the cooperation with innovative manufacturers offers the opportunity to benefit early on from advances in medicine. The inputs come mainly from Germany, other European countries and the USA.

Downstream value chain

Outputs and distribution channels: In the downstream value chain, no material impacts, risks and opportunities were identified in the materiality analysis according to ESRS 1, with the result that no disclosures on outputs and distribution channels are reported.

By continuously analysing and adjusting its value chain, RHÖN seeks to minimise risks and exploit opportunities to secure medical care delivery.

All material IROs along the entire value chain considered which are material for the Group of RHÖN-KLINIKUM AG are set out in the table below:

Sub-topic	Short title IRO	Description of risks	Opportunity/risk	Actual/potential	Direct/ contributory/ indirect	Value chain stage	Possible time horizon
E1 – Climate change							
Climate change adaptation	Cost of climate change adaptation	Financial risks from investments to make the undertaking climate-resilient and by 2045 climate-neutral (e.g. for refurbishments and new builds).	Risk	n/a	n/a	Own operations	long-term
Climate change mitigation	GHG emissions from 24-hour operation	The operation of the healthcare facilities is energy-intensive and furthermore uses greenhouse gases with a particularly high global warming potential (GWP).	Negative	Actual	Direct	Own operations	Medium- to long-term
Climate change mitigation	GHG emissions from use of volatile anaesthetics	Anaesthetic gases are direct and highly potent greenhouse gases. They are released into the outside air as patients breathe and thus promote the greenhouse gas effect.	Negative	Actual	Direct	Own operations	Medium- to long-term
Climate change mitigation	Total GHG emissions from transport of people	A large proportion of the GHG emissions in the operations of healthcare facilities arises from journeys and transports of staff and patients in fossil-fuelled vehicles.	Negative	Actual	Indirect	Own operations	Medium- to long-term
Climate change mitigation	GHG emissions from transport goods	In the value chain, GHG emissions arise from the transport of drugs and equipment over land and sea. Transport of some raw materials and products (e.g. biologics, vaccines, insulin) must be temperature-controlled, which further increases the GHG emissions caused by transport.	Negative	Actual	Indirect	Upstream	Medium- to long-term
Climate change mitigation	GHG emissions from production of products	The production of drugs, chemicals, food, agricultural products, medical devices, instruments and other hospital equipment in the upstream value chain contributes to GHG emissions.	Negative	Actual	Indirect	Upstream	Medium- to long-term
Climate change mitigation	GHG emissions from waste incineration	In the downstream value chain, GHG emissions arise from the disposal of waste from the operations of the hospital facilities in incineration plants. Only a small proportion of the waste must be disposed of subject to additional requirements (infection control and similar).	Negative	Actual	Indirect	Downstream	Medium- to long-term
Climate change mitigation	Costs from rising regulatory requirements	Financial risks from adjustments to increasing regulatory requirements relating to climate change mitigation. In addition, a financial risk in the event of non-compliance with the regulations exists.	Risk	n/a	n/a	Own operations	Short- to medium-term
Climate change mitigation	Costs of climate change mitigation actions	Financial risks from costs for actions to reduce GHG emissions in the operations of the healthcare facilities, e.g. introducing a Jobticket scheme or switching to more sustainable products.	Risk	n/a	n/a	Own operations	Short- to medium-term

Sub-topic	Short title IRO	Description of risks	Opportunity/risk	Actual/potential	Direct/ contributory/ indirect	Value chain stage	Possible time horizon
Energy	High energy consumption in operations of own healthcare facilities	The operation of healthcare facilities is energy-intensive due, among other things, providing care based on 24-hour operation, making available critical infrastructure (lighting, air classes, high temperatures) and hygienic cleaning, e.g. of devices, buildings and clothing.	Negative	Actual	Direct	Own operations	Short- to medium-term
Energy	High energy consumption in the upstream value chain	The production of numerous products needed in hospital operations is energy-intensive (drugs, chemicals, food, agricultural products, medical devices, instruments, hospital equipment), in particular products from the plastics, food and chemicals industry.	Negative	Actual	Indirect	Upstream	Medium- to long-term
Energy	Rising costs of energy (own operations)	Financial risks of potentially rising energy prices e.g. as a result of carbon pricing or switch to more expensive renewable energy sources.	Risk	n/a	n/a	Own operations	Short- to medium-term
Energy	Rising costs of products needed due to higher energy prices	Financial risks from potentially rising costs of procuring raw materials and products needed in hospital operations due to (globally) rising energy prices.	Risk	n/a	n/a	Upstream	Short- to medium-term
Energy	Use of fossil fuel energy sources	Contribution to climate change due to GHG emissions in the operations of healthcare facilities from the use of fossil fuel energy sources.	Negative	Actual	Direct	Own operations	long-term
E5 – Resource use, circular economy							
Resources inflows including resource use	Resources consumption in own operations	The fulfilment of regulatory requirements, e.g. hygiene regulations, gives rise to a high consumption of resources (e.g. sterilisation of instruments, use of single-use materials, cleaning of rooms, laundry). In addition, in 24-hour operation, food for catering to staff and patients, for example, is used.	Negative	Actual	Direct	Own operations	Medium- to long-term
Resources inflows including resource use	High resources consumption in the upstream value chain	The production of drugs, chemicals, food, agricultural products, medical devices, instruments and other hospital equipment in the upstream value chain contributes to resources consumption.	Negative	Actual	Indirect	Upstream	Short- to medium-term
Waste	Waste in own operations	In hospital operations, a high volume of waste results from (plastic) single-use material (e.g. syringes, tubes, protective clothing). In addition, food waste is produced when meals are provided to patients.	Negative	Actual	Direct	Own operations	Short- to medium-term
Waste	Costs from rising regulatory requirements for disposal	Financial risks from adjustments to increasing regulatory requirements relating to waste disposal, e.g. in the German Closed Cycle and Waste Management Act (Kreislaufwirtschaftsgesetz, KrWG). In addition, a financial risk of penalties in the event of non-compliance with	Risk	n/a	n/a	Own operations	Short- to medium-term

Sub-topic	Short title IRO	Description of risks	Opportunity/risk	Actual/potential	Direct/ contributory/ indirect	Value chain stage	Possible time horizon
		the regulations or improper disposal exists.					
S1 - Own workforce							
Working conditions	High fluctuation	RHÖN is not able to ensure job security for employees, to reduce fluctuations and to provide support to committed and motivated staff.	Negative	Potential	Direct	Own operations	Short-term to medium-term
Working conditions	Secure employment	Promoting secure jobs through social security under collective bargaining agreements: under a certain social protection branch, employees can be considered formally secured if in the existing collective bargaining agreement it is stipulated that they have a claim to social protection under the relevant branch of the system.	Positive	Actual	Direct	Own operations	Short- to medium-term
Working conditions	Secure employment	Risk of fluctuation of lack of motivation and lack of commitment of staff if jobs are insecure. This gives rise to a financial risk of declining productivity and efficiency.	Risk	n/a	n/a	Own operations	Short- to medium-term
Working conditions	Working time	Irregular working hours with regular night and shift work as well as overtime have a negative effect on the risk of accident and injury as well as mental and physical health.	Negative	Potential	Direct	Own operations	Short- to medium-term
Working conditions	Working time	Irregular working hours lead to risks of staff absences, higher staff costs and/or detrimental effects on quality.	Risk	n/a	n/a	Own operations	Short- to medium-term
Working conditions	Adequate wages	Failure to pay prevailing local minimum wages and fair compensation.	Negative	Potential	Direct	Own operations	Short- to medium-term
Working conditions	Adequate wages	Failure to pay fair compensation leads to risk of lack of motivation and loyalty of staff. This gives rise to a financial risk of declining productivity and efficiency.	Risk	n/a	n/a	Own operations	Short- to medium-term
Working conditions	Social dialogue	Non-compliance with legal regulations (personnel representation, equal treatment and social security legislation), failure to promote social dialogue or preventing the same.	Negative	Potential	Direct	Own operations	Short- to medium-term
Working conditions	Freedom of association, the existence of works councils and the information, consultation and participation rights of the undertaking's workers	Preventing the establishment of a works council or deliberately hindering its work.	Negative	Potential	Direct	Own operations	Short- to long-term
Working conditions	Workload	Irregular and changing working hours, understaffing and regular overtime. These workloads have a negative impact on the risk of accident and injury as well as mental and physical health.	Negative	Potential	Direct	Own operations	Short- to medium-term

Sub-topic	Short title IRO	Description of risks	Opportunity/risk	Actual/potential	Direct/ contributory/ indirect	Value chain stage	Possible time horizon
Working conditions	Contact with hazardous substances	Employees come into contact with substances harmful to their health (e.g. heavy metals, formaldehyde, cytostatics, surgical smoke gases), particular in the case of surgical procedures.	Negative	Potential	Direct	Own operations	Short- to long-term
Working conditions	Infection risk	Non-compliance with hygienic standards and preventive actions leads to the spread of infections in hospitals.	Negative	Actual	Direct	Own operations	Short- to medium-term
Working conditions	Risk of damage to health	Employees can suffer physical health damage as a result of occupational accidents involving equipment and machinery or as a result of injuries resulting during treatment of patients (e.g. injuries caused by needles).	Negative	Potential	Direct	Own operations	Short- to medium-term
Equal treatment and opportunities for all	Training and skills development	Promoting the skills of employees through numerous nursing, medical and therapeutic training offers as well as dual study courses	Positive	Actual	Direct	Own operations	Medium- to long-term
Equal treatment and opportunities for all	Training and skills development	Insufficient training and development opportunities have a negative effect on the knowledge and skills of staff and potentially diminish their performance and innovativeness as well as loyalty.	Negative	Potential	Direct	Own operations	Short- to medium-term
Equal treatment and opportunities for all	The employment and inclusion of persons with disabilities	Absence of ethical hiring practices jeopardise equal treatment and equal opportunities and promote an exclusive and one-dimensional working environment.	Negative	Potential	Direct	Own operations	Short- to medium-term
Equal treatment and opportunities for all	Measures against violence and harassment in the workplace	Lack of or insufficient actions against violence and harassment in the workplace may potentially promote violence and harassment.	Negative	Potential	Direct	Own operations	Short- to long-term
Equal treatment and opportunities for all	Diversity	Promotion of a respectful and fair corporate culture and a diverse and inclusive working environment offering equal treatment and equal opportunities.	Positive	Potential	Direct	Own operations	Medium- to long-term
Equal treatment and opportunities for all	Diversity	Discrimination of employees based on gender, age, origin, religious beliefs, disability or other individual characteristics.	Negative	Potential	Direct	Own operations	Short- to long-term
S4 – Consumers & end-users							
Information-related impacts	Insufficient data protection	Violations of the General Data Protection Regulation (GDPR) as well as potential data leaks caused by cyber attacks result in an insufficient protection of patients.	Negative	Potential	Direct	Own operations	Short- to medium-term
Information-related impacts	Use of personal data	The improper use or disclosure of confidential patient and health information results in an insufficient protection of patient data.	Negative	Potential	Direct	Own operations	Short- to medium-term
Information-related impacts	Freedom of expression	The fear of negative consequences (e.g. in terms of the quality of medical treatment or dealings with staff) results in patients not being able to express their opinion.	Negative	Potential	Direct	Own operations	Short- to medium-term

Sub-topic	Short title IRO	Description of risks	Opportunity/risk	Actual/potential	Direct/ contributory/ indirect	Value chain stage	Possible time horizon
Security of a person	Health protection	Contribution to excellent medical treatment as well as pre- and after-care opportunities.	Positive	Potential	Direct	Own operations	Short- to medium-term
Security of a person	Health and safety	Risk to health and safety of patients as a result of defective diagnosis or inappropriate nature of treatment (e.g. medication errors, diagnosis which is wrong or too late).	Negative	Potential	Direct	Own operations	Short- to medium-term
Security of a person	Protection from diseases and infections	The spread of diseases and infections as a result of infection sources within the hospital can diminish the safety of patients.	Negative	Potential	Direct	Own operations	Short- to medium-term
Security of a person	Security of a person	Risk to health and safety of patients as a result of treatment errors or insufficient quality control checks.	Negative	Potential	Direct	Own operations	Short- to medium-term
Security of a person	Safety-relevant incidents	Risk to safety of patients as a result of physical hazards and harm, e.g. falls, injuries and attacks.	Negative	Potential	Direct	Own operations	Short- to medium-term
Security of a person	Protection of children	Contribution to protection of children through medical diagnosis which is objectivised in suspected cases of neglect, child maltreatment, child abuse and enables effective help for children and parents affected.	Positive	Actual	Direct	Own operations	Short- to medium-term
Security of a person	Protection of children	Lack of training and failure to raise awareness of standardised instructions in cases of suspected harm to a child's well-being can jeopardise the protection of children.	Negative	Potential	Direct	Own operations	Short- to medium-term
G1 – Business Conduct							
Corporate culture	Corporate culture values	Contribution to social responsibility through promotion of corporate principles and values as well as compliance.	Positive	Actual	Direct	Own operations	Short- to long-term
Corporate culture	Competitive advantage and value-based corporate culture	Financial and reputational opportunity from daily embracing a values-based corporate culture, leading to greater employee motivation and positive business relationships.	Opportunity	n/a	n/a	Own operations	Short- to long-term
Corporate culture	Competitive disadvantage from disregard of corporate values	The disregard of principles and values of corporate culture by employees has a negative impact on relations among employees and with patients.	Negative	Actual	Direct	Own operations	Short- to long-term
Protection of whistleblowers	Deficient whistleblower system (internal)	Defects in the whistleblower system can result in rules breaches not being reported, in wrongdoing going unnoticed and in rights of whistleblowers not being safeguarded.	Negative	Potential	Direct	Own operations	Short- to medium-term
Management of relationships with suppliers, including payment practices	Shortages in healthcare delivery	A defective choice of suppliers can result in shortages in healthcare delivery that can jeopardise the daily work as well as the health and safety of employees and patients.	Negative	Potential	Direct	Upstream	Short- to medium-term

Sub-topic	Short title IRO	Description of risks	Opportunity/risk	Actual/potential	Direct/ contributory/ indirect	Value chain stage	Possible time horizon
Management of relationships with suppliers, including payment practices	Insufficient verification of suppliers	Insufficient verification of compliance with sustainability-related requirements by suppliers (e.g. by audits) can enable abuses in the supply chain and negative impacts on people, human rights and the environment.	Negative	Potential	Direct	Upstream	Short- to long-term
Management of relationships with suppliers, including payment practices	Delayed payments	Absence or delayed payments to suppliers or partners result in reputational, financial and legal risks as well as unstable supply chains.	Risk	n/a	n/a	Own operations	Short- to long-term
Management of relationships with suppliers, including payment practices	Minimisation of procurement risks"	Financial opportunities from own warehousing capacities and inventory management. This mitigates the effects of cost increases and avoids supply shortages.	Opportunity	n/a	n/a	Own operations	Short- to medium-term
Corruption and bribery	Unjust enrichment	Unjust enrichment (personally or by the hospital) can occur as the result of recommending unnecessary treatments or the abuse of invoicing mechanisms.	Negative	Potential	Direct	Own operations	Short- to medium-term
Corruption and bribery	Risk of corruption	Legal, reputational and financial risks as a result of corrupt conduct of employees, e.g. bribery, kick-backs, fraud, extortion, collusion, money laundering.	Risk	n/a	n/a	Own operations	Short- to long-term
Animal welfare	Animal welfare	Performing experiments on animals to manufacture drugs, observe the progression of diseases and develop treatment methods in the lower supply chain levels of RHÖN diminishes animal welfare. The animals often live in conditions which are not species-appropriate and die as a result.	Negative	Actual	Indirect	Upstream supply chain	Short-term
Animal welfare	Animal welfare	At UKGM (Giessen), experiments are conducted on animals (including sheep, rodents, bees and larvae) for research purposes. Conducting experiments on animals directly infringes the animal's life and well-being.	Negative	Actual	Direct	Own operations	Short- to medium-term

Resilience analysis

ESRS 2: Disclosure Requirement SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In the preparation of the double materiality analysis we identified, analysed and assessed opportunities and risks. We consider our approach as reflected in our concepts and measures to be adequate to ensure that our strategy and our business model is robust and thus resilient in terms of its capacity to address its material impacts and risks and to take advantage of its material opportunities.

E1: Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In the materiality analysis, we identified all the impacts, risks and opportunities of materiality for financial year 2024 arising from RHÖN's economic activity over the entire value chain. At the same time, we identified and analysed climate-related risks with regard to the sub-topics of climate change mitigation, climate change adaptation and energy. In this connection, we used two climate scenarios in accordance with the requirements of the ESRS. To assess the climate-related physical risks for own assets and business activities, and the transition risks and opportunities in own operations as well as the upstream and downstream value chain, RHÖN performed a climate resilience analysis during the reporting year.

The risks identified are both climate-related transition risks and climate-related physical risks. The identified climate-related physical risks were assessed as immaterial.

The assessment of climate-related physical risks results from the Company's business model and its activity as a hospital business. Extreme weather events such as heat waves, which are attributable to changes in the climate, will have a small direct influence on our business model since health and care are part of the system-relevant facilities.

Our infrastructure consists of healthcare facilities which as a general rule are secured against local physical risks such as flooding or storms.

In the area of transition risks, 5 material risks were identified at RHÖN.

Sub-topic	Short title IROs	Description of risk	Nature of risk
Climate change adaptation	Cost of climate change adaptation	Financial risks from investments to make the Group climate-resilient and by 2045 climate-neutral (e.g. for refurbishments and new builds).	Transition risk (market)
Climate change mitigation	Costs of regulatory requirements	Financial risks from adjustments to regulatory requirements relating to climate change mitigation. In addition, a financial risk in the event of non-compliance with the regulations exists.	Transition risk (policy & legal)
Climate change mitigation	Costs of climate change mitigation actions	Financial risks from costs for actions to reduce greenhouse gas (GHG) emissions in the operations of the healthcare facilities, e.g. introducing a Jobticket scheme or switching over to more sustainable products.	Transition risk (market)
Energy	Rising costs of energy (own operations)	Financial risks of potentially rising energy prices e.g. as a result of carbon pricing or switch to more expensive renewable energy sources.	Transition risk (market)
Energy	Rising costs of products needed due to higher energy prices	Financial risks from potentially rising costs of procuring raw materials and products needed in hospital operations due to (globally) rising energy prices.	Transition risk (market)

We regard our business model as resilient with regard to transition risks. Our assessment is based on the following factors:

1. Adaptability: For adaptation and in response to climate change, RHÖN has implemented various measures which in some cases go beyond the decarbonisation levers set out in the E1 text section. The corporate strategy is continuously adjusted to the changing climate change situation.
2. Commitment: RHÖN maintains a regular exchange on ESG topics with its associate and parent group to stay informed at all times about relevant climate risks and corresponding strategies. These joint efforts are to enable the development of policies and measures to tackle challenges.

E4: Disclosure Requirement SBM3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Currently, we do not consider biodiversity and ecosystems as a material topic for RHÖN. Consequently, this topic is not reflected in our strategy and business model either.

GOV-1 The role of the administrative, management and supervisory bodies

Board of Management

The Board of Management of RHÖN-KLINIKUM AG directs the Company and determines its strategic orientation and implementation of the same. Responsibility for the sustainable orientation of the business strategy thus also lies with the Board of Management. In this function, the Board of Management is also responsible for monitoring and controlling impacts, risks and opportunities. The RHÖN-KLINIKUM Group is directed and controlled by the Board of Management. As at 31 December 2024, the Board of Management was comprised of three persons, including three men. As a result, the proportion of women is currently 0%.

The age structure in the Board of Management is shown in the table below:

Age group	No.	in %
30-50	1	33.3
>50	2	66.7
Total	3	100.0

When it comes to the composition of the Board of Management, the Supervisory Board places special emphasis on professional qualifications and social skills as well as longstanding experience in similar executive positions, ideally in the healthcare system. Moreover, suitability of character and an appropriate academic background (university degree or equivalent) are important selection criteria.

Experience of the members of the Board of Management of relevance for the sectors, services and geographic sites of RHÖN are given in the table below.

Board of Management	Prof. Dr. Tobias Kaltenbach	Dr. Stefan Stranz	Dr. Gunther Weiß
Member since	2022	2020	2012
Independence			
Gender	Man	Man	Man
Year of birth	1960	1977	1966
Nationality	German	German	German
Academic background	Industrial-engineer	Economist	Medical doctor
Qualifications/experience			
Corporate management	•	•	•
Industry experience	•	•	•
Legal, regulatory, compliance	•	•	•
Sustainability	•	•	•

Supervisory Board

In line with the principles of equal representation as required by the German Co-Determination Act (Mitbestimmungsgesetz, MitBestG), the Supervisory Board of RHÖN-KLINIKUM AG is made up of sixteen members, eight of whom are elected by the shareholders at the Annual General Meeting and eight (six employees of the Group and two representatives from the unions) by the employees. With 11 male and five female members, gender diversity on the Supervisory Board is 11:5. The proportion of women on the Supervisory Board is 31.3%.

The age structure on the Supervisory Board is shown in the table below:

Age group	No.	in %
30-50	5	31.2
>50	11	68.8
Total	16	100.0

The Supervisory Board is non-executive. In accordance with the Declaration on Corporate Governance pursuant to sections 289f and 315d of the HGB and the interim amendment to the Declaration of Compliance pursuant to section 161 of the AktG with the German Corporate Governance Code (GCGC) of 14 December 2023, Dr. Julia Dannath-Schuh, as at 31 December 2024, is to be regarded as an independent person on the side of the shareholders on the Supervisory Board; this corresponds to a proportion of 13%.

The Supervisory Board as a whole is familiar with the healthcare sector and possesses the qualifications and knowledge required to properly discharge its duties. In this regard it is not required that each member be equally experienced in all scientific fields, but instead the Supervisory Board members are to complement one another in terms of their respective qualifications. The members of the Supervisory Board keep themselves informed on a regular basis, through internal and external information sources, of current developments and requirements relating to their supervisory activity.

Supervisory Board (shareholders' side)	Dr. Jan Liersch	Hafid Rifi	Dr. Julia Dannath-Schuh	Dr. Dagmar Federwisch	Joachim Gemmel	PD Dr. med. Sara Sheikhzadeh	Dr. Cornelia Sűfke	Marco Walker
Member since	2020	2020	2020	2024	2024	2024	2022	2021
Independence			•					
Diversity								
Gender	Man	Man	Woman	Woman	Man	Woman	Woman	Man
Year of birth	1973	1972	1977	1968	1972	1977	1964	1976
Nationality	German	German	German	German	German	German	German	German
Academic background	Law	Economics/auditor	Psychology/public personnel law	Politics and business administration	Economics and business organisation	Human medicine	Law	Economics
Qualifications/experience								
Corporate management	•	•	•	•	•	•	•	•
Industry experience	•	•	•	•	•	•	•	•
Legal, regulatory, compliance	•	•	•	•	•	•	•	•
Sustainability	•	•	•	•	•	•	•	•

Supervisory Board (employee side)	Peter Berghöfer	Regina Dickey	Peter Ducke	Prof. Dr. Leopold Eberhart, MA	Dr. med Martin Mandewirth	Assoc. Lecturer Dr. med. Thomas Pillukat	Stefan Röhrhoff	Oliver Salomon
Member since	2020	2020	2020	2020	2020	2020	2024	2014, 2015 from 2018
Independence							•	
Gender	Man	Woman	Man	Man	Man	Man	Man	Man
Year of birth	1958	1965	1986	1967	1977	1956	1971	1963
Nationality	German	German	German	German	German	German	German	German
Academic background	Politics and business administration	Office clerk	Healthcare and nursing	Human medicine	Human medicine	Human medicine	Home and therapeutic pedagogy	Nursing
Qualifications/ experience								
Corporate management	•		•	•	•	•	•	•
Industry experience	•	•	•	•	•	•	•	•
Legal, regulatory, compliance	•	•		•	•	•	•	•
Sustainability	•	•	•	•	•	•	•	•

RHÖN is establishing processes ensuring that the members of the Board of Management and of the Supervisory Board always possess the latest expertise and qualifications in the area of sustainability. The internal exchange of knowledge with the Supervisory Board is conducted among other things through regular reporting by the ESG working group as well as specific training courses. External experts are consulted whenever necessary. In 2024, questions relating to the topic of sustainability were regularly on the agenda of meetings held by the Supervisory Board. For example, the materiality analysis was thoroughly discussed and initial measures to improve climate change mitigation were acknowledged.

For 2025, knowledge about the topic of sustainability and CSRD compliance is to be broadened with training courses for members of the Supervisory Board. With all training formats and consultations in 2025, a close link to the material impacts, risks and opportunities of RHÖN is to be ensured.

The Group division and specialised departments as well as Sustainability (ESG) department serve as a link to the Board of Management and those responsible for operative implementation. The Sustainability (ESG) department furthermore maintains a close dialogue with the ESG working group.

Likewise, RHÖN does not yet have any formally documented controls and processes for the monitoring, management and oversight of the impacts, risks and opportunities identified as material. However, control mechanisms were developed to ensure the accuracy of the information. A formalised ICS as well as an objectives management approach are to be established over the next one to three years and integrated into existing processes.

GOV-2: Sustainability management

Strategic sustainability management is the responsibility of the Sustainability department. The Sustainability department is made up of an interdepartmental management team and one further full-time employee. The latter is responsible for sustainability reporting and for operative ESG management. This includes, for example, implementation and tracking of the sustainability strategy as well as implementation of the due diligence in the areas of sustainability. For example, a core function of the Sustainability department is the strategic planning and implementation of the transition plan.

During the reporting year, all relevant decisions relating to sustainability were presented and made at the regular monthly meetings of the Board of Management, with the focus being on the implementation of the CSRD and the re-orientation of the sustainability strategy associated with it.

The implementation of the transition plan, like the realisation of the individual hospital sustainability projects, is under the responsibility of the individual hospital facilities. The relevant specialist departments for ESG topics as well as the managing directors of the individual hospitals are responsible for implementing the decisions adopted.

ESG working group:

Composition: The ESG working group is made up of representatives of the central organisational units of the Group of RHÖN-KLINIKUM AG, including technical departments of the hospital sites, Materials Management Group division, Group Data Protection, Investor Relations, Group Finance division, Group IT division, Group Human Resources and Legal division, Group Patient Safety division, Quality and Hygiene, Risk Management, Service Companies, Central Compliance department, Nursing Management as well as Corporate Communications.

Duties: The ESG working group coordinates the processing and implementation of sustainability topics within the Group of RHÖN-KLINIKUM AG across the healthcare facilities and the Group and specialist departments. It coordinates the systematic gathering of data and information for the sustainability statement, drafts recommendations and supports the development of sustainability targets and actions.

The Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG) is under the responsibility of the Group Materials Management division in cooperation with the Central Compliance department and was implemented in reporting year 2024 under the compliance policy for implementing the LkSG as well as the risk analysis.

The ESG working group was involved in preparing the materiality analysis. The Central Sustainability department (ESG) and individual members of the ESG working group maintain a close dialogue on an ongoing as well as ad hoc basis.

The Board of Management is regularly informed about sustainability-related topics. In financial year 2024, reports were presented at eight meetings of the Board of Management. In the Supervisory Board and the Audit Committee, reports were likewise presented at four meetings in financial year 2024. Moreover, ad hoc meetings can also be held. During the reporting year, the Board of Management and the Supervisory Board informed on the materiality analysis.

With their integration into the process of the materiality analysis and the process of CSRD-compliant sustainability reporting, the Board of Management and the Supervisory Board examined all impacts, opportunities and risks identified as material (see table of all material IROs).

RHÖN so far has not defined any responsibilities of corporate bodies and persons for the impacts, risks and opportunities identified as material in its terms of reference, the mandates of Supervisory Board or other relevant strategies.

Likewise, RHÖN does not yet have any formally documented controls and processes for the monitoring, management and oversight of the impacts, risks and opportunities identified as material. However, control mechanisms were developed to ensure the accuracy of the information. A formalised internal control system (ICS) as well as an objectives management approach are to be established over the next one to three years and integrated into existing processes.

In future the IROs will be considered in the existing processes: potential negative impacts are to be included in ESG risk reporting. Sustainability-related risks and opportunities are already analysed and controlled as part of the Company's risk management function. Detailed information can be found in the Opportunities and Risk Report in the Management Report.

GOV-3: Integration of sustainability-related performance in incentive schemes

The remuneration system of RHÖN is comprised of a performance-linked incentive scheme and also takes account of sustainability-related performance at the level of the Board of Management. The percentage proportion of the variable remuneration of the Board of Management which depends on sustainability-related targets is 25%. Performance is evaluated based on a defined CO₂ savings ratio in tons. As a result, sustainability-related performance metrics are included in the remuneration policy as performance benchmarks. The Supervisory Board is responsible for approving and updating incentive schemes.

SBM-2 Interests and views of stakeholders

RHÖN regularly engages with its most important stakeholders. These includes our patients, employees and investors, since they have a material influence on the RHÖN's business activities.

The ongoing engagement with stakeholders enables the Group of RHÖN-KLINIKUM AG to gain awareness of their concerns. Various channels are used for engaging with the stakeholders of the Group of RHÖN-KLINIKUM AG, such as websites, publications and surveys, patient events/newsletters, employee magazine, works council meetings, analyst events, results press conference, discussions with investors and banks, and our Annual General Meeting.

Further details on the involvement of the most important stakeholders can be found in the table below:

Stakeholder and category	Format of involvement	Purpose of involvement	Consideration of results of involvement
Patients	- complaint mechanisms such as questionnaires or - electronic feedback systems	- improvement of patient satisfaction - building trust	- evaluation of survey results - individual review and development of measures
Investors	- Annual General Meeting - discussions with investors and banks - analyst event - results press conference - quarterly publication of financial reporting - quarterly information to lending banks/business partners	- building trust - informing on economic developments - creating basis for cooperation - creating an understanding for healthcare system	- taking account of information needs in regular reporting - bilateral dialogue in investor relations/ creditor relations
Employees	- intranet insight, employee newsletter "Wir"	- exchange of information - raising awareness of relevant topics	- exchange and dialogue between employees, department and operative level

Employees

RHÖN integrates the interests, views and rights of its employees into its strategy and business model. By using various participation formats, the aim is to ensure that the voices of all employees are heard and included in the strategic decisions. That includes among other things participation in working groups, strategy conferences and management conferences.

- **Active involvement in working groups:** employees are embedded in interdivisional working groups to contribute their expertise and their perspectives and to work together to develop solutions.
- **Strategy conferences:** employees participate in strategy conferences to help shape the strategic orientation of the Group of RHÖN-KLINIKUM AG and to contribute their ideas and proposals.
- **Climate management conferences:** At the hospital and Group level, management conferences are regularly held at which employees from different fields are represented and can actively participate in the discussions and decisions.

With the Group-level works council and its codetermination rights and powers, the interests, views and rights of our employees are included in our business strategy and business model. Our business strategy and our business model are relevant for the occurrence of material impacts in connection with the Company’s employees (see description of material IROs in the chapter ESRS 2 SBM-3). We take this into account by defining the policies described here and taking measures to increase patient satisfaction.

Patients

Patients are also actively involved in shaping and improving healthcare services.

- **Patient surveys:** regularly gathering information on patient satisfaction and patient needs in the form of a continuous patient survey.
- **Complaints management:** implementation of a transparent and easily accessible complaints management system at all hospitals.
- **Patient advocates:** Making available patient advocates or similar persons and establishing contacts for self-help groups to support patients in exercising their rights.

RHÖN takes account of the role that may be played by the Group’s strategy and business model in the creation, exacerbation or mitigation of material impacts on the stakeholders, in particular its own workers and patients. In the materiality analysis and strategy processes, these connections are analysed and assessed. In the event these should reveal negative impacts on its own workers or patients, adjustments are made to the business model and/or the strategy to counteract or minimise these impacts. During the reporting period, no adjustments to the strategy and business model of RHÖN were made as the result of stakeholder consultations. Neither are any adjustments planned due to the strategy and business model on the basis of the results of the stakeholder consultations.

The Board of Management and the Supervisory Board of RHÖN are regularly informed about the views and interests of affected stakeholders with regard to sustainability-related impacts of the Company's activities and thus perform their due diligence. This is done through written and oral reports in and outside of meetings. The reports contain relevant information on expectations and perspectives of the stakeholder groups potentially affected by the activities of RHÖN, for example results of patient surveys, employee dialogues or insights from discussions with suppliers, non-governmental organisations, etc.

With regard to the inclusion of the perspective of consumers and end-users, they are always given priority at RHÖN and as a general rule are included in the corporate strategy and the business model. The patient's perspective is considered primarily through statistical evaluations (questionnaires and CIRS) and field analyses. The Controlling department is responsible for the field analyses. Within the analyses, for example, the ageing trend of the population or the respective regional care delivery requirements are analysed. The purpose of these approaches is to identify the needs of patients and in this way make targeted adjustments at the strategic level in the interests of patient care. Moreover, RHÖN is committed to the respect for human rights. That includes the rights of patients (see also S4-1). With the previously described consideration of the patient perspective, RHÖN ensures that potential risks to the safeguarding of human rights are identified and addressed early on.

GOV-5: Risk management and internal controls over sustainability reporting

RHÖN implements a risk management system and prospectively an internal control system (IKS) to define potential risks early on and to take suitable measures to minimise them. To meet the requirements for sustainability reporting, these systems, pursuant to Recommendation A.3 of the German Corporate Governance Code (GCGC), in future are also to cover sustainability-related risks, including suitable processes and systems to gather and process sustainability-related data. The sustainability ICS is to be implemented in the next three years. Until now, the risks from the materiality analysis have not yet been fully reflected in the risk management system.

In its preparation for expanded sustainability reporting under the CSRD, RHÖN has already defined processes and supporting systems which are currently being formally integrated in a next step in the internal control system and the risk management system. Moreover, additional governance structures are being established, including the processes and systems for gathering and processing sustainability-relevant data.

Since final formal steps still remain as part of this process, Recommendation A.3 GCGC was and is not (fully) implemented. However, Recommendation A.3 of the GCGC is to be implemented prospectively based on the measures already introduced.

For risk management, a Group-wide risk catalogue will be used for Group-wide aggregation. The risk catalogue is divided into various risk fields and the latter into various risk categories. In the risk software used, the classification "Sustainability effects (ESG risks)" can be selected. In the risk management system, no financial risks after measures from the sustainability area (ESG) were identified. For the risk assessment approach followed, including the risk prioritisation methodology, reference is made to the Opportunities and Risk Report in the Management Report. For commercial risk management, a risk report on the annual inventory is prepared each year for the Board of Management and the Supervisory Board. This report in future will be supplemented by ESG risks. For the results of commercial risk management, reference is made to the Opportunities and Risk Report of the Group Management Report.

Further information on the disclosures GOV-5.36 b-d can be found in the Opportunities and Risk Report of the Group Management Report.

For risk management, a risk report on the annual inventory is prepared each year for the Board of Management and the Supervisory Board. On an interim basis, risk reporting to the Board of Management and the Supervisory Board is effected through quarterly reporting.

GOV-4 Statement on due diligence

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS 2 SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 ESRS 2 SBM-2 ESRS 2 IRO-1 ESRS E1-2 ESRS E5-1 ESRS S1-2 ESRS S4-2
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 ESRS 2 SBM-3
c) Taking actions to address those adverse impacts	ESRS E1-3 ESRS E5-2 ESRS S1-4 ESRS S4-4
e) Tracking the effectiveness of these efforts and communicating	ESRS E1-4 ESRS E1-5 ESRS E1-6 ESRS E5-3 ESRS S1-5 ESRS S1-9 ESRS S1-12 ESRS S1-13 ESRS S1-15 ESRS S1-16 ESRS S1-17

IRO-2: Disclosure requirements covered

In preparing the sustainability statement on the basis of the materiality analysis, RHÖN complied with the following disclosure requirements:

List of material disclosure requirements (DR)	Section (only when header is different and only when chapter indicated with different chapter)
ESRS 2 – General disclosures	
BP-1	General basis for preparation of sustainability statements
BP-2	Disclosures in relation to specific circumstances
GOV-1	The role of the administrative, supervisory and management bodies
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
GOV-3	Integration of sustainability-related performance in incentive schemes
GOV-4	Statement on due diligence
GOV-5	Risk management and internal controls over sustainability reporting
SBM-1	Strategy, business model and value chain
SBM-2	Interests and views of stakeholders
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement
E1 – Climate Change	
ESRS 2 GOV-3-E1	Integration of sustainability-related performance in incentive schemes
E1-1	Transition plan for climate change mitigation
ESRS 2 SBM-3-E1	Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS 2 IRO-1-E1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities
E1-2	Policies related to climate change mitigation and adaptation
E1-3	Actions and resources in relation to climate change policies
E1-4	Targets related to climate change mitigation and adaptation
E1-5	Energy consumption and mix
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions
E1-7	GHG removals and GHG mitigation projects financed through carbon credits
E1-8	Internal carbon pricing

List of material disclosure requirements (DR)		Section (only when header is different and only when chapter indicated with different chapter)
E5 – Resource use and circular economy		
ESRS 2 IRO-1-E5	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	In chapter ESRS 2: Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities
E5-1	Policies related to resource use and circular economy	
E5-2	Actions and resources	
E5-3	Targets related to resource use and circular economy	Objectives
E5-4	Resource inflow	
E5-5	Resource outflows	
S1 – Own workforce		
ESRS 2 SBM-2-S1	Interests and views of stakeholders	In chapter ESRS 2: Interests and views of stakeholders
ESRS 2 SBM-3-S1	Material impacts, risks and opportunities and their interaction with strategy and business model	Impacts, risks and opportunities related to the undertaking's workers
S1-1	Policies related to undertaking's workers	Humans rights policy Policies related to terms of employment Policies related to occupational safety and health Policies related to diversity
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Processes for engaging
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Processes to remediate negative impacts and channels for own workers to raise concerns
S1-4	Taking action on material impacts on undertaking's workers, and approaches to managing material risks and pursuing material opportunities related to undertaking's workers, and effectiveness of those actions	Actions related to terms of employment Actions related to occupational safety and health Actions relating diversity
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets relating to terms of employment Targets related to occupational safety and health Targets related to diversity
S1-6	Characteristics of the Undertaking's Employees	
S1-8	Collective bargaining coverage and social dialogue	
S1-9	Diversity metrics	Metrics on diversity
S1-10	Adequate wages	
S1-14	Health and safety metrics	Occupational safety and health metrics
S1-16	Compensation metrics (pay gap and total compensation)	Remuneration metrics
S1-17	Incidents, complaints and severe human rights impacts	
S4 – Consumers and end-users		
ESRS 2 SBM-2-S4	Interests and views of stakeholders	In chapter ESRS 2: Interests and views of stakeholders
ESRS 2 SBM-3-S4	Material impacts, risks and opportunities and their interaction with strategy and business model	Impacts, risks and opportunities with regard to consumers and end-users
S4-1	Policies related to consumers and end-users	Policies related to consumers and end-users
S4-2	Processes for engaging with consumers and end-users about impacts	Engaging with consumers and end-users
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Remediation measures and complaints mechanism

List of material disclosure requirements (DR)		Section (only when header is different and only when chapter indicated with different chapter)
S4-4	Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions and approaches	Actions
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Objectives
G1 – Business Conduct		
ESRS 2 GOV-1-G1	The role of the administrative, supervisory and management bodies	The role of the administrative, supervisory and management bodies related to the conduct of business
ESRS 2 IRO-1-G1	Description of the processes to identify and assess material impacts, risks and opportunities	
G1-1	Business Conduct policies and corporate culture	Conduct of business and corporate culture
G1-2	Management of relationships with suppliers	
G1-3	Prevention and detection of corruption and bribery	
G1-4	Incidents of corruption or bribery	Incidents of corruption or bribery
G1-6	Payment practices	

List of data points in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and related data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU climate change law reference (4)	Reference to chapter in CSRD Report
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		ESRS 2: GENERAL DISCLOSURES
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		ESRS 2: GENERAL DISCLOSURES
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 of Table #3 of Annex 1				ESRS 2: GENERAL DISCLOSURES
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 6; Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		ESRS 2: GENERAL DISCLOSURES
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 of Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		ESRS 2: GENERAL DISCLOSURES
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 of Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Annex II Delegated Regulation (EU) 2020/1816 Art 12 (1)		ESRS 2: GENERAL DISCLOSURES
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816 Art 12 (1)		ESRS 2: GENERAL DISCLOSURES
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	ESRS E1 CLIMATE CHANGE
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		ESRS E1 CLIMATE CHANGE
ESRS E1-4 THG-Emission reduction targets paragraph 34	Indicator number 4 of Table #2 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Approximation metrics	Delegated Regulation (EU) 2020/1818, Article 6		ESRS E1 CLIMATE CHANGE
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				ESRS E1 CLIMATE CHANGE
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 of Table #1 of Annex 1				ESRS E1 CLIMATE CHANGE
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 of Table #1 of Annex 1				ESRS E1 CLIMATE CHANGE

Disclosure requirement and related data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU climate change law reference (4)	Reference to chapter in CSRD Report
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		ESRS E1 CLIMATE CHANGE
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Approximation metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		ESRS E1 CLIMATE CHANGE
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	ESRS E1 CLIMATE CHANGE
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816 Annex II		Omitted pursuant to ESRS 1 Annex C
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			Omitted pursuant to ESRS 1 Annex C
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – energy efficiency of collateral			Omitted pursuant to ESRS 1 Annex C
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II)		Omitted pursuant to ESRS 1 Annex C
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 of Table #2 of Annex 1				Not material
ESRS E3-1 Special policy	Indicator number 8 of Table #2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 of Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6,2 of Table #2 of Annex 1				Not material

Disclosure requirement and related data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU climate change law reference (4)	Reference to chapter in CSRD Report
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6,1 of Table #2 of Annex 1				Not material
ESRS 2 – SBM-3 – E4 paragraph 16 (a) i	Indicator number 7 of Table #1 of Annex 1				Not material
ESRS 2 – SBM-3 – E4 paragraph 16 (b)	Indicator number 10 of Table #2 of Annex 1				Not material
ESRS 2 – SBM-3 – E4 paragraph 16 (c)	Indicator number 14 of Table #1 of Annex 2				Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 of Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans /seas practices or policies paragraph 24 (c)	Indicator number 12 of Table #2 of Annex 1				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 of Table #2 of Annex 1				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 of Table #1 of Annex 2				E5 – Resource use and circular economy
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 of Table #1 of Annex 1				E5 – Resource use and circular economy
ESRS 2 SBM3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				S1 – Own workforce
ESRS 2 SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				S1 – Own workforce
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 of Annex I and Indicator number 11 Table #1 of Annex I				S1 – Own workforce
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II)		S1 – Own workforce
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				S1 – Own workforce
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				S1 – Own workforce
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				S1 – Own workforce
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II)		S1 – Own workforce

Disclosure requirement and related data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU climate change law reference (4)	Reference to chapter in CSRD Report
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				S1 – Own workforce
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II)		S1 – Own workforce
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				S1 – Own workforce
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				S1 – Own workforce
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 104 (a)	Indicator number 10 Table #1 of Annex I and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		S1 – Own workforce
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators number 11 and 4 Table #3 of Annex 1				Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 of Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II)		Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 of Table #1 of Annex 3				Not material
ESRS S3-1 Human rights commitments paragraph 16	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 of Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 of Table #1 of Annex 3				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				ESRS S4: Consumers and end-users

Disclosure requirement and related data point	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU climate change law reference (4)	Reference to chapter in CSRD Report
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 17	Indicator number 10 of Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		ESRS S4: Consumers and end-users
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 of Table #1 of Annex 3				ESRS S4: Consumers and end-users
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 of Table #3 of Annex 1				G1 Conduct of business
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 of Table #1 of Annex 3				G1 Conduct of business
ESRS G1-4 Fines for violation of anticorruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 of Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		G1 Conduct of business
ESRS G1-4 Standards of anti-corruption and anti- bribery paragraph 24 (b)	Indicator number 16 of Table #3 of Annex 1				G1 Conduct of business

2. Environmental information

As a company operating in the healthcare sector, RHÖN carries responsibility. This responsibility extends not only to our patients and employees but also to the environment and the living conditions for coming generations. That is because of the close relationship of people's health with the conditions in which they live. RHÖN is focused on reducing the negative effects of its business activity on the environment and climate and making a contribution towards protecting the environment and mitigating the effects of climate change. RHÖN's focus is on three key areas: energy consumption and climate change mitigation, minimising waste, and climate change adaptation.

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION 2020/852 (TAXONOMY REGULATION)

Reporting according to EU taxonomy

With the European Green Deal, the European Union (EU) has set the goal of achieving climate neutrality by 2050. One element of the action plan developed for this is Regulation (EU) 2020/852 (EU Taxonomy Regulation), which serves as a classification system for environmentally sustainable economic activities and aims at diverting capital flows in the long term into sustainable investments.

Under the new EU Taxonomy Regulation, RHÖN-KLINIKUM AG is required to publish data on revenues (REV), capital expenditure (CapEx) and operating expenditure (OpEx) which relate to environmentally sustainable economic activities.

Pursuant to Article 3 of the EU Taxonomy Regulation, economic activities are deemed to be environmentally sustainable and taxonomy-aligned where such activities contribute substantially to one or more environmental objectives, do not significantly harm any of the other environmental objectives, and meet the requirements for compliance with the minimum social safeguards. The Company is required to report, in addition to the degree of taxonomy eligibility, also on the extent of taxonomy alignment by the identified economic activities. The following section likewise highlights that the EU has defined technical screening criteria for environmental objectives 1 to 6 of the EU Taxonomy Regulation, and that environmental objectives 3 to 6 for the first time were required to be checked for taxonomy compliance.

Taxonomy-eligible economic activities

To identify the taxonomy-eligible economic activities, an impact analysis was already performed in the previous years and, building on the same, a determination of the taxonomy-eligible economic activities of RHÖN. On this basis, we updated the impact analysis for 2024 in a working group made up of numerous specialist departments and representatives from our subsidiaries. All hospital sites were included in the process of review for substantial taxonomy-eligible economic activities.

The taxonomy-eligible economic activities for 2024 identified by the analysis are set out below. As in the previous year, they related to environmental objective 1 "climate change mitigation".

ECONOMIC ACTIVITY

No.	Economic activity	Type of economic activity
CCM 3.3	Creation of low-carbon transportation technologies	Hybrid vehicles
CCM 4.29	Electricity generation from fossil gaseous fuels	Cogeneration plants (CHPs)
CCM 4.30	High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	Cogeneration plants (CHPs)
CCM 7.1 CE 3.1	Construction of new buildings	Construction of new paediatric and juvenile psychiatry clinic at Marburg site
CCM 7.2 CE 3.2	Renovation of existing buildings	incl. refurbishment of residential building at Bad Neustadt site
CCM 7.3	Installation, maintenance and repair of energy-efficient equipment	Installation and replacement of energy-efficient light sources; installation of air conditioning system
CCM 7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and on parking spaces belonging to buildings)	Charging stations for electric vehicles
CCM 8.1	Data processing, hosting and activities associated therewith	Data centres

Taxonomy-aligned economic activities

For the review of taxonomy compliance, the following approach was taken:

- Review of compliance with the technical screening criteria with regard to each economic activity classified as taxonomy-eligible.
- Review of fulfilment of the do-no-significant-harm (DNSH) criteria as well as the requirements for minimum social safeguards.

For these reviews the following statements apply:

- RHÖN is required to show exclusively CapEx and OpEx associated with the purchase of products from taxonomy-aligned and taxonomy-eligible economic activities and individual measures which enable the target activities to become low-carbon or lead to greenhouse gas reductions. For that reason the compliance review must already be carried out at the supplier level. Such review also covers the minimum safeguards.
- RHÖN in particular supports the SME segment. As a general rule, it therefore procures its services and goods in the construction area from smaller, local businesses. These businesses were not always able to show compliance with the minimum social safeguards referred to in Article 3(c) EU Taxonomy Regulation. As far as possible, the minimum social safeguards were assessed with the help of a digital analysis platform.
- In addition to the degree of taxonomy eligibility, the degree of taxonomy conformity of the identified economic activities was likewise determined and presented using the mandatory templates. To avoid double counting, plausibility tests were performed when preparing the CapEx and OpEx key performance indicators. For example, in the area of construction expenditures new construction projects were viewed separate from refurbishment projects and individual measures. The key performance indicators are based on the accounting methods used in financial reporting. In the event of uncertainties regarding the interpretation of terms and expressions used in the EU Taxonomy Regulation and in the Delegated Acts, the additional publications of the EU Commission in the form of FAQs and also the “Questions and Answers” published by the Institute of Public Auditors in Germany (IDW) were used as orientation.

Turnover KPI

As in the previous year, no revenues were identified for the Group of RHÖN-KLINIKUM AG for financial year 2024 on the basis of the criteria list which are associated with a taxonomy-eligible economic activity.

PROPORTION OF TURNOVER/TOTAL TURNOVER

%	Taxonomy-aligned per objective	Taxonomy-eligible per objective
	-	-
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

Economic activities	Codes	Absolute turnover €	Proportion of turnover %	Criteria for a substantial contribution							DNSH-Criteria						Category (enabling activities) E	Category (transitional activities) T
				Climate change mitigation	climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards			
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	-	0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o.w. enabling activity (E)	-	0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
of which transitional activity (T)	-	0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	-	0	0.0															
Total (A.1 + A.2)	-	0	0.0															
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Turnover of Taxonomy-non-eligible activities	-	1,595,619,000	100.0															
TOTAL (A + B)	-	1,595,619,000	100.0															

CapEx KPI

The basis of calculating (denominator) the capital expenditures includes additions of property, plant and equipment and intangible assets as well as rights of use in accordance with IFRS 16 before depreciation/amortisation and any revaluations for the financial year.

The CapEx KPI, pursuant to Annex I 1.1.2.2 of Delegated Regulation (EU) 2021/2178 indicates the proportion (numerator) of capital expenditure that is either (a) associated with a taxonomy-aligned economic activity (b), part of a plan to expand or achieve environmentally sustainable economic activity (CapEx plan), or (c) associated with the purchase of products and services output by taxonomy-aligned economic activities.

For financial year 2024, RHÖN-KLINIKUM AG reports 20.6% taxonomy-eligible CapEx (previous year: 25.1%) and 0.4% taxonomy-aligned CapEx (previous year 1.4%), all of which fall under category (c).

PROPORTION OF CapEx/TOTAL CapEx

%	Taxonomy-aligned per objective	Taxonomy-eligible per objective
	-	-
CCM	0.4	20.6
CCA	-	-
WTR	-	-
CE	-	17.3
PPC	-	-
BIO	-	-

Economic activities	Codes	Absolute CapEx €	Proportion of Capex %	Criteria for a substantial contribution						DNSH criteria							Taxonomy-aligned or Taxonomy-eligible proportion of Capex, year N-1 %	Category (enabling activities) E	Category (transitional) activities T	
				Climate change mitigation Y; N; N/EL	climate change adaptation Y; N; N/EL	Water and marine resources Y; N; N/EL	Circular economy Y; N; N/EL	Pollution Y; N; N/EL	Biodiversity and ecosystems Y; N; N/EL	Climate change mitigation Y/N	climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum Safeguards Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
3.3	Creation of low-carbon transportation technologies	CCM 3.3	0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	0.2	E	
5.5	Collection and transport of non-hazardous waste in fractions sorted at the point of collection	CCM 5.5	0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	Y	-	-	Y	0.1		
7.3	Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	315,380	0.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	-	Y	1.1	E	
7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and on parking spaces belonging to buildings)	CCM 7.4	0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	-	-	-	-	Y	0.0	E	
7.6	Installation, maintenance and repair of technologies for renewable energies	CCM 7.6	0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.0	E	
	CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)	CCM 7.3	315,380	0.4	-	-	-	-	-	-								1.4		
	o.w. enabling activity (E)	CCM 7.3	315,380	0.4	-	-	-	-	-	-								1.3	E	
	of which transitional activity (T)		0	0.0														0.0		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
					EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
3.3	Creation of low-carbon transportation technologies	CCM 3.3	333,259	0.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
4.29	Electricity generation from fossil gaseous fuels	CCM 4.29	906,229	1.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.3		
4.30	High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	824,373	1.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.3		
7.1	Construction of new buildings	CCM 7.1 CE 3.1	71,535	0.1	EL	N/EL	N/EL	EL	N/EL	N/EL								2.9		
7.2	Renovation of existing buildings	CCM 7.2 CE 3.2	12,649,580	17.2	EL	N/EL	N/EL	EL	N/EL	N/EL								17.6		
7.3	Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	105,833	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and on parking spaces belonging to buildings)	CCM 7.4	2,160	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
7.6	Installation, maintenance and repair of technologies for renewable energies	CCM 7.6	0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
8.1	Data processing, hosting and activities associated therewith	CCM 8.1	276,946	0.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		

Economic activities	Codes	Absolute CapEx €	Proportion of Capex %	Criteria for a substantial contribution							DNSH criteria							Taxonomy-aligned or Taxonomy-eligible proportion of Capex, year N-1 %	Category (enabling activities) E	Category (transitional) activities T
				Climate change mitigation Y; N; N/EL	climate change adaptation Y; N; N/EL	Water and marine resources Y; N; N/EL	Circular economy Y; N; N/EL	Pollution Y; N; N/EL	Biodiversity and ecosystems Y; N; N/EL	Climate change mitigation Y/N	climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum Safeguards Y/N				
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	CCM 3.3 CCM 4.29 CCM 4.30 CCM 7.1 CCM 7.2 CCM 7.3 CCM 7.4 CCM 7.6 CCM 8.1	15,169,915	20.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.1		
Total (A.1 + A.2)	CCM 3.3 CCM 4.29 CCM 4.30 CCM 7.1 CCM 7.2 CCM 7.3 CCM 7.4 CCM 7.6 CCM 8.1	15,485,295	21.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26.5		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities (B)		57,992,541	78.9																	
TOTAL (A + B)	CCM 3.3 CCM 4.29 CCM 4.30 CCM 7.1 CCM 7.2 CCM 7.3 CCM 7.4 CCM 7.6 CCM 8.1	73,477,836	100.0																	

OpEx KPI

The underlying (numerator) operating expenditures result among other things from the direct, non-recognised costs associated with research and development, building refurbishment measures, short-term leases, maintenance and repairs.

The OpEx KPI, pursuant to Annex I 1.1.3.2 of Delegated Regulation (EU) 2021/2178 indicates the proportion (numerator) of business expenditure that is either (a) associated with a taxonomy-aligned economic activity (b), part of a plan to expand or achieve environmentally sustainable economic activity (CapEx plan), or (c) associated with the purchase of products and services output by taxonomy-aligned economic activities.

For financial year 2024, RHÖN-KLINIKUM AG reports 19.7% taxonomy-eligible OpEx (previous year: 19.9%) and 1.0% taxonomy-aligned OpEx (previous year: 0.8%).

PROPORTION OF OpEx/TOTAL OpEx

%	Taxonomy-aligned per objective	Taxonomy-eligible per objective
	-	-
CCM	1.0	19.7
CCA	-	-
WTR	-	-
CE	-	18.4
PPC	-	-
BIO	-	-

Economic activities	Codes	Absolute OpEx €	Proportion of OpEx %	Criteria for a substantial contribution						DNSH criteria						Minimum Safeguards Y/N	Taxonomy-aligned or Taxonomy-eligible proportion of OpEx, year N-1 %	Category (enabling activities) E	Category (transitional activities) T
				Climate change mitigation Y; N; N/EL	climate change adaptation Y; N; N/EL	Water and marine resources Y; N; N/EL	Circular economy Y; N; N/EL	Pollution Y; N; N/EL	Biodiversity and ecosystems Y; N; N/EL	Climate change mitigation Y/N	climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
3.3	Creation of low-carbon transportation technologies	CCM 3.3	0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	0.0	E
7.3	Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	686,218	0.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	Y	-	Y	0.8	E
7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and on parking spaces belonging to buildings)	CCM 7.4	45,030	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	-	Y	-	-	-	-	Y	0.0	E
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		CCM 7.3 CCM 7.4	731,248	1.0	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8	
o.w. enabling activity (E)		CCM 7.3 CCM 7.4	731,248	1.0	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8	E
of which transitional activity (T)			0	0.0														0.0	T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
					EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL									
3.3	Creation of low-carbon transportation technologies	CCM 3.3	28,290	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0	
4.29	Electricity generation from fossil gaseous fuels	CCM 4.29	257,100	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4	
4.30	High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	257,100	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4	
7.2	Renovation of existing buildings	CCM 7.2 CE 3.2	13,738,329	18.4	EL	N/EL	N/EL	EL	N/EL	N/EL								19.2	
7.3	Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	473,127	0.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		CCM 3.3 CCM 4.29 CCM 4.30 CCM 7.2 CCM 7.3	14,753,946	19.7	-	-	-	-	-	-								19.9	
Total (A.1 + A.2)		CCM 3.3 CCM 4.29 CCM 4.30 CCM 7.2 CCM 7.3 CCM 7.4	15,485,194	20.7	-	-	-	-	-	-								20.7	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)			59,359,317	79.3															
TOTAL (A + B)		CCM 3.3 CCM 4.29 CCM 4.30 CCM 7.2 CCM 7.3 CCM 7.4	74,844,511	100.0														21	

Template 1 refers to CapEx and OpEx**Template 1 Nuclear and fossil gas related activities**

Ob- jec- tives	Nuclear energy related activities	
1	The undertaking is active in the field of research, development, demonstration and use of innovative electricity generation facilities which – with minimum waste produced from the fuel cycle – generate energy from nuclear processes, finances such activities or has exposure associated with such activities.	No
2	The undertaking is active in the construction and safe operation of new nuclear facilities for generating electricity or process heat – also for district heating or industrial processes such as hydrogen production – as well as in safety-related improvements of such facilities using the best available technologies, finances such activities or has exposure associated with such activities.	No
3	The undertaking is active in the safe operation of existing nuclear facilities for generating electricity or process heat – also for district heating or industrial processes such as hydrogen production – as well as in safety-related improvements of such facilities, finances such activities or has exposure associated with such activities.	No
Ob- jec- tives	Fossil gas related activities	
4	The undertaking is active in the construction or operation of facilities for generating electricity from fossil gaseous fuels, finances such activities or has exposure associated with such activities.	Yes
5	The undertaking is active in the construction, modernisation and operation of facilities for combined cooling heat and power generation from fossil gaseous fuels, finances such activities or has exposure associated with such activities.	Yes
6	The undertaking is active in the construction, modernisation and operation of heat production facilities which generate heating/cooling from fossil gaseous fuels, finances such activities or has exposure associated with such activities.	No

Template 4 Taxonomy-eligible, but not Taxonomy-aligned economic activities (CapEx)

Objectives	Economic activity	Amount	Percentage
1.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI CapEx	N/A	N/A
2.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI CapEx	N/A	N/A
3.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI CapEx	N/A	N/A
4.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI CapEx	€0.9 m	6.0%
5.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI CapEx	€0.8 m	5.4%
6.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI CapEx	N/A	N/A
7.	Amount and proportion of other Taxonomy-eligible, but not Taxonomy-aligned economic activities not specified in lines 1 to 6 in the denominator of the KPI CapEx	€13.4 m	88.6%
8.	Total amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activities in the denominator of the KPI CapEx	€15.1 m	100.0%

Template 5 Taxonomy-non-eligible economic activities (CapEx)

Objectives	Economic activity	Amount	Percentage
1.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the CapEx	N/A	N/A
2.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the CapEx	N/A	N/A
3.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the CapEx	N/A	N/A
4.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the CapEx	N/A	N/A
5.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the CapEx	N/A	N/A
6.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the CapEx	N/A	N/A
7.	Amount and proportion of other Taxonomy-non-eligible economic activities not specified in lines 1 to 6 in the denominator of the CapEx	€58.0 m	100.0%
8.	Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the CapEx	€58.0 m	100.0%

Template 4 Taxonomy-eligible, but not Taxonomy-aligned economic activities (OpEx)

Objectives	Economic activity	Amount	Percentage
1.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI OpEx	N/A	N/A
2.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI OpEx	N/A	N/A
3.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI OpEx	N/A	N/A
4.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI OpEx	€0.3 m	1.7%
5.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI OpEx	€0.3 m	1.7%
6.	Amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activity pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the KPI OpEx	N/A	N/A
7.	Amount and proportion of other Taxonomy-eligible, but not Taxonomy-aligned economic activities not specified in lines 1 to 6 in the denominator of the KPI OpEx	€14.2 m	92.0%
8.	Total amount and proportion of Taxonomy-eligible, but not Taxonomy-aligned economic activities in the denominator of KPI OpEx	€15.5 m	100.0%

Template 5 Taxonomy-non-eligible economic activities (OpEx)

Objectives	Economic activity	Amount	Percentage
1.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the OpEx	N/A	N/A
2.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the OpEx	N/A	N/A
3.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the OpEx	N/A	N/A
4.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the OpEx	N/A	N/A
5.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the OpEx	N/A	N/A
6.	Amount and proportion of Taxonomy-non-eligible activity specified in line 1 of Template 1 pursuant to section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the OpEx	N/A	N/A
7.	Amount and proportion of other Taxonomy-non-eligible economic activities not specified in lines 1 to 6 in the denominator of the OpEx	€59.4 m	100.0%
8.	Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the OpEx	€59.4 m	100.0%

Details on templates

RHÖN-KLINIKUM AG operates cogeneration plants (CHPs) to generate electricity and heat from fossil gaseous fuels at its Bad Berka, Bad Neustadt a. d. Saale, Giessen and Marburg sites. The activities in the areas of generating electricity from fossil gaseous fuels as well as operating plants for cogeneration of heat/power from fossil gaseous fuels were reflected in CapEx and OpEx to a non-material extent. There is no taxonomy alignment for CapEx and OpEx as a result of economic activities 4.29 and 4.30. For that reason, the images of Tables 2 and 3 were left out. RHÖN-KLINIKUM AG has no economic activities in the areas of nuclear energy.

ESRS E1 CLIMATE CHANGE

As a company operating in the healthcare sector, RHÖN carries responsibility. This responsibility applies not only to our patients and employees but also to the environment and the living conditions for coming generations. That is because of the close relationship of people's health with the conditions in which they live. RHÖN is focused on reducing the negative effects of its business activity on the environment and climate as well as making a contribution towards protecting the environment and mitigating the effects of climate change. RHÖN's focus is on three key areas: Climate change adaptation and climate change mitigation and energy.

ESRS 2 IRO-1-E1 Impacts, risks and opportunities management

RHÖN is well aware of the urgency to adapt to climate change and to take effective climate change mitigation actions to limit global warming to 1.5°. That includes reducing greenhouse gas emissions in its own operations and, just as importantly, in the upstream and downstream value chain including emissions (Scope 1, 2 and 3). Moreover, RHÖN is implementing measures to adapt to climate change aimed at diminishing the potential effects of heat stress through measures such as HVAC optimisation, use of split units or the energy-efficient renewal of facades.

In this section, RHÖN explains, among other things:

- what climate-relevant transition risks were identified in the materiality analysis,
- actions and measures relating to saving energy,
- metrics relating to energy consumption.

Climate change-related impacts, risks and opportunities

In the materiality analysis carried out in 2024, RHÖN identified the following topics as material. Climate change adaptation, climate change mitigation and energy.

Information on how RHÖN identified the material climate-related impacts, risks and opportunities is provided in the section ESRS 2.

E1-2 Policies related to climate change mitigation and adaptation

For the sustainability matters of climate change adaptation, climate change mitigation and energy, RHÖN has implemented strategies and policies. During preparation of a transition plan at the level of the Asklepios Group, these will be revised and harmonised over the next three years.

Climate change adaptation

Strategies and policies related to climate change adaptation are to be developed in the transition plan drafting phase.

RHÖN is committed to taking responsibility for the environment and is actively working to continuously reduce the environmental risks resulting from its business activity. RHÖN's current actions include comprehensive environmental and energy management. To strengthen and formalise this commitment, RHÖN is currently developing a transition plan which defines Group-wide environmental and climate policies.

Environmental management

RHÖN's environmental management sets out the framework for implementing the ESG strategy related to environmental matters. It is aimed at reducing the negative effects of its business activity on the environment as well as helping to protect the environment and contributing to climate change mitigation. The aim of the policy is to prevent the negative impacts and resulting transition risks related to climate change mitigation and adaptation.

RHÖN has adopted a comprehensive policy on climate change mitigation and adaptation which is focused on material sustainability matters. The overall objective of the policy is to significantly reduce the Company's CO₂ emissions while at the same time strengthening its resilience to the impacts of climate change. This is to be achieved through both measures to prevent emissions and adaptive strategies to minimise climate-related risks. The policy is aimed at reducing the Company's own impact on the environment, in particular through use of more energy-efficient technologies and greater use of renewable energies in the Companies processes. A major risk considered in the policy is a potential increase in the effects of climate change, such as extreme weather events (e.g. heat waves) that might disrupt business operations. At the same time, the Company is adopting sustainable innovations and strengthening its position on the market in the area of climate change mitigation to realise opportunities to benefit from the increasing social and policy requirements. The technical heads of the hospital sites are continuously monitoring environmental management to ensure a sustainable and efficient conduct of business. The monitoring process includes

regularly evaluating CO₂ emissions by monitoring energy consumption data and implementing specific climate change mitigation projects. Moreover, sustainability metrics are regularly reviewed to identify progress and any need for adjustment measures. The data gathered are checked for anomalies and deviations and compared with other data. As part of the transition plan phase-model tracking, the Board of Management each year monitors reduction target for CO₂ emissions. Responsibility for implementation and monitoring lies with an interdisciplinary team made up of experts on climate change mitigation, environmental management and business management. This includes the technical departments of the hospital sites, external consultants and the ESG department. Given RHÖN's decentralised structure, the implementation of environmental management is firmly established in the technical and medical-technical departments at the respective hospital sites. They manage the operation of all technical and medical-technical systems and equipment, plan and monitor energy consumption, identify potential for reductions and implement measures in this regard. Their efforts and work are supported by the central ESG department and the energy purchase company of the Group of RHÖN-KLINIKUM AG.

The ESG department is responsible for strategic organisation as well as project management. Overall responsibility for environmental management lies with the Board of Management of RHÖN-KLINIKUM AG. We continuously report on the transition plan and the policies related to climate change mitigation and adaptation in the CSRD Report and in this way make these accessible to potentially affected stakeholders.

The environmental management policy applies to all of RHÖN's hospital sites.

Energy management

Hospitals are very energy-intensive as they are required to operate 24 hours a day and to meet strict requirements in terms of climate control and hygiene: climate control equipment consumes large amounts of energy, as do large medical equipment systems such as magnetic resonance imaging (MRI) and computer tomography (CT) units as well as numerous other devices and units which are so important for providing patients with treatment, nursing and care. The increasing pace of digitalisation and expansion of equipment-based medical care is also driving an increasing demand for energy. The aim of energy management is to control the risks of rising energy costs (own operations) and fossil fuelled energy consumption.

Each of the Group's own hospital sites therefore has a local energy and building management system. Implementing the energy management policy at the hospital level is the responsibility of the respective technical departments, which report to the local hospital management boards. The technical departments ensure that all operating units of the Group are supplied with energy. In addition to the inpatient and outpatient facilities, that also includes our rehab facilities and auxiliary buildings as well as medical care centres (MVZs) physically located in the hospital buildings. Energy management of leased medical care centres located outside the hospital building is ensured by an external service provider. At the highest level, energy management is the responsibility of the Board of Management.

Energy management is continuously monitored by the technical heads of the hospital sites. They are supported by an interdisciplinary team consisting of the energy purchasing department, the ESG department and external consultants. To monitor the processes in the area of energy management, a metering point concept is currently being introduced. A centralised metering point software enables consumption levels (electricity and water) to be monitored and analysed. Moreover, in financial year 2025 the hospital sites of the Group of RHÖN-KLINIKUM AG will be externally audited to ISO 50001 (energy management systems). As a healthcare services provider, RHÖN has an energy consumption of more than 110 Gigawatt hours (GWh) per year with its hospital sites and medical care centres, and is therefore required to introduce an energy or environmental management system and to implement corresponding energy efficiency measures. For that reason, energy management at affected hospital sites of the Group of RHÖN-KLINIKUM AG are now in the process of being re-oriented towards the energy management system ISO 50001 by July 2025. The results of the energy management system are to be taken into account in the transition plan. A central energy team was formed to implement the project. It is made up of energy managers from the technical departments and the central ESG department. Compliance with ISO 50001 helps optimise the energy management process. As a result of the standardisation, a process monitoring is also being performed in parallel.

E1-1 Transition plan for climate change mitigation

RHÖN is wholly committed to the Paris climate targets agreed in 2015. Already in previous years, RHÖN implemented various CO₂ emissions reduction projects to ensure that the strategy makes a sufficient contribution to limiting global warming to 1.5°C. The transition plan is to be developed within the next three years, keeping in mind the dynamic nature of the transition plan which is not a rigid instrument.

In both the development of transition plan and the broadening and deepening of greenhouse gas balancing, RHÖN is identifying decarbonisation levers to be used to achieve a significant reduction in CO₂ emissions. RHÖN's existing transition plan includes a phase concept and will first apply to its own operations. Initially, the period until 2030 was analysed and divided into several phases with measures, reduction paths and investment assumptions. Currently, RHÖN is in the first phase of the transition plan covering the years 2024 and 2025. Going forward, periods going beyond that are to be considered. As the transition plan is further developed, the value chain and the related greenhouse gas emissions (Scope 3) are to be analysed in greater detail.

With energy audits conducted in recent years, the following levers (Scope 1 and 2) were identified for decarbonisation of the Company's own sites:

- own generation of electricity and heat,
- purchases of energy from renewable sources,
- lowering of energy consumption/increasing of energy efficiency.

In the past, measures were already carried out in these areas. The decarbonisation measures in the transition plan are still being developed and broadened. However, measures already were (and still are being) launched in the first phase (2024-2025) of the transition plan. These include for example the partial upgrade to LED technology, piloting of photovoltaic projects or the renewal of HVAC equipment.

The specific reduction targets of the Group of RHÖN-KLINIKUM AG are also being redeveloped in the preparation of the transition plan.

Since 2021, RHÖN has moreover reported on revenues, investments and financial resources pursuant to EU taxonomy and thus also fulfils taxonomy requirements of the Corporate Sustainability Reporting Directive (CSRD) to the required extent. For example, taxonomy-eligible and taxonomy-aligned investment expenditures (CapEx) and operating expenditures (OpEx) will in future be reported to support the transition plan.

The existing ESG strategy, in particular revision and re-orientation under the transition plan, is an important part of the general business strategy and financial planning of the Group of RHÖN-KLINIKUM AG and is used for the Board of Management's decision making.

E1-4 Targets

Currently, RHÖN does not yet have measurable and time-bound targets that may be considered as a control instrument for the material impacts related to climate change adaptation, climate change mitigation and energy. Under current planning, RHÖN will redevelop and redraft its decarbonisation targets as part of a transition plan being prepared in the coming three years.

That said, RHÖN is aiming to lower its average greenhouse gas emissions in its own operations and at all hospital sites, and with that goal in mind is taking numerous measures to achieve energy-efficient and resource-sparing operations of its hospital sites. For example, the Board of Management of RHÖN-KLINIKUM AG already in financial year 2024 approved measures to cut some 5,300 tons of CO₂ to be implemented in subsequent years.

Nevertheless, RHÖN is systematically tracking the effectiveness of its climate change mitigation and adaptation policies to ensure that potential risks as well as opportunities can be continuously assessed. In this regard, various methods are used to analyse the sustainability-related impacts and continuously optimise measures. To assess and control the measures, RHÖN uses a comprehensive monitoring and control system: implementation of climate mitigation and adaptation measures is supported by a structured controlling process in which regular status analyses are performed to ensure compliance with time schedules, resource use and achievement of targets. Responsibility for this lies with the ESG department. RHÖN also uses a standardised metering system to capture relevant environmental metrics, particularly in the areas of energy consumption and emissions. These metering points allow for a precise review of progress made and help make specific adjustments. The internal controlling mechanisms include regular audits and reviews of sustainability metrics. The aggregation of energy consumption figures is collected with the help of external experts. Internal and external evaluations help to identify deviations early on and to initiate corrective actions where required.

Progress made in the implementation of the climate change mitigation policy is measured based on clearly defined targets and indicators. Reduction of greenhouse gas emissions is assessed by means of the annual greenhouse gas balance in which all emission sources of RHÖN are recorded. In accordance with the internationally accepted standards of the Greenhouse Gas Protocol, emissions are divided into three categories: Scope 1: Direct emissions from own facilities and vehicle. Scope 2: Indirect emissions from purchased energy. Scope 3: all other indirect emissions along the value chain, e.g. from supply chains and business trips. The measurement of progress begins from 2024 (base year). The annual analyses enable RHÖN to identify trends early on, optimise measures and to continuously enhance the climate strategy. With this systematic follow-up, RHÖN is ensuring that its climate change mitigation and adaptation

policies don't just set ambitious targets but also achieve measurable and sustainable progress.

E1-3 Actions and resources

Photovoltaic (PV) projects

One relevant factor for reducing CO₂ emissions is the steady expansion of energy supply from renewable sources. All sites were examined for their photovoltaic projects potential based on a comprehensive site visit with an external energy consultant. In addition to our own roof areas, potential was also identified on parking spaces and parking garages. By implementing the PV project and with it the potential for producing green electricity, up to 1,800 tons of CO₂ can be cut in the subsequent years. The PV project will be started in financial year 2025 and implemented in successive stages. The annual cost of the project is expected to be around € 570 k under an operator model.

Metering point concept

The basis of the sustainability activities in the area of energy and emissions is an intelligent, comprehensive energy and facility management system (metering point concept and metering point software) that was rolled out in a project in 2024 and will be implemented by 2025. With the metering point concept, electricity load peaks are to be analysed and higher consumer points in the hospital buildings identified. Building on that, energy measures are to be implemented with, for example, the possibility of storage capacities for photovoltaic electricity being looked at. These studies are a further element of implementing energy efficiency measures under a future transition plan. For the measure, total expenditures of roughly € 76 k (share of own funds) are planned throughout the Group.

Greenhouse gas balancing

Transparency of energy flows is an important precondition for effective energy management. For that reason, RHÖN in financial year 2023 also established processes for a comprehensive greenhouse gas balance of all emission categories (Scope 1 to 3).

The calculation is performed annually pursuant to the requirements of the Greenhouse Gas Protocol (GHG Protocol), which divides emissions into three different categories. Since 2014, RHÖN has already recorded Scope 1 and Scope 2 emissions from its own operations and energy purchase. Scope 3

includes greenhouse gas emissions produced in the value chain outside the Company.

The greenhouse gas balance is the basis for the transition plan of the Group current being developed. With the existing measures taken on the basis of Scope 1 and Scope 2 emissions, the foundation was laid for meeting RHÖN's future responsibility for climate change mitigation. Based on these data, detailed targets and measures are to be developed and implemented on a continuous basis with the aim of demonstrably reducing the Company's carbon footprint.

Heating technology optimisation

This encompasses all heating technology optimisation measures such as the complete renewal of boilers, adaptation of control technology, hydraulic adaptations or replacement of old heat pumps, etc. Heating technology optimisation has a significant effect on CO₂ emissions since our heat generation and heat distribution units remain in operation almost year-round. The identified efficiency measures result in CO₂ savings in the low single-digit ton range for the Bad Berka and Marburg sites and relate to the years 2024 and 2025.

Switch to LED lighting technology

The hospital buildings of the Group of RHÖN-KLINIKUM AG are to be switched to LED technology over several phases. This measure relates to the Company's own operations and not the upstream and downstream value chain. With all new buildings and extensions as well as modernisation measures, more energy efficient lighting designs are being considered already in the planning stage. In a pilot project in Bad Berka, an intelligent and on-demand light control system is being tested in stairwells and rooms with low lighting. In the same way, on-demand light control is also to be looked at in subsequent year for use in parking garages. During the ward upgrade works, exclusively state-of-the-art lights will be installed. It will also be ensured that motion detectors will be installed, especially in corridors and toilettes, to optimise illumination time. Upgrades to LED leads to CO₂ savings of roughly 1,500 tons with short amortisation periods and likewise relate to the years 2024 and 2025. For the upgrade to LED, investment costs of roughly € 2.6 million (Capex) are planned.

Heating, ventilation, air conditioning (HVAC)

Another key energy consumption point in hospitals is heating, ventilation and air conditioning. With modernisation measures and the replacement of old equipment, as well as the use of energy saving filters, energy efficiency gains can be realised. During the reporting year, the technology of HVAC systems was optimised. At UKGM in Marburg, the HVAC systems will be renewed in subsequent years as part of an operating theatre modernisation project. In some cases, technical adaptations as well as changes in operating times were made during the reporting year for existing HVAC systems and normal spend air filters replaced by energy saving filters. The measures identified and to be implemented will achieve further CO₂ savings of roughly 924 tons in subsequent years. The upstream and downstream value chain is not affected by this measure but only the Company's own operations. Roughly € 1.6 million is estimated to implement this measure. This measure spans the period of 2024 to 2025.

Steam generation

Hospitals need steam for prepping instruments in the central sterilisation department. It takes a lot of energy to generate steam. At UKGM in Giessen, the current steam generation facility has to be upgraded. Other sites of the Group of RHÖN-KLINIKUM AG are not affected by this measure. The upstream and downstream value chain is not affected by this measure either. The efficiency gains from this will save roughly another 700 tons in CO₂ in the subsequent years on investment funds of approx. € 600 t. This measure will be implemented in 2025.

Efficiency review of CCHPs

In addition to the above measures already adopted, all cogeneration plans (CCHPs) of RHÖN will be inspected by an external expert in 2025 for optimisation potential in terms of electricity and heating control. This will require completion of the metering site concept (energy and facility management system).

For the measures described, emission factors from the transformation concept drawn up in 2023 will be applied.

Metrics

E1-5 Energy consumption and mix

Energy intensity

The business activity of the Group of RHÖN-KLINIKUM AG is focused on the operation of hospitals and other healthcare facilities (NACE-Code Q: Human health and social work activities). RHÖN there does not belong to the high climate impact sectors.

Description of determining energy consumption metrics

The energy consumption data (electricity, heating and cooling) are retrieved manually from the RHÖN's technical departments of the hospital sites as per the last day of the reporting year. The central ESG aggregates these data and sends them to an external expert to determine the energy consumption metrics. The external expert performs quality assurance and tests the metrics for plausibility. The metrics are not validated by the expert. After the assessment is completed by the external expert, the energy consumption data are checked once again by the ESG department. The energy consumption data of the hospitals (electricity, heating and cooling) are based

on the current values of the financial year. Energy consumptions of properties located outside the hospitals and leased by the respective sites for operative purposes (e.g. medical care centres (MVZs)) are retrieved based on the consumption data of the previous years from the technical departments of the hospitals and are based on invoicing documents. The current consumption data of the financial year were not yet available at the time of preparation of this Report. For the sake of simplicity it is assumed that the consumption for the year of the current financial year corresponds to the consumption for the year of one of the two previous years depending on the existence of the most recent invoice. This applies both to electricity consumptions and to heating consumptions/cooling of the MVZ external properties rented by the respective sites. If no consumption data from the previous years are available, the external expert extrapolates the consumption values based on the square metre area of the rented space. Medical gases (anaesthetic gases and respiratory gases) are also greenhouse gases and are included in the emissions calculations under Scope 1 values. Consumptions of medical gases are retrieved centrally through the ESG department from the pharmacies and purchasing department of the hospital sites by the reporting date. The disclosures on the energy mix are locational values.

Energy consumption	2024
37. Total energy consumption (MWh)	239,364
41. Total energy consumption from activities in high climate impact sectors (MWh)	-
37a. Total fossil energy consumption (MWh)	193,916
AR 34 Share of fossil sources in total energy consumption (%)	81.0%
Consumption from nuclear sources (MWh)	1,054
37b. Share of consumption from nuclear sources in total energy consumption (%)	0.4%
37c. Total renewable energy consumption (MWh)	44,792
AR 34. Share of renewable sources in total energy consumption (%)	18.7%
37c i. Fuel consumption from renewable sources, including biomass, biofuels, biogas, hydrogen, etc. (MWh)	194
37c ii. Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	45,127
37c iii. Consumption of self-generated non-fuel renewable energy (MWh)	54
Energy generation	
39. Non-renewable energy generation (MWh)	87,822
39. Renewable energy generation (MWh)	55

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Description of determining Scope 1-3 emissions

The Group of RHÖN-KLINIKUM AG reports continuously on Scope 1 and 2 emissions. Since financial year 2024, RHÖN for the first time has also been publishing Scope 3 emissions, sending a clear signal for transparency and sustainability.

Scope 1 and 2 emissions

The determination of Scope 1 and 2 emissions is based on the annual determination of energy consumption data described further above. These are used by the external expert to determine annual Scope 1 and 2 emissions based on CO₂ emissions factors. In this regard, it is mainly the emissions factors given by the energy providers for the market-related values and/or the emissions factor according to the 2023 Energy Provider Mix for Germany (Energieträgermix Deutschland 2023) (source: German Association of Energy and Wa-

ter Industries (BDEW)) that were used for the location-based emissions values. The same controlling and verification mechanisms apply as in the case of energy consumption data.

Scope 3 emissions

The basis for Scope 3 reporting was a comprehensive review as well as detailed process analysis record to systematically measure the indirect emissions along the entire value chain. The basic data were determined by RHÖN's ESG department. Since exact measurement values are not available for all areas, some disclosures are based on valid assumptions. To ensure data quality, the data are aggregated by an external expert. This external entity is also responsible for calculating the CO₂ emissions factors as well as for the quality assurance of the determined values. To calculate the emissions values, the emissions factors used were mainly taken from the database of the KlimAktiv Consulting GmbH.

The assumptions for each Scope 3 subcategory are given in the table below:

Scope 3 subcategory	Calculation method and assumptions
1 Purchased goods and services	Spend-based approach: The value of the goods and services purchased is calculated on the basis of the items materials and consumables used and other operating expenses. The emissions are determined based on the goods value per goods group based on averaged CO ₂ emissions factors.
2 Capital goods	Spend-based approach: The value of capital goods is determined on the basis of annual additions of fixed assets and low-value assets. The emissions are determined based on the euro value of the fixed assets using averaged CO ₂ emissions factors.
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	Emissions values are calculated from provided energy consumption values based on CO ₂ emissions factors.
4 Upstream transportation and distribution	3.4.1 Emissions for the upstream transport and distribution of goods and consumables Spend-based approach: The pro rated value of transport and freight costs in material expenditure is calculated based on a percentage factor. The percentage factor is taken from the study "Share of transport costs in product value of goods transported" (Der Anteil von Transportkosten am Produktwert transportierter Güter) of the Federal Ministry for Digital and Transport. 3.4.2 Patient logistics (arrival and departure) Distance-based approach: Emissions are calculated based on inpatient and outpatient patient numbers of the hospitals and medical care centres and on the basis of a comprehensive analysis of patient flows using the Klimeg calculator. Source: https://klimeg.de/rechner-co2-bilanzierung/ . The source is unverified. The Klimeg assumptions were adapted to the RHÖN patient portfolio based on own assumptions.
5 Waste generated in operations	The emissions values are calculated by a waste expert based on CO ₂ emissions factors.
6 Business travelling	Spend-based approach: The emissions value is calculated based on an averaged emissions factor for each euro of travel expenses.
7 Employee commuting	Distance-based approach: Emissions were scaled based on an employee survey at the ultimate Group parent company relating to the means of transport used and the number of workdays on which the employees commuted to their workplace. For each means of transport and related employee group, different CO ₂ emission values were used for the conversion.
8 Upstream leased assets	Upstream leased assets are used for operating business and are recorded under Scope 1-2. These include e.g. emissions for operatively used lease properties such as leased practices of medical care centres
9 Downstream transportation	Spend-based approach: The emissions for supplying external hospitals (Fremdhausversorgung) are calculated based on averaged emissions factors per euro of goods value delivered using the Klimeg calculator. Source: https://klimeg.de/rechner-co2-bilanzierung/ . The source is unverified.
10 Processing of sold products	As a hospital operator, RHÖN belongs to the services industry. No intermediate products are processed or sold. For that reason, this category is excluded.
11 Use of sold products	Since RHÖN has excluded category 3.10, the use of sold products is accordingly excluded for the same reason.
12 End-of-life treatment of sold products	Emissions values are determined on the basis of the volumes of materials used and the emission factors for the disposal of such materials.
13 Downstream leased assets	For reasons of simplicity, lease premises within the main hospital buildings are not reported under Scope 3 but under Scope 1 and 2. These consumptions are assumed to cause less than 1% of RHÖN's total consumptions. Scope 3 emissions for lease properties located outside the hospital sites: For the properties leased by the hospital sites to third parties (e.g. residences), the energy consumption data (electricity/heating/cooling) are extrapolated based on the square metre areas of the leased properties and using the CO ₂ emissions factors per square metre.
14 Franchises	RHÖN does not report under category 3.14 because it does not operate a franchise model.
15 Investments	Spend-based approach: This covers equity investments and invested overnight and fixed-term deposits. The equity investments are calculated based on averaged conversion factors per euro of investment carrying amount. The emissions for invested overnight and fixed-term deposits are converted based on the investment portfolio at year-end with averaged CO ₂ emissions factors per euro invested.

	Retrospective				Milestones and target years			
	Base year	Value, base year	N (value, reporting year)	% N/N-1	2025	2030	2050	Annual % of target/ base year
Scope 1								
Scope 1 GHG emissions (tCO ₂ eq)	n/a	-	27,423	n/a	n/a	-	-	n/a
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	n/a	-	-	n/a	n/a	-	-	n/a
Scope 2								
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	n/a	-	27,740	n/a	n/a	-	-	n/a
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	n/a	-	31,981	n/a	n/a	-	-	n/a
Scope 3								
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	n/a	-	274,276	n/a	n/a	-	-	n/a
1 Purchased goods and services	n/a	-	160,564	n/a	n/a	-	-	n/a
2 Capital goods	n/a	-	17,743	n/a	n/a	-	-	n/a
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	n/a	-	15,298	n/a	n/a	-	-	n/a
4 Upstream transportation and distribution	n/a	-	32,967	n/a	n/a	-	-	n/a
5 Waste generated in operations	n/a	-	9,033	n/a	n/a	-	-	n/a
6 Business travelling	n/a	-	1,450	n/a	n/a	-	-	n/a
7 Employee commuting	n/a	-	13,399	n/a	n/a	-	-	n/a
8 Upstream leased assets	n/a	-	-	n/a	n/a	-	-	n/a
9 Downstream transportation	n/a	-	117	n/a	n/a	-	-	n/a
10 Processing of sold products	n/a	-	-	n/a	n/a	-	-	n/a
11 Use of sold products	n/a	-	-	n/a	n/a	-	-	n/a
12 End-of-life treatment of sold products	n/a	-	68	n/a	n/a	-	-	n/a
13 Downstream leased assets	n/a	-	2,147	n/a	n/a	-	-	n/a
14 Franchises	n/a	-	-	n/a	n/a	-	-	n/a
15 Investments	n/a	-	19,950	n/a	n/a	-	-	n/a
Total GHG emissions								
Total GHG emissions (location-based) (tCO ₂ eq)	n/a	-	327,899	n/a	n/a	-	-	n/a
Total GHG emissions (market-based) (tCO ₂ eq)	n/a	-	332,140	n/a	n/a	-	-	n/a

Further disclosures

Percentage of contractual instruments, Scope 2 GHG emissions	0.35
Percentage of market-based Scope 2 GHG emissions in conjunction with purchased electricity bundled with instruments	0.58
Percentage of contractual instruments used for the sale and purchase of energy bundled with attributes about the energy generation related to Scope 2 GHG emissions	0.35
Percentage of contractual instruments used for the sale and purchase of unbundled energy attribute claims related to Scope 2 GHG emissions	0
Biogenic CO ₂ emissions from the combustion or biodegradation of biomass not included in Scope 2 GHG emissions (t CO ₂ eq)	7,452.0
Biogenic CO ₂ emissions from the combustion or biodegradation of biomass produced in the value chain and not included in Scope 3 GHG emissions	0
Biogenic CO ₂ emissions from the combustion or biodegradation of biomass separately from Scope-1 greenhouse gas emissions (t CO ₂ eq)	39.8

The percentage of Scope 3 GHG emissions, calculated based on primary data, is 1.12%.

In the Scope 1 and 2 metrics, the emissions factors applied separate the biogenic CO₂ emissions from the remaining GHG emissions and state both of these separately. In Scope 3, the emissions factors applied do not separate the biogenic CO₂ emissions from the remaining GHG emissions.

All GHG emissions (carbon dioxide, methane, nitrous oxide as well as fluorinated greenhouse gases) are given in aggregated form as CO₂ equivalents (CO₂e).

Since the Group of RHÖN-KLINIKUM AG neither has business segments nor operates in countries other than Germany, the above metrics are not shown disaggregated according to these criteria.

For measuring the performance and effectiveness of the IROs identified as material for climate change adaptation, climate change mitigation and energy, the respective gross Scope 1-3 emissions as well as the total GHG emissions are used. Moreover, the specified IROs are controlled through the energy consumption metrics shown further above.

GHG intensity based on net revenue

GHG intensity per net revenue	Comparison	N	% N/N-1
Total GHG emissions (location-based) per net revenue (t CO ₂ eq/€)	n/a	0.175	n/a
Total GHG emissions (market-based) per net revenue (t CO ₂ eq/€)	n/a	0.178	n/a
<hr/>			
Net revenue used to calculate GHG intensity		1,595,619	
Net revenue (other)		273,439	
Total net revenue (in financial statements)		1,869,058	

Net revenues are equal to revenues of the Group of RHÖN-KLINIKUM as per the last day of the financial year. Other net revenues are equal to other income of the Group of RHÖN-KLINIKUM AG as per the last day of the financial year. Total net revenues result from the sum of the aforementioned items. The location- and market-based total GHG emissions per net revenue result from dividing the total of the respective location- and market-based GHG emissions with total net revenues. The measurement of the metric was not validated by an external entity.

E1-7 GHG removals and GHG mitigation projects financed through carbon credits (if applicable)

The Group of RHÖN-KLINIKUM AG currently does not effect any compensation using carbon credits. Should this be the case in future, this will be shown in the sustainability reporting.

E1-8 Internal carbon pricing

The Group of RHÖN-KLINIKUM AG currently does not apply any internal carbon pricing schemes. Should this be the case in future investment plans, this will be shown in the sustainability reporting.

ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY

Given strict legal requirements and hygiene standards, the healthcare system needs to consume significant resources, which impacts the environment. For a large hospital operator with a care delivery mandate based 24-hour operations, there are additional resource-intensive processes that cannot be avoided. Despite these challenges, RHÖN is working on ways to gradually expand the potential solutions for managing resources more sparingly throughout the Group.

In this section, RHÖN explains, among other things:

- the negative resource- and circular economy-related impacts resulting from the business model,
- policies related to resource use and circular economy,
- targets and actions related to resource use and circular economy,
- the most important resources inflows and types of waste.

ESRS 2 IRO-1-E5 Impacts, risks and opportunities management

In the materiality analysis (see section ESRS 2 – General Disclosures), RHÖN identified the IROs material for RHÖN which relate to the top area of resource use and circular economy.

Resource use- and circular economy-related impacts, risks and opportunities

Information on how RHÖN identified the material resource use- and circular economy-related impacts, risks and opportunities is provided in section ESRS 2.

The following policies relate to resource inflows. There are currently no policies for resource inflows.

Impact related to resource consumption in own operations and in production

RHÖN does not have any negative actual impacts on the environment as a result of its resource consumption. Given the strict hygiene requirements within the healthcare system, RHÖN often uses sterile packaged single-use materials and instruments, which results in a high use of resources. Moreover, RHÖN purchases products (including drugs, chemicals, agricultural products, medical devices, instruments, hospital equipment, but also food for catering to employees and patients) whose production entails a very high use of resources. In this way RHÖN contributes indirectly to global consumption of finite resources.

This impact directly relates to the business model of RHÖN since RHÖN contributes to the maintaining of critical infrastructure and healthcare operations and ensures 24-hour operation under its care delivery mandate. This results in a high and constant consumption of resources. The impact does not directly affect the strategy or the business model of RHÖN and does not contribute to its adaptation. That is because it is difficult for RHÖN's sites to avoid a high consumption of resources, since this is essential when it comes to securing business operations.

Such negative impacts could be avoided only by abandoning the business model, and partially reversed only through use of complex technical means in the long term.

The impact affects broad parts of the environment and the population, in particular surrounding communities. Within the scope of its own activities RHÖN can have an influence on the impact, for example by raising awareness of employees to make sparing use of resources or by setting environmental standards for suppliers.

Impact: Waste in own operations

A high volume of waste results in a broad negative impairment of the environment. The waste produced in the hospitals largely consists of single-use materials made from plastics and metals (e.g. syringes, tubes, protective clothing) and their packaging. In addition, food waste is produced when meals are provided to patients, further exacerbating the volume of waste.

This impact also directly relates to the business model of RHÖN since RHÖN contributes to the maintaining of critical infrastructure and healthcare operations and ensures 24-hour operation under its care delivery mandate. This results in a high volume of waste. The impact does not directly affect the strategy or the business model of RHÖN and does not contribute to its adaptation because the sites of RHÖN can avoid a high waste volume only with great difficulty.

The negative impact can only be reversed at great expense in the medium term. Replacement of single-use products by reusable products, especially in the medical areas, can be implemented only with great difficulty or is possible only with a gradual implementation process (e.g. in the case of food waste).

Large parts of the environment and the overall population are affected.

Within the scope of its own activities RHÖN can have an influence on the impact, for example by increasing the internal recycling ratio as well as availing itself of reuse options or reducing food waste in its own operations.

Risk: Costs from rising regulatory requirements for disposal

RHÖN faces rising costs as a result of policy-related and legal requirements. As a general rule, the provisions of the German Closed Cycle and Waste Management Act (Kreislaufwirtschaftsgesetz, KrWG) on waste and waste disposal have to be complied with. Should RHÖN violate waste law in force by improper disposal of waste, this can result in penalties being imposed. In addition, possible fines may result from non-compliance or disregard of legal requirements. Given the high material throughput inherent in RHÖN's own operations, the costs associated with this would also be high. It also has to be noted that the penalties and fines for non-compliance are steadily increasing.

E5-1 Policies related to resource use and circular economy

The Group of RHÖN-KLINIKUM AG attaches great importance to proper sorting and disposal of waste. To ensure orderly waste disposal, each site has an individual disposal policy (or waste sorting guide) which is accessible to all employees over the Intranet "Insight". The policies fulfil, among others, the requirements of the Closed Cycle and Waste Management Act and of Notification No. 18 of the Federal/State Joint Waste Commission (Bund/Länder-Arbeitsgemeinschaft Abfall, LAGA) (LAGA Notification 18), which are based on the Act. Moreover, the waste sorting guides meet the requirements of the Commercial Waste Regulation (Gewerbeabfallverordnung, GewAbfV), EU requirements as well as the specific local requirements of the municipalities.

The waste policy includes the following main objectives:

- Ensuring that disposal of all waste is performance in accordance with the legal requirements
- Avoiding waste and otherwise recycling waste as far as possible
- Switching from the use of primary raw materials to recycled resources wherever possible

The Giessen, Marburg and Bad Neustadt sites have appointed waste officers who indirectly report to the management boards of those sites. At the Bad Berka and Frankfurt (Oder) sites, the waste officer function is outsourced. Ultimate and final responsibility for implementing the policy is held by the Board of Management of RHÖN-KLINIKUM AG. The implementation of the policy is monitored by the

respective waste officers in regular audits. Moreover, they train the employees in the careful management of consumables (waste avoidance), proper sorting (recycling of raw materials) as well as the proper disposal methods for different types of waste including hazardous materials. In addition, the sites have hazardous waste officers and water protection officers that may be consulted. Affected stakeholders are employees, patients and their relatives as well as municipalities at the sites.

Policy projects

Within the Asklepios Group efforts are under way to establish a Group-wide working group for "waste". Its objective will be to reap synergies as well as identify and standardise the processes of waste avoidance and waste reduction, including recycling, across all hospital sites. Prospectively, a uniform waste management function is to be introduced. The goal is to set up the system and begin rolling it out within 12 to 24 months. Right now, data are being gathered in this area throughout the Group for the first time with a view to creating the necessary factual and informational basis for the project. This project ties in with the general Group-wide ambition of reducing the amount of waste in relation to patient numbers by 2030. By standardising processes under a uniform waste management function, we are looking to reap synergies and address shortcomings. In the medium to short term, this is also expected to contribute to lowering waste volumes, although reliable quantification of the effects is not yet possible at this time.

E5-3 Targets

The Group's existing targets are set out in the sustainability strategy "RHÖN Sustainability Strategy 2023". Waste is unavoidable, especially in hospitals with their stringent hygiene requirements. Despite that, one of the existing goals is to reduce waste volumes in proportion to patient numbers. The medium-term objective is to reduce waste volumes (among other things by using recyclable products) and to increase the recycling rate. In the context of developing a uniform Group-wide waste management function, the targets will also be reviewed and refined over the next 3 years. Nevertheless, the policy and the measures are already being tracked today. We are measuring the success of the policy and the measures set out below based on the waste volumes to be determined each year (KPIs).

E5-2 Actions and resources

Uniform Group-wide waste management

Within the Asklepios Group efforts are under way to establish a Group-wide “waste” working group. Its objective will be to reap synergies as well as identify and standardise the processes of waste avoidance and waste reduction, including recycling, across all hospital sites. Prospectively, a uniform waste management function is to be introduced. The goal is to set up the system and begin rolling it out within the next three years. Right now, data are being gathered in this area throughout the Group for the first time with a view to creating the necessary factual and informational basis for the project. This project ties in with the general Group-wide ambition of reducing the amount of waste in relation to patient numbers by 2030. By standardising processes under a uniform waste management function, we are looking to reap synergies and address shortcomings. In the medium to short term this is also expected to contribute to lowering waste volumes, although it is not yet possible at this time to quantify the effects reliably. The measure is to be implemented for all RHÖN sites.

Green Hospital

Universitätsklinikum Gießen und Marburg (UKGM) is part of Germany’s national Green Hospital initiative whose members discuss innovations promoting greener hospital operations and initiate actions in this area.

The Green Hospital initiative facilitates discussions with scientists about ways of increasing the rate of plastics recycling in the area of operating theatres, which is particularly challenging in terms of its hygienic requirements. The aim is to identify and implement potential points of leverage.

Throughout the Group, RHÖN is participating in a pilot project for recycling packaging materials and single-use products, as in the case of suture packaging made from aluminium blisters. One problem with implementing this is the need for plastics in operating rooms. It is not possible to say at this stage how much time the project will still take, neither are any results available. The projects are to be monitored based on UKGM’s recycling rate. The project affects both the Company’s own business activity and the upstream value chain. The Green Hospital initiative relates to the IROs “Resources consumption in own operations”, “Resources consumption in production” and “Waste in own operations”. The highest organisational level for implementing the policy is UKGM’s management board.

Training and communication measures

With various actions in the onboarding process, new UKGM employees are informed about what they can do to make sparing use of resources and reduce waste. This is done among other things with information stands set up at onboarding events and in training sessions. Regular training events are also organised for existing employees and adapted to the specific professional groups and work environment as required.

UKGM places special emphasis on waste management training. In Giessen, mandatory events are held once a year for all employees with an additional waste management teaching unit. This is especially important for new employees so that they gain heightened awareness of waste management and environmental protection as soon as they begin their work. Also in Marburg, many employees and especially new team members received further training in specific waste management courses held in close cooperation with the occupational safety department. The Welcome Day held twice a year provides new employees with information on the topics of reducing electricity and water consumption, including waste reduction and recycling, as well as their importance. Training and specific communication measures draw their attention to the topics of waste and promote lasting awareness of these issues in their day-to-day work. Currently, the success of training and communication measures is not measured since it is not possible to establish any direct link to waste volumes, which is moreover influenced by numerous other factors. The project relates to the Company’s own operations and not the upstream or downstream value chain. The action relates to the IROs “Resources consumption in own operations”, “Waste in own operations” and “Cost from rising regulatory requirements for disposal”. The highest organisational level for implementing the policy is the management board of UKGM.

Recycling measures

We are making every effort to make use of all available recycling means and to constantly find new recycling methods. We dispose of any non-recyclable waste in an environmentally sound manner to the highest disposal standards. That is why we exercise the utmost care when selecting our service providers and ensure that the terms and conditions of disposal are defined by contract. The various measures are carried out at the level of the individual RHÖN sites, run for varying terms and are set out in exemplary form below.

For example, at UKGM Marburg reusable containers have been put in circulation. In the reusable containers, paper, white glass, brown glass and green glass are collected. For plastics waste (Dual System Germany (DSD)), we have provided special containers in the kitchenettes of the ward and functional areas.

At Campus Bad Neustadt, for example, not only have office spaces been equipped with sorting systems but all disposal areas have been analysed comprehensively. This allowed for the necessary locations to be equipped with recyclable waste collectors. It ensures the best possible waste separation and disposal and at the same time reduces recycling costs.

At all sites, bulk waste is checked one last time for potential reuse before being delivered to the disposal company.

In 2023, the Group-wide requirement was adopted whereby reusable products must be offered as an alternative to single-use products. Single-use offerings were scrutinised and eliminated where appropriate. Moreover, site-specific drinking fountains and the sale of reusable bottles were introduced.

The projects are to be tracked based on the decline in waste volumes at the hospital sites. The projects affect the Company's own operations. The actions relate to the IROs "Resources consumption in own operations", "Waste in own operations" and "Cost from rising regulatory requirements for disposal". The highest organisational level for implementing the policy is the management board of the respective hospital site.

Food waste

Reducing food waste as far as possible is an ongoing concern. We are pursuing this goal by conducting a survey of patients' menu requests which is daily updated at all hospital sites. In this way only foods that are used are purchased, prepared and processed.

At the sites, the Cook & Freeze, Cook & Serve or Cook & Chill catering system is used. Over the past years, the kitchens at the Bad Neustadt, Bad Berka und Frankfurt (Oder) sites have been gradually switched over to Cook and Freeze. At UKGM the switch to Cook & Freeze will be implemented in the course of 2025. Meals there are delivered precision-portioned and flash-frozen in under the Cook & Freeze system. This can help reduce food leftovers. Given the long storage life, this also avoids overproduction. The measures are tracked based on a decline in waste volumes at the hospital sites. The measures affect the Company's own operations. The action relates to the IROs "Resources consumption in own operations", "Waste in own operations" and "Cost from rising regulatory requirements for disposal".

Metrics

As a "city within the city", a hospital needs many different resources to ensure smooth and efficient operations. These resources can be divided into the following categories.

E5-4 Resource inflows

Medical and therapeutic materials represent an important resource inflow. They include drugs, medical equipment, single-use and reusable products such as gloves, syringes, surgical instruments or dressing material and their packaging, as well as food and other consumables which are needed to care for patients. RHÖN does not measure the purchased goods and cannot determine any values given the size of the material expense and the heterogeneous nature of the goods procurement portfolio. However, the overall total weight of products and technical and biological materials used during the reporting period is approximately derived based on total waste volume. We therefore quantify this at around 10,000 tons. Given the lack of available information in this area, it is currently not possible to ascertain a percentage figure for the proportion of biological materials (and biofuels used for non-energy purposes) which are used to manufacture the Company's products and in relation to the services provided by it (including packaging) and are sustainably sourced. Likewise, it is not possible to ascertain the weight, in both absolute value and percentage, of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging) due to the lack of information.

E5-5 Resource outflows

Resources are also eliminated from hospital operations after their use, particularly in the form of waste.

Special attention is paid to waste, such as medical waste, post-operative waste, packaging materials and other by-products. The outflows were assigned to the waste metrics categories by an external expert based on the waste categories of the disposal invoices.

1. Clinical and medical waste

This waste arises directly from medical treatments and care for patients. It is potentially infectious and/or hazardous and must be handled and disposed of observing strict safety precautions. It includes:

Infectious waste: it encompasses all materials coming into contact with the patient, such as used dressing materials, syringes, needles, gloves, disinfection materials, organisms (such as bacterially or virally contaminated samples) and other materials coming into contact with infectious substances.

Body parts and human tissues: waste containing human tissues, organs, body parts or placenta.

Chemical waste: this includes waste containing chemicals, disinfection agents, solvents or pharmacologically active substances.

2. Pharmaceutical waste

Expired, no longer usable or returned drugs likewise fall under hazardous waste. Pharmaceutical waste is generally highly toxic and should never be disposed of in the normal waste stream or waste water system.

Drug residues: these must be collected in special, locked containers and destroyed by authorised disposal services.

Cytostatics waste: chemotherapeutic residues are particularly hazardous. They must be disposed with particular care observing strict safety precautions to prevent contamination and exposure of staff and the environment.

3. Non-hazardous waste

Non-hazardous waste includes general waste produced in a hospital, such as paper, cardboard, food leftovers or packaging materials. However, such waste is not completely benign because it likewise has to be disposed of efficiently and sustainably.

4. Radioactive waste:

In some hospitals, particularly in those with radiology, oncology and nuclear medicine departments, low-level radioactive materials and waste may be produced. Generally, the radioactivity of this waste is of short duration (a few days), which means that after being stored for a short period of time in suitable rooms it can be sent for disposal together with non-hazardous waste.

As medical services providers, our hospitals do not put into circulation any material products or materials from production processes. Resource outflows beyond emissions and waste are therefore not material for RHÖN. Likewise, it is not our assessment that resource outflows from hospital operations constitute a material sustainability matter. Instead, this concerns their resource consumption and/or use.

Waste diverted from disposal

Waste type	Recovery type	Volume (in tons)
	Preparation for re-use	0.0
	Recycling	25.5
	Other recovery types	4.2
Hazardous waste	Total	29.7
	Preparation for re-use	0.0
	Recycling	1,895.6
	Other recovery types	7,935.4
Non-hazardous waste	Total	9,831.0

Waste intended for disposal

Waste type	Waste treatment type	Volume (in tons)
	Incineration	144.2
	Landfill	8.4
	Other disposal types	0.0
Hazardous waste	Total	152.6
	Incineration	17.2
	Landfill	0.0
	Other disposal types	0.0
Non-hazardous waste	Total	17.2

Total waste volume disclosures, metric

Waste type	Values
Total amount of waste generated (t):	10,030.3
Total amount of non-recycled waste (t):	8,109.2
Percentage of non-recycled waste:	80.8%
Total amount of hazardous waste (t):	182.2
Total amount of radioactive waste (t):	0.0

The ESRS-E5 metrics were gathered together with external experts responsible for quality assurance and verified by a publicly appointed and sworn expert for waste management and packaging

disposal. The metrics are not validated by an external entity. The basis for the data gathered is the invoices of the disposal companies for all hospital sites. The waste volume disclosures are taken from the waste codes of the invoices and assigned to the individual KPI categories. All invoices of the period January to October of the financial year are included. For the months of November and December, the data are annualised based on average values. Waste metrics for non-in-hospital properties were gathered based on assumptions made from fee assessments and operating cost invoices for waste disposal at the properties. Annualisation of average waste volumes for non-in-hospital properties by the expert is based on a combination of the aforementioned invoice data and the square-metre area of the leased space.

3. Social information

As a player in the healthcare system, RHÖN carries special responsibility towards its patients, employees and business partners. The health, safety and satisfaction of our patients are the focus of everything we do. As an employer, RHÖN promotes equal opportunities as well as diversity and inclusion to create an environment in which people can reach their full potential. In this context, safeguarding human rights, integrity, trust and loyalty are guiding principles characterizing and defining the management style and dealings of our employees towards patients and other partners as well as amongst themselves.

ESRS S1 OWN WORKFORCE

They are the backbone of our success: our staff. We strive to provide them with comprehensive training to ensure their motivation, good health and performance. That is why we spare no efforts when it comes to valuing our employees and supporting them in their needs. With our various policies and measures we do everything we can to promote and safeguard well-being and health of our employees in the best possible way. That includes not only creating safe working conditions but also acting preventively to identify and minimize any potential negative health impacts and risks at an early stage. In this way we wish to ensure that all staff remain healthy, productive and motivated also in the long term.

ESRS 2 SBM-2-S1 Interests and views of stakeholders

Information on how the interests, views, and rights of the Company's workforce, including respect for their human rights, inform RHÖN's strategy and business model is found in section ESRS 2.

ESRS 2 SBM-3-S1 Impacts, risks and opportunities related to the undertaking's workers

In the materiality analysis (see ESRS 2 IRO-1), RHÖN identified the IROs material for RHÖN which relate to the top area of the Company's workforce.

In addition to own workers, including apprentices, independent and temporary staff work for RHÖN. Since the material topics affect these employees in similar way, they are included in the reporting below. Under the group of workers as defined in the ESRS, we include, in addition to employees of all professional groups, executive employees, dental students, students of medicine in their practical year, persons completing a year of voluntary social work, trainees and work students and on-call workers. Under the group of external workers of the Company as defined in the ESRS, we include temporary employees made available by third-party firms as well as the

group of independent medical doctors made up of affiliated practitioners, consulting physicians and physician associates.

Determining to what extent certain groups of persons within the Company's workforce may be exposed to a higher risk by reason of their characteristics, working environment or activity is a continuous learning process shaped by regular risk assessments, evaluation of incidents and dialogue with employees and occupational physicians. Adjustments to processes and protective measures are made on an ongoing basis as insights and data are gathered.

Particularly in the medical and nursing area staff are exposed to potentially high risks, for example when dealing with infectious patients and hazardous substances or due to the workload that comes from working shifts. These negative impacts on the employees mentioned are addressed at RHÖN with specific protective measures and training courses.

It has to be mentioned to start that within our exclusively domestic business no material risks and negative impacts exist in terms of forced labour or child labour within the Company's workforce. Given the nature of our industry and the geographic areas we operate in, no relevant risks arise in these areas.

Impacts related to working conditions of own workforce

RHÖN makes every effort to promote the quality of life its direct employers through social security under collective wage agreements and also indirectly among other things by helping to safeguard their standards of living. Roughly 92.5% of the employment contracts of all employees are covered by a collective bargaining agreement (see also section S1-8: Collective bargaining coverage and social dialogue). On the other hand, people's quality of life can be adversely impacted if RHÖN were not in the position to ensure the job security of its employees and a high turnover were to occur. The same holds true if RHÖN were not to adhere to statutory wage standards (minimum wage) or were unable to secure reasonable pay. A further impact related to working conditions of the Company's own workforce is working regular overtime or irregular working hours (shift and night work). These circumstances may result in a greater risk of accidents and injuries and thus adversely impact the mental and physical health of our employees.

Impacts related to working conditions affecting our own workforce are a vital part of the business strategy since they result in greater employee satisfaction and in the success of the Company's business operations being decisively supported by a motivated workforce committed in the long term. Since shift and night work is normal in hospital operations and established at all hospital sites, no adjustment in the strategy or business model based on this impact is foreseeable.

We have categorised all negative impacts mentioned in this section as potential and systemic and/or widespread.

Risks related to loss of employees and decline in productivity

The risk of employees being absent due to health impacts or leaving the Company due to dissatisfaction can lead to higher personnel expenses, lower productivity, decline in quality and thus a decrease in revenues. The occurrence of these risks depends on various factors, including irregular working hours and compliance with wage standards. Consequently, these risks are associated with the impacts related to working conditions of our own workforce and can affect all employees.

Impacts related to social dialogue and employee representation

Disregard of legal regulations, which include the Works Council Constitution Act (Betriebsverfassungsgesetz, BetrVG) and the Anti-Discrimination Act (Allgemeine Gleichstellungsgesetz, AGG), might adversely affect the working environment for our employees. Likewise, preventing or failing to promote social dialogue or employee representation, for example where RHÖN prevents the creation of a works council, can have a negative impact on our employees.

Impacts related to social dialogue and employee representation are a vital part of the business strategy since they result in greater employee satisfaction and in the success of the Company's business operations being decisively supported by a motivated workforce committed in the long term.

We have categorised all negative impacts mentioned in this section as potential and systemic and/or widespread.

Impacts related to health protection and safety

Our business activities may have various different potential impacts on the health and safety of our employees. Firstly, working in a hospital often involves a high and/or increasing workload, particularly due to changing working hours and understaffing due to a lack of qualified staff. Moreover, employees, for example in the case of medical procedures or surgical operations, may come into contact with harmful agents or radiation. Health damage can also occur as a result of workplace accidents or diseases. These can happen when using equipment and machinery as well as when treating patients, or result from the spread of infections and diseases.

These impacts are directly associated with RHÖN's strategy and business model. The potential negative impact of "Contact with hazardous substances" relates to normal hospital operations. These primarily affect the hospital's staff. In addition to cytostatics in production, laboratory chemicals, inhalation anaesthetics as well as medical gases, traditional disinfection agents and concentrated cleaning agents also constitute hazardous substances.

We have categorised other negative impacts as potential and systemic and/or widespread. These primarily affect the hospital's staff. One exception is the negative impact "Risk from diseases (employees)", which is categorised as actual.

Impacts related to training and skills development

With a variety of employee development offerings, RHÖN supports and promotes job security, workplace satisfaction, skills development for its employees, pay raise opportunities and the personal growth of its direct employees. With some 710 training places throughout Germany, RHÖN is one of the largest training providers among private hospital operators in the German healthcare system. The training offerings for the nursing, medical and therapeutic professions as well as dual study programmes help reduce unemployment and alleviate the shortage of qualified staff. The continued education offerings in the medical, nursing and administrative fields help preserve and enhance the professional skills of employees. By contrast, insufficient training and qualification might create obstacles for career development as well as diminish employee satisfaction and even jeopardise job security.

Impacts related to training and skills development are a vital part of the business strategy since they result in higher qualification, greater employee satisfaction and in the success of the Company's business operations being decisively supported by a skilled and motivated workforce committed in the long term.

We have categorised the negative impacts of "Insufficient training and development" mentioned in this section as potential and systemic and/or widespread.

Impacts related to equal treatment and opportunities for all

Disregard of ethical hiring practices in the application process, insufficient actions against workplace violence and harassment as well as discriminatory practices with the Company's workforce can lead to negative impacts on the quality of life of the affected persons. These may, for example, include the decrease in employee advancement and continuing training opportunities, a feeling of diminished security or a higher level of stress at work. On the other hand, RHÖN creates a diverse work environment and a healthy work atmosphere, thereby actively promoting diversity, tolerance and equality. A respectful and fair work relationship regardless of gender, age or origin, religious beliefs, any disabilities or other individual characteristics has a positive impact on the Company's own workforce, on all other types of employees at RHÖN as well as on society.

Impacts related to equal treatment and opportunities are a vital part of the business strategy since they result in greater employee satisfaction and in the success of the Company's business operations being decisively supported by a motivated workforce committed in the long term.

We have categorised the negative impacts of "Absence of ethical hiring practices" mentioned in this section as potential and systemic and/or widespread. The impacts of "Insufficient actions against violence and harassment in the workplace" and "Discriminatory practices for employees" would each relate to individual incidents.

Impact related to data protection

Ensuring an insufficient level of data protection in the case of violations of the General Data Protection Regulation (GDPR) as well as data leaks caused by cyber attacks could lead to negative impacts for our employees. This would affect employees of the Company's own sites. The impact was categorised as material, but is not a key component of the business strategy. Compliance with data protection is expected from employees and in and of itself does not have any significant impact on their satisfaction and motivation. This impact is categorised as potential and systemic and/or widespread.

Material impacts from transition plans

Climate change is expected to give rise to a growing patient numbers, for example as a result of climate-related diseases. This will lead to a growing demand for human resources, especially in a systemically relevant industry like healthcare. Moreover, climate change will require adaptation for the protection of the Company's workforce, particularly in relation to extreme weather conditions. Air-conditioned and heat-resistant work environments will be required to safeguard the health of both employees and patients. This is having an influence on hospital planning and requires appropriate adaptations (see also E1 – Climate resilience analysis).

Human rights, integration and relief

Humans rights policy

RHÖN is aware of its special responsibility towards employees, patients and society. This acknowledgement applies to the Company's own operations and at the same time is also addressed to our business partners in the upstream and downstream value chain. RHÖN understands respect and observance of human rights in its actions as an overall entrepreneurial duty and calls on each and every individual to support this objective as far as possible. The focus is on prohibiting discrimination as well as on workplace safety, data protection and equal opportunities.

RHÖN is continuously looking to identify in which business areas and situations a risk of human rights being violated might exist. Based on the findings, RHÖN continuously seeks to improve and enhance measures for the respect for human rights with the objective of meeting its self-declared expectations and high ethical standards. In preparing the human rights policy, RHÖN does not orient itself on recognised standards and initiatives of third parties.

The Board of Management is responsible for respect for human rights and is supported in this in particular by the central Compliance department. At the operative level, the senior executives of RHÖN commit themselves to respecting and where necessary defending the rights of employees, patients and other third parties.

S1-17 Incidents, complaints and severe human rights impacts

In 2024, 9 complaints related to discrimination and harassment were received. In 2024, no severe violations of human rights such as forced labour, human trafficking or child labour were found.

Incidents and remarks

Metric	2024
Reported incidents of discrimination including harassment (number)	9
Complaints filed through channels for employees (number)	3
Complaints filed with the National Contact Point for Multinational Enterprises of the OECD (number)	-
Total amount of material fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed (€)	-

The metrics were gathered through manual internal queries and are neither assumption-based nor externally validated. Every report received is followed up on and corresponding responses are adapted individually to the respective facts. In this regard, for example, the standard procedure “Behaviour in cases of sexual assault and discrimination at the workplace” was integrated in the reporting period shown. It is reviewed for up-to-dateness at least every 24 months and updated where required. Detailed information on this can be found in the section “Whistleblower system” and “Reporting Office for persons affected by sexual assault and discrimination at the workplace”.

S1-2 Processes for engaging

Through compliance with minimum legal regulations (personnel representation, equal treatment and social security legislation) as well as performance of activities going above and beyond those regulations (for example: Intranet “Insight”), RHÖN gives its employees the opportunity to contribute their opinion and ideas.

Group-level works council representing the Company’s own workforce

At RHÖN, the Group-level works council acts as the central representative body for the Company’s employees. It is committed to safeguarding the interests and rights of the Company’s employees and actively works to help shape working conditions. Through regular dialogue with the Board of Management and the management bodies at the individual sites, the Group-level works council promotes constructive cooperation and guarantees that the voice of the Company’s employees is heard in entrepreneurial decisions. Its commitment helps create a positive corporate culture and enhance the satisfaction of the employees. The Group-level works council is

currently made up of 14 members. As a rule, meetings of the Group-level works council are held at quarterly intervals, but are scheduled based on relevance of the topics to be decided.

Moreover, we have a Group-level, youth and apprentice representation body whose work is described in the related Group-level works council agreement (see also S1-1).

Operative responsibility for engagement of employees and consideration of the results lies with the Divisional Management for Group Human Resources and Legal. Ultimately, the Board of Management has overall responsibility.

There are no global framework agreements with employee representatives specifically dealing with human rights. However RHÖN, in collaboration with the employee representative body, has drawn up principles of conduct which include respect of human rights (see S1-1).

The effectiveness of collaboration between the Company and its employees is assessed at RHÖN among other things by the absence of conciliatory board proceedings and court proceedings at Group level. There were no such proceedings in 2024. This demonstrates constructive relations.

Feedback is recorded in various formats, including,

- Minutes of Group-level works council meetings,
- Documentation of results on the Intranet “Insight” (survey tools),
- Minutes and results of the working group congresses, management conferences and senior executive conferences.
- Minutes and comments of the body representing severely disabled persons

With the participation of the employee representatives in the respective bodies, employees feedback is included in the decision-making process. This take place at the organisational level. The procedures described here result in resources being tied, but in RHÖN’s view making such resources available is something self-evident given the relevance of the topic. However, we are not able to make a disclosure on the specific allocation of the financial or personnel resources for the engagement.

The impacts of reducing carbon emissions and transitioning to greener and climate-neutral operations on RHÖN’s employees – such as restructuring, employment loss or creation, training and up/reskilling, gender and social equity, and health and safety – have so far not been systematically discussed with employees or employee representatives. However, the Group-level works council

was involved in the materiality analysis, as were the relevant departments (Group Divisional Management, departments and department heads).

S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns

Whistleblower system and “Reporting Office for persons affected by sexual assault and discrimination at the workplace”

With the whistleblower system we ensure that our employees at all sites can anonymously and securely report potential misconduct (see also S1-1). This relates to compliance reports, among other things with regard to corruption, fraud, data protection violations, conflicts of interests or sexual assault. For cases of sexual assault and discriminatory conduct at the workplace, the Company additionally offers a reporting office to which affected persons can contact confidentially. This reporting office is made up of members appointed based on the principle of equal representation and examines every report received objectively and consistently. If a suspicion is confirmed, the required actions are taken to protect the persons affected and to prevent negative impacts on the Company in accordance with our “zero tolerance approach” for respectful dealings and a workplace free from discrimination.

Since incidents such as violence, harassment or discrimination can be reported using the whistleblower system, it actively contributes to the objective of preventing negative impacts related to equal treatment and opportunities.

Compliance reports are processed comprehensively, carefully and objectively. This means that both the whistleblower – where the latter reports on a compliance matter in good faith – and the person accused can expect the greatest possible protection while the matters are being processed.

If required, the whistleblower in individual cases is offered support by the Group. Further information in this context can be found in the section with the S1-17 metrics.

At the same time, however, the person affected is presumed innocent until proven otherwise. Any disadvantaging of whistleblowers and all persons promoting conduct complying with the rules at the Group of RHÖN-KLINIKUM AG is not tolerated. This is explicitly mentioned both in the RHÖN principles of conduct and in the standard procedure “The RHÖN Whistleblower System and is demanded Group-wide. Any reported breaches of this requirement would result in immediate action being taken.

In addition, we encourage our employees to submit compliance reports and to report any kind of misconduct using various communication channels. In addition to written reports sent by post, Intranet and e-mail, reports may also be made by phone and in person.

With all these procedures we ensure that violations relating to physical, psychological, sexual and verbal harassment as well as abuse during the performance of professional work are investigated. At the same time we protect privacy since anonymity of the whistleblower can of course be ensured in these cases as well. In addition to the senior executives, the employees of the Central Compliance department as well as the compliance officers at the individual hospital sites and other subsidiaries of the Group of RHÖN-KLINIKUM AG in particular also act as contact persons when compliance reports are made. We investigate every report and, if a suspicion is confirmed, take the required actions to protect the persons affected and to prevent negative impacts on the employees of the Company.

The channels through which the employees can express their concerns and needs in our assessment are effective because they are firmly established and known. They were made known to all employees with an employee newsletter “Wir” and can be accessed at all times on the RHÖN Intranet “Insight”. Discussions and dialogue also take place at regular intervals with the senior executives. RHÖN has found that its employees know the structures and processes since the measures have already been used.

Terms of employment

S1-1 Policies related to terms of employment

Collective bargaining agreements

At RHÖN, comprehensive collective bargaining agreements comprising various dimensions of employment terms apply to all our employees. They include collectively agreed provisions on working hours, entitlements to paid holiday leave and salary as well as conditions relating to working overtime and at night, on Sundays and on statutory holidays. We have negotiated collective bargaining agreements for our hospitals with the social partners ver.di and Marburger Bund. These set out, for example, provisions on profit sharing, adjustments for inflation, post-retirement benefits and bicycle leasing.

Since we believe it is very important to pay fair compensation based on performance when it comes to the satisfaction of our employees, our collective bargaining agreements provide for night-time bonuses and differentiated bonuses exempt of tax and social security contributions. Further scope for payments exempt of tax and social security contributions, such as inflation relief bonuses, are also exhausted giving due regard to the legal prerequisites. We are convinced that with the terms of our collective bargaining agreements

we make a significant contribution towards safeguarding the standards of living for our employees. In this way we reinforce the positive impact of the collectively agreed social security provisions and at the same time reduce any potential negative impacts on the terms of employment of the Company's workforce. This also helps us reduce the risks related to loss of employees and productivity.

Responsibility for implementation and compliance lies with the Group with the Group division Human Resources and Legal. The works council in turn monitors compliance with these collective bargaining agreements. The employees were actively involved in their development through the collective wage committee. All collective bargaining agreements are openly communicated and made available through the Company's Intranet.

Principles of conduct

Our principles of conduct form the basis of what is to apply to all our employees, and describe the values and standards we should feel bound by as employees of the Group RHÖN-KLINIKUM AG: INTEGRITY – RESONSIBILITY – TRUST – LOYALTY – SUSTAINABILITY. The principles of conduct moreover represent important ground rules governing the entrepreneurial activity of RHÖN through its corporate bodies, senior executives and employees. They ensure that uniform standards known and upheld throughout the Company apply. The objective of the principles of conduct is to protect the Company's employees from breaches of internal and external requirements and the resulting risks under criminal and liability law. They also form the basis on which employees collaborate amongst one another and define the rules for their dealings with one another. In this way we create a respectful and safe environment for our employees. The principles of conduct are also designed to safeguard against discrimination based on racial and ethnic origin, colour, gender, sexual orientation, gender identity, disability, age, religion, political opinion, nationality or social origin, or other forms of discrimination. The senior executives carry special responsibility when it comes to these principles of conduct being implemented. Through their impeccable and lawful conduct, they especially act as a role model for others. In their function they ensure that the employees under their scope of responsibility are aware of and know the content of these principles of conduct and comply with them in their actions. The principles of conduct are made available to all employees through the Intranet.

Policy on whistleblower system and on "Reporting Office for persons affected by sexual assault and discrimination at the workplace"

A Group-level works council agreement governs the use of the whistleblower system. There is also a "Reporting Office for persons affected by sexual assault and discrimination at the workplace" (see also S1-3). Our employees have access to the Reporting Office and to the whistleblower system over the Intranet. The Central Compliance department is responsible for the whistleblower system, and also monitors compliance with it and reports once a year to the Group-level works council and the Board of Management.

The policy's users include all employees but not the other players along the value chain. The Group-level works council was involved in the system's development. The whistleblower system takes account of the legal requirements set out in the Whistleblower Protection Act (Hinweisgeberschutzgesetz, HinSchG). The "Reporting Office for persons affected by sexual assault and discrimination at the workplace" was designed on the basis of the General Equal Treatment Act (Allgemeine Gleichbehandlungsgesetz, AGG).

Mobile work policy

The Group-level works council agreement on mobile working describes the basis and conditions for mobile working in the Group, as governed by the relevant framework of labour protection laws. With this policy we allow our employees to perform mobile work in specific areas for up to 50% of their normal working hours. This simplifies the organisation of working time for our employees and is intended, among other things, to help them achieve a good balance between their professional and private life. Our objective is to safeguard and promote the mental and physical health of our employees. The Group division Human Resources and Legal is responsible for implementation and compliance, as well as monitoring the same. The Group-level works council was involved in the policy's development. The policy applies to the Company's employees whose scope of duties allow this, and is available over the Intranet.

Agreements related to the e-learning and learning management system

With the Group-level works council agreement related to the e-learning and learning management system (LMS), RHÖN defines the scope and further framework conditions of the e-learning training programme. The already extensive offering is being continuously expanded. With the system we can also provide some mandatory training courses for specific employee groups or training courses in, for example, fire safety. The instructors at the various sites coordinate the course subjects with one another. The e-learning tool and learning management system (LMS) as well as the related policy are accessible to all employees and are intended to help reinforce the positive impacts or prevent the potentially negative impacts related to training and skills development.

The Group-level works council monitors compliance with the policy, in some cases also digitally using the e-learning tool. The Group division Human Resources and Legal is responsible for implementing the policy. The employees are directly involved in the development process since the specialist departments create appropriate training offerings as part of the development programme.

Directive on Group, youth and apprentice representation

The Group-level agreement on Group, youth and apprentice representation governs and promotes the participation of those stakeholders in social dialogue within the Group and by doing so also promotes employee satisfaction. The Works Council Constitution Act (Betriebsverfassungsgesetz, BetrVG) provides the legal framework of the policy. The Group division Human Resources and Legal is responsible for implementation. Monitoring is performed by the Group-level works council, which was involved in the policy's development. The affected employees have access to the policy's provisions via the Intranet.

Policy on information and communications technology

With our Group-level works council agreement related to information and communications technology we seek to ensure the protection of employee and patient data. The policy also sets out what artificial intelligence systems may be used in the Company to ensure the responsible application of these technologies. The monitoring process provides for an annual review by the Group divisions IT, Human Resources and Legal, which are also responsible for the policy. The policy is also based on the legal principles of the Works Council Constitution Act (Betriebsverfassungsgesetz, BetrVG) (section 87) as well as the IT Security Act (IT-Informationen- und Sicherheitsgesetz, IT-SiG). The policy was developed with the involvement of the Group division IT to represent the interests of employees with regard to technical aspects. The agreement is accessible for all employees via the Intranet. International Standards such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration or the OECD Guidelines for Multinational Enterprises are not specifically referenced.

Group data protection policy and data protection manual

The Group data protection policy and the data protection manual are effective means to safeguard compliance with comprehensive data protection provisions and ensure that data of employees, patients and external third parties who, for example, access information via the Company's website, are processed responsibly and lawfully. All of RHÖN's hospital sites have their own data protection officer (DPO). The DPOs work together closely with the Group division IT which documents all data processing activities they perform. Further processing operations as well as risk assessments are recorded by the Group DSO in the data protection management system. An internal review is performed every two years as well as ad hoc. Each year, all data protection cases are to be reported as a met-

ric. The policy applies Group-wide and also covers hospital operations. Data protection information is made available to patients as part of the admission process and in application forms, but the plan is to digitalise this process. Moreover, the purchase order processing software is subject to the Group data protection policy. Responsibility for compliance with the policy lies with the chairman of the Board of Management, supported by the Group data protection officers who ensure close cooperation with the Group division Human Resources and Legal and Group-level works council. The Policy is oriented on national and European data protection legislation in force as well as official requirements, but without further references to UN Guiding Principles, the ILO Declaration or OECD Guidelines. The policy was developed with the involvement of the Group-level works council. Representative bodies of patients as well as recommendations of the German Hospital Association (Deutsche Krankenhausgesellschaft, DKG) were also taken into account in drafting the policy. The policy and the manual are publicly accessible and available via the Intranet to employees as well as from the Company's website for third parties, including a reporting process and contact persons.

The sustainability matter "Employment and inclusion of persons with disabilities" is not covered by a separate Group-level works council agreement as a policy.

There is no uniform management system related to workplace accident prevention.

S1-5 Targets related to terms of employment

So far, no measurable targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities for the employees of the Company were defined. Targets, further actions and policies are to be drawn up as part of the further strategic development.

S1-4 Actions related to terms of employment

The effectiveness of the actions and initiatives in delivering outcomes for the employees of the Company are not individually tracked and assessed. The responsible Group division Human Resources & Legal engages in a regular dialogue with the Central Compliance department with regard to the actions and policies. The responsible senior executives are respond to the impacts based on their professional experience to the extent necessary and reasonable and initiate appropriate countermeasures. Allocation of funds for individual projects for managing the individual impacts has been decided on a case-by-case basis. The processes for managing the material risks in connection with the Company's own workforce were reported to the Group risk management department to ensure an integrated consideration of the existing risk management processes.

Increase in duty roster efficiency and staff pool

As already described above, the irregular working hours as well as night and shift work normally found in a hospital may have a negative impact on our employees. That is why in financial year 2024 we decided to introduce a new duty roster planning system including absence management for our own operations, which is supported by artificial intelligence. Based on the available data, artificial intelligence makes recommendations for scheduling shifts or providing for substitution of absent employees. In order to make the duty rosters even more efficient and accommodate the needs of employees, it was also decided to join a Group-wide staff pool in future. With the implementation of this measure to be completed by the middle of 2026, we are striving for significantly higher duty rostering efficiency while also using it to measure the effectiveness of this action. At the same time we would like to reduce the workload of our employees to promote their satisfaction and health in the long term.

Harmonisation of training offering with Asklepios

Our strategic cooperation with the Asklepios Group opens up additional opportunities for improving the quality of continued training and upskilling. Early in the reporting year, we launched the harmonisation of the training offering with Asklepios to jointly establish a common minimum standard and to promote intermobility within the Group. This measure includes comparing and broadening existing training offerings and exchanging proven practices between RHÖN and Asklepios. The objective is to create a harmonised training offering that will be adopted throughout the Group. With this we would like to maintain and enhance qualifications, skills, employee satisfaction and job security. The measure is expected to be completed by the end of 2025. We measure its effectiveness based on feedback related to the training offering as well as participation rates.

House of Best Care

In 2024 we presented our integrated and Group-wide HOUSE OF BEST CARE policy with the aim of creating excellent working conditions for our employees through a comprehensive approach. The policy comprises numerous dimensions for the workplace, work processes and patient care. These include interprofessional treatment teams, professional development opportunities, modern work equipment, innovative nursing concepts, a focused patient journey and a transformative leadership culture. The policy moreover provides for a knowledge database for day-to-day clinical work in which we take up processes and present them in transparent form for our senior clinical executives. In this way, select processes and projects can be presented and adapted to the requirements of each hospital. An indicator of the effectiveness of this measure is how this knowledge database is being continuously enhanced. In future, the policy is to be supported by artificial intelligence and thus reinforced by scientific and evidence-based know-how giving due regard to legislation in force.

Broadening of Job-Rad offering

During the reporting year, the Job-Rad (job bicycle) programme was broadened for Group-wide use so that even more employees could take advantage of the Job-Rad lease model. For example, since early 2024 employees from Campus Bad Neustadt can also benefit from this offering. This measure strengthens RHÖN's commitment in the health area and its attractiveness as an employer. We assess the effectiveness of the measure by the number of participating employees.

Employee events

Like every year, RHÖN held some employee events in 2024 as well, including the "Day of Nursing", the "Day of Women", summer and autumn festivals as well as Christmas events. By organising these events, we would like to strengthen our ties with one another and team spirit in the Company as well as promote recognition of particular professional groups or topics. They provide the opportunity for dialogue and engagement, appreciation and networking across the different departments. The measures support the well-being of our employees and contribute towards a positive corporate culture. We assess the success of these events based on participation rates and the feedback we receive from our employees.

Making apartments available to employees and helping them find an apartment

We provide assistance to our apprentices, nurses and other employees in the search for an apartment and even provide them with affordable employee apartments ourselves. In this way we pursue the objective of enhancing employee satisfaction and strengthening the loyalty of our employees to RHÖN. As a general rule, the effectiveness of this measure is assessed by how many apartments are successfully referred and feedback received from the employees we have helped. For example, the University Hospital of Giessen has three residences with apartments that are provided especially to apprentices not living in Giessen. Zentralklinik Bad Berka also has its own residence and in addition makes apartments available to employees which are located close to the Klinik. Likewise, our Klinikum Frankfurt (Oder) makes apartments and rooms available to employees. Apartments are also offered to employees at the Bad Neustadt site. In the autumn of 2024 we also opened our new apprentice residence at Campus Bad Neustadt. More than 100 junior staff can now enjoy the comfort of a modern and fully furnished apartment in the direct vicinity to their place of work. RHÖN assesses the effectiveness of this measure based on the number of units let.

Data protection impact assessments

The purpose of a data protection impact assessment (DPIA) is to ensure data protection-compliant use of software and technologies and to identify risks where appropriate. The measure applies to the entire Group and covers data protection topics related to patients, employees and affected third parties. If such DPIA – like the one found in patient information and patient admission systems – is required from a risk viewpoint, it is created on an ongoing basis and pursues the objective of a continuous implementation of measures related to data protection compliance in the Company's operating activities and on introducing new digital processes. For example, during the reporting year RHÖN was able to introduce a card-based solution for digitalised verification of doctors at computer terminals in compliance with data protection. The high-speed connector replaces numerous single-box connectors, thus reducing operating and administrative expenses. For this purpose, RHÖN obtained a provider's licence from gematik.

Employee training related to data protection and other measures preventing human error

Every two years, we raise awareness with our employees and senior executives of the lawful management of personal data through web-based training and target group-based in-person training sessions. For example, during the reporting year and with a view to preventive strengthening of data protection, the automatic e-mail detection of external addresses in Outlook was deactivated to prevent content from being sent inadvertently to unauthorised recipients. Moreover, sending unencrypted documents by e-mail is prohibited and no sensitive information is shared over the phone. Each month and on an ad hoc basis, we conduct a screening of our websites using special software to ensure legally compliant and accessible use as well as compliance with obligation to duly provide information in accordance with the GDPR.

We measure the effectiveness of the measures related to data protection by the number of data protection violations.

Measures related to social dialogue, freedom of association, the existence of works councils and the information, consultation and participation rights of workers

RHÖN is well aware of the legal regulations related to employee representation, anti-discrimination and social security legislation and ensures compliance with the same through various processes. In this regard, RHÖN also safeguard freedom of association and the existence of works councils. Compliance with the legislation is monitored on an ongoing basis by the Central Compliance department in coordination with the Group division Human Resources and Legal. We verify the effectiveness of the measures through the existence of works councils both at the Group level and at the level of the operative business units. The information, consultation and participation rights of the employees are thus ensured. To enable communication with the Central Compliance department, a whistleblower system was established. The whistleblower system is part of the compliance management function and provides employees of the Company with a confidential channel of communication for reporting compliance breaches. This system can also be used to report negative impacts related to the IROs "social dialogue" as well as "freedom of association, existence of works councils and information, consultation and participation rights of workers".

At the end of financial year 2024, RHÖN employed a total of 18,741 people at five sites in Germany. Some 74.3% of all employment contracts at RHÖN are for an indefinite term, thus providing long-term planning certainty to both our employees and us as an employer. During the financial year, 2,333 employees left the Company. This translates into a staff turnover rate of 14.1%.

S1-6 Characteristics of the Undertaking's Employees

At the end of financial year 2024, RHÖN employed a total of 18,741 people at five sites in Germany. Some 74.3% of all employment contracts at RHÖN are for an indefinite term, thus providing long-term planning certainty to both our employees and us as an employer. During the financial year, 2,333 employees left the Company. This translates into a staff turnover rate of 14.1%.

Disclosures on the number of employees by gender

Gender	Number of employees (head count)
Male	5,366
Female	13,375
Other	-
Not disclosed	-
Total number of employees	18,741

Table for presenting employee head count in countries where the Company has at least 50 employees representing at least 10% of its total number of employees

Country	Number of employees (head count)
Germany	18,741

The aforementioned characteristics (KPIs) are taken from the staffing statistics for each organisational unit. They are read from the ERP system using a software program. The number of employees (headcount) is defined as the number of persons employed (headcount), and not in full-time equivalent, as at 31 December 2024. No average values are assumed but only date point values are used in the calculation. The values are disaggregated below by gender, term and guarantee working hours. The resulting KPI “employee

head count in countries where the Company has at least 50 employees” is likewise defined as the number of persons employed (headcount) as at 31 December 2024. The values are split by country and countries with fewer than 50 employees are not included in the total. The KPI of the employees from both tables shown here match because RHÖN operates exclusively in Germany. Disclosures on employees without guaranteed working hours (e.g. on-call workers who are available when required) were in some cases retrieved manually if they were not identified as such in the HR system. The number and ratio of leavers was shown excluding apprentices, interns, work students, dental students, students of medicine completing their practical year and persons completing a year of voluntary social work. In this regard, and to the extent technically possible and identifiable, internal transfers are not counted as leavers. The KPIs are not based on any additional assumptions. The metrics were not validated by an external entity.

Employees by contract type, broken down by gender (number of persons). The voluntary disclosures related to break-down by full- and part-time employees are not reported.

	Female	Male	Other*	No disclosures	Total
Number of employees (head count)	13,366	5,375	–	–	18,741
Number of employees with indefinite-term employment contracts (head count)	10,266	3,654	–	–	13,920
Number of employees with limited-term employment contracts (head count)	3,100	1,721	–	–	4,821
Number of on-call employees (head count)	61	86	–	–	147

* Gender pursuant to self-disclosure by employees

Employees by contract type, broken down by region (number of persons).

	Reporting period 2024		Total
	Germany	Other regions	
Number of employees (head count)	18,741	–	18,741
Number of employees with indefinite-term employment contracts (head count)	13,920	–	13,920
Number of employees with limited-term employment contracts (head count)	4,821	–	4,821
Number of on-call employees (head count)	147	–	147

The number of workers matches the total number from the tables shown further above. It is the representative number of employees (headcount) and is provided in the financial section of the Group Management Report (cf. number of employees). The voluntary disclosures related to the break-down by full- and part-time employees are not reported.

S1-8 Collective bargaining coverage and social dialogue

The basis for ensuring fair terms of employment and pay is provided by the provisions of our collective bargaining agreements (in this regard see also S1-1). The percentage of all employees covered by collective bargaining agreements is 92.5%. Not covered by collective bargaining agreements are employees of service companies, head

physicians, executive employees, employees with a salary exceeding the highest pay scale, employees receiving integration allowances (Eingliederungszuschüsse) pursuant to sections 217 ff. of Social Security Code (Sozialgesetzbuch, SGB) III and workers in minor employment within the meaning of section 8 (1) no. 2 SGB IV. The percentage of employees at sites with works council representation is around 97.0%.

Collective bargaining coverage and social dialogue

	Collective bargaining coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with >50 employees representing >10% of total headcount)	Employees – non-EEA countries (estimate for regions with >50 employees representing >10% of total headcount)	Representation at workplace (only EEA) (for countries with >50 employees representing >10% of total headcount)
0–19 %			
20–39 %			
40–59 %			
60–79 %			
80–100 %	Germany		Germany

The KPI “collective bargaining coverage” is defined as the number of employees (headcount) covered under a collective bargaining agreement (by collective remuneration agreement/collective wage agreements) in proportion to the total number of employees as at 31 December 2024. The information are centrally evaluated from the ERP system. Here, the collective wage information made available in the ERP system serve as a basis. The term “collective bargaining agreements” means only those collective bargaining agreements entered into with a trade union or were declared to be generally binding (work and social regulations or other local agreements with works councils are not included). In this metric, however, civil service employees at Universitätsklinikum Gießen und Marburg GmbH covered under generally binding wage scales are deemed to fall under a collective bargaining agreement. The KPI is not based on any additional assumptions. The metrics were not validated by an external entity. The same description and methodology applies to the KPI “overall percentage of its employees in the EEA covered by collective bargaining agreement for each country in which it has a significant employment, defined as at least 50 employees by head count representing at least 10% of its total number of employees”. Since the Group of RHÖN-KLINIKUM AG operates exclusively in Germany, the values specified match.

The KPI “Social dialogue” gives the percentage of employees (headcount) in the EEA with an employee representative body in proportion to the total number of employees. The information related to number of employees is evaluated from the ERP system. Disclosure of the existence of an employee representative body within the sub-

sidaries is determined manually. The KPI is not based on any additional assumptions. The metrics were not validated by an external entity.

RHÖN operates exclusively in Germany. For that reason the column “Employees – non-EEA countries (estimate for regions with >50 employees representing >10% of total headcount)” is left blank.

S1-10 Adequate wages

Adequate wages have an influence on the satisfaction of our employees. In this regard our employees benefit from in-house collective bargaining agreements we have negotiated for our hospitals with the social partners ver.di and Marburger Bund. For example, our collective bargaining agreements provide for night bonuses and differentiated bonus exempt from tax and social security contributions. Further scope for payments exempt of tax and social security contributions, such as inflation relief bonuses, are also exhausted giving due regard to the legal basis. RHÖN thus pays its employees adequate wages in keeping with the benchmarks in force. We understand the statutory minimum wage set in Germany as the adequate wage benchmark used for comparison with the lowest wage. Based on the business model, RHÖN also adheres to industry-specific minimum wages such as the minimum wage for nurses.

S1-16 Remuneration metrics

Under the collective wage provisions in force, employees at RHÖN receive equal pay for equal work. However, since not all workers are remunerated under collective bargaining agreements, we wish to

create transparency with respect to internal income inequality. During the reporting year, the annual total remuneration ratio of the highest paid individual to the median total remuneration for all other employees was 40.

The KPI “Annual total remuneration ratio of the highest paid individual to the median total remuneration” is calculated on the basis of gender non-specific remuneration data obtained from the ERP system and aggregated to an overall assessment. First, the highest paid person in the Company is identified as the equation denominator. To identify the equation numerator, the highest paid individual is subtracted from the sum of the gender non-specific individual remunerations, with the median then being formed from this. All variable and fixed remuneration components are included. By dividing the numerator and denominator, the annual total remuneration ratio of the highest paid individual to the median total remuneration for all other employees is calculated. The gross annual salaries of the Company’s active employees are included pro rata. Likewise, passive workers as well as persons having left the Company during the reporting period are included in the metric. The metric is not based on any assumptions and was not validated by an external entity.

Occupational health and safety

S1-1 Policies related to occupational safety and health

Critical Incident Reporting System (CIRS)

The objective of the Group-level works council agreement related to the Critical Incident Reporting System (CIRS) is to prevent accidents and identify and/or eliminate any existing risk sources. It thus helps achieve the objective of preventing the potentially negative impacts related to health and occupational safety. With CIRS, which is a material component of our clinical risk management system, all employees can anonymously draw attention to errors and critical events in clinical processes. The Company’s employees have access via the Intranet. The reports may affect both employees and patients. To ensure lessons are learned from mistakes and the reports across all sites, CIRS incidents are published together with concrete prevention recommendations on the Intranet in the CIRS Portal. The implementation is supported by the Group divisional head for Patient Safety, Quality Management and Hygiene (PQH). The Group-level works council was involved in its launch and receives a CIRS report every year on the number of reported incidents and preventive actions derived from them. The CIRS takes account of the Infection Protection Act (Infektionsschutzgesetz, IfSG) as well as the Social Security Act (Sozialgesetzbuch, SGB) (Fifth Book). Beyond that, no other standards or third-party initiatives are taken into account. As part of the implementation of CIRS, the Group of RHÖN-KLINIKUM AG has not committed to comply with other standards or initiatives within the meaning of ESRS 2.

S1-5 Targets related to occupational safety and health

So far, no measurable targets for the Company’s own workers were defined. As part of the further strategic development, targets, actions and policies are to be developed.

S1-4 Actions related to occupational safety and health

Training and events related to health and occupational safety

To ensure a high level of occupational safety and health for our employees, we conduct regular and ongoing training courses and offer health-related courses. The training programmes, which are offered via the e-learning (see also section S1-1), cover the topics of fire safety, hygiene and workplace safety, among others. Moreover, there are course- or event-based offerings promoting mental and physical health, such as yoga classes and back training courses designed as preventative tools and ways to promote good health. We understand this as remedial action to counteract the impact on employees’ health. In this way we also wish to prevent workplace accidents and disease-related risks and exposure, and to promote the general well-being of our employees. The training courses are organised decentrally at the different sites. We measure the effectiveness of this measure by the attendance rates for the training courses and events. Direct impacts of the measure on the number of absences (sickness rate) and thus the state of health of the employees cannot be obtained directly since the health of our employees depends on numerous factors over which RHÖN has no influence. It is therefore not possible to measure any effectiveness beyond the attendance rate for training courses and events. The offering of health-related courses is regularly posted via the employee newsletter “News”, and employees can also view the offering in the Intranet “Insight”. In this regard we also draw attention to the measures to point out the negative impacts on health safety caused e.g. by not enough exercise and sitting for long periods. For health and occupational safety there is no targeted budget, but instead measures are initiated at each site individually.

S1-14 Occupational safety and health metrics

The occupational and health safety management system of RHÖN covers 100% of the employees at all five sites. An overview of the accident and health statistics is shown in the table below.

Accident and health statistics

	2024
Reportable work-related accidents (number)	329
Rate of reportable work-related accidents (%)	11.2%

The metrics of the accident and health statistics are retrieved manually via query by the Group division Human Resources from the HR department heads of the sites. The rate is to represent the number of respective cases per one million hours worked. The KPIs are not based on any further assumptions and were not validated by an external entity.

Diversity

S1-1 Policies related to diversity

Position paper on inclusion of persons with disabilities

Together with the representative body for severely disabled persons, a position paper to govern the respectful participation and integration of persons with disabilities at work and in training was prepared. It provides that the Board of Management or a representative is to participate in the annual meeting of the representative body for severely disabled persons and in this context remit a report on the integration of disabled persons. Furthermore, measures are developed on an ongoing basis whose progress is reported to the Group representative body for severely disabled persons.

Our corporate policies are not explicitly oriented on the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises since our area of activity is limited to Germany and we fully comply with the legal requirements of occupational and human rights in force in Germany. No reference to human trafficking, forced labour and child labour is made in any of the policies described under S1-1 since these practices can be excluded because the Company’s sites are exclusively located in Germany.

S1-5 Targets related diversity

So far, no measurable targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities related to the employees of the Company were defined. As part of the further strategic development, targets, actions and policies are to be developed.

S1-4 Actions related to diversity

More diversity

We are fully committed to diversity and stand firmly against discrimination or harassment in any form. We also demonstrate this by our efforts to recruit new staff from abroad, to provide them with continued and higher-qualification training and to retain them in our Company. Our employees at the various sites come from many different countries of origin. With our initiatives we promote training and advancement opportunities for people regardless of their origins.

With our whistleblower system we identify what action is needed and appropriate to respond to a particular potential negative impact on the diversity (e.g. any kind of discrimination) of the Company’s employees.

The Group of RHÖN-KLINIKUM AG ensures by its principles of conduct, whose compliance is monitored by the Central Compliance department, that our own practices do not have or contribute to any material negative impacts on our own workers.

No indirect budget is allocated to the management of material impacts related to diversity.

During the financial year, we offered a 60-hour continued training course for integration mentors at the University Hospital of Gießen to better integrate nurses recruited from abroad. The eight participants were trained in professional integrated teaching of German, violence prevention, course planning and team integration, among others.

In 2024 we also took part in the #niewiederistjetzt social media campaign to take a clear stand against hate, discrimination and antisemitism as well as for freedom and democracy and to communicate this externally. At our sites in Bad Neustadt and Marburg we have encouraged our employees via our Intranet to take part in demonstrations in support of such diversity principles in those cities.

Within the Group these measures contribute to more diversity, tolerance and equality, thus creating a respectful working environment characterised by fair dealings. We measure their effectiveness mainly by the number of new employees recruited each year from abroad. In recognition of our efforts, we also received the intercultural diversity seal of approval “Interkulturelle Vielfalt LEBEN” at our University Hospital in Giessen and Marburg in 2024.

Inclusion of persons with disabilities

As set out in the position paper on inclusion of persons with disability, measures were implemented in the reporting year and already planned for the following year. One measure in 2024 was informing the management boards and HR departments about the basic principles of legislation related to severely disabled persons. This measure is currently being conducted by the Group division Human Resources and Legal in the form of information letters and Jour Fixes. Moreover, the human resources department implemented a policy on raising awareness with senior executives for the integration of severely disabled employees and employees with similar impairments decentrally at the individual sites. This was rolled out via information events in-person or online. For RHÖN, the attendance rate for these events is an indicator for measuring the effectiveness of this measure. At the University Hospital of Giessen, a full-day continued training course on current legal requirements for inclusive and non-discriminatory healthcare delivery and related difficulties and opportunities was moreover held for our employees.

For the upcoming financial year, three further measures are planned. One of them is the development of case groups and the definition of potential support measures by the local human resources department. Secondly, the human resources department is to define a prevention process for each site pursuant to section 167 SGB Book IX. The third measure provides for the development of a policy for communication within the Group related to the topics of diversity, disability and inclusion. Responsibility for this lies with the Group division Human Resources and Legal together with the Group representative body for severely disabled persons.

S1-9 Metrics on diversity

We are proud that people from many different countries work for RHÖN and bring cultural diversity to our Company (see also S1-4). We are fully committed to such diversity and stand firmly against discrimination or harassment in any form. We maintain the principle of equal opportunities by hiring exclusively on the basis of qualifications. In 2024, the proportion of women in management positions is around 30.8%. We strive to achieve a balanced age structure to ensure that our teams are made up both of young and of experienced employees.

Employees at the top management level: by gender (number and % of total workforce)

	2024
Female	30.8 % (4 persons)
Male	69.2 % (9 persons)

The metrics for total workforce of the Company are determined and evaluated manually. The top management level is defined from the Group divisional heads of the Group of RHÖN-KLINIKUM AG and the managing directors and directors of the five hospital sites. The KPIs are not based on any further assumptions and were not validated by an external entity.

Employees by age group (% of total workforce)

	2024
< 30 years	24.7 %
30–50 years	45.3 %
> 50 years	30.0 %

The metrics of the table for employees by age group are determined by an evaluation from the ERP system. All employees of the Company were included. The KPIs are not based on any further assumptions and were not validated by an external entity.

ESRS S4 CONSUMERS AND END-USERS

At RHÖN, our focus is making sure everything we do is in the best interests of our patients. Our top priority is providing patients with a safe environment as well as first-class medical care with a high level of satisfaction. RHÖN strives for medical excellence with a structured quality management organisation coordinated and working within the network of the Asklepios Group across all sites.

In this section, RHÖN explains, among other things:

- the strategic approach as it relates to patients,
- material impacts and risks related to patients,
- the actions taken to diminish or remediate negative impacts and risks as well as promote positive impacts,
- the results of such actions

Impacts, risks and opportunities management

We daily commit ourselves to ensuring the patients turning to us feel safe, receive excellent medical care and are happy with our services. Ensuring that this remains the case at all times is our top priority. We wish to achieve this goal with our medical excellence standards, comprehensive quality management programme with interfacility structures and close collaboration with our partners from the Asklepios Group. This will enable us to introduce innovations to live up to our own standards of quality.

Impacts, risks and opportunities with regard to consumers and end-users

ESRS 2 SBM-2-S4 Interests and views of stakeholders

Information on how the interests, views, and rights of the RHÖN's consumers and/or end-users, including respect for their human rights, inform its strategy and business model is found in section ESRS 2.

ESRS 2 SBM-3-S4 Material impacts, risks and opportunities and their interaction with strategy and business model

RHÖN's services relate primarily to patients as end-users who need medical treatment and nursing. Moreover, relatives and visitors of patients may also be affected. When we speak of patients, we always mean their legal representatives and relatives or visitors as well.

All consumers and end-users who are likely to be affected by material impacts of RHÖN, including impacts related to its own business activities and the value chain resulting from the products or services of RHÖN as well as from our business relationships, fall under the disclosures according to ESRS 2.

All our consumers and end-users are persons that rely on information to avoid a potentially negative impact of our services. For that reason, RHÖN informs patients comprehensively about the treatment, drugs and possible risks in a form adapted to the needs of patients. This is done among other things through discussions with doctors, patient information as well as patient briefings and forms. RHÖN also treats a particularly vulnerable group of our patients, children. Under this section, we present how we take their rights and needs into consideration.

In the materiality analysis (see also ESRS 2 IRO-1), RHÖN has identified the following material IROs related to consumers and end-users. The IROs as well as their position in the value chain and duration are presented in section ESRS 2.

Impacts related to data protection

The collection, processing and storage of patient data is indispensable when it comes to providing medical care. RHÖN is committed to protecting patient data in accordance with the data protection provisions in force and takes technical and organisational measures to ensure data security. In the event of data protection breaches related to the data of end-users and consumers, for example through GDPR violations or data leaks as a result of cyber-attacks, the security of such data is no longer guaranteed. Given our business model, that also includes sensitive (personal) health data. Data protection breaches therefore can negatively affect RHÖN's patients. The potential breach of confidentiality, for example as a result of improper handling or inadvertent disclosure of confidential patient and health information, also represents a negative and potential impact for RHÖN's patients.

Impacts related to the topic of data protection directly related to RHÖN's business model since the treatment of our patients requires recording data, including sensitive health data. Since this is inevitable, these impacts have a direct influence on the RHÖN's business model.

Both negative and potential impacts were categorised by us as individual and would affect only some of the patients at the respective sites.

Impacts related to patient well-being

On the one hand, RHÖN seeks to ensure the well-being of all our patients with its medical care and pre-/after-care offerings. The treatments are aimed at improving the overall health of patients or mitigating the serious impacts of diseases on the palliative medicine wards. On the other, a lack of trust on the part of patients may result in persons affected in some cases not wanting to freely express their view or voice potential criticism for fear of negative consequences such as poor treatment or unfriendly staff. This in turn can lead to poor treatment outcomes and have a negative impact on people. The safety and health of patients might be negatively influenced if, for example, outbreaks of infectious diseases occur at our sites. The health of the individual or individuals concerned may also be harmed when patients receive inadequate treatment, for example as a result of inadequate or poor diagnosis or incorrect treatment due to ignorance and incompetence.

Impacts related to the topic of patient well-being are directly related to RHÖN's business model since the focus of the value chain is on treating our patients. They therefore have a direct influence on the business model and strategy. We daily commit ourselves to ensuring that our patients receive excellent medical care.

We have categorised all negative impacts in this section as potential. The impacts related to lack of trust, ensuring patient well-being and inadequate treatment are classified as individual. The negative impact related to risks arising from diseases is to be categorised as systemic and/or widespread.

Impacts related to quality and safety

Inadequate quality control and quality assurance processes can jeopardise the safety and health of our patients and result in negative impacts on people. Safety-relevant incidents such as falls, injuries or physical violence can also negatively impact patients and expose them to physical dangers and injuries.

Impacts related to the topic of quality and safety are directly related to RHÖN's business model since patient safety must be ensured at all times. They have a direct influence on the business model and strategy.

We have categorised all impacts related to quality and safety as potential and individual.

Impacts related to protection of children

Ensuring the protection of children encompasses medical diagnosis in order to objectivise suspected cases of neglect, child mistreatment or child abuse. Such diagnosis provides the children affected and their parents with effective help and therefore has positive impacts on child and adolescent patients. They can be timely examined by various specialists without having to be admitted as inpatients in every case. By contrast, a lack of measures to protect children, i.e. an absence of standard procedures when risks to the well-being of children are suspected, can entail long-term consequences for the development, personal safety and health of children and adolescents.

The impacts are directly related to RHÖN's business model and strategy since the treatment of children and adolescents forms an explicit part of our treatment offering. The impacts related to protection of children therefore have a direct influence on our business model and strategy.

The impact related to lack of measures to protect children was assessed as negative, potential and individual. By contrast, the impact related to ensuring the protection of children was assessed as positive, actual and individual.

S4-1 Policies related to consumers and end-users

Respect for the human rights of patients, relatives and visitors is an integral part of our corporate policy and culture. RHÖN respects the human rights of all consumers and end-users, particularly with regard to:

- The right to health: ensuring a high quality of medical care based on the needs of patients;
- The right to dignity and respect: treating all patients with dignity, respect and without discrimination;

- The right to privacy and data protection: protecting patient data in compliance with the data protection provisions in force;
- The right to information and self-determination: informing patients comprehensively about their treatment options and obtaining their informed consent;
- The right to non-discrimination: equal access to healthcare for all, regardless of their gender, origin, colour, religion, age, disability or sexual orientation.

These rights are enshrined in the policies described below.

Data protection policy

The purpose of the data protection policy is to safeguard compliance with comprehensive data protection provisions and ensure that data of employees, patients, as well as external third parties accessing information via the Company's website, for instance, are processed responsibly and lawfully. Patient data are processed only if consent as been given for such purpose, if this is necessary for complying with laws and regulations in force, or is necessary based on other legal grounds. For more information, see S1-1.

Quality management policy

The quality management policy (QM Policy of Joint Federal Committee (JFC)) forms the central framework for quality assurance in specific service areas of RHÖN. It defines 14 mandatory instruments and six methods for safeguarding and promoting quality, safety and patient well-being, supported by an annual monitoring process in what is referred to as the QM Annual Audit, in which the Policy's implementation is reviewed. Also part of the QM Policy is reviewing how infection statistics are kept. Within the Group, responsibility for complying with and implementing this Policy lies with the Group division Patient Safety, Quality Management and Hygiene. The QM Policy as well as the Infection Protection Act (Infektionsschutzgesetz, IfSG) serve as the regulatory basis and ensure compliance with the highest standards in the Company's own operations along the value chain. The group of persons affected include patients and their relatives as well as the legislator, but also RHÖN as employer along with its employees. Representatives from hospital and patient representative bodies were involved in the Policy's development in the context of the JFC bodies. The Policy is publicly accessible via the JFC website.

Code of conduct and guiding principle

The code of conduct for dealings with patients is oriented on our "principles of conduct" (see also S1-1) and the "Group-level works council agreement related to the Corporate Governance Code". At the heart of these is the our ethical standard and guiding principle: "Don't do to others what you would not like done to yourself, and don't leave off doing anything that you would like done to yourself." The Code of Conduct applies to all employees of RHÖN and RHÖN's affiliates, and relates to the entire value chain. Responsibility for ensuring compliance with the Code of Conduct and our guiding principle lies with the Board of Management, which clearly endorses such Code of Conduct on the Company's website, and with all senior executives. Currently, there is no specific process for monitoring compliance with the Code in dealings with patients.

Critical Incident Reporting System (CIRS)

The objective of the Group-level Works Council Agreement Related to the Critical Incident Reporting System (CIRS) is to prevent accidents and identify and/or eliminate any existing sources of danger. It thus helps achieve the objective of preventing the potentially negative impacts related to health and occupational safety. Patients can inform themselves on measures for patient safety such as CIRS via the websites of the RHÖN hospitals. For more information, see also statements made in S1-1.

Quality agreement related to obstetrics

In November 2024 a quality agreement was entered into in the area of obstetrics between Techniker Krankenkasse (TK), BARMER (two health insurance funds) as well as Asklepios- und RHÖN-Kliniken (specifically Frankfurt (Oder), UKGM Gießen und Marburg). This policy is aimed at making lasting improvements to obstetrics care at the hospitals of Asklepios and RHÖN. The care path supports expectant mothers from registration for delivery at the hospital for up to six months after birth, and is intended as a useful way of supplementing existing outpatient care. The material targets include reducing medical interventions, in particular caesarean sections, increasing rates of breast feeding and bringing about a positive and supportive delivery experience. The care path covers both digital elements such as a support app, and personal support in the form of consultations by midwives. The user group of the quality agreement currently encompasses 15 hospitals in the Group of Asklepios and RHÖN. At the participating hospitals, up to 80% of delivering women insured with the hospital insurance funds TK, BARMER and other contractual partners can participate in this programme. The obstetrics departments of the individual hospitals are responsible for implementing and further developing the policy. Monitoring is ensured through regular feedback from patients and allows for adjustments to the care path based on the needs of the women concerned. The affected stakeholders are in particular expectant mothers, the obstetrics staff (doctors and midwives) and the hospitals involved. The quality agreement is communicated internally and externally and explained to the participating patients during the individual admission discussion at the hospital. The main provisions

are moreover communicated by the supporting app and through in-person consultations with doctors and midwives.

Child protection groups at the Marburg, Giessen and Frankfurt (Oder) sites

The objective of the interdisciplinary medical child protection groups at UKGM and Klinikum Frankfurt (Oder) is to identify whether a child is at risk of or even affected by neglect, violence or abuse. If child mistreatment is suspected, a physical examination is conducted and the suspicious elements recorded based on standard procedures, for example through photo documentation or by securing evidence. After the child is examined, the necessary medical measures are taken in a timely manner to restore the child to health. Parallel to that, the child protection group is involved to determine a package of further measures. These will consist of the support and social phase, which may require a police and public prosecutor investigation.

Regular casework reviews and a structured case assessment is performed to ensure that the policies are consistently implemented and enhanced. The children's and adolescents' centre Zentrum für Kinderheilkunde und Jugendmedizin, and in particular the members of the child protection group, are responsible for implementation. Affected groups are the children and adolescents, the medical specialists and employees at the children's and adolescents' centre Zentrum für Kinderheilkunde und Jugendmedizin, as well as external entities such as the youth welfare offices (Jugendämter), which may be contacted in cases where children's welfare is being put at risk. The policy of the child protection group was established based on the recommendations of the German Society of Paediatrics and Adolescent Medicine (Deutsche Gesellschaft für Kinder- und Jugendmedizin, DGKJ). The interdisciplinary orientation of the child protection group ensures inclusion of various specialist insights within the hospital. The policy can be viewed by the public on the website of the hospitals.

Our policies related to consumers and end-users are not explicitly oriented on the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises.

S4-2 Engaging with consumers and end-users

RHÖN actively engages with patients in shaping and improving healthcare services. This is done through:

- Patient surveys: regularly gathering information on patient satisfaction and patient needs;
- Complaints management: establishing a transparent and easily accessible complaints management system;
- Patient advocates: Making available patient advocates who support patients in exercising their rights;
- Engaging with patient representatives: working together with patient organisations and representatives in developing strategies and measures.

Regular patient surveys

In this regard, we regularly use using standardised questionnaires to ask our patients at the somatics and rehabilitation hospitals whether they would recommend us to others. Patients can answer "Yes" or "No", giving reasons as they wish. We strive for a recommendation rate of over 90.0%. In 2024, the recommendation rate was 95.8%. The metric was obtained from all five sites. In total, RHÖN received 4,795 completed questionnaires for reporting year 2024, which resulted in the rate indicated. The assessment is performed by RHÖN's IT service subsidiary RHÖN-KLINIKUM IT Service GmbH In addition to paper-based form templates, we have been conducting the survey electronically since 2023. At all hospitals, the complaints officers are responsible for investigating the complaints and optimising the processes in the hospitals on that basis. The effectiveness of the measure is assessed by the questionnaires returned and responses received. The recommendation rate is obtained from the patient survey on patient satisfaction which is conducted at all sites. All results are included in the recommendation rate. The calculation takes into account how many persons from the total pool of responses received are in favour of a recommendation. Responses that decline a recommendation are not included in the recommendation rate.

S4-5 Targets

For the topics of health and safety, protection of children, data protection, freedom of expression and personal safety, we have not defined any targets at the sub-sub-top level. With regard to end-users and consumers, we have set ourselves targets based on our patient metrics. On an aggregate view it is important to emphasise that we are always striving to ensure a constantly high quality of treatment, patient safety and patient satisfaction. To better track our progress, we gather metrics related to the Critical Incident Reporting System (CIRS), the results of patient surveys and quality controlling. In the area of quality controlling, we aim for a rate of 100% in the auditing of our hospitals. The performance rate of the audits during the financial year was 100%. The audits cover a list of comprehensive requirements. Each hospital was internally audited on this basis. The performance rate shows the reliability of the quality management and thus at the same time constitutes a controlling process. Internal audits are considered self-assessments within the meaning of the QM Policy of the JFC and are mandatory. Moreover, they help improve patient care. The specific requirements from the audit checklist "QM Annual Audit" are the minimum accepted standard for all hospital sites. The requirements are defined by the Group divisions Quality and Patient Safety. The management bodies of the hospital sites are responsible for implementing the same. Quality and risk management officers of the hospital sites are tasked with implementation measures. Each year, all hospital sites of RHÖN are audited by the Group division PQH based on the audit checklist "QM Annual Audit". For the CIRS metrics and the patient satisfaction result, no target values with regard to the related sustainability matters have been defined so far. Currently, however, work is under way with the division Patient Safety, Quality and Hygiene on developing the conceptual content for such target. It cannot yet be anticipated when target values will be introduced since we are still in the conceptual phase. We track the effectiveness of our **strategies** and **measures** related to the material sustainability-related **impacts, risks** and **opportunities** for consumers and end-users based on the metrics shown.

S4-4 Measures

Not every measure below is provided with its own budget, but the measures instead are to be understood as part of overall budgets that cannot be directly attributed, or – as in the case of House of Best Care – the projects in some cases have not yet been budgeted.

Participation in "Clean Hands" initiative

The participation in the "Clean Hands" initiative is part of a national hygiene campaign to promote hand hygiene. The participating facilities are listed in a hospital atlas and can obtain a quality seal (bronze, silver, gold) by continuously improving their hygiene practices. This measure will be carried out at all of the Group's sites and is focused on the Company's own value chain, in particular in the care provided to patients directly. It is oriented on the Infection Protection Act (Infektionsschutzgesetz, IfSG) and follows the recommendations of the Commission for Hospital Hygiene and Infection Prevention (KRINKO). The initiative is carried out once a year and is planned as an ongoing measure with a view to steadily improving hygiene standards. The action is aimed at strengthening patient safety and patient well-being by reducing the spread of infectious diseases with better hygiene and thus promoting the long-term well-being of our patients. The effectiveness of the measure is assessed based on monitoring the spread of infectious diseases.

House of Best Care

In 2024 we introduced our integrated and Group-wide HOUSE OF BEST CARE policy with the aim of creating excellent working conditions for our employees through a comprehensive approach. At the same time, we ensure that the work we do and the care we provide for patients meet the highest quality standards. For more information, please see S1-4. The requirements of the ESRS have not yet been fully met in the case of the House of Best Care measure with regard to minimum disclosures because we are still in a conceptual phase.

Measures related to the topic of protection of children

Our employees are regularly trained in the area of protection of children so that they can quickly and effectively identify signs of potential risks to a child's well-being. We also provide special training for emergency ward triage (Manchester Triage System, MTS), which serves as a first-line assessment system. This training puts a special focus on recognising unusual injury patterns in children to identify potential mistreatment early on. In the event of suspected mistreatment, the responsible paediatric service doctors as well as the nursing staff on duty in the paediatric emergency ward are immediately notified. In this way, a timely and precise examination of the child can be performed so that any additional actions to protect the child can be taken. The training courses are conducted throughout the Group and relate to the Company's own value chain. The expected result of this measure is prevention of child mistreatment as well as early detection and reporting of suspected cases in order to safeguard the well-being of children. The success of the measure is assessed based on the number of suspected cases reported. This is an ongoing measure already being implemented.

Moreover, we draw attention at this juncture to further measures aimed at preventing the potentially negative impacts on children and safeguarding the protection of children. For example, the working group “No violence against children” (Keine Gewalt gegen Kinder), an initiative of the Child Protection League (Kinderschutzbund), meets at the Giessen site every three months. In Marburg there is also a coordinator from the initiative for “Immediate help after rape” (“Soforthilfe nach Vergewaltigung”). The site also provides a consultation for girls and children which can cooperate at any time with the colleagues from the paediatric and paediatric surgery department. In this way it is ensured on an ongoing basis that violence against girls or toddler girls can be recognised and stopped.

Particularly in a paediatric and adolescent hospital, an age-appropriate, nurturing and therapeutic environment is vital when it comes to supporting the healing process, minimising stress and promoting the well-being of children and adolescents as well as employees. With this purpose in mind, the rebuild of the paediatric and juvenile psychiatry, psychosomatic and psychotherapy clinic (KJP) was completed in Marburg between 2019 and 2022.

Medical care provided to children has to be child-oriented. UKGM in Marburg specialises in this field. The paediatric and juvenile medicine clinic in Marburg offers comprehensive care from birth to adolescence. The focus is on caring for premature infants from the 24th month of pregnancy, treating children with kidney diseases as well as paediatric emergency and intensive medical care. The German Society of Paediatrics and Adolescent Medicine (Gesellschaft der Kinderkrankenhäuser in Deutschland, GKinD) has once again awarded the quality seal “Excellent” to the paediatric and juvenile medicine clinic at University Hospital in Marburg headed by Prof. Dr. Stefanie Weber. FOR CHIDREN”.

Patient hotel

At Zentralklinik Bad Berka GmbH a patient hotel was opened in 2004. The twelve rooms that were refurbished in the course of the year are intended for sick and immobile patients arriving prior to an inpatient stay and for their relatives. The main reason this facility came about was a request made in this regard by many patients living in other federal states who had to travel long distances to reach the hospital. We thus take account of the objective of ensuring that our patients are rested up when they arrive for their examination appointments or are coming for an operation. The budget for the patient hotel was around € 18 k in financial year 2024.

Measures related to data protection and preventing human error

As part of a data management system, we monitor and safeguard the implementation of data protection requirements. The management boards of the individual hospitals are responsible for imple-

menting data protection provisions. They are supported at the operative level by the local data protection officers from the hospitals (internally or externally) and Group subsidiaries, in some cases also assisted by local data protection coordinators. Central consulting with regard to data protection is provided by the Group division Group Data Protection. Specific guidance and detailed information on data protection impact assessments are provided. Employee training courses as well as other measures related to prevention, such as data protection updates in the Intranet and information provided on an ad hoc basis, help prevent data protection violations. During the financial year, the number of cases where the protection of personal data was violated was 13. Cases of data protection violations are handled as quickly as possible. The metric for the reporting year is obtained by the ESG team from the data protection officers of the hospitals, medical care centres (MVZs) and service companies of the Group of RHÖN-KLINIKUM AG by email query. Of the cases reported, 10 were reportable and 3 not. All proceedings in this regard were concluded and processed.

Quality management system and internal audits

At all RHÖN hospitals, a structured quality management system is in place that is continually being enhanced and adapted to the most recent legal requirements. This system is governed by the legally required quality management tools pursuant to the Quality Management Policy of the Joint Federal Committee (JFC) as well as the Group standards for strengthening patient safety.

The management bodies of the hospitals, supported by quality and risk management officers, are responsible internally for implementing the requirements and standards. To ensure a high standard of medical, nursing and therapeutic patient care, all hospitals are audited each year by the Group division Patient Safety, Quality Management and Hygiene. In addition, the audit programme covers internal hospital audits and risk audits related to areas of priority.

S4-3 Remediation measures and complaints mechanism

Patients and their legal representatives and/or relatives have different ways of expressing their concerns, criticisms or grievances. The established channels include in particular written and digital patient surveys and a structured complaints management system. Our patients are specifically encouraged to freely express their views. The reports are carefully collected and assessed: with the patient survey the paper-based forms are scanned, whereas electronic feedback is immediately recorded in a software program. Complaints are centralised with an internal complaints manager who oversees their processing and evaluates the data at least once a year. The effectiveness of this measure is ensured by a comprehensive assessment of feedback by the quality management department at both the hospital and the Group level. As part of the complaints management system, complaining persons receive a response with regard to the processed complaint and the actions taken within a defined period of time. Although no specific policies

exist for offering the reporting person protection from consequences, the questionnaires are anonymous, which increases trust in the use of the channels. Moreover, grievances are treated confidentially to safeguard patients' privacy and the protection of their data. Cases in which patients are affected by negative impacts are reviewed by the management body on a case-by-case basis so that reasonable compensation can be paid where appropriate. However, there is no formal procedure for ensuring the effectiveness of such compensation at this time.

Our employees can report errors and critical events in the clinical process anonymously via the CIRS (see also S1-1). In financial year 2024, our employees processed 100.0% of reports submitted via the CIRS. The percentage of CIRS cases resulting in actions being taken in proportion to the total number of CIRS cases is 85.3%. Of these,

100% of the measures were implemented in the current reporting period. We aggregate the CIRS metrics already developed to one process-oriented metric. For the interpretation it has to be kept in mind that, generally speaking, one metric alone – for example the number of reports – is not meaningful but instead only the consideration of all results of relevance for the process. The CIRS metrics stated in the Sustainability Declaration were generated as at 30 November of the reporting year using the assessment function in a software program manually and centrally by the Group division Patient Safety, Quality and Hygiene. The months of January to November of the reporting year were assessed. For the University Hospital of Giessen, the CIRS metrics for the reporting year were manually queried and reported. The percentage of CIRS cases resulting in actions being taken in proportion to the total number of CIRS shows the cases that were acted on based on the event and implemented to prevent future cases of this nature.

4. Governance information

ESRS G1 BUSINESS CONDUCT

Conduct of business is closely linked to RHÖN's sustainability strategy and business model. Integrity in conduct is the basis for RHÖN being perceived as a trustworthy partner. That is why compliance is a fundamental basis for responsible conduct of business.

In this section, RHÖN explains, among other things:

- what principles characterised corporate culture and policy,
- how RHÖN manages compliance topics,
- the processes for protecting whistleblowers,
- payment practices,
- what measures are taken to prevent corruption and bribery.

ESRS 2 GOV-1-G1 The role of the administrative, supervisory and management bodies related to business conduct

RHÖN's organisational structure is dualistic: the Board of Management directs the Group subject to the supervision of the Supervisory Board. Information on the role and expertise of the Board of Management and the Supervisory Board related to the conduct of business is set out in the section ESRS 2, GOV-1.

ESRS 2 IRO-1-G1 Disclosure Requirement IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

In section ESRS 2, IRO-1, RHÖN describes the processes to identify material impacts, risks and opportunities related to conduct of business.

G1-1 Business conduct policies and corporate culture

At RHÖN, compliance – acting in accordance with legal requirements and internal rules – is a significant part of our corporate culture. Integrity in conduct is the basis for RHÖN being seen as a trustworthy partner. That is why for us compliance is a fundamental basis for responsible conduct of business. Our guiding values and principles include integrity, trust and loyalty as well as quality, innovation and social responsibility. They are exemplified and reflected in the management style at RHÖN and are at the heart of RHÖN's principles of conduct.

The principles of conduct are supported by the Statement of Principle on Human Rights forming the basis for the implementation of human rights interests and RHÖN's environmental obligations in connection with the implementation of the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG). In this regard, see also S1, human rights policy. As one of the leading private hospital service providers in Germany, RHÖN is well aware of its special responsibility towards employees, patients and society. In its Statement in Principle on Human Rights, RHÖN set out the principles related to internationally recognised human rights. Topics of central importance are the prohibition on discrimination, equal treatment of employees as well as the right to health and safety at the workplace. RHÖN is committed to the UN Human Rights Declaration from 1948 and to the EU Charter of Fundamental Rights from 2000. This holds true for the Company's own operations and at the same time is also addressed to the upstream and downstream value chain.

The head of the Central Compliance department reports directly to the chairman of the Board of Management (CEO) of RHÖN and regularly consults with the latter. Each quarter, the Central Compliance department reports to the Board of Management as a whole. As part of this regular reporting, the Central Compliance department gives an overview of current compliance developments, the status of progress in the development of the compliance programme as well as compliance reports and metrics. Moreover, the head of the Central Compliance department regularly reports to the Supervisory Board through the Audit Committee. RHÖN has its own compliance management system which is harmonised with the compliance management system of Asklepios.

Compliance management

To ensure compliant conduct in the Company, we are continuously enhancing our compliance management function. In this way we seek to identify relevant risks early on, to minimise such risks by taking suitable actions and thereby support and protect the Management and employees. During the reporting year, RHÖN's efforts were particularly focused on adapting its compliance management function to CSRD and on implementing the requirements of the LkSG.

Our principles of conduct as well as the standard compliance instructions described in detail in the context of what is to be binding on RHÖN's employees from a compliance viewpoint are regularly reviewed in terms of potential adjustment requirements and adapted as required.

The Board of Management has overall responsibility for compliance. Overall operative responsibility for the topic of compliance lies with the head of the Central Compliance department.

At RHÖN's hospital sites and subsidiaries, the local management serves as a platform for compliance topics, particularly when it comes to communicating requirements to staff. Local compliance officers support the management teams at the individual hospitals.

The compliance framework as well as the further development of the compliance management system are established in a top-down approach. Relevant compliance topics are passed on to the employees using distribution plans (e.g. immediate distribution in the case of new/updated standard instructions) and internal steering groups. Communication channels include the website as well as the RHÖN Intranet "Insight". Any relevant new developments from the compliance area are moreover communicated to our more than 18,000 employees with the employee magazine "WIR" published throughout the Group.

To ensure compliant conduct in the Company, RHÖN is continuously enhancing its compliance management function. This enables risks to be identified at an early stage and minimised through suitable measures. That supports and protects our Management and employees. The principles of conduct and standard compliance procedures are updated on a regular basis. They describe in detail the framework of what is to be binding on employees from a compliance standpoint. Principles of conduct and standard compliance procedures are approved by the Board of Management.

RHÖN management principles

Our senior executives are to identify with the Group's objectives and communicate these to the employees. From these principles they establish the targets for their departments and conclude individual target agreements in annual human resources development meetings. In direct, personal contact with their employees, their job is to set priorities, make objective decisions and address problems. The

actual Group result in relation to the Group's targets serves as an orientation basis when it comes to evaluating performance and success.

RHÖN's senior executives are to understand themselves as entrepreneurs within the Company. They want to develop and shape the Company's future and address important issues. They take responsibility for their actions and show responsibility for the entire Group. At the same time they understand change as an opportunity on the one hand, while securing stability by embracing a long-term view on the other. They take risks if they have first analysed and evaluated them. Joint management responsibility of the senior executives demands integrity in keeping with the principles of conduct.

Topics of significance for Group policy are decided by the Board of Management as managing body. Topics with overarching significance for the Company's business operations are covered by the central Group divisions and the regional operating divisions. Through internal budgets, decisions where possible are made at the level where the operative work occurs and where the decision needs to be taken.

Senior executives are to inform their staff about impending changes and explain the reasons relevant to their work for the planned projects and developments. By taking this approach, they are to create the greatest possible acceptance for necessary measures and enable joint action.

It is important for senior executives to show employees appreciation and respect at all levels. They strive for collaborative and fair dealings with them and see efforts to achieve the best possible patient care as a team effort. Objective criticism by their employees is encouraged and is to be taken into account. RHÖN values loyalty and the commitment of all team members. The senior executives want to help shape a culture in which it is possible to give feedback, even beyond the existing hierarchy levels. As a "learning organisation" RHÖN practices a constructive error culture by turning mistakes into opportunities. With all employees, working and behaving in a way that promotes health is valued.

When it comes to caring for patients, the quality of medical care takes top priority. Patients can trust that they are being treated to the highest standards and that their safety comes first. At the same time, RHÖN acts in a socially responsible way. Employees make every effort to treat patients in a dignified manner and to respect their personal needs.

RHÖN welcomes it when employees engage in professional networks and promotes all activities that encourage internal cooperation and support. RHÖN is supportive of contacts with other hospital companies whenever this is medically and/or economically appropriate. Such contacts may not entail any competitive or other disadvantages for RHÖN and must be disclosed to the chairman of the Board of Management.

Whistleblower system and protection of whistleblowers

RHÖN provides various channels for reporting compliance breaches and human rights issues to promote transparency and responsibility. All reporting channels ensure confidentiality and protect whistleblowers from reprisals.

Whistleblower system

RHÖN has a tool-based whistleblower system. It is firmly established in the compliance department and is part of the compliance management function. It gives employees a communication channel for reporting (potential) compliance breaches. The whistleblower system can be used anonymously and asks whistleblowers to provide only strictly necessary data.

The RHÖN whistleblower system takes account of the Whistleblower Protection Act (Hinweisgeberschutzgesetz, HinSchG). The reporting person (employee) may not experience any disadvantages from making a report. Specifically, there must be no negative consequences for their employment relationship. As a precondition for this, they have to make such report “in good faith”, i.e. must not make a deliberately wrongful accusation against someone. At the time of their report, they must have reasonable grounds to assume that the content of the report is correct, even if it turns out to be incorrect afterwards. Persons who want to deliberately or even maliciously harm others do not enjoy protection for such action and must expect consequences.

The basis for using the whistleblower system are found in the standard procedure “RHÖN Whistleblower System, Reports and Rules”. It governs the management of reports and complaints, the procedure to be followed and the responsibilities and rights of whistleblowers and the persons affected. Key principles in this regard are the protection of whistleblowers from reprisals as well as safeguarding data protection.

Reporting Office

For reports of sexual assault, discrimination and violence at the workplace, RHÖN has also established an independent Reporting Office. Affected employees can turn to the Reporting Office directly in person, by phone or in writing.

Availability and communication

The whistleblower system as well as the Reporting Office are communicated Group-wide through various channels (e.g. our employee newsletter “WIR” or by posting notices). Both reporting options can be reached via the homepage of the RHÖN Intranet “Insight”. We refer to these in our principles of conduct in the section “Proper conduct in the case of (potential) violations”. Detailed information is also provided on the compliance page in the RHÖN Intranet “Insight”.

Complaint process pursuant to Corporate Due Diligence Obligations in Supply Chains Act (LkSG)

For (potential) LkSG breaches, RHÖN has also set up an externally based complaints process for reporting violations of human rights and environmental obligations. Complaints can be made in person, by phone or e-mail or anonymously via the RHÖN website. The reports are processed confidentially and discretely.

Raising compliance awareness with employees

To raise awareness with its employees about the topic of conduct of business, RHÖN offers relevant training courses, which are mandatory for senior executives. A particular focus is on raising awareness about compliance issues. With its slogan “compliance protects, compliance supports”, RHÖN draws attention to the importance of compliance and the cooperation between the Group level and the hospitals to adequately respond to compliance issues early on.

Local compliance contacts

To reach local employees in the best way possible and support the local management, the Group hospitals have compliance officers. They are appointed by the Board of Management but do not act exclusively in that capacity, i.e. they also provide ad hoc support and serve as contacts for the compliance department as well as the local management and employees. A regular dialogue is maintained between the compliance department and the local compliance officers.

Regularly training, continued training and information events

In addition to training that is mandatory for the senior executives, compliance is a topic of internal training, continued training and information events. Through in-person or online training courses – e.g. employee meetings, management meetings, trainee events and meetings of head physicians – the compliance principles and current topics relating compliance are presented.

Risk groups

Employees in executive positions and in purchasing have particular responsibility for compliance since they are often involved in making decisions that have a relevant external impact. One area focus in establishing the compliance framework is creating standards for cooperating with external third parties. In the healthcare sector,

hospital employees (usually medical professionals and doctors) work together closely with industry partners, in some cases outside their main line of work. This interaction calls for clear rules and a review in the individual case since this naturally may lead to conflicts of interests.

Animal welfare

Impact: Animal experiments

Performing experiments on animals to manufacture drugs, observe the progression of diseases and develop treatment methods in the upstream value chain of RHÖN diminishes animal welfare. This affects animals involved in parts of the pharmaceutical value chain. Particularly in the field of pharmaceutical development, animal experiments will remain indispensable for many years to come. This is the only way to ensure that certain medical devices, drugs and vaccines used at RHÖN for treating patients are safe and effective. For this reason, the impact is directly related to the business model and strategy of RHÖN and has no influence on them. The impact is categorised as negative, actual and systemic and/or widespread.

Impact: Violation of animal welfare

At Universitätsklinikum Gießen und Marburg GmbH (UKGM), animal experiments are conducted for research purposes in the form of project-based studies in cooperation with Justus Liebig University Giessen and Philipps University Marburg. For RHÖN these experiments hold the risk of the Animal Welfare Act (Tierschutzgesetz, TSchG) being violated, which in turn can result in penalties and reputational damage. The occurrence of such risk depends on various factors, including the proper conduct of the animal experiments as well as the monitoring and documentation of the experiments. One important aspect is also to ensure through the Animal Welfare Act that animal experiments are only conducted if they are absolutely necessary and no other alternative methods exist. This risk is not associated with a material impact.

Policies and measures related to the conduct of business and corporate culture (G1-1, animal welfare)

The use of animals cannot be avoided completely at the present time. We adhere to the ethical and legal animal welfare standards. These include, among others, the Animal Welfare Act, the Laboratory Animal Welfare Regulation (Tierschutz-Versuchstierverordnung, TierSchVerV), as well as EU Directive 2010-63 EU and the Hesse Higher Education Act (Hessisches Hochschulgesetz, HHG). Both universities have policies in place that govern the use of animal experiments:

- Animal Welfare Statutes of Justus Liebig University Giessen
- User Regulation on Keeping Animals of Philipps University Marburg
- Use of Rooms of Animal Laboratory Facilities of Philipps University Marburg
- Rules Governing the Transport of Animals of Philipps University Marburg

These policies also apply to project-based cooperation with UKGM. The highest level at UKGM for implementing the policy is the management board. The measures for managing the negative impacts on animal welfare at both university hospitals include the appointment of animal welfare officers, regular training, as well as official permits and monitoring of animal experiments.

In support of the “Transparent Animal Experiments” initiative of the German Research Foundation (DFG), both the University of Marburg and the University of Giessen engage with the public on this topic. The “Transparent Animal Experiments” initiative aims to further advance transparent and public debate on research involving animals.

All persons working in the field of animal research at the universities complete relevant specialist courses to ensure responsible use of animals in compliance with animal welfare legislation. An animal welfare committee assists and advises the universities in implementing the statutory provisions and permit requirements.

Both universities are also doing research based on the 3R method to reduce animal experiments. Under the 3R principle, animal experiments where possible should be replaced by alternative methods (Replacement). If there are no alternative methods to answer a specific research question, the number of animals used in the experiment must be kept as low as possible (Reduction). In the experiment, the pain and distress suffered by such limited number of animals is to be kept to a minimum (Refinement). This includes, for example, optimised the conditions in which the animals are held or refining the methods. With the research conducted UKGM in collaboration with the university hospitals in Giessen and Marburg to find ways of reducing the number of animal experiments, and by sharing the research findings with the public in scientific publications and in other forms, RHÖN counteracts the negative impacts on animal welfare in the upstream value chain.

Objectives

RHÖN has set itself the target of establishing binding compliance programmes, compliance training programmes and compliance control mechanisms by the end of 2025. In this regard, RHÖN works together with the entire Asklepios Group to develop uniform standards. Further specific targets are being developed.

G1-2 Management of relationships with suppliers

RHÖN values fair and reliable business relations with its suppliers, including small and medium-sized enterprises (SMEs). RHÖN continuously monitors payment processes and improves them to prevent payment delays and in turn strengthens its partnerships with suppliers. One example of the technical measures taken to safeguard payment transactions is the cash pool which was introduced and which partially automates account overdrafts. Adherence to payment terms is a high priority.

RHÖN concludes no master agreements for the entire supply range but instead concentrates on specific agreements for individual product groups or application areas. This makes it possible to agree on contractual terms precisely tailored to the respective requirements. This also allows us to exclude the possibility of suppliers including SMEs having advantages because of their larger or broader product ranges.

Supplier management approach

As a healthcare Group, RHÖN has a great need for various products and services. These include goods and services for the medical area, administration and commercial items. In addition to that, RHÖN purchases products and services from the areas of technology, medical technology, food, energy as well as disposal and laundry management. These goods and services are purchased mainly from Germany, other European countries and the USA.

The Group division Materials Management is responsible for Company-wide supplier management in particular for consumables, medical supplies and pharmaceuticals. Furthermore, the Group division Materials Management works together with Asklepios Großhandelsgesellschaft mbH to define supplier strategies for each product area. Major suppliers cover 70 to 90% of our requirements. The remaining 10 to 30% come from secondary suppliers or specialised providers. This allows us to avoid over-dependence on single players. For major suppliers, RHÖN together with Asklepios Großhandelsgesellschaft mbH is a major large customer and can therefore secure good terms and conditions of supply. Particularly for sensitive product groups, the Group division Materials Management moreover reviews whether one-or-more-supplier strategies or new supplier channels through direct imports might better cover our needs and prevent potential shortfalls.

A central purchasing company is responsible for operative management of procurement and supplies for the hospitals and medical care centres (MVZs). It also supports users in the order process.

For new employees in the procurement area, the Group division Materials Management has begun developing an onboarding concept on the topic of compliance in financial year 2024. Detailed standard operating procedures (SOPs) and standard procedures moreover inform in-depth about topics like corruption and bribery of risk groups. Training courses in sustainability matters or incentives for employees relating to sustainability in the supply chain are being planned.

RHÖN rates major suppliers by revenue, supplier reliability, quality, compliance, efficiency and supply security. The rating is performed case-by-case and manually. Specialised working groups organised through Asklepios Großhandelsgesellschaft mbH define suitable manufacturer-independent criteria for decisions on master agreements with regard to the quality of products and services. RHÖN holds discussions each year, and beyond that on an ad hoc basis, with suppliers of particular strategic importance.

The basis for the selection of our suppliers is RHÖN's internal purchasing policy. It governs all procurement decisions Group-wide for all subsidiaries of the Group of RHÖN-KLINIKUM AG. Exceptions are possible in the individual case. The purchasing policy describes processes for purchasing and logistics and defines how procurement decisions are to be made. It does not contain any obligation for adherence to external standards or initiatives. When preparing the policy, we did not specifically consider the interests of external stakeholders. The purchasing controlling department with the involvement of the hospitals monitors compliance with the policy and its impacts. First, there are regular audits by the internal audit department. Overall responsibility for implementing the purchasing policy lies with the Board of Management.

RHÖN expects that the requirements for supplier management will continue to change. Increasing statutory requirements and complex geopolitical situations are having an impact on the availability of specific products, raw materials and logistics channels. For this reason, RHÖN is creating suitable storage capacities in its logistics centre with a specific view to building up inventories. This will enable us to better cope with cost increases and address emerging shortages.

Integration of social and environmental criteria

During the reporting year, RHÖN worked on a policy for the systematic screening and evaluation of the social and environmental performance of suppliers. In future, sustainability criteria will be given greater consideration in our procurement decisions. In some areas, individual hospitals already now prefer regional providers, for example when purchasing for local events.

With the help of the Supplier Management System, RHÖN prepares abstract risk analyses. These give an overview of negative impacts and risks for suppliers related to topics, countries, sectors and those affected (including particularly vulnerable groups). In this way countries and locations with high-risk suppliers can be identified.

The abstract risk analysis forms the basis for a broader, specific risk analysis to assess the actual risks. With the supplier management system, any required remediation actions can be requested directly from the supplier concerned and documents. If any specific indications, for example related to child or forced labour, arise – whether in LkSG complaints processes or the existing whistleblower system – RHÖN investigates them. During financial year 2024, there were no specific indications of this nature.

The ESG department will work together prospectively with the RHÖN purchasing subsidiary on a policy for assessing Scope 3 emissions with the objective of including relevant sustainability criteria in purchasing decisions in structured form.

G1-6 Payment practices

The average time RHÖN takes to pay an invoice from the date when the contractual or statutory term of payment starts to be calculated is 25 days.

In purchasing, RHÖN uses a standard master agreement which includes fixed terms and conditions of payment. It is the basis for all supply contracts and ensures uniform and transparent settlement. The normal payment term is 14 days with 3% discount and applies to all suppliers including SMEs. In the individual case, RHÖN, together with the supplier, adjusts the terms and conditions of payment for individual projects. Since RHÖN's ERP system provides no information on the size of suppliers is stored, RHÖN cannot make any distinction between large enterprises (non-SMEs) and small enterprises (SMEs) for payment purposes. No enterprise controlling takes place based on the "SME" and "non-SME" criterion either. It is thus not possible for RHÖN to effect a sub-division by supplier groups. But this by no means puts SMEs at a disadvantage in terms of payment behaviour. At RHÖN there are no practices or work instructions that are disadvantageous for small and medium-sized enterprises in payment behaviour or payment terms. The financial departments are instructed if possible to trigger discounts in the payment of invoices, regardless how big the suppliers are. RHÖN pays 52% of total invoices between 1 and 14 days, 37% between 15

and 30 days, and 11% after 30 days. The metrics were not validated by an external entity.

RHÖN is currently not a party to a court proceeding for payment default.

G1-3 Prevention and detection of corruption and bribery

With its policies for avoiding conflicts of interests and combating corruption and bribery, RHÖN follows the national and European legislation as well as industry standards. The policies are not yet explicitly in line with the United Nations Convention against Corruption. In 2025 RHÖN is planning a relevance analysis and will decide on adjusting the existing policies on that basis.

RHÖN emphatically rejects corruption and bribery in any form. This applies in the relationship both with public officials and with representatives of other organisations, undertakings and suppliers. In connection with any work performed for RHÖN, no one may be granted, promised or even merely offered a personal benefit as consideration for preferential treatment or favours. That also applies for benefits in favour of third parties, for example family members. The mere appearance of exercising an inadmissible influence over business decisions or over official acts in dealings with civil servants has to be avoided.

In its "principles of conduct", RHÖN has enshrined compliance rules for the value chain. These prohibit corruption of any kind and are binding on all employees. They are accessible both internally and externally. In addition to several standard procedures for topics such as interaction with industry and other third parties as well as specific provisions in connection with participation in continued training events, FAQs on "corruption avoidance" are published on the Intranet page of the Central Compliance department.

The Board of Management is informed all reports related to corruption and bribery. Cases of corruption involving a member of the Board of Management would be reported directly to the Supervisory Board. Compliance investigations are organised and conducted by the Compliance department. Depending on the case, experts from other departments or external experts can be involved in handling the matter. For investigations, the four-eyes principle applies.

For the persons in charge of investigations in the Compliance department, the “Compliance” organisational principles apply. The Compliance department works independent of the involved chain of management. This makes it possible to avoid potential conflicts (of interests) and to ensure the cases are handled objectively.

The Central Compliance function communicates the “principles of conduct” and compliance rules firstly to the employees through

training, and secondly also via media such as notices, internal communications and presentations as well as the Intranet “Insight”. For 2025, RHÖN plans to implement the Accessibility Act (Barrierefreiheitsstärkungsgesetz, BFG) in its employee training courses. With this in mind, the Company is working together with an Employee Assistance Programme (EAP) as an external point of contact and with the Federal Office of Equality (Bundesstelle für Gleichberechtigung). The works council will also be engaged in the process.

	Function-at-risk	Senior executives	Corporate bodies	Other own workers
Training coverage				
Total	994	994	–	–
Total receiving training	249	249	–	–
Percentage	25.0%	25.0%	–	–
Delivery method and duration				
In-person training	x	x	0	0
Computer-based training	x	x	0	0
Frequency				
How often training is required?	Annually	Annually	0	0
Topics covered				
Definition of corruption	x	x	0	0
Strategies	x	x	0	0
Procedures on suspicion/detection	x	x	0	0

The metrics for 2024 were collected manually. A definition of functions-at-risk did not exist. In January 2025, an e-learning platform was established at RHÖN. Compliance e-learning related to the principles of conduct and reporting options was activated in this step. In this regard, the employee group “senior executives” was defined as an “at-risk-function” (as at January 2025: 994). In future, the training is to be completed by this group annually. As a result, it will be possible to assess this metric as of 2025. The employee groups defined in 2025 were applied across the board for 2024. It is not completely clear why the 249 trained persons are all senior executives, since the 2024 data basis does not provide any information on that. The working assumption was that training courses on compliance already in 2024 were more likely reserved for senior executives as at-risk-functions. An assessability of this metric will be simplified in 2025 by the adjustments described.

G1-4 Incidents of corruption or bribery

During the reporting year, there were no convictions or fines for violation of anti-corruption and anti-bribery laws.

Incidents of corruption or bribery	2024
24a. Number of convictions for violations of anti-corruption and anti-bribery laws	–
24a. Fines for violations of anti-corruption and anti-bribery laws	–
25a. Total number and nature of confirmed incidents of corruption or bribery [voluntary]	–
25b. Number of incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents [voluntary]	–
25c. Number of incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery [voluntary]	–

To avoid corruption and bribery-related violations, RHÖN has developed measures at the Group level that are being implemented at the local level. In addition to standard procedures related e.g. to giving and accepting gifts, active and passive participation in events and general interaction with industry, these also include ongoing compliance communication among other things in relevant blog entries over the Intranet “Insight”.

Further measures implemented during the reporting year:

- Further development of the Reporting Office for sexual assault, discrimination and violence at the workplace
- Establishing a standard procedure
- Rules of procedure for processing compliance reports

During the reporting year, there were no incidents with players from the value chain related to corruption or bribery which directly affected RHÖN or its employees. The metrics were not validated by an external entity.

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Consolidated balance sheet

AS OF 31 DEZEMBER 2024

ASSETS

in € '000	Notes	31 Dec. 2024	31 Dec. 2023
Non-current assets			
Goodwill and other intangible assets	6.1	173,934	175,928
Property, Plant and Equipment	6.2	764,444	792,108
Investments accounted for using the equity method	6.4	643	533
Other financial assets	6.5	13,350	12,744
		952,371	981,313
Current assets			
Inventories	6.6	37,460	34,214
Trade receivables	6.7	226,896	229,528
Other financial assets	6.8	334,412	297,291
Other assets	6.9	18,016	17,480
Current income tax assets	6.10	7,462	4,656
Cash and cash equivalents	6.11	279,864	206,042
		904,110	789,211
		1,856,481	1,770,524

EQUITY AND LIABILITIES

in € '000	Notes	31 Dec. 2024	31 Dec. 2023
Shareholders' equity			
Issued share capital	6.12	167,406	167,406
Capital reserve		574,168	574,168
Other reserves		554,432	510,542
Treasury shares		-76	-76
Equity attributable to shareholders of RHÖN-KLINIKUM AG		1,295,930	1,252,040
Non-controlling interests in equity		30,042	28,186
		1,325,972	1,280,226
Non-current liabilities			
Financial liabilities	6.13	110,898	141,776
Provisions for post-employment benefits	6.14	0	547
Other provisions	6.15	4,826	5,000
Other financial liabilities	6.17	4,939	7,213
Deferred tax liabilities	6.3	4,993	289
		125,656	154,825
Current liabilities			
Financial liabilities	6.13	31,946	961
Provisions for post-employment benefits	6.14	960	173
Trade payables	6.16	63,510	66,835
Current income tax liabilities	6.19	11,478	8,846
Other provisions	6.15	37,329	34,691
Other financial liabilities	6.17	10,981	11,514
Other liabilities	6.18	248,649	212,453
		404,853	335,473
		1,856,481	1,770,524

Consolidated income statement

1 JANUARY TO 31 DEZEMBER 2024

in € '000	Notes	2024	2023
Revenues	5.1	1,595,619	1,463,979
Other income	5.2	273,439	272,446
		1,869,058	1,736,425
Materials and consumables used	5.3	535,497	488,466
Employee benefits expense	5.4	1,048,494	974,384
Depreciation/amortisation and impairment	5.5	62,623	65,485
Other expenses	5.6	174,157	167,326
Result of impairment on financial assets	5.7	138	365
		1,820,909	1,696,026
Operating result		48,149	40,399
Result of investments accounted for using the equity method	5.9	111	20
Finance income	5.9	11,068	10,519
Finance expenses	5.9	-3,439	-3,688
Result of value increase of financial investments	5.9	315	479
Finance result (net)	5.9	8,055	7,330
Earnings before taxes		56,204	47,729
Income taxes	5.10	10,997	7,562
Consolidated profit		45,207	40,167
of which			
non-controlling interests	5.11	1,856	1,455
shareholders of RHÖN-KLINIKUM AG		43,351	38,712
Earnings per share in €			
undiluted	5.12	0.65	0.58
diluted	5.12	0.65	0.58

Consolidated statement of comprehensive income

1 JANUARY TO 31 DEZEMBER 2024

in € '000	Notes	2024	2023
Consolidated profit		45,207	40,167
of which			
non-controlling interests		1,856	1,455
shareholders of RHÖN-KLINIKUM AG		43,351	38,712
Changes in fair value through other comprehensive income (FVOCI)	6.5	606	-590
Income taxes	6.3	-96	93
Other comprehensive income (changes in fair value through other comprehensive income) not subsequently reclassified to income statement		510	-497
		-	-
Revaluation of defined benefit pension plans	6.14	34	75
Income taxes	6.3	-5	-12
Other comprehensive income (revaluation of pension plans) not subsequently reclassified to income statement		29	63
Other comprehensive income¹		539	-434
of which			
non-controlling interests		-	-
shareholders of RHÖN-KLINIKUM AG		539	-434
Total comprehensive income		45,746	39,733
of which			
non-controlling interests		1,856	1,455
shareholders of RHÖN-KLINIKUM AG		43,890	38,278

¹ Sum of value changes recognised directly at equity.

Consolidated statement of changes in equity

in € '000	Issued share capital	Capital reserve	Retained earnings	Treasury shares	Equity attributable to shareholders of RHÖN-KLINIKUM AG	Non-controlling interests in equity ¹	Equity
As at 31 Dec. 2022/1 Jan. 2023	167,406	574,168	482,304	-76	1,223,802	27,631	1,251,433
Equity transactions with owners							
Dividend payments	-	-	-10,040	-	-10,040	-900	-10,940
Consolidated profit	-	-	38,712	-	38,712	1,455	40,167
Other comprehensive income	-	-	-434	-	-434	-	-434
Other changes							
Changes in consolidated companies	-	-	-	-	-	-	-
As at 31 December 2023	167,406	574,168	510,542	-76	1,252,040	28,186	1,280,226
As at 31 Dec. 2023/1 Jan. 2024	167,406	574,168	510,542	-76	1,252,040	28,186	1,280,226
Equity transactions with owners							
Dividend payments	-	-	-	-	-	-	-
Consolidated profit	-	-	43,351	-	43,351	1,856	45,207
Other comprehensive income	-	-	539	-	539	-	539
Other changes							
Changes in consolidated companies	-	-	-	-	-	-	-
As at 31 December 2024	167,406	574,168	554,432	-76	1,295,930	30,042	1,325,972

¹ Including other comprehensive income (OCI).

Consolidated statement of cash flows

in € million	Notes	2024	2023
Consolidated profit		45.2	40.2
Finance result (net)	5.9	-8.0	-7.3
Depreciation/amortisation and impairment and gains/losses on disposal of assets	5.5	62.6	65.6
		99.8	98.5
Change in net current assets			
Change in inventories	6.6	-3.2	-0.9
Change in trade receivables	6.7	2.6	-0.9
Change in other financial assets and other assets	6.8 f.	-44.9	-51.8
Change in trade payables	6.16	-3.3	-0.3
Change in other net liabilities/other non-cash transactions	6.15/6.17 f.	72.5	69.0
Change in provisions	6.14 f.	2.9	1.0
Income taxes (expenses)		11.0	7.6
Income taxes paid	5.10	-6.6	-9.7
Interest paid		-3.2	-3.5
Cash generated from operating activities		127.6	109.0
Investments in property, plant and equipment and in intangible assets	6.1 f.	-70.4	-62.8
Government grants received to finance investments in property, plant and equipment and in intangible assets		1.1	10.1
Change in investments in fixed term deposits	6.5/6.8	7.5	82.7
Investments in financial assets	6.5	-	-
Acquisition of subsidiaries, net of cash acquired	4	-0.1	-0.2
Sale proceeds from disposal of assets		0.4	0.6
Interest received		11.1	10.5
Cash used in/generated from investing activities		-50.4	40.9
Repayment of financial liabilities	6.13	-	-7.0
Principal payments for leases	9.3	-3.3	-3.3
Dividend payments to shareholders of RHÖN-KLINIKUM AG	6.12	-	-10.0
Payments to non-controlling interests in equity	6.12	-	-0.9
Cash used in financing activities		-3.3	-21.2
Change in cash and cash equivalents	6.11	73.9	128.7
Cash and cash equivalents as at 1 January		206.0	77.3
Cash and cash equivalents as at 31 December		279.9	206.0

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1 | GENERAL INFORMATION

Within the Group of RHÖN-KLINIKUM AG, mainly cross-sector (i.e. inpatient, semi-inpatient and outpatient) healthcare services are provided. With few exceptions, the Group has a single-tier structure. With the exception of Campus Bad Neustadt, the individual hospital companies are organised in the form of legally independent corporations having their registered office at the respective facility sites and are managed as direct subsidiaries of RHÖN-KLINIKUM AG (ultimate Group parent company).

The Company is a public limited company established under German law and has been listed on the stock market since 1989. The registered office of the Company is in Bad Neustadt a. d. Saale, Salzburger Leite 1, Federal Republic of Germany. The Company is entered in the Commercial Register of the Register Court of Schweinfurt (Federal Republic of Germany) under the company registration number HRB 1670. The RHÖN-KLINIKUM Group (smallest consolidation group) is indirectly included by way of full consolidation through AMR Holding GmbH, Königstein im Taunus, Federal Republic of Germany, in the consolidated financial statements of Broermann Holding GmbH, Königstein im Taunus, Federal Republic of Germany (largest consolidation group), whose sole shareholder, after the death of Dr. Bernard große Broermann, is his community of heirs. Furthermore, the RHÖN-KLINIKUM Group is included in the subgroup financial statements of Asklepios Kliniken GmbH & Co. KGaA, Hamburg, Federal Republic of Germany.

2 | ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the basis of uniform accounting policies which have been consistently applied. The functional currency of the Group is the Euro, which is also the currency used for preparing the financial statements. The figures shown in the notes to the consolidated financial statements are generally shown in millions of Euros (€ million). The nature of expense method has been used for presenting the income statement. For computational reasons, rounding differences of +/- one unit (€, %, etc.) may occur in the tables.

2.1 Principles applied to the preparation of the financial statements

The consolidated financial statements of RHÖN-KLINIKUM AG for the year ended 31 December 2024 have been prepared applying section 315 e of the German Commercial Code (Handelsgesetzbuch, HGB) in accordance with International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, as well as the related Interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC), which are the subject of mandatory adoption in accordance with the European Parliament and Council Directive number 1606/2002 concerning the application of international accounting standards in the European Union in financial year 2024. No early adoption of new Standards is planned at this time.

a) New accounting rules from financial year 2024

The following revised standards and interpretations are adopted by the European Union and to be applied as of financial year 2024. As far as can be seen at present, they have no practical relevance for the consolidated financial statements of RHÖN-KLINIKUM AG in financial year 2024 as well as subsequent years:

Standard/Interpretation			Mandatory adoption date	Endorsement ¹	Impact
Amendments	IAS 1	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current	1 January 2024	Yes	No practical relevance
Amendments	IAS 1	Presentation of Financial Statements – Non-current Liabilities with Covenants	1 January 2024	Yes	No practical relevance
Amendments	IAS 7, IFRS 7	Supplier Finance Arrangements	1 January 2024	Yes	No practical relevance
Amendments	IFRS 16	Lease – Lease Liabilities in a Sale and Leaseback	Retrospectively according to IAS 8 as of transition to IFRS 16	Yes	No practical relevance

¹ Adoption of IFRS Standards and/or IFRS Interpretations by the European Union.

The Standards and Interpretations adopted by the European Union are explained below:

Amendments to IAS 1: “Presentation of Financial Statements” – Classification of Liabilities as Current or Non-current, Non-current Liabilities with Covenants

The amendments to IAS 1 adopted in January 2020 relate to a limited adjustment in the assessment criteria for the classification of debt as current or non-current. It is clarified that the classification of debt as current depends on the entity’s rights on the relevant reporting date to defer settlement of the debt by at least twelve months after the end of the reporting period: if such rights exist, the debt is classified as non-current. In this regard, the right to defer the settlement of the debt must have substance. If the entity has to fulfil certain conditions to exercise such a right, these must be fulfilled on the relevant reporting date; otherwise the debt is classified as current.

In this context it is not relevant to the classification of a debt whether the management intends or expects the debt to actually be settled within 12 months of the reporting date. The only decisive factor for the classification is the right existing on the relevant reporting date to defer settlement of the debt by at least twelve months. This also applies if the liability is settled within the adjusting events period.

The amendments (after interim postponement of date of initial application of the amendments from 1 January 2022 to 1 January 2023 by amendments from July 2020) were supplemented by an additional amendment to IAS 1 published in October 2022. The new amendment concerns the classification of debts that are subject to covenants. The IASB clarifies that covenants to be met before or on the reporting date may have an effect on the classification as current or non-current. In contrast, covenants that are only to be met after the reporting date have no influence on the classification. Instead of being taken into account in the classification, such covenants are to be disclosed in the notes. This is intended to enable users of financial statements to assess the extent to which non-current liabilities could become repayable within twelve months.

The amendments, which were incorporated into European law on 19 December 2023, are now to be applied to reporting periods beginning on or after 1 January 2024. Early (joint) application of the amendments is permitted. The amendments are of no practical relevance for RHÖN-KLINIKUM AG.

Amendments to IAS 7 and IFRS 7: “Statement of Cash Flows” and “Financial Instruments: Disclosures” – Supplier Finance Arrangements

The Amendments to IAS 7 and IFRS 7 relate in particular to additional mandatory disclosures in the notes in connection with supplier finance arrangements (frequently taking the form of “reverse factoring”). Under such arrangements, an external financial service provider performs settlement of trade payables where such provider is usually compensated only at a later date. The aim of the additional disclosures in the notes is to create a greater transparency of supplier finance arrangements and their impact on liabilities, cash flows and liquidity risk in the financial statements.

The required disclosure obligations in particular affect the terms and conditions of contract, the carrying amount of the payables, the objective of reverse factoring arrangements, the balance sheet items and the amount of the payables for which the suppliers have already received payments from the bank or the factor. Moreover, the ranges of payment due dates of the payables forming the objective of reverse factoring arrangements as well as information on the impact on liquidity risks are to be disclosed.

The amendments adopted into European law on 15 May 2024 are to be applied to financial years beginning on or after 1 January 2024 and are of no practical relevance for RHÖN-KLINIKUM AG.

Amendments to IFRS 16: “Leases” – Lease Liability in a Sale and Leaseback

With the amendments to IFRS 16 “Leases”, provisions on the subsequent measurement in a sale and leaseback are incorporated in the Standard. The Standard IFRS 16 up to now did contain specific provisions on the initial measurement of the liability in a sale and leaseback, but no specific provisions on the subsequent measurement of such liability. The adjustment of the Standard now requires the lease liability to be measured in a way that no amount of gain or loss relating to the right of use retained arises. For this purpose, the lessee is required to define an accounting method for determining the lease payments which meets this requirement. The IASB did not lay down any specific method, but included a new example in the illustrative examples. The amendments, which were incorporated into European law on 20 November 2023, are to be applied retrospectively in accordance with IAS 8 as of the transition to IFRS 16. They have no practical relevance for RHÖN-KLINIKUM AG.

b) New accounting rules from financial year 2025 and subsequent financial years

The following Standards and Interpretations amended by the IASB – to the extent adopted by the European Union – are applicable as

of financial year 2025/subsequent years and are of no practical relevance for, have no material impact on the consolidated financial statements of RHÖN-KLINIKUM AG or are subject to a review by management:

Standard/Interpretation			Mandatory adoption date	Endorsement ¹	Impact
Amendments	IAS 21	The Effects of Changes in Foreign Exchange Rate – lack of convertibility	01 January 2025	Yes	No practical relevance
Amendments	IFRS 9, IFRS 7	Contracts relating to nature-dependent electricity	01 January 2026	No	Subject to review by management
Amendments	IFRS 9, IFRS 7	Changes to the classification and measurement of Financial Instruments	01 January 2026	No	Subject to review by management
Amendments	IFRS 10, IAS 28	Consolidated Financial Statements and interest in associates - Unrealised gains or losses from transactions between with an investor and an associate or joint venture	Indefinitely postponed	No	No material impact
New	IFRS 18	Presentation und Disclosure in Financial Statements – Improve presentation of financial information and enhanced transparency and comparability of Financial Statements	01 January 2027	No	Subject to review by management
New	IFRS 19	Reduced disclosure requirements for subsidiaries without their own public accountability	01 January 2027	No	No practical relevance
Amendments	Annual Improvements to IFRS: Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	Collective Amendment Standard with Eight Amendment Items	01 January 2026	No	Subject to review by management

¹ Adoption of IFRS Standards and/or IFRS Interpretations by the European Union.

The Standards and Interpretations already adopted by the European Union are explained below:

Amendments to IAS 21: “The Effects of Changes in Foreign Exchange Rates” – lack of convertibility

The amendments to Standard IAS 21 contain guidance specifying when a currency is exchangeable and how the exchange rate is to be determined when it is not exchangeable. A currency is exchangeable into another currency if, at the measurement date, an entity is able to exchange such currency into another currency for a specified purpose and within a time frame that allows for a normal administrative delay through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. A currency is not exchangeable into another currency if an entity can obtain an only insignificant amount in the other currency. If a currency is not exchangeable at the measurement date, the entity shall estimate the spot exchange rate which accurately reflects the rate at which an orderly exchange transaction would have taken place at the measurement date between market participants

under prevailing economic conditions. If a currency is not exchangeable, the entity shall provide information that enables the users of its financial statements to understand how the currency not being exchangeable into another currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

The amendments adopted into European law on 12 November 2024 are to be applied to financial years beginning on or after 1 January 2025 and are of no practical relevance for RHÖN-KLINIKUM AG.

By the end of the date of preparation of the consolidated financial statements, the other Standards and Interpretations were not yet adopted by the European Union. For that reason, no detailed explanation of these Standards and Interpretations is given.

c) Estimates

The preparation of consolidated financial statements in accordance with IFRS requires assumptions and estimates. In addition, the application of the consolidated accounting policies requires management reporting. Areas of greater judgment or complexity or where assumptions and estimates are critical to the financial statements are identified and explained. The consolidated financial statements were prepared on the basis of historical costs of acquisition or production, limited by financial assets and financial liabilities recognized at fair value and investments not recognized in profit or loss. In addition, reference is made to item 3 “Critical estimates and assessments in accounting and valuation” in these notes to the financial statements.

d) Publication

The consolidated financial statements prepared by the Board of Management on the signing date expected to be approved by the Supervisory Board on 26 March 2025 and released for publication.

2.2 Consolidation

The annual financial statements of the companies included in the consolidated financial statements have been prepared in accordance with uniform accounting and valuation principles in relation to the same date as the consolidated financial statements.

2.3 Subsidiaries

As a general rule, subsidiaries are all entities (including structured entities) which a group has the ability to them in accordance with IFRS 10. When assessing whether control exist, it is verified whether the parent company has power over the subsidiary, obtains positive or negative variable returns and can influence the amount of such returns through exercising its power.

Subsidiaries are included in the consolidated financial statements (full consolidation) from the date that the Group obtains control and are deconsolidated when the control ends. Acquired subsidiaries are accounted for using the purchase method.

The cost of acquisition is the fair value at the transaction date of the transferred assets, the equity instruments issued and the liabilities incurred or assumed. They also contain the fair values of all recognised assets and liabilities resulting from a contingent consideration agreement. Assets, liabilities and contingent liabilities identifiable in a business combination are measured at their fair values at acquisition date at initial consolidation. For each acquisition, the Group decides on an individual basis whether the non-controlling interest in the acquired company is recognized at fair value or in the proportional interest in the net assets of the acquired company. Costs relating to the acquisition are expensed as incurred.

In the event of a successive business combination, the previously acquired equity capital share of the company is redetermined at its fair value applicable at the acquisition date. The resulting profit or loss is recognised in the income statement.

The goodwill is calculated as the value of the surplus of the acquisition costs, the amount of the uncontrolling interest in the acquired company and the fair value of all equity interests held at acquisition date over the Group's share of the net assets at fair value. If the cost of acquisition is less than the acquired subsidiary's net assets at fair value, the difference is recognized directly in the income statement. Intercompany transactions and balances, as well as unrealized gains and losses on intercompany transactions, are eliminated. The accounting policies of subsidiaries are adjusted as necessary to ensure consistent accounting across the group.

2.3.1 Transactions with non-controlling interests

Transactions with non-controlling interests are treated as transactions with equity investors. Any difference arising on acquisition of a non-controlling interest between the consideration paid and the relevant share in the carrying amount of the subsidiary's net assets is recognised in equity. Positive or negative effects arising on disposal of non-controlling interests are also recognised in equity. This applies only to the extent the disposal does not give rise to any loss of control.

2.3.2 Associated companies and joint ventures

Associated companies are those companies over which the Group has a substantial influence. A substantial influence is presumed to be refutable if the share of voting rights is between 20.0% and 50.0%. Investments in associated companies and jointly controlled entities (joint ventures) are accounted for using the equity method and initially recognised at cost. The Group's interest in associated companies and jointly controlled entities includes the goodwill arising on acquisition (less accumulated impairment losses).

The Group's interest in the profits and losses of associated companies or joint ventures is recognised in the income statement as of the date of acquisition and the cumulative changes are offset against the carrying amount of the investment. Changes in equity without effect in profit or loss are not to be considered. If the Group's share in the loss of an associate or joint venture is equal to or greater than the Group's share in this company including other unsecured receivables, no further losses are recognised unless the Group has entered into an obligation for the associate or jointly controlled entity or has made payments for them.

Unrealised intercompany profits or losses from transactions between Group companies and associated companies or joint ventures are eliminated on a pro rata basis if the underlying circumstances are material.

As part of an impairment test, the carrying amount of a company accounted for using the equity method is compared with its recoverable amount. If the carrying amount exceeds the recoverable amount, an impairment equal to the difference must be recognised. If the reasons for a previously recognised impairment do not exist anymore, the impairment is reversed through the income statement.

The financial statements of investments accounted for using the equity method are prepared using uniform accounting principles within the Group. Associated companies whose individual or overall impact on the net assets and results of operations is not material are not accounted for using the equity method. They are included in the consolidated financial statements at fair value. Immaterial equity interests are measured at fair value through profit or loss.

2.3.3 Divestment of subsidiaries and associated companies

If the Group loses either control or significant influence over a company, the remaining interest is re-measured at fair value and the resulting difference recognised as profit or loss. Fair value is the fair value calculated upon the initial recognition of an associate, joint venture or financial asset. Moreover, all amounts stated in other income are recognised with reference to such company in the same way as would be required if the related assets and liabilities had been sold by the parent company directly. This means that a profit or loss previously recognised under other income is reclassified to the income statement. If it cannot be reclassified to the income statement, it remains in equity (e.g. actuarial profits or losses from pensions).

2.3.4 Segment reporting

Under IFRS 8 “Operating Segments”, segment information on operating segments is presented in accordance with the internal reporting to the chief operating decision maker (management approach).

An operating segment is an integral part,

- of the business that generates revenue and may incur expenses. This includes all revenue from sales in connection with the provision of services, which is carried out directly and indirectly with patients, as well as all expenses necessary for the provision of services,
- whose operating result is regularly reviewed by the company’s chief decision maker to make decisions about resources to be allocated to this segment and assess its earnings strength, and
- for whom separate financial information is available.

The chief decision making body in our Group is the Board of Management. Strategic decisions for the Group are made in this committee, and the indicators of the hospitals that constitute our operational segments are regularly reported to this committee.

Monthly reporting to the Board of Management includes the hospitals. Group management costs are fully distributed to the operating segments. The monthly plan-to-actual and actual-to-actual comparison in the report to the Board of Management, by aggregating the operative segments into one reporting segment, serve to control the plan figures published in the Company forecast.

Based on our understanding of an integrated healthcare service offering, we do not make any distinction in control by whether the services as defined in German social insurance legislation are attributed to the inpatient or the outpatient sector, or to the rehabilitation or care sector. All expenses and income which are directly or indirectly related to patients are included under the operating segments.

The operating segments are aggregated to one reporting segment since they exhibit similar economic characteristics. As a result of the same structural framework conditions, the operating segments in the Group with the healthcare services provided are characterised by a similar opportunity and risk profile whose economic environment is largely regulated by legislation. The politically intentional state intervention is based on both the revenue side and the expenses. This enables the operating segments to achieve comparable EBITDA margins. As such, we have only one reportable business segment.

We generate all revenues for all our areas of activity in Germany. We generate most of our revenues in the inpatient, outpatient, rehabilitation and care area with the statutory health insurance funds, the state pension insurance agency, the statutory occupational insurance agencies and the other public healthcare institutions. Only a small share of revenues is generated with private health insurance funds or self-payers. Regarding the breakdown of revenues by business areas and federal states, we refer to section 5 of the Notes.

2.4 Goodwill and other intangible assets

2.4.1 Goodwill

Goodwill is the excess of the cost of the business combination over the Group's interest in the fair value of the net assets of the acquired company at the acquisition date. Goodwill arising on acquisitions is allocated to intangible assets. Goodwill is at least subject to an annual impairment test and measured at its historical cost less any impairment losses. A review also occurs when there are events or circumstances indicating that the value might be impaired. Reversal amounts are not taken into account. Profits and losses arising on the sale of a company include the carrying amount of the goodwill allocated to the company sold.

For the purpose of the impairment test, goodwill is allocated to cash generating units (CGUs). At RHÖN-KLINIKUM AG these correspond as a rule to the individual hospitals (each hospital site with its inpatient, semi-inpatient and outpatient care structures including any existing rehabilitation facilities) unless the related goodwill of co-operating units is monitored at a higher level.

If the recoverable amount is below the carrying amount, an impairment is recognised. Here, the recoverable amount is the higher of the two fair value amounts less costs to sell the asset and its value in use.

An asset is impaired if the carrying amount of the asset exceeds its recoverable amount. According to IAS 36, the recoverable amount is the higher of the two fair value amounts less costs to sell an asset (fair value less costs of disposal) and the value in use of an asset. Further assumptions are a stable utilisation and a reasonable and uniform development in payroll costs throughout the group. Special assumptions need to be made regarding the development of the uniform state base values as well as the probable budget development and thus the development of remuneration. The company plan figures also reflect the heightened regulatory interference by the German legislator, such as the Regulation on Nursing Staff Floors (Pflegepersonaluntergrenzen-Verordnung, PpUGV), the Nursing Staff Strengthening Act (Pflegepersonalstärkungsgesetz, PpSG) and the minimum volume requirements. Cash generating units (CGUs) are defined by site, across medical sector boundaries.

The recoverable amount of a CGU is determined by determining the usage value using the DCF procedure, whereby CGU-individual assumptions as well as generally applicable assumptions are used for all CGUs bearing goodwill.

2.4.2 Computer software

Purchased computer software licences are recognised at cost plus the cost for conversion into ready-to-use condition. These costs are amortised over the estimated useful life (three to seven years, straight-line method), and are shown under "depreciation/amortisation and impairment expense" in the income statement. Costs relating to the development of websites or maintenance of computer software are expensed as incurred if the conditions for capitalisation are not satisfied pursuant to IAS 38.

2.4.3 Other intangible assets

Other intangible assets are recognised at historic cost and – to the extent available for use – amortised over their respective useful lives (three to five years) using the straight-line method, and are shown under "depreciation/amortisation and impairment expense" in the income statement.

2.4.4 Research and development expenses

Research costs are recognised as current expenditure in accordance with IAS 38. Development costs are capitalised if all the criteria of IAS 38 are satisfied. There are no development costs that meet the criteria for capitalisation.

2.5 Property, plant and equipment

Land and buildings are reported under "Property, plant and equipment" and mainly comprise hospital buildings. In the same way as the other items of property, plant and equipment, they are valued at cost less any depreciation. Cost includes the expenditure directly attributable to the acquisition or construction of an asset as well as any overheads attributable to construction. Subsequent costs are recognised as part of the cost of the asset or – where applicable – as a separate asset only if it is probable that future economic benefits associated with the asset will accrue to the Group and if the cost of the asset can be measured reliably. All other repair and maintenance work is recognised as expenditure in the income statement in the financial year in which it is incurred.

Property, plant and equipment are tested for impairment if events or changed circumstances suggest that an impairment may have occurred. In such a case, the impairment test is performed pursuant to IAS 36 according to the principles explained for intangible assets. Where an impairment is to be made, the remaining useful life of the asset may be adjusted accordingly. If the reasons for a previously recognised impairment have do not exist anymore, such impairment losses are reversed, in which case such reversal may not exceed the carrying amount that would have resulted if no impairment had been recognised in the previous periods.

Land is not depreciated. All other assets are depreciated straight line, whereby the acquisition costs are depreciated to the residual carrying amount over the expected useful life of the assets as follows:

Asset	Duration of use
Buildings	33 0 /3 years
Machinery and equipment	5 to 15 years
Other plant and equipment	3 to 12 years

The net book values and useful economic lives are reviewed at each balance sheet date and adjusted where applicable. Profit and losses on the disposal of assets are determined as the difference between the disposal proceeds and the carrying amount and recognised through profit or loss.

2.6 Government grants

Government grants are recognised at fair value if it can be assumed with reasonable assurance that the grant will be received and that the Group has satisfied the necessary conditions for this. Government grants for investments are deducted from cost to arrive at the carrying amount for the assets to which they relate. They are distributed as a reduction in expenses over the expected useful life of the related assets using the straight-line method. Such grants are granted to hospitals within the framework of investment finance legislation. Grants not yet used for their intended purpose are recorded under “Other liabilities” at the balance sheet date.

Government grants are recognised on a systematic basis either in profit or loss, and during periods in which the Company applies corresponding expenditures which the government grants are intended to cover as expenses.

2.7 Impairment of property, plant and equipment and intangible assets (excl. goodwill)

The Group assesses on every balance sheet date whether there are any indications that an asset might be impaired. If such indications exist or if an annual impairment test has to be performed in relation to an asset, the Group estimates the recoverable amount. If it is not possible for independent inflows to be allocated to the individual asset, the Group estimates the recoverable amount for the cash generating unit to which the asset belongs. The recoverable amount is the higher of the fair value of the asset less costs to sell it and its value in use. If the carrying amount of an asset exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. In order to calculate the value-in-use, the estimated future cash flows are discounted to their present value using a discount rate before taxes which reflects the current market expectation with regard to the interest effect and the specific risks of the asset. Impairments are shown in the income statement under the item “Depreciation/amortisation and impairment expense”.

At each balance sheet date, an examination is carried out to determine whether there are indications that an impairment loss that was recognised in earlier reporting periods no longer exists or may have decreased. If such an indication exists, the recoverable amount is estimated. An impairment previously recognised has to be reversed if there has been a change in the estimates used for determining the recoverable amount since the last impairment was recognised. If this is the case, the carrying amount of the asset has to be increased to the recoverable amount of the asset. However, this may not exceed the carrying amount which would have resulted after taking into account the planned depreciation/amortisation if no impairment had been recognised in previous years. Any such reversal of a prior impairment has to be recognised immediately in the profit or loss for the period. After a prior impairment has been reversed, the amount of depreciation/amortisation in future reporting periods has to be adjusted in order to systematically distribute the revised carrying amount of the asset, less any residual value, over the remaining useful life of the asset.

2.8 Financial assets

Financial assets in principle comprise receivables, other financial assets, equity instruments, derivative financial instruments with positive fair values, and cash.

These financial assets are generally classified into the following categories as defined in IFRS 9:

- Measured at fair value through profit or loss
- Measured at fair value directly in equity (fair value through other comprehensive income, without recycling)
- Measured at amortised cost
- Measured at fair value directly in equity (fair value through other comprehensive income, with recycling)

All purchases and sales of financial assets are recognised at the settlement date, i.e. the date when the purchase or the sale is transacted. Derivative financial instruments are recognised on the trading date. Initial recognition of financial assets not measured as at fair value through profit or loss takes place at fair value plus transaction costs.

Assets measured at fair value directly in equity (fair value through other comprehensive income, without recycling) are measured after initial recognition at their fair values. Financial assets in the category of 'amortised cost' are accounted for at amortised cost using the effective interest method. Financial assets are derecognised if the rights to payments from the investment expire or have been transferred and the Group has substantially transferred all the risks and rewards of ownership of the financial asset.

Investments in equity instruments (equity interests) are accounted for in accordance with IFRS 9 at RHÖN-KLINIKUM AG as fair value through other comprehensive income (without recycling). These are strategic investments and the Group considers this classification to be more meaningful. Related profit and loss from the sale are not reclassified in the income statement.

If financial assets do not have an active market or are unlisted assets, fair values are determined using appropriate measurement methods. These may include references to recent transactions between independent business partners, the use of current market prices of other assets that are substantially similar to the asset under consideration, discounted cash flow methods, as well as option price models which make as much use as possible of market data and as little use as possible of company-specific data.

At each balance sheet date it is reviewed whether any losses incurred or already expected losses are to be recognised. On each balance sheet date it is reviewed whether any losses incurred or already expected losses are to be recognised. If the default risk has deteriorated significantly (e.g. if the financial asset can no longer be allocated to the investment grade rating category), all expected losses as of that point in time are recognised over the entire term.

Otherwise, only those losses expected over the term of the instrument are taken into account which result from future potential loss events within the next twelve months.

Within the Group of RHÖN-KLINIKUM AG, the general impairment model is essentially applied to fixed deposit investments. In this regard, the expected credit loss is calculated taking into account external ratings, rates of insolvency as well as future-oriented information on credit default swaps (CDS).

2.8.1 Assets measured at fair value directly in equity (fair value through other comprehensive income, without recycling)

Investments in equity instruments do not fulfil the cash flow conditions as defined in IFRS 9; they must always be measured at fair value. For equity instruments not held for trading, an entity has the irrevocable right to use the fair-value OCI option at initial recognition. Within the Group of RHÖN-KLINIKUM AG, equity investments in the amount of € 13.3 million (previous year: € 12.7 million) are measured at fair value (fair value through other comprehensive income, without recycling).

2.8.2 Assets measured at amortised costs

Financial assets held as part of a business model whose purpose consists in holding assets to collect the contractual cash flows are measured at amortised cost provided that the assets also fulfil the cash flow conditions as defined in IFRS 9.

When assessing whether cash flows are realised through collection of the contractually agreed payments from the financial asset, the frequency and scope of the sales in earlier periods are to be considered, furthermore whether the assets sold were about to mature, as well as the reasons for such sales and the expectations with respect to the future sales activities.

Within the Group of RHÖN-KLINIKUM AG, trade receivables, other financial assets as well as cash and cash equivalents are allocated to this category.

2.9 Inventories

Inventories within the Group of RHÖN-KLINIKUM AG are materials and supplies. These are measured at the lower of cost (including transaction costs) and net realisable value. Cost of inventories is determined by the weighted-average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to sell.

2.10 Trade receivables

Trade receivables are initially recognised at the transaction price plus any transaction costs and subsequently measured at amortised cost less impairments. The Group conducts the majority of its sales with the statutory health insurance funds. The essential part of claims from deliveries and services also exists towards statutory health insurance funds. For calculating expected credit losses, we have used the country default risk for the Federal Republic of Germany as a basis for this category of receivables. In the case of the other receivables, the Group uses age structure lists and empirical values from the past as the basis for collectively estimating the percentage of expected credit losses as at the balance sheet date in relation to the period of time overdue. Macroeconomic risks are taken into account with a time lag in the assessment through the country default risk of the Federal Republic of Germany or through the individual receivables defaults. Receivables are derecognised within the Group of RHÖN-KLINIKUM AG after expiry of the legally prescribed limitation periods or after conclusion of unsuccessful insolvency proceedings. In addition, the Group recognises specific valuation allowances if, as a result of particular circumstances, it is not likely that trade receivables will be recovered.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and other short-term, highly liquid financial assets with original maturities of up to three months. Utilised bank overdrafts are shown on the balance sheet as liabilities to banks under the item "Current financial liabilities".

2.12 Equity

Ordinary shares are classified as equity. Costs that are directly attributable to the issuance of new shares are recognised in equity (net of tax) as a deduction from the issuance proceeds.

If a company in the Group acquires treasury shares of RHÖN-KLINIKUM AG, the value of the consideration paid including directly attributable additional costs (net of tax) is deducted from the equity capital attributable to shareholders of the company until the shares are either redeemed, re-issued or re-sold. If such shares are subsequently re-issued or re-sold, the consideration received, net of directly attributable additional transaction costs and related income tax, is recognised in the equity attributable to the shareholders of RHÖN-KLINIKUM AG.

2.13 Financial liabilities

Financial liabilities generally consist financial debt (including the negative fair values of derivative financial instruments), trade payables as well as other financial liabilities. Loan liabilities are classified as current liabilities unless the Group has the unconditional right to postpone settlement of the liability to at least twelve months from the balance sheet date.

Financial liabilities as well as financial debt are initially recognised at fair value (less transaction costs). In subsequent periods they are measured at amortised cost; any difference between the amount paid (after deduction of transaction costs) and the repayment amount is recognised over the term of the loan in the income statement in the finance result using the effective interest method.

Derivative financial instruments, if any exist, are measured at fair value. For current financial liabilities this means that they are recognised at their repayment or settlement amount.

2.14 Current and deferred taxes

Current and deferred taxes comprise the tax expense for the period. Taxes are recognised in the income statement unless they relate to items which were directly recognised in equity or in other income. In this case, taxes are also recognized in equity or other comprehensive income.

Deferred tax is recognised using the liability method for any temporary differences between the tax carrying amounts of assets and liabilities and the respective IFRS consolidated carrying amounts. If, however, in a transaction which is not a business combination, deferred tax arises from the initial recognition of an asset or liability which at the time of the transaction affects neither accounting nor taxable profit or loss, no deferred tax is recognised. Deferred taxes are measured subject to the tax rates (and tax laws) that apply or have been substantively enacted on the balance sheet date and that are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled. Deferred taxes have been calculated using a corporate income tax rate of 15.0% (plus the 5.5% solidarity surcharge on corporate income tax).

Deferred tax assets are recognised to the extent it is probable that they will result in a tax benefit when offset against taxable profits.

Deferred tax liabilities in connection with temporary differences arising from equity interests in subsidiaries are always recognised unless the point in time of the reversal of the temporary differences can be controlled by the Group and a reversal of the temporary differences is not probable in the foreseeable future.

2.15 Employee benefits

2.15.1 Pension obligations and other long-term benefits due to employees

Various pension plans exist within the Group. These plans are financed by payments to insurance companies or pension funds or by recognising provisions (direct commitments) whose amount is based on actuarial calculations. The Group has both defined benefit and defined contribution pension plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (insurance company or pension fund). The possibility of claims being asserted against the Group for payment of additional contributions exists only within the scope of subsidiary liability. Since RHÖN-KLINIKUM AG regards the risk of default of an insurance company or pension fund as extremely low, such commitments are accounted for as defined contribution plans.

For defined contribution plans the Group pays contributions to state or private pension insurance plans based on statutory or contractual obligations. The Group has no further payment obligations other than the payment of the contributions. The contributions are recognised under the employee benefits expense item when due.

A defined benefit plan is a pension plan that does not fall under the definition of a defined contribution plan. It typically stipulates the amount of pension benefits that an employee will receive on retirement which is usually dependent on one or several factors such as age, length of service and salary.

The provision stated in the balance sheet for defined benefit plans is equal to the present value of the defined benefit obligation (DBO) at the balance sheet date. The DBO is calculated annually by an independent actuary using the projected unit credit method. The present value of the DBO is calculated by discounting the expected future cash outflows with the interest rate of high quality corporate bonds issued in the currency in which the benefits are paid and whose terms are consistent with those of the pension obligation.

Actuarial gains and losses resulting from changes in actuarial assumptions and/or from discrepancies between earlier actuarial assumptions and the actual development are recognised directly at equity in the period in which they occur giving due regard to deferred tax. In this way the balance sheet – after deduction of any existing plan assets – shows the full scope of the obligations avoiding fluctuations in expenses that may arise in particular in the case of changes in the calculation parameters. The actuarial gains and losses recognised in the respective reporting period are shown separately as “revaluations of defined benefit pension plans” in the statement of comprehensive income.

Pursuant to IAS 19, past service cost, i.e. all changes in benefits diminishing the defined benefit obligation, are fully recognised in the income statement at the time of the plan modification.

Multi-employer plans

On the basis of collective agreements, the Group pays contributions to the Federal and State Pension Scheme (VBL) and other public service pension schemes (Bayerische Versorgungskammer-Zusatzversorgung, BVK) for a certain number of employees. The supplementary pension schemes are public-law corporations or institutions. The contributions are paid on a pay-as-you-go (PAYGO) basis. This financing structure carries the risk of rising contributions through the levy of reform imposts that may be charged unilaterally or disproportionately to employers.

The present plans are multi-employer plans (IAS 19.8) since the participating companies share both the risk of the capital investment and the actuarial risk. In principle, the VBL/BVK benefit plan is to be classified as a defined benefit plan (IAS 19.38), but the information needed for an objectively correct representation of the Group's share of the future payment is not available due to the existing PAYGO financing regime. Because of such PAYGO financing approach in which the levy rate is calculated for a certain coverage layer on the basis of the aggregate insurance portfolio and not on the basis of the individual risk of insureds, the benefit plan pursuant to IAS 19.34 is to be recognised as a defined contribution plan. Since no agreements within the meaning of IAS 19.37 exist, there is no recognition of a corresponding asset or liability. The recognition of any liability item in the balance sheet is subordinate to priority-ranking guarantee obligations of public-law entities.

The current contributions to the VBL/BVK are reflected in the employee benefits item as pension expenses or post-employment benefits for the respective years.

In addition to the levy, the VBL also levies reform imposts from the participating employers with compulsory insurees in the separately organised and managed settlement class Abrechnungsverband West. In financial year 2024, the reform impost amounted to 0.00% (previous year: 0.00%) of the insured remunerations.

In the settlement class Abrechnungsverband West, the VBL finances its benefits through a PAYGO approach taking the form of a modified defined period-based funded approach (Abschnittsdeckungsverfahren). The current defined period covers 2023 to 2033. The levy rate is assessed in such a way that the contribution to be paid for the duration of the defined period together with the other income expected and the available assets suffices to settle the expenditures during the defined period and the period of six months thereafter. Since 1 January 2023, the levy rate has been 7.30% (previous year: 7.30%) of the remuneration subject to supplementary pension payments, of which employers pay a share of 5.49% (previous year: 5.49%) and employees a share of 1.81% (previous year: 1.81%). The contribution rate in the BVK, depending on the year of the employee's entry, is between 4.80% (previous year: 4.80%) and 7.75% (previous year: 7.75%).

Given insufficient information, it is not possible to make any statement on the level of participation in the pension schemes based on the contributions paid by the Group of RHÖN-KLINIKUM AG compared with the aggregate payments to the VBL and other public service pension schemes (BVK).

In the event of a VBL participation being terminated, the legal consequences arising therefrom are defined in section 23 of the VBL Rules. Termination of a VBL participation also triggers the end of the mandatory insurance schemes. Since the VBL also continues to settle the pension claims and entitlements arising up to the end of the participation, the withdrawing party, as compensation, is required to pay an equivalent value which does not include those components financed under the funded scheme. This equivalent value comprises the full funding of existing entitlements and coverage of administrative expenses as well as future benefit claims. The supplementary pension insurance scheme ZKV also stipulates a similar provision. Since in the case of withdrawal from PAYGO financing the risks of the other participants of the system also have to be compensated pro rata, a plausible actuarial calculation can be made only by the pension fund itself.

Membership in VBL/BVK exists only due to the acquisition of hospitals from public ownership. Universitätsklinikum Gießen und Marburg GmbH is a member of the VBL, and RHÖN-Kreisklinik Bad Neustadt GmbH is a member of the BVK.

2.15.2 Termination benefits

Termination benefits are provided if an employee is made redundant before the normal retirement date or accepts voluntary redundancy in return for severance compensation. The Group recognises severance compensation payments if it is committed to terminating the employment of current employees subject to a detailed formal plan which cannot be rescinded or is committed to paying severance compensation if employees accept voluntary redundancy. Termination benefits which fall due more than twelve months after the balance sheet date are discounted to their present value.

2.15.3 Management profit sharing and employee profit sharing

Management profit sharing and employee profit sharing are recognised as liabilities using a measurement method based on the consolidated result or the results of consolidated subsidiaries. For target agreements, a liability is recognised on the basis of the target achievement rates. The Group recognises a liability in cases where a contractual obligation exists or an obligation arises from a past practice.

2.16 Provisions

Provisions for restructuring and legal obligations are recognised when the company has an obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in the future, and the value of the outflow of resources can be reliably determined. Restructuring provisions essentially include the costs of early termination of employment contracts with employees.

Where there are a number of similar obligations, the probability of an outflow of resources being required for settlement is assessed based on an aggregate view of such similar obligations. A provision is also recognised if the probability of outflow for any one of such obligations is deemed to be low.

Provisions are measured as the present value of the payments expected to be required to settle the obligation if the respective discounting is material. For this purpose, discounting is effected at a risk-free interest rate. Risk premiums are taken into account in the measurements of the future cash outflows. Increases in the value of provisions based on interest effects reflecting the passage of time are recognised as interest expense in the income statement.

2.17 Revenue recognition

Revenue is recognised at the fair value of the consideration received for the provision of services and for the sale of products. Revenue from intra-group goods and services is eliminated by way of consolidation. Revenue is recognised as follows.

2.17.1 Inpatient and outpatient hospital services

Hospital services are recognised on the one hand in the financial year in which the services are performed by reference to the stage of completion as a proportion of the total services to be performed. Charges agreed with the payers are essentially invoiced at fixed rates irrespective of the duration of stay. With the Act on Strengthening Nursing Staff (Pflegerpersonal-Stärkungsgesetz, PpSG), nursing payroll expenses were removed from the duration-of-stay-independent flat-rate fees for direct patient care on wards with their own beds. For these nursing services, separate budgets are agreed with the healthcare funds for each hospital. Invoicing with the payers is based on daily nursing fees of each hospital. In other sub-areas such as in psychosomatic facilities, flat-rate same-day nursing rates are invoiced. In the outpatient area, the individual services and medical aids are invoiced based on the schedules of benefits applicable to the respective area.

Hospital services are limited in terms of their volume as part of an agreed budget. As a result, service volumes exceeding the budget and service volumes falling short of the budget are to be mutually offset under statutory provisions. Budget-restricting provisions are also being applied in the outpatient area. Further notes are provided under point 3.2 "Revenue recognition".

2.17.2 Interest income

Interest income is recognised on a pro rata basis using the effective interest method.

2.17.3 Income from distribution and dividends

Dividend income is recognised when the right to receive payment is established.

2.18 Leases

Standard IFRS 16 defines a lease as a contract which conveys the right to use an asset for a period of time in exchange for consideration.

As a rule, every lease is to be recognised with the lessee on the balance sheet in the form of a right of use and a lease liability. The lease liability is measured in accordance with the lease payments outstanding discounted with the incremental borrowing rate if it is not possible to calculate the interest rate implicit in the lease. The present value calculation is therefore as a rule based on the incremental borrowing rates. The right of use as a general rule is measured at the amount of the lease liability plus any initial direct cost. During the lease term, the right of use is to be depreciated and the lease liability updated using the effective interest method and taking into account the lease payments.

For leases with a term of twelve months maximum as of 1 January 2019 as well as leases relating to low-value assets, no right of use and no lease liability will be applied in the balance sheet and the lease payments will continue to be recognised as an expense as thus with a negative effect on EBITDA in the income statement.

2.19 Borrowing cost

If borrowed capital is used, the costs of borrowing are deducted from the corresponding items and are distributed using the effective-interest method. Moreover, the interest is then recognised as current expense. Borrowing cost incurred in connection with the acquisition/construction of qualifying assets are capitalised during the entire production process until commissioning. Other costs of borrowing are recognised as an expense.

2.20 Dividend payment

Shareholders' claims to dividend payments are recognised as a liability in the period in which the corresponding resolution is adopted.

2.21 Financial risk management

2.21.1 Financial risk factors

The assets, liabilities and planned transactions of RHÖN-KLINIKUM AG are subject to the following risks in particular:

- credit risk
- liquidity risk
- interest rate risk

The aim of financial risk management is to limit the above risks through ongoing operational activities as well as the use of derivative and non-derivative (e.g. fixed-interest loans) financial instruments. In principle, derivative financial instruments may be entered into for hedging purposes, i.e. they are not used for trading or speculative purposes.

In principle, financial instruments to limit counterparty risk are only concluded with leading financial institutions that have at least an investment grade rating.

Financial risk management is conducted by the division Accounting, Tax, Controlling, Finance and Investor Relations under the supervision of the CFO in line with the policies adopted by the Board of Management and the Supervisory Board. Risks are identified and measured by the Board of Management working together with the operational units of the Group. The CFO defines both the principles for interdivisional risk management and the policies for certain areas such as the management of interest rate and credit risks, the use of derivative and non-derivative financial instruments as well as the investment of liquidity surpluses.

2.21.2 Credit risk

The Group provides the majority of its benefits to members of the statutory social insurance and otherwise to payers covered by private health insurance. There are no significant concentrations with respect to individual payers. The cost of hospital services is normally settled by payers within the legally prescribed period. With regard to the default risks in financial year 2024, please refer to our comments in the sections "Trade receivables" and "Other financial assets". The maximum risk of default is equal to the aggregate amount of the financial assets (less impairments) recognised on the balance sheet. Counterparty risks from entering into financial transactions are minimised by complying with rules and limits.

2.21.3 Liquidity risk

Cautious liquidity management includes holding a sufficient reserve of liquid assets, the ability to finance an adequate amount within committed credit lines and the ability to issue on the market. Due to the dynamics of the market environment in which the Group operates, RHÖN-KLINIKUM AG aims to maintain the necessary flexibility in financing by ensuring that sufficient available credit lines exist and that access to capital markets is possible at any time. To ensure the ability to act at any time, a minimum strategic liquidity is maintained from cash positions and free, immediately available credit lines. To monitor the liquidity risk, a liquidity report is prepared daily and a treasury report is prepared monthly. In addition, short- to medium-term liquidity planning calculations are carried out.

2.21.4 Interest rate risk

Interest rate risk results from uncertainty about future developments in the level of interest rates and affects all interest-bearing items as well as interest derivatives. RHÖN-KLINIKUM AG is therefore always exposed to interest rate risks.

At the balance sheet date, 61.1% (previous year: 62.1%) of the bank deposits held were floating rate or daily cancellable and 38.9% (previous year: 37.9%) were fixed rate investments with a maximum remaining maturity of up to six months (previous year: up to five months).

In July 2019, RHÖN-KLINIKUM AG placed a registered bond in the amount of €60.0 million with a term of 20 years. In October 2018 a note loan in the amount of €100.0 million was issued, which was redeemed in financial year 2020 in the amount of €10.0 million. The tranches exclusively bearing fixed interest with bullet maturities have terms of five, seven and ten years. The first tranche with a term of five years in the amount of €7.0 million was redeemed in financial year 2023 in accordance with the contractual terms. The registered bond and the note loan are subject to a change-of-control clause. The funds collected from both transactions are being used for general corporate finance. In 2017 a syndicated line of credit in the amount of €100.0 million was entered which was lowered to €88.0 million in financial year 2020. During financial year 2024, this credit line was not utilised (previous year: no utilisation). The syndicated loan had an original term of five years with an option to renew for a further term of two years. The loan expired after the two-year renewal term in October 2024.

As in the previous year, due to the low risk, sensitivity analyzes were not used to monitor the risks of changes in interest rates in the 2024 financial year.

2.21.5 Management of equity and debt

The aim of the Management with regard to the handling of equity and debt is to adopt a strict policy of matching maturities (horizontal balance sheet structure) of the source and use of funds. Non-current assets should be funded on a long-term basis. The items of equity and non-current liabilities shown in the balance sheet are included under the source of long-term funds. This ratio should be at least 100%, and amounted to 152.4% in the year under review (previous year: 146.2%). Long-term appropriation of funds relates to financial assets and property, plant and equipment. Although given the personnel expense ratio of more than 50% the Group of RHÖN-KLINIKUM AG is frequently attributed to the services sector, our business model has a long-term focus and is for the most part investment-driven. As at 31 December 2024, 71.4% (previous year: 72.3%) of investments at the Group level was backed by equity. Group growth is also managed by way of appropriate equity measures through resolutions on the appropriation of profits for the consolidated companies.

If debt capital is used, the Management focuses on the following management ratios for minimising risks. The aim is to limit the ratio between net financial debt (= financial liabilities less cash and cash equivalents) and EBITDA to a maximum 3.5-fold multiple.

3 | CRITICAL ESTIMATES AND ASSESSMENTS IN ACCOUNTING AND VALUATION

All estimates and assessments are subject to ongoing review and are based on historical experience and other factors, including expectations with respect to future events which appear reasonable under the given circumstances.

The Group makes assessments and assumptions about the future. The estimates derived from these of course only rarely reflect actual future circumstances. These uncertainties in particular concern the following:

- the planning parameters taken as a basis of the impairment test for goodwill
- assumptions relating to revenue recognition
- assumptions relating to the recognition and measurement of income tax

The estimates and assumptions that entail a significant risk of a substantial adjustment in carrying amounts of assets and liabilities during the next financial year are discussed in the following.

3.1 Estimated impairment of goodwill

To determine the value in use of goodwill by means of the DCF method, the operating cash flows of the individual hospitals with their inpatient, semi-inpatient and outpatient care structures were discounted at the weighted average cost of capital (WACC) after tax of 5.77% (previous year: 6.24%). The carrying amounts do not exceed the values in use. There was no need for impairment based on this calculation. Significant assumptions having a material influence on the value in use are WACC and the average EBIT margin. In this regard, a corresponding present value is projected for a further five years with assumptions for overall growth rates on the basis of a detailed operative five-year plan – which also includes expectations on future market development in the healthcare system – and calculated with subsequent inclusion of a perpetual annuity.

The application of the impairment test for goodwill is based on the assumption that the time horizon used (the five-year detailed plan approved by the Board of Management and continuation for a further period of five years with assumptions with regard to the overall growth rates as well as subsequent inclusion of a perpetual annuity

taking account of a reasonable discount) is sufficient for determining the value in use. The value in use is defined as the present value of future cash flows. In this regard, the net present value method (DCF method) applies since as a rule no available or observable market prices exist. For further details, reference is made to our Note under 6.1.

The detailed plan (detailed planning phase I) drawn up for five years takes into account the statutory framework conditions in the healthcare system and the site-specific competitive environment. The detailed planning phase I is followed by a continuation by a further period of five years with assumptions regarding the overall growth rates (detailed planning phase II) as well as the subsequent inclusion of a perpetual annuity as of year 10. The perpetual annuity is calculated on the basis of the target figures in the tenth year.

Planning forms an integral part of the Company's planning and is therefore based on the management's actual expectations for the respective unit as well as on the statutory framework in the healthcare system. We are of the opinion that only with this longer detailed examination can the already planned measures, such as the implementation of the newly concluded Future Agreement Plus in 2023 with a duration of ten years, demolition and reconstruction or renovation measures, as well as the implementation of structural changes to optimize medical care, new buildings or general renovations be accurately recorded. Partial use of grants must take into account public procurement guidelines, which will lead to additional time. To calculate the present value of the perpetual annuity, the calculated cash flows are discounted with the WACC. In view of unforeseeable measures by the legislature, a discount of 0.5% (previous year: 0.5%) was included in the discounting factor of the perpetual annuity (growth in the perpetual annuity). At the end of the year, it was examined whether the economic situation continues to support the results of the impairment Aklepios. This was the case as at 31 December 2024.

For cash-generating units, the recoverable amount is the carrying amount from an imputed cost of capital or EBIT discount:

in %	Assumed cost of capital rate for 2024	Assumed cost of capital rate for 2023	Assumed EBIT discount for 2024	Assumed EBIT discount for 2023
Units				
Frankfurt (Oder)	5.8	9.4	0.0	38.0
RHÖN-KLINIKUM Campus Bad Neustadt	8.4	7.1	35.0	14.0
Universitätsklinikum Gießen und Marburg	7.0	7.7	21.0	22.0
Zentralklinik Bad Berka	10.4	17.2	50.0	69.0

3.2 Revenue recognition

The Group generates revenues essentially from the provision of medical services. The hospitals of RHÖN-KLINIKUM AG, like all other hospitals in Germany, are subject to the statutory regulations on fees.

Revenue recognition is essentially based on a comparison of performance and consideration under a contract: a service performed gives rise to an asset, the consideration received to an obligation.

Treatment contracts between hospitals and patients or their health insurance funds correspond to contracts for services pursuant to section 630 a et seq. of the German Civil Code (Bürgerliches Gesetzbuch, BGB). Regardless of who accepts payment in the future, the patient should be considered a customer on a regular basis. The scope of the performance obligations in the context of hospital treatment is essentially governed by statutory provisions.

The prices charged to the payers are stipulated by numerous laws and regulations. The patient receives and consumes the benefit simultaneous with performance of the service. Control is thus transferred and revenue recognised for a specified period. Revenue is recognised in accordance with progress of service performance over the service performance period.

In order to create planning and revenue certainty, the remuneration schemes regularly provide for prospective fee agreements. In practice, however, these negotiations take place only in the course of the financial year or even thereafter, creating uncertainties as to the service volume for which consideration is received at the balance sheet date. These are reflected in the balance sheet through objective, reliable estimates of receivables or liabilities based on empirical values. Historical experience has shown that the inaccuracies relating to the estimates are negligible for the Group's financial position and results of operations.

The Group generates its revenue for the most part from the statutory health insurance funds. As a general rule, the various budgets for the individual hospitals are defined together with the statutory health insurance funds at the beginning of each year. Diagnosis related groups (German Diagnosis Related Groups after stripping out nursing staff costs, aG-DRGs) are measured nationally on a uniform basis through the aG-DRG catalogue (output method as defined in IFRS 15). The measurement ratios are reviewed and adjusted each year by Institut für das Entgeltsystem im Krankenhaus GmbH (InEK). Personnel expense for bedside care are remunerated through separate care budgets.

If the service volume invoiced by a hospital (number, severity or type of service) at the end the financial year does not correspond to the budget negotiated for that year, this results in either revenue surpluses or shortfalls that are compensated by way of income compensation between the health insurance funds and the respective hospital. If the actual volumes exceed or fall short of the agreed total budget, only the additional variable costs are paid or saved variable costs deducted, using fixed rates. The receivables or liabilities arising as a result are reported in the consolidated balance sheet and revenues are corrected accordingly.

At the time the consolidated balance sheet was prepared, approved fee agreements existed at none of the hospitals with the exception of RHÖN-KLINIKUM AG; this meant that any compensation payments for excess revenue or shortfalls were estimated. For this reason, we have adhered to the legal framework in the accounting practices of the clinics in which no remuneration agreements were yet available for 2024 or for previous years.

Moreover, pursuant to section 275 German Social Insurance Code V (Sozialgesetzbuch V, SGB V) as well as section 17 of the German Hospital Financing Act (Krankenhausfinanzierungsgesetz, KHG), payers have in principle a right of review with regard to the coded income by the Medizinischer Dienst Körperschaft des öffentlichen Rechts (Medical Review Board under Public Law, MD) (formerly Medizinischer Dienst der Krankenversicherung (Medical Review Board of the Statutory Health Insurance Funds, MDK)). As part of the assessment of trade receivables or trade payables and of revenues from hospital services rendered, estimates are made with reference to the complaint rate of the MD and, based on empirical values, corresponding corrections in revenues taken into account for this. The final results from the reviews of the MD in turn have an influence on the income compensation for the respective financial year.

3.3 Income taxes

Estimates are required for the recognition of tax provisions as well as deferred tax items.

For determining the actual value of deferred tax assets, it is essential to assess the probability of the reversal of the valuation differences and the extent to which it is possible to use the tax loss carry-forwards that led to the recognition of deferred tax assets. This depends on the generation of future taxable profits during the periods in which tax valuation differences are reversed and tax loss carry-forwards can be utilised. Uncertainties exist with regard to the interpretation of complex tax regulations as well as the amount and timing of future taxable income that result in changes in the tax income or expense in future periods. The Group recognises adequate provisions for the possible consequences of audits by the tax authorities. The amount of such provisions is based on factors such as experience from past tax audits and differing interpretations of substantive tax law by the taxable entity and the competent tax authorities on specific issues.

Accounting for and estimation of uncertainties over income taxes are subject to the defined methods of IAS 12 in conjunction with IFRIC 23.

4 | ACQUISITIONS

Consolidated companies

The ultimate parent company is RHÖN-KLINIKUM Aktiengesellschaft with its registered office in Bad Neustadt a. d. Saale. The consolidated companies are as follows:

	31 Dec. 2023	Additions	Disposals	31 Dec. 2024
Fully consolidated subsidiaries	27	-	-	27
Companies consolidated using the equity method	1	-	-	1
Other subsidiaries	7	-	1	6
Consolidated companies	35	0	1	34

The disposal is the result of the sale of the equity investment in Telsofia. No financial effects or effects recognised in the income statement are incurred as a result of the sale since the entity had already been fully impaired in the previous years and the FVOCI measurement category is applied.

Acquisition of doctor's practises

In financial year 2024 one doctor's practises was acquired for consideration whose conditions of validity as per agreement were satisfied during the reporting period of 2024. Consolidation in the Group also took place in financial year 2024. No costs were incurred from the acquisition of this doctor's practises. The revenues and annual results generated since their inclusion in the consolidated statements are of minor importance for the Group of RHÖN-KLINIKUM AG.

in € million	
Purchase of doctor's practises, January to December 2024	Fair value post acquisition
Acquired assets and liabilities	
Intangible assets	0.0
Property, Plant and Equipment	0.0
Other liabilities	0.0
Net assets acquired	0.0
+ Goodwill	0.1
Cost	0.1
./. Purchase price payments outstanding	0.0
./. Acquired cash and cash equivalents	0.0
Cash outflow on transaction	0.1

Goodwill amounting to €0.1 million essentially includes synergy effects expected from the expansion of medical care centres. The goodwill recognised is likely to be tax-deductible.

Moreover, no doctor's practices were transferred during the reporting period from the Physicians Association (Kassenärztliche Vereinigung) to the MVZ subsidiaries without consideration. 2.5 doctor's practices in Frankfurt (Oder) and 0.25 doctor's practices at the Bad Berka site were unoccupied and returned to the Physicians Association. Of the returned doctor's practises 2.25 doctor's practices had been acquired by way of purchase in the previous years. During the reporting year, this resulted in a disposal of goodwill in the amount of €0.2 million.

In financial year 2024, no doctor's practices were acquired whose conditions of validity as per agreement will be satisfied only in 2025.

5 | NOTES TO THE CONSOLIDATED INCOME STATEMENT

5.1 Revenues

The development of revenues by business areas and geographical regions was as follows:

in € million	2024	2023
Business areas		
Acute hospitals	1,534.8	1,407.3
Rehabilitation hospitals	36.4	32.8
Medical care centres	24.4	23.9
	1,595.6	1,464.0
Regions		
Bavaria	317.7	299.2
Thuringia	215.4	200.4
Brandenburg	184.3	172.7
Hesse	878.2	791.7
	1,595.6	1,464.0

Under IFRS 15, revenue proceeds are revenues generated from the provision of services and in financial year 2024 rose by €131.6 million or 9.0% to reach €1,595.6 million. Thereof, our acute and rehabilitation hospitals accounted for €1,571.2 million (previous year: €1,440.1 million) and the medical care centres for €24.4 million (previous year: €23.9 million). The increase is attributable among other things by the increase in state base rates as well as the rise in patient numbers by 31,190 (+ 3.5%) and the increase in services by 6,667 cost weights (+3.7%) to around 186,000 cost weights.

5.2 Other income

Other operating income comprises:

in € million	2024	2023
Income from services rendered	241.0	218.2
Income from grants and other allowances	21.1	37.4
Income from indemnification payments/ other reimbursements	1.2	1.7
Other	10.1	15.1
	273.4	272.4

Income from services rendered includes income from ancillary and incidental activities amounting to €231.3 million (previous year: €208.5 million) as well as income from rental and lease agreements amounting to €9.8 million (previous year: €9.7 million).

The Group received grants and other allowances as compensation for certain special-purpose expenses in connection with publicly funded measures (e.g. costs of personnel and materials for research and teaching).

The increase in other income by €1.0 million or 0.4% is mainly attributable to the higher income from ancillary and incidental activities in the amount of €22.8 million resulting, among other things, from higher sales of drugs and cytostatics as well as higher reimbursements for medical and nursing training. This is in contrast to the decline in reimbursements in connection with the compensation for higher energy expenses from funds of the Health Fund (Gesundheitsfonds) within the meaning of section 26 f KHG in the amount of €16.9 million. In previous year, the other income item included an amount of €5.0 million in reversals of obligations from previous years recognised in the income statement.

5.3 Materials and consumables used

in € million	2024	2023
Cost of raw materials, consumables and supplies	486.3	438.5
Cost of purchased services	49.2	50.0
	535.5	488.5

Compared with the same period in the previous year, material and consumables used in the 2024 financial year increased slightly disproportionately to the increase in sales revenue by €47.0 million or 9.6% due to further increases in purchase prices in connection with the provision of non-cost-intensive services and increased energy costs, among other factors.

5.4 Employee benefits expenses

in € million	2024	2023
Wages and salaries	878.8	818.5
Social insurance contributions	76.1	69.9
Expenditure for post-employment benefits		
Defined contribution plans	93.3	85.7
Defined benefit plans	0.3	0.3
	1,048.5	974.4

Wages and salaries increased as a result of the higher headcount as well as severance payments for former executives in the amount of €0.9 million (previous year: €1.1 million). On the other hand, reimbursements mainly for maternity leave totaled €8.3 million (previous year: €10.3 million).

Expenses for defined contribution plans concern the statutory pension insurance agency, payments to the federal and state pension scheme (VBL) and to Bayerische Versorgungskammer-Zusatzversicherung (BVK). As in the previous year, the benefit-based plans are based on pension commitments from Group companies and relate to promises of old age, disability and survivors' pensions, as well as severance benefits for a member of the Board of Directors and another manager after the end of their employment relationship.

In financial year 2024, contribution payments to the pension scheme VBL were made in the amount of €23.4 million (previous year: €22.1 million). Payments to the BVK amounted to €0.6 million (previous year: €0.6 million) in 2024. As at the reporting date of 31 December 2024, 9,234 employees (previous year: 8,990 employees) with a claim to supplementary pension benefits were registered with VBL and 282 employees (previous year: 300 employees) with the BVK.

5.5 Depreciation and impairment

This item includes amortisation of intangible assets and depreciation of property, plant and equipment. The depreciation item declined compared with the same period of the previous year by €2.8 million or 4.3% to €62.7 million due to the greater use of government grants.

5.6 Other expenses

Other expenses break down as shown in the following table:

in € million	2024	2023
Maintenance	74.1	69.0
Fees, charges and consulting costs	51.5	47.2
Insurance	7.9	12.8
Administrative and IT costs	10.0	10.3
Other personnel and continuing training expenses	9.5	8.2
Rents and leaseholds	4.9	4.8
Travelling, entertaining and representation expenses	2.7	2.8
Losses on disposal of non-current assets	0.2	0.3
Other taxes	0.2	0.2
Other	13.2	11.7
	174.2	167.3

Of the increase in other expenses, €5.1 million is attributable to expenditures for maintenance and servicing requirements mainly for buildings at the hospital sites. Expenses for fees, contributions and consulting costs rose by €4.3 million. This is attributable to €2.6 million higher payments of penalties to the Medical Review Board of the Statutory Health Insurance Funds (MDK) as well as €1.5 million higher payments under the German Act governing Training Centres (Ausbildungsstättengesetz). Conversely, insurance costs were lower at €4.9 million. For further movements, see the table.

5.7 Result from impairment on financial assets

The negative result from the impairment on financial assets in the amount of €0.1 million (previous year: negative result of €0.3 million) results from the application of IFRS 9, which among other things governs the future expected losses of financial assets. The improvement in the negative result from impairment is attributable to lower expected credit losses from receivables owed by payers calculated on the basis of the sovereign default risk for Germany. This effect was countered by expected credit losses from other receivables, calculated on the basis of ageing analyses and past experience as a percentage in relation to the period of time overdue. Regarding the default risk of financial assets, we refer to the comments on the financial result.

5.8 Research costs

Research activities relate primarily to process optimisations in the area of inpatient hospital care and not to making marketable products. The research results are therefore usually the result of or in a factual connection with health care activities and can therefore only be isolated and assessed to a very limited extent. Depending on the extent of the costs attributable to the research activities, annual research expenses are estimated to be within a range of 0.1% to 0.2% of revenue. They are primarily accounted for by payroll expenses and other expenses. As part of the takeover of the two university and scientific sites Giessen and Marburg, we have undertaken to make an annual sum of at least €2.0 million available to the two medical faculties.

5.9 Financial result – net

The financial result is shown as follows:

in € million	2024	2023
Result of investments accounted for using the equity method		
Income of investments accounted for using the equity method	0.1	0.0
Expense of investments accounted for using the equity method	–	–
	0.1	0.0
Finance income		
Bank balances	10.8	8.9
Interest income from tax assets	0.0	1.5
Other interest income	0.3	0.1
	11.1	10.5
Finance expenses		
Liabilities to banks	–3.0	–3.1
Interest expenses from tax liabilities	–0.3	–0.0
Other interest expenses	–0.1	–0.6
	–3.4	–3.7
Result of impairment on financial investments as defined in IFRS 9		
Income from impairment on financial investments	0.3	0.5
Expense from impairment on financial investments	–	–
	0.3	0.5
	8.1	7.3

The financial result in the 2024 financial year improved by €0.8 million to €8.1 million, largely due to a general positive development in interest rates from €7.3 million.

The net interest income under IFRS 9 for financial assets and liabilities which are not included in the category “financial assets and liabilities measured at fair value in profit and loss” amounted to €8.2 million (income) in financial year 2024 (previous year: income of €6.6 million). The amount comprises income of €10.9 million (previous year: €9.6 million) and expenses of €2.7 million (previous year: €3.0 million).

5.10 Income taxes

Income taxes consist of the corporate income tax including the solidarity surcharge, and to a lesser extent of trade tax. In addition, deferred taxes are recognized in this item on differences in recognized values in the IFRS and tax accounts, on consolidation events and on expected realizable loss carryforwards, which are generally carried forward indefinitely.

Income tax comprises the following:

in € million	2024	2023
Current income tax	6.4	6.8
Deferred taxes	4.6	0.8
	11.0	7.6

At an unchanged nominal tax rate, the tax expense item saw an increase compared with the same period last year by € 3.4 million due to, among other things, a higher taxable income base. Moreover, certain tax positions from previous years were re-assessed, resulting in an increase in the tax expense item. The income tax burden stands at 19.6% (previous year: 15.9%).

The nominal tax expense for earnings before taxes is reconciled with the income tax expense as follows:

in € million	2024		2023	
		in %		in %
Earnings before taxes	56.2	100.0	47.7	100.0
Calculated tax expense (tax rate 15.0%)	8.4	15.0	7.2	15.0
Solidarity surcharge (tax rate 5.5%)	0.5	0.8	0.4	0.8
Derecognition of tax loss carry-forwards previously recognised/ Recognition of tax loss carry-forwards previously not recognized and tax loss carry-forwards/ Loss carry-backs not applied	-0.1	-0.2	-0.3	-0.6
Trade tax	1.2	2.1	1.4	2.9
Increase in tax liability due to non-deductible expenses as well as increase/decrease in tax liability due to incidental tax charges	0.1	0.2	-0.8	-1.7
Taxes, previous years	0.4	0.7	-0.4	-0.9
Additional expense from dividend payment	0.0	0.0	0.1	0.2
Elimination of items not relevant for taxation/Other	0.5	0.9	0.1	0.2
Effective income tax expense	11.0	19.6	7.6	15.9

Further details of how deferred tax has been allocated to assets and liabilities are given in the Notes to the consolidated balance sheet.

5.11 Non-controlling interests in profit

This is the share of profit attributable to minority shareholders.

5.12 Earnings per share

Earnings per share in accordance with IAS 33 is calculated using the share of consolidated profit attributable to the shareholders of RHÖN-KLINIKUM AG and the weighted average number of shares in issue during the year.

The following table sets out the development in ordinary shares outstanding:

	No. of shares on 1 Jan. 2024	No. of shares on 1 Dec. 2024
Non-par shares	66,962,470	66,962,470
Treasury shares	-24,000	-24,000
	66,938,470	66,938,470

The number of shares is unchanged. For disclosures on equity, please refer to the Note 6.12.

Earnings per share are calculated as follows:

	Ordinary shares
Share in consolidated profit (€'000)	43,351
(previous year)	(38,712)
Weighted average number of shares outstanding, in thousands	66,938
(previous year)	(66,938)
Earnings per share in €	0.65
(previous year)	(0.58)

Diluted earnings per share are identical to undiluted earnings per share, as there were no stock options or convertible debentures outstanding at the respective balance sheet dates.

6 | NOTES TO THE CONSOLIDATED BALANCE SHEET

6.1 Goodwill and other intangible assets

in € million	Goodwill	Other intangible assets	Total
Cost			
1 Jan. 2024	165.4	62.2	227.6
Changes in consolidated companies	0.1	-	0.1
Additions	-	2.4	2.4
Disposals	0.1	1.3	1.4
Reclassifications	-	0.1	0.1
31 Dec. 2024	165.4	63.4	228.8
Cumulative depreciation and impairment			
1 Jan. 2024	0	51.7	51.7
Depreciation	-	4.3	4.3
Disposals	-	1.2	1.2
Reclassifications	-	0.1	0.1
31 Dec. 2024	-	54.9	54.9
Balance sheet value as at 31 December 2024	165.4	8.5	173.9

in € million	Goodwill	Other intangible assets	Total
Cost			
1 Jan. 2023	165.5	61.8	227.3
Changes in consolidated companies	0.1	0.0	0.1
Additions	0.0	1.7	1.7
Disposals	0.2	0.9	1.1
Reclassifications	0.0	-0.4	-0.4
31 Dec. 2023	165.4	62.2	227.6
Cumulative depreciation and impairment			
1 Jan. 2023	0.0	47.9	47.9
Depreciation	0.0	4.8	4.8
Disposals	0.0	0.9	0.9
Reclassifications	0.0	-0.1	-0.1
31 Dec. 2023	0.0	51.7	51.7
Balance sheet value as at 31 December 2023	165.4	10.5	175.9

Among other intangible assets, software is mainly reported. There are no restrictions on ownership or disposal.

Goodwill is subjected to an annual impairment test for its respective cash generating unit (each hospital with its inpatient, semi-inpatient and outpatient care structures, unless the related goodwill of co-operating units is monitored at a higher level). This impairment test is carried out annually as of 1 October.

For this purpose, the planned EBIT figures from the annual bottom-up plan resolved and approved by the Board of Management of RHÖN-KLINIKUM AG are used. The detailed plan (detailed planning phase I) drawn up in each case for five years is based on empirical values of the Management for the respective unit.

Goodwill of the acquired medical seats was tested for impairment as at 31 December 2024 based on data from the companies' current planning.

At the end of each year, a review was carried out to establish whether the economic situation continues to support the results of the impairment test in the same way as before. This was the case as at 31 December 2024.

The weighted cost of capital of a potential investor from the healthcare sector is used as the discount rate at the time of measurement, taking into account the tax shield arising from theoretical debt financing ("tax shield"). This discount rate was defined at 5.77% for 2024 (previous year: 6.24%). Significant goodwill relates to the following cash generating units:

in € million	31.12.2024	31.12.2023
Units		
Universitätsklinikum Gießen und Marburg	137.5	137.5
Zentralklinik Bad Berka	16.5	16.5
RHÖN-KLINIKUM Campus Bad Neustadt	6.6	6.6
Klinikum Frankfurt (Oder)	4.8	4.8
Balance sheet value	165.4	165.4

For the calculation of value in use of the cash generating units, cash flows were forecast on the basis of past experience, current operating results and best-possible estimates of future management performance as well as market assumptions.

The value in use is essentially determined by the terminal value (present value or perpetual annuity) which is particularly sensitive to changes in assumptions for the long-term EBIT margin and the discount rate. Whereas the discount rate was defined uniformly for all units with allocated goodwill, the EBIT margin is calculated individually for each unit. The discount rate reflects the current market assessment of the entities' specific risks. The EBIT margins take account of external macro-economic data and sector-specific trends. For planning purposes, the units accounting for the main portion of goodwill are assumed to have a homogenous structure.

The following are the assumptions of the flat-rate growth rates in sales by which the business plan is updated for another five years and which were used to determine the value in the impairment test of the goodwill units:

- overall growth rate, revenues: 3.0% (previous year: 3.0%)
- WACC: 5.77% (previous year: 6.24%)

The values of revenue in the ten-year planning period of the groups of cash generating units to which material goodwill was attributed are based on average organic growth rates of between 3.1% and 3.3% (previous year: 3.2% and 3.6%).

In connection with the impairment test, a sensitivity analysis was also performed. Within the test, the following assumptions were applied:

- EBIT declines by 10%
- WACC increase by 0.5%

As a result of the sensitivity analysis it was determined that a decline in EBIT by 10% results in an impairment expense of approximately €14 million (previous year: no impairment requirement). An increase in WACC by 0.5% likewise gives rise to an impairment requirement of approximately €14 million (previous year: no impairment requirement).

6.2 Property, plant and equipment

in € million	Land and buildings	Technical plant and equipment	Operating and office equipment	Plant under construction	Total
Cost					
1 Jan. 2024	1,269.0	60.3	394.4	53.6	1,777.3
Changes in consolidated companies	–	–	0.0	–	–
Additions	6.2	1.0	15.3	8.6	31.1
Disposals	0.4	0.8	18.0	0.1	19.3
Reclassifications	26.5	2.0	3.9	–32.5	–0.1
31 Dec. 2024	1,301.3	62.5	395.6	29.6	1,789.0
Cumulative depreciation and impairment					
1 Jan. 2024	607.0	49.5	328.7	–	985.2
Changes in consolidated companies	–	–	–	–	–
Depreciation	34.4	2.4	21.4	–	58.2
Disposals	0.2	0.8	17.7	–	18.7
Reclassifications	–	–	–0.1	–	–0.1
31 Dec. 2024	641.2	51.1	332.3	–	1,024.6
Balance sheet value as at 31 December 2024	660.1	11.4	63.3	29.6	764.4

in € million	Land and buildings	Technical plant and equipment	Operating and office equipment	Plant under construction	Total
Cost					
1 Jan. 2023	1,234.2	61.6	387.8	70.4	1,754.0
Changes in consolidated companies	0.0	0.0	0.1	0.0	0.1
Additions	4.0	0.3	14.2	12.4	30.9
Disposals	0.3	1.0	11.5	0.2	13.0
Reclassifications	31.1	–0.6	3.8	–29.0	5.3
31 Dec. 2023	1,269.0	60.3	394.4	53.6	1,777.3
Cumulative depreciation and impairment					
1 Jan. 2023	569.2	48.3	314.0	0.0	931.5
Changes in consolidated companies	0.0	0.0	0.0	0.0	0.0
Depreciation	33.0	2.6	24.8	0.0	60.4
Disposals	0.1	1.0	10.6	0.0	11.7
Reclassifications	4.9	–0.4	0.5	0.0	5.0
31 Dec. 2023	607.0	49.5	328.7	0.0	985.3
Balance sheet value as at 31 December 2023	662.0	10.8	65.7	53.6	792.1

As in the previous year, no borrowing costs were capitalised during the reporting year.

Similar to the previous year, the Group has no registered charges on real property as collateral for bank loans.

Grants and subsidies by the public authorities related to assets are deducted from the cost of the asset for which they are given, reducing the depreciation over the period. The deducted amortised amount of assistance granted under hospital financing law / the White Paper Plus and which was invested in line with the applicable conditions totals €155.8 million (previous year: €146.8 million). To secure conditionally repayable single grants under the KHG (e.g. for the construction of new hospitals or major extensions) totalling €1.1 million (previous year: €1.3 million), the Group holds registered charges on real property in the amount of €9.6 million (previous year: €9.6 million). There are no reasons to assume that these grants will have to be repaid.

In the previous year, a building recognised under the item “Investment properties” was reclassified as tangible fixed assets.

Buildings, technical equipment and medical equipment include, as at 31 December 2024, rights of use pursuant to IFRS 16 in which the Group is the lessee. The rights of use are as follows:

in € million	Land and buildings	Operating and office equipment
Cost		
1 Jan. 2024	6.3	12.6
Addition to consolidated companies	-	-
Additions	0.7	2.5
Disposals	0.2	2.6
31 Dec. 2024	6.8	12.5
Cumulative depreciation and impairment		
1 Jan. 2024	3.4	8.5
Depreciation	1.0	2.2
Disposals	0.2	2.3
31 Dec. 2024	4.2	8.4
Balance sheet value as at 31 December 2024	2.6	4.1

in € million	Land and buildings	Operating and office equipment	Total
Cost			
1 Jan. 2023	6.5	13.0	19.5
Addition to consolidated companies	0.0	0.0	0.0
Additions	0.0	2.6	2.6
Disposals	0.2	3.0	3.2
Reclassifications	-	-	-
31 Dec. 2023	6.3	12.6	18.9
Cumulative depreciation and impairment			
1 Jan. 2023	2.6	8.6	11.2
Depreciation	0.9	2.2	3.1
Disposals	0.1	2.3	2.4
Reclassifications	-	-	-
31 Dec. 2023	3.4	8.5	11.9
Balance sheet value as at 31 December 2023	2.9	4.1	7.0

6.3 Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are offset if there is an enforceable right to offset current tax assets against current tax liabilities and if the deferred taxes exist against the same tax authority. The following amounts have been offset:

in € million	31 Dec. 2024		31 Dec. 2023	
Tax loss carry-forwards	0.0	0.0	0.0	0.0
Property, plant and equipment/ Intangible assets	0.0	6.1	0.0	6.4
Interest bearing liabilities	0.0	0.1	0.0	0.1
Recognition differences for subsidiaries	0.0	1.7	0.0	1.5
Other assets and liabilities	3.8	0.9	8.5	0.8
Total	3.8	8.8	8.5	8.8
Balance sheet value	-5.0		-0.3	

Deferred tax assets for tax loss carry-forwards are recognised in the amount of the associated tax benefits that can probably be realised as a result of future taxable profits. Tax loss carry-forwards in connection with previous hospital acquisitions are included in the tax base for recognising deferred tax assets if they are sufficiently determinable for tax purposes. In a tax-damaging sale of shares in companies, any existing deferred tax is transferred to loss carry-forwards. Deferred tax assets from tax loss carry-forwards are recognised on the basis of tax planning calculations for a period of five years. The tax base used for deferred taxes is €0.0 million (previous year: €0.0 million). On the balance sheet date, tax losses carried forward which have so far not been utilised amounted to €6.8 million (previous year: €5.8 million); no deferred tax assets were recognised in relation to €6.8 million (previous year: €5.8 million) of this figure. Tax loss carryforwards can reduce the tax result in Germany indefinitely. The annual tax result may reduce the loss carryforward up to €1.0 million in full and beyond with 60.0% of the remaining current tax result.

Deferred taxes from property, plant and equipment result from the difference between their useful lives defined in tax law and the economic depreciation periods in accordance with IFRSs. In addition, special tax amortizations in IFRS have been corrected.

Retained earnings of subsidiaries totalling €209.6 million (previous year: €190.9 million), which on distribution lead to non-tax-deductible expenses of 5.0%, were included in the consolidated financial statements in the amount of the applicable tax rate for deferred tax liabilities.

Deferred taxes on other assets decreased by €4.7 million to €3.8 million among other things as a result of agreements reached with the payers. In this context, more of the old receivables were largely eliminated. At the same time this also resulted in a decrease in deferred taxes in relation to such receivables.

Changes in deferred taxes are shown as follows:

in € million	31 Dec. 2024	31 Dec. 2023
Deferred tax liabilities (previous year: tax assets) at beginning of year	-0.3	0.4
Recognition of deferred taxes directly in equity in connection with changes in the fair value of investments recognised directly in equity	-0.1	0.1
Recognition of deferred taxes directly in equity in connection with revaluation of defined benefit pension plans recognised in equity	-	0.0
Expense/income from current netting in the income statement	-4.6	-0.8
Deferred tax liabilities (previous year: tax liabilities) at end of year	-5.0	-0.3

6.4 Financial investments accounted for using the equity method

6.4.1 Investments accounted for using the equity method

As in the previous year, one joint venture was measured in the consolidated financial statements using the equity method:

Name of company	Registered office	Share in %
Joint ventures		
Energiezentrale Universitätsklinikum Gießen GmbH	Gießen	50.0

6.4.2 Joint ventures

The purpose of the joint venture is to carry on, together with Stadtwerke Gießen, the joint supply of energy to the university hospital in Giessen. In addition to RHÖN-KLINIKUM AG with an interest of 50%, Stadtwerke Gießen AG holds an interest of 50% in the joint venture. The table below provides a summary of the aggregated results data and aggregated carrying amounts of the joint venture accounted for using the equity method:

in € million	2024	2023
Results data and carrying amounts of joint venture accounted for using the equity method		
Revenues	0.4	0.4
Earnings after tax	0.2	0.0
Pro rata earnings after tax	0.1	0.0
Pro rata total comprehensive income after tax	0.1	0.0
Carrying amount of joint venture accounted for using the equity method	0.6	0.5

At the balance sheet date, the joint venture reports assets of €1.4 million (previous year €1.1 million) as well as equity of €1.3 million (previous year: €1.1 million).

6.5 Other financial assets (non-current)

Other non-current financial assets break down as follows:

in € million	31 Dec. 2024	31 Dec. 2023
Participation interests	13.3	12.7
	13.3	12.7

The equity interests relate to interests held by the company RHÖN-Innovations GmbH in the companies Inovytec Medical Solutions Ltd. and CLEW Medical Inc. Telesofia Medical Ltd. was sold in 2024 for strategic reasons. No charges were incurred as a result of the sale in financial year 2024 since the entity had already been fully amortised in the previous years. The interests are measured at fair value in accordance with IFRS 9. The equity interests are measured at fair value directly in equity (fair value through other comprehensive income, without recycling). The carrying amount of €13.3 million (previous year: €12.7 million) corresponds to the maximum default risk.

Moreover, €0.0 million (previous year: €0.0 million) relates to immaterial equity interests which are measured at fair value.

As at the balance sheet date of 31 December 2024, non-current fixed-term investments were not recognized and, accordingly, no impairment under IFRS 9 were recognized.

6.6 Inventories

Inventories in the amount of €37.5 million (previous year: €34.2 million) are attributable to raw materials, consumables and supplies and mainly consist of medical supplies. Impairments of €4.2 million (previous year: €3.8 million) were recorded. All inventories are owned by RHÖN-KLINIKUM AG and the companies affiliated with RHÖN-KLINIKUM AG. There are no assignments or pledges of inventories.

6.7 Trade receivables

As at the balance sheet date of 31 December 2024, we report trade receivables in the amount of €226.9 million (previous year: €229.5 million). The fair values of trade receivables essentially correspond to their carrying amounts since they are primarily short-term in character.

Trade receivables as well as impairments within the meaning of IFRS 9 show the following maturity structure as at the balance sheet date of 31 December 2024:

in € million	Gross carrying amount	Expected credit loss
Impairment matrix 31 Dec. 2024		
Not overdue	184.6	0.4
Between 0 and 30 days overdue	22.0	0.2
Between 31 and 90 days overdue	10.3	0.2
Between 91 and 180 days overdue	5.3	0.2
More than 180 days overdue	5.9	0.2
Total	228.1	1.2

Trade receivables as well as impairments within the meaning of IFRS 9 had the following maturity structure as at the balance sheet date of 31 December 2023:

in € million	Gross carrying amount	Expected credit loss
Impairment matrix 31 Dec. 2023		
Not overdue	182.1	0.4
Between 0 and 30 days overdue	23.2	0.2
Between 31 and 90 days overdue	14.2	0.2
Between 91 and 180 days overdue	6.1	0.2
More than 180 days overdue	5.0	0.1
Total	230.6	1.1

The development of impairments in accordance with IFRS 9 recognised under the item “Trade receivables” is shown in the table below:

in € million	2024	2023
Impairment		
As at 1 January pursuant to IFRS 9	1.1	1.0
Changes in consolidated companies	-	-
Allocation	1.2	1.1
Utilisation	-	-
Write-back	1.1	1.0
Currency translation difference	-	-
As at 31 December pursuant to IFRS 9	1.2	1.1

With regard to the impairments on trade receivables, reference is made to the further Notes in the section “Accounting policies”.

Trade receivables were derecognised in the income statement in the amount of €18.2 million in financial year 2024 (previous year: €4.6 million). Settlement mechanisms in accordance with the Hospital Remuneration Act (KHEntgG) partially compensated for these defaults. Inflows of €0.1 million (previous year: €0.1 million) were recognised in the income statement in relation to previously derecognised trade receivables.

The item “Trade receivables” includes services for patients not yet discharged in the amount of €17.4 million (previous year: €16.6 million).

6.8 Other financial assets (current)

in € million	31 Dec. 2024	31 Dec. 2023
	< 1 year	< 1 year
Time deposit < 1 year	129.6	136.8
Receivables under the KHEntgG	187.6	150.5
Remaining other financial assets	17.2	10.0
	334.4	297.3

Receivables under the German Hospital Remuneration Act (Krankenhausentgeltgesetz, KHEntgG) relate to relief claims under federal hospital remuneration legislation (Hospital Remuneration Act (Krankenhausentgeltgesetz, KHEntgG)) and the Federal Hospital Nursing Rate Ordinance (Bundespfllegesatzverordnung, BpflV) as well as compensation claims against the training fund. After the COVID-19 pandemic, delays in budget negotiations, especially for the nursing budget, still exist.

Remaining other financial assets relate (before impairments) among others to receivables from claims which are not primarily related to patient treatments at hospitals (€14.4 million, previous year: €8.5 million), receivables due from employees in particular from invoices as part of the liquidation right of head physicians (€1.8 million, previous year: €1.9 million), as well as trade receivables (€1.9 million, previous year: €0.5 million). Other financial assets include impairments amounting to €1.7 million (previous year: €1.7 million). No reversals of impairment losses were made.

Other financial assets (current) attributable to fixed deposits, as well as corresponding impairments within the meaning of IFRS 9 are divided into the following rating classes as at 31 December 2024:

in € million	Gross carrying amount	Expected credit loss
Impairment matrix according to S&P rating classes 31 Dec. 2024		
A	129.8	0.2
Total	129.8	0.2

Other financial assets (current) attributable to fixed deposits, as well as corresponding impairments within the meaning of IFRS 9 were divided into the following rating classes as at 31 December 2023:

in € million	Gross carrying amount	Expected credit loss
Impairment matrix according to S&P rating classes 31 Dec. 2023		
A	132.3	0.5
BBB	5.0	0.0
Total	137.3	0.5

The other financial assets (current, excluding fixed deposits) and the corresponding value adjustments in accordance with IFRS 9 have the following maturity structure as at the balance sheet date of 31 December 2024:

in € million	Gross carrying amount	Expected credit loss
Impairment matrix 31 Dec. 2024		
Not overdue	204.2	0.4
Between 0 and 30 days overdue	0.7	0.1
Between 31 and 90 days overdue	0.1	-
Between 91 and 180 days overdue	0.1	0.0
More than 180 days overdue	0.3	0.1
Total	205.4	0.6

The other financial assets (current, not including fixed deposits) as well as the corresponding impairments as defined in within the meaning of IFRS 9 had the following maturity structure as at the balance sheet date of 31 December 2023:

in € million	Gross carrying amount	Expected credit loss
Impairment matrix 31 Dec. 2023		
Not overdue	160.0	0.3
Between 0 and 30 days overdue	0.6	0.1
Between 31 and 90 days overdue	0.1	0.0
Between 91 and 180 days overdue	0.1	0.0
More than 180 days overdue	0.2	0.1
Total	161.0	0.5

The development of the impairment expenses recognised under the item “Other financial assets (current)” in accordance with IFRS 9 is shown in the table below:

in € million	2024	2023
Impairment		
As at 1 January pursuant to IFRS 9	1.0	1.2
Changes in consolidated companies	-	-
Allocation	0.8	1.0
Utilisation	-	-
Write-back	1.0	1.2
Currency translation difference	-	-
As at 31 December pursuant to IFRS 9	0.8	1.0

Of the impairment expenses at the balance sheet date in the amount of €0.8 million (previous year: €1.0 million), €0.2 million (previous year: €0.5 million) is attributable to fixed deposits.

In the Group, settlement receivables due from and settlement liabilities to the payers under fee/budget agreements of the current year and the previous years are stated on a netted basis. On a gross basis, the statement is as follows:

in € million	31 Dec. 2024	31 Dec. 2023
Receivables under the KHEntgG gross	224.6	191.7
Liabilities under the KHEntgG gross	-37.0	-41.2
Balance sheet value	187.6	150.5

With regard to the gross presentation of corresponding liabilities in accordance with the KHEntgG, please refer to the section “Other financial liabilities”.

6.9 Other assets (current)

Other current assets in the amount of €18.0 million (previous year: €17.5 million), essentially €8.2 million (previous year: €6.5 million) is attributable to prepaid expenses, in particular maintenance contracts relating to hardware and software, and €9.2 million (previous year: €6.8 million) to reimbursement claims against insurers under liability claims. In contrast to the previous year, no receivables were recorded in connection with the compensation for higher energy expenses from funds of the health fund (previous year: €3.7 million).

6.10 Current income tax assets

Current income tax assets essentially include claims against tax authorities for reimbursement of corporate income tax.

6.11 Cash and cash equivalents

in € million	31 Dec. 2024	31 Dec. 2023
Cash with banks and cash on hand	250.1	181.0
Short-term bank deposits	29.8	25.0
	279.9	206.0

With regard to the change in the cash and cash equivalents item, we refer to the Cash Flow Statement. To the extent possible, free disposable funds were re-allocated at matching maturities into fixed deposit investments with a remaining term of < 1 year (> 3 months) and reported under the item "Other financial assets (current)". Due to the shift in the interest rate curve, bank balances, including commercial paper, were completed with an initial term of ≤ 3 months. The effective interest rate for these bank balances is 3.38% (previous year: 4.03%). The average remaining term of these deposits was 79 days (previous year: 20 days).

The high level of cash with banks and cash on hand ensures flexibility in controlling cash outflows in connection with extensive construction measures.

The item includes demand deposits with restricted use in the amount of €27.6 million (previous year: €25.8 million).

Cash and bank overdrafts are summarized as follows for the purpose of the statement of cash flows:

in € million	31 Dec. 2024	31 Dec. 2023
Cash and cash equivalents	279.9	206.0
Bank overdrafts	-	0.0
Cash position	279.9	206.0

6.12 Equity

The registered share capital of RHÖN-KLINIKUM AG was €167,406,175 (previous year: €167,406,175). It is divided into 66,962,470 (previous year: 66,962,470) fully paid-up individual share certificates each with a notional value in the registered share capital of €2.50 per share.

	Number	Arithmetic share in registered share capital in €
Ordinary shares as at 1 January 2024	66,962,470	167,406,175
Change in 2024	-	-
Ordinary shares as at 31 December 2024	66,962,470	167,406,175

The premium from the capital increase in the amount of €396.0 million (previous year: €396.0 million) as well as the amounts of €178.2 million (previous year: €178.2 million) attributable to the shares redeemed in the previous years are reported in the capital reserve.

Other reserves at the balance sheet date amounting to €554.4 million (previous year: €510.5 million) comprise earnings generated in prior years of companies included in the consolidated financial statements amounting (to the extent not paid out to shareholders) in the amount of €554.4 million (previous year: €510.5 million) as well as effects of consolidation adjustments.

Total comprehensive income (sum of consolidated profit and other comprehensive income) for financial year 2024 stands at €45.7 million (previous year: €39.7 million). This includes gains from the revaluation of defined benefit pension plans amounting to €0.0 million after tax (previous year: €0.1 million) as well as gains from changes in the fair value of equity investments in the amount of €0.5 million (previous year: losses of €0.5 million).

Treasury shares are valued at €0.1 million (previous year: €0.1 million) and deducted from equity. The level of treasury shares developed as follows during the financial year:

	Number
Treasury shares as at 1 January 2024	24,000
Change in 2024	-
Treasury shares as at 31 December 2024	24,000

In accordance with the provisions of the German Stock Corporation Act (Aktiengesetz, AktG), the amount of dividends distributable to shareholders is based on the net distributable profit shown in the annual financial statements of RHÖN-KLINIKUM AG which are prepared in accordance with the German Commercial Code (HGB). During the last Annual General Meeting, the shareholders approved the proposal of the Board of Management and of the Supervisory Board, with the result that no dividend payment (previous year: 15 cents) per share was made in financial year 2024.

Non-controlling interests in equity of €30.0 million (previous year: €28.2 million) relate to interests held by non-Group third parties in the following consolidated subsidiaries:

in %	Minority interests	
	31 Dec. 2024	31 Dec. 2023
Hospital companies		
Universitätsklinikum Gießen und Marburg GmbH, Giessen	5.0	5.0
Zentralklinik Bad Berka GmbH, Bad Berka	12.5	12.5
Medical care centre companies		
MVZ UKGM GmbH, Marburg	5.0	5.0
MVZ Rhön Diagnostik GmbH	5.0	5.0
MVZ Zentralklinik GmbH, Bad Berka	12.5	12.5

6.13 Financial liabilities

in € million	31 Dec. 2024		31 Dec. 2023	
	Residual term		Residual term	
	> 1 year	< 1 year	> 1 year	< 1 year
Non-current financial liabilities				
Liabilities to lenders	110.9	–	141.8	–
Total non-current financial liabilities	110.9	–	141.8	–
Current financial liabilities				
Liabilities to lenders	–	31.9	–	1.0
Total current financial liabilities	–	31.9	–	1.0
Total financial liabilities	110.9	31.9	141.8	1.0

In July 2019, RHÖN-KLINIKUM AG placed a registered bond in the amount of €60.0 million with a term of 20 years. In October 2018 a note loan in the amount of €100.0 million was issued, which was redeemed in financial year 2020 in the amount of €10.0 million. The tranches exclusively bearing fixed interest with bullet maturities have terms of five, seven and ten years. The first tranche with a term of five years in the amount of €7.0 million was redeemed in financial year 2023 as planned. The registered bond and the promissory note are subject to a change-of-control clause. The funds received from both transactions are used for general corporate finance. In 2017 a syndicated line of credit in the amount of €100.0 million was entered into which was lowered to €88.0 million in financial year 2020. This line was not utilised. The syndicated loan was subject to a financial covenant. This financial ratio limits net financial debt to a maximum of 3.5 times EBITDA. The financial ratio was complied with by RHÖN-KLINIKUM AG in financial year 2024 (previous year: complied with). The syndicated loan had an original term of five years with an option to renew for a further term of two years. The loan expired after the two-year renewal term in October 2024.

The funds raised serve for general corporate finance to ensure sufficient funds for investments planned in the medium-to-short term. The reported financial liabilities amounting to €143.0 million (previous year: €143.0 million) decrease by the costs incurred in connection with the borrowing in the amount of €1.1 million (previous year: €1.2 million).

The contractual interest adjustment dates relating to the interest-bearing liabilities are as follows:

in € million	31 Dec. 2024			31 Dec. 2023		
	Interest rate ¹ in %	Nominal amount	Carrying amount of loans	Interest rate ¹ in %	Nominal amount	Carrying amount of loans
Fixed interest period ends						
Liabilities to lenders						
2025–2028	1.67	83.0	82.9	1.63	83.0	82.9
2029	–	–	–	–	–	–
2030	–	–	–	–	–	–
> 2030	2.45	60.0	59.0	2.45	60.0	58.9
Zinsen Darlehen	–	–	0.9	–	–	0.9
		143.0	142.8		143.0	142.7

¹ Weighted interest rate.

The effective interest rates at balance sheet date are:

in %	31 Dec. 2024	31 Dec. 2023
Liabilities to banks	2.00	1.98

The remaining terms of the financial liabilities are:

in € million	31 Dec. 2024	31 Dec. 2023
Up to 1 year	31.9	1.0
Between 1 and 5 years	51.9	82.8
More than 5 years	59.0	58.9
Total	142.8	142.7

As in the previous year, the financial liabilities stated are not secured by registered charges on real property.

6.14 Provisions for post-employment benefits

The Group provides post-retirement benefits for eligible employees under its company pension scheme, which comprises both defined benefit and defined contribution pension plans. Obligations under this scheme include current pension payments as well as future pension entitlements.

The financing of performance-related obligations is carried out through the establishment of reserves. Contributions under defined contribution plans are recognized immediately on the income statement.

One member of the Board of Management and one further senior executive (previous year: one member of the Board of Management and one further senior executive) are covered by a plan providing for post-retirement benefits. In addition to their current remuneration, these individuals will receive a retirement benefit at the end of their directorship which is limited to 1.5 times the last year's remuneration and is determined on the basis of duration of service and salary level. The scope of the obligation was calculated based on the individual contract terms and not on a uniform retirement age as with the other pension plans. In this connection there are risks associated with changes in the assessment basis. These essentially relate to the dependence on the last salary and last variable remuneration components. If the development of this assessment basis turns out to be different from what is assumed in the provision calculations, this might give rise to a subsequent financing requirement.

The provision volume on the balance sheet relates only to one-off payments:

in € million	31 Dec. 2024	31 Dec. 2023
Commitment for one-off payments	1.0	0.7
Provision for pensions (defined benefit liability)	1.0	0.7

The provisions in the total amount of €1.0 million are attributable to one member of the Board of Management (€0.7 million and a term of < 1 year) as well as one senior executive (€0.3 million and a term of < 1 year). There are no reimbursement claims resulting from pension liability insurance policies entered into by reason of pension commitments to employees.

The calculation of pension provisions is based on the following assumptions:

in %	31 Dec. 2024	31 Dec. 2023
Rate of interest	2.68	3.57
Projected increase in wages and salaries	2.50	2.50

As in the previous year, we used Prof. Dr. Klaus Heubeck's 2018G Tables as actuarial tables. All pension costs are reported under the employee expense item.

The development of the defined benefit obligation in financial year 2024 compared with the previous year is shown in the following:

in € million	2024	2023
As at 1 January	0.7	0.5
Service time cost	0.3	0.3
Interest expense	0.0	0.0
Losses from plan changes	0.0	0.0
Pension payments	0.0	0.0
Actuarial gains/losses from changes in financial assumptions	0.0	0.0
Experience-based adjustments	0.0	-0.1
Payments rendered	0.0	0.0
As at 31 December	1.0	0.7

The weighted average duration of pension obligations is zero years (prev. one year) due to the expiry of the existing agreements. The sensitivity of the pension obligations in terms of fluctuation range due to changes in the various actuarial valuation assumptions is shown in the table below:

	Change in assumption in percentage points	Increase in assumption	Reduction in assumption
Impact on the commitment (%) as at 31 December 2024			
Interest rate	0.2	0.0	0.0
Remuneration trend	0.2	0.0	0.0
Mortality	+/- 1 Jahr	0.0	0.0

	Change in assumption in percentage points	Increase in assumption	Reduction in assumption
Impact on the commitment (%) as at 31 December 2023			
Interest rate	0.2	0.0	0.0
Remuneration trend	0.2	0.0	0.0
Mortality	+/- 1 Jahr	0.0	0.0

The effects of the sensitivity were calculated using the same method as the obligations at the end of the year. In this regard, effects of a simultaneous change in several assumptions were not examined. Since the commitments remaining at the end of the financial year are capital commitments, no or no material changes result from the change in the pension trend; consequently, no disclosure of sensitivity in this regard was made.

6.15 Other provisions

Other provisions developed as follows in the financial year:

in € million	31 Dec. 2023	Use	Re-lassification	Reversal	Allocation	31 Dec. 2024	of which < 1 year	of which > 1 year
Recovery risks	16.9	13.6	-	-	11.6	14.9	14.9	-
Liability risks	16.7	1.1	-	0.1	6.0	21.5	21.5	-
Other risks	6.1	0.3	-	0.1	-	5.7	0.9	4.8
	39.7	15.0	0.0	0.2	17.6	42.1	37.3	4.8

The provisions for reclaim risks are provisions for risks of audits outstanding of the Medical Review Board of the Statutory Health Insurance Funds (Medizinischer Dienst der Krankenversicherung, MDK).

The provisions for liability risks relate to claims for damages by third parties. The allocation is justified by the higher deductible agreed. These compare with repayment claims from insurers in the amount of €9.2 million (previous year: €6.8 million) against insurers; these are shown under other assets (current). In the assessment of the Board of Management, the settlement of these liability cases using the provisions will not entail any significant additional expenses. The timing of cash outflows from liability risks, which generally may occur in the short term, essentially depends on the course and outcome of specific liability cases.

The other risks include provisions for risks in connection with investment obligations in the amount of €4.8 million which are long-term in nature. The further amounts recognised under other risks mainly relate to provisions formed for legal and non-income-tax risks in the amount of €0.9 million (previous year: €0.9 million) which are current in nature.

Compared with the previous year, the maturities of other provisions are as follows:

in € million	31 Dec. 2024	of which < 1 year	of which > 1 year	31 Dec. 2023	of which < 1 year	of which > 1 year
Recovery risks	14.9	14.9	–	16.9	16.9	0.0
Liability risks	21.5	21.5	–	16.7	16.7	0.0
Other risks	5.7	0.9	4.8	6.1	1.1	5.0
	42.1	37.3	4.8	39.7	34.7	5.0

The Group of RHÖN-KLINIKUM AG has contingent liabilities of €0.0 million (previous year: €0.0 million).

6.16 Trade payables

in € million	31 Dec. 2024		31 Dec. 2023	
	< 1 year	> 1 year	< 1 year	> 1 year
Trade payables	63.5	–	66.8	–

Trade payables exist with regard to third parties.

6.17 Other financial liabilities

in € million	31 Dec. 2024		31 Dec. 2023	
	< 1 year	> 1 year	< 1 year	> 1 year
Liabilities under KHEntgG	0.2	–	0.1	–
Purchase prices	0.7	–	0.7	–
Leases	2.7	4.1	2.7	4.4
Other financial liabilities	7.4	0.8	8.0	2.8
Other financial liabilities (financial instruments)	11.0	4.9	11.5	7.2

The purchase prices from corporate acquisitions relate to contractually defined obligations. The carrying amounts of the current financial liabilities recognised under this item correspond to their fair values. The carrying amounts of other non-current liabilities have been discounted using the effective interest method on the basis of historical market rates.

Other non-current financial liabilities include €0.8 million (previous year: €0.8 million) of other obligations. Similar to the previous year, the remaining non-current financial liabilities have a remaining term of less than five years.

In the Group, settlement receivables due from and settlement liabilities to payers under fee/budget agreements of the current year and the previous years are stated on a netted basis.

in € million	31 Dec. 2024	31 Dec. 2023
Liabilities according to the KHEntgG (gross)	37.2	41.3
Receivables according to the KHEntgG (gross)	–37.0	–41.2
Balance sheet value	0.2	0.1

Regarding the statement on a gross basis of receivables in accordance with the KHEntgG on the assets side, please refer to the section “Other financial assets (current)”.

6.18 Other liabilities

in € million	31 Dec. 2024		31 Dec. 2023	
	< 1 year	> 1 year	< 1 year	> 1 year
Personnel liabilities	91.7	-	81.8	-
Liabilities under KHG	127.0	-	99.2	-
Operating taxes and social security contributions	14.8	-	13.3	-
Deferred income	3.8	-	3.7	-
Prepayments	1.1	-	0.5	-
Other liabilities	10.2	-	14.0	-
Other liabilities (non-financial instruments)	248.6	-	212.5	-

Payroll liabilities relate in particular to results-based remuneration, target agreements, obligations arising from holiday leave not taken as well as overtime obligations, standby services and anniversaries. Moreover, severance payment obligations are recognised under this item.

6.20 Additional disclosures regarding financial instruments

6.20.1 Carrying amounts, recognised figures and fair values according to measurement categories

The table below presents the carrying amounts and fair values of the individual financial assets and liabilities for each individual category of financial instruments pursuant to IFRS 9 as at 31 December 2023:

in € million	Measurement category according to IFRS 9	31 Dec. 2024	of which		31 Dec. 2023	of which	
			Carrying amount	Fair value		Carrying amount	Fair value
ASSETS							
Non-current assets							
Other financial assets		13.4	13.4	13.4	12.7	12.7	12.7
of which investments	Measured at fair value directly in equity (fair value through other comprehensive income; without recycling)	13.4	13.4	13.4	12.7	12.7	12.7
of which investments	Measured at fair value through profit or loss	-	-	-	-	-	-
of which other	Measured at amortised cost	0	0	0	0	0	0
Current assets							
Trade receivables and other financial assets	Measured at amortised cost	561.3	561.3	561.3	526.8	526.8	526.8
Cash and cash equivalents	Measured at amortised cost	279.9	279.9	279.9	206.0	206.0	206.0
LIABILITIES							

Liabilities under the KHG relate to government grants not yet used in accordance with the conditions for their use granted under state hospital financing legislation in the amount of €38.6 million (previous year: €38.4 million), funds from the German Hospital Future Act (Krankenhauszukunftsgesetz, KHZG) in the amount of €20.5 million (previous year: €22.3 million) as well as funds from the White Paper Plus (Zukunftsvereinbarung Plus) with Universitätsklinikum Gießen und Marburg in the amount of €67.9 million (previous year: €38.5 million).

The remaining liabilities mainly include third-party funds from, among other things, ongoing studies not yet appropriated, liabilities to employees as well as advance payments in the previous year in connection with compensation for higher energy expenses from funds of the Hospital Fund.

6.19 Current income tax liabilities

Current income tax liabilities in the amount of €11.5 million (previous year: €8.8 million) comprise corporate income tax, solidarity surcharge and trade tax not yet assessed for the past financial year and previous years.

in € million	Measurement category according to IFRS 9	31 Dec. 2024	of which		31 Dec. 2023	of which	
			Carrying amount	Fair value		Carrying amount	Fair value
Non-current liabilities							
Financial liabilities	Financial liabilities measured at amortised cost	110.9	110.9	97.0	141.8	141.8	124.4
Other financial liabilities		9.8	9.8	5.7	12.2	12.2	7.7
o.w. other financial liabilities/other provisions	Financial liabilities measured at amortised cost	5.7	5.7	5.7	7.8	7.8	7.7
of which leases	n. a.	4.1	4.1	-	4.4	4.4	-
Current liabilities							
Trade payables	Financial liabilities measured at amortised cost	63.5	63.5	63.5	66.8	66.8	66.8
Financial liabilities	Financial liabilities measured at amortised cost	31.9	31.9	31.2	1.0	1.0	1.0
Other financial liabilities		11.0	11.0	8.2	11.5	11.5	8.7
of which other financial liabilities	Financial liabilities measured at amortised cost	8.3	8.3	8.2	8.8	8.8	8.7
of which leases	n. a.	2.7	2.7	-	2.7	2.7	-
Aggregated according to measurement categories, the above figures are as follows:							
	Financial assets measured at amortised cost		841.2	841.2		732.8	732.8
	Financial assets measured at fair value directly in equity (fair value through other comprehensive income; without recycling)		13.4	13.4		12.7	12.7
	Financial assets measured at fair value through profit or loss		0.0	0.0		0.0	0.0
	Financial liabilities measured at amortised cost		220.3	205.6		226.2	208.6

The fair values of financial assets and liabilities accounted for as defined in IFRS 9 as at 31 December 2024 are classified as follows to the three levels of the fair value hierarchy:

in € million	Level 1	Level 2	Level 3	Total 31 Dec. 2024	Total 31 Dec. 2023
Other non-current financial assets (investments)	-	3.6	9.8	13.4	12.7
Other non-current financial assets (remaining)	-	0	-	0	0
Trade receivables, other current financial assets	-	561.3	-	561.3	526.8
Non-current financial liabilities	-	97.0	-	97.0	124.4
Other non-current financial liabilities (including leasing)	-	9.8	-	9.8	12.1
Current trade liabilities	-	63.5	-	63.5	66.8
Current financial liabilities	-	31.2	-	31.2	1.0
Current other financial liabilities (including leasing)	-	10.9	-	10.9	11.4

The levels of the fair value hierarchy and their application to assets and liabilities are described below:

- Level 1: Listed market prices for identical assets or liabilities on active markets
- Level 2: Other information in the form of listed market prices which are directly (e.g. prices) or indirectly (e.g. derived from prices) observable
- Level 3: Information on assets and liabilities not based on observable market data.

RHÖN-KLINIKUM AG measures the significant part of the financial assets at amortized cost in accordance with IFRS 9. Trade receivables, other financial assets as well as cash and cash equivalents covered by this in general have short remaining maturities. Their carrying amounts as at the reporting date therefore correspond to their fair values. The fair values of other non-current financial assets were calculated on the basis of the current level of interest rates.

Investments in the amount of €13.4 million (previous year: €12.7 million) are measured as of acquisition in accordance with IFRS 9 at fair value directly in equity (fair value through other comprehensive income, without recycling). These equity investments relate to start-up equity interests whose market value was calcu-

lated based on current equity transactions between market participants in the context of additional financing rounds or applying the DCF method. Equity investments only concern foreign equity investments in the amount of €13.4 million (previous year: €12.7 million), with these investments being attributable to Level 2 and Level 3 (previous year: Level 2 and 3). Moreover, additional immaterial equity investments amounting to €0.0 million (previous year: €0.0 million) are measured at fair value (fair value through profit or loss). Changes in the market valuation of equity investments, which are measured at fair value directly in equity (fair value through other comprehensive income, without recycling), resulted in total gains in the amount of €0.5 million (previous year: losses of €0.5 million) (after tax), which are recognised directly in equity under other comprehensive income (OCI).

The fair value of non-current other financial obligations/other provisions and non-current financial liabilities of RHÖN-KLINIKUM AG is calculated on the basis of the discounted cash flow. A risk- and maturity-related rate appropriate for RHÖN-KLINIKUM AG has been used for discounting purposes. For trade payables, other financial obligations and financial liabilities with short remaining maturities, the carrying amounts correspond to their fair values on the reporting date. The fair value of liabilities under leases was calculated using a market interest curve as at the balance sheet date and corresponds to their carrying amount.

6.20.2 Net gains or losses by measurement category

The net result (expense) by measurement category in accordance with IFRS 9 for financial year 2024 is as follows:

in € million	From subsequent measurement			From disposal	Net result
	From share price gains	At fair value	Impairment		2024
Financial assets measured at amortised cost	0.0	0.0	-0.2	18.2	18.0
Total	0.0	0.0	-0.2	18.2	18.0

The net result (expense) by measurement category in accordance with IFRS 9 for financial year 2023 is as follows:

in € million	From subsequent measurement			From disposal	Net result
	From share price gains	At fair value	Impairment		2023
Financial assets measured at amortised cost	0.0	0.0	-0.1	4.4	4.3
Total	0.0	0.0	-0.1	4.4	4.3

6.20.3 Financial liabilities (maturity analysis)

The following table sets out the contractually agreed (undiscounted) interest payments and redemption payments of the original financial liabilities:

in € million	Cash outflows		
	2025	2026-2031	> 2031
Financial liabilities – promissory note	-32.4	-54.8	0.0
Financial liabilities – registered bond	-1.4	-8.5	-71.3
Trade payables	-63.5	0.0	0.0
Other financial liabilities/ other provisions	-8.3	-5.8	0.0
Liabilities under leases	-2.8	-4.2	0.0
	-108.4	-73.3	-71.3

The following table shows the maturity analysis of the previous year:

in € million	Cash outflows		
	2024	2025-2030	> 2030
Financial liabilities – promissory note	-1.4	-87.1	0.0
Financial liabilities – registered bond	-1.4	-8.5	-72.7
Trade payables	-66.8	0.0	0.0
Other financial liabilities/ other provisions	-8.8	-7.9	0.0
Liabilities under leases	-2.8	-4.5	0.0
	-81.2	-108.0	-72.7

The above table includes all financial liabilities held as at the balance sheet date and for which payments had been contractually agreed. Planned payments for new liabilities in the future have not been included in the calculations. Interest payments were included in the future cash flows under agreements in effect as at the balance sheet date. Current liabilities and liabilities which can be terminated at any time are shown under the shortest time horizon.

7 | STATEMENT OF CASH FLOWS

The statement of cash flows shows how the item “Cash and cash equivalents” of RHÖN-KLINIKUM Group has changed in the year under review as a result of cash inflows and outflows. The impact of acquisitions, divestments and other changes in consolidated companies has been eliminated. In accordance with IAS 7 (Statement of Cash Flows), a distinction is made between cash flows from operating activities, investing activities as well as financing activities. The liquidity shown in the statement of changes in financial position includes cash on hand as well as cash with banks. For the purposes of the statement of cash flows, bank overdrafts are deducted from cash and cash equivalents. As at 31 December 24, as in the previous year, there were no bank overdrafts.

Cash and cash equivalents increased in financial year 2024 by €73.9 million (previous year: increase of €128.7 million). In this context, a positive operating cash flow was achieved in the amount of €127.6 million (previous year: €109.0 million). In addition to the increase in cash generated from operating activities by €18.6 million, cash used in investment activity increased by €91.3 million. Moreover, cash used in financing activity decreased by €17.9 million.

The increase in cash generated from operating activities compared with the previous year results among other things from the increase in consolidated profit, the reduction in other financial assets due to lower relief payments under the Hospital Remuneration Act (Krankenhausentgeltgesetz, KHEntgG), and from the reduction in trade receivables.

In 2024, as a result of the inverse structure of interest rates, fixed deposit investments were reversed in the amount of €7.5 million (previous year: €82.7 million) and reported under current overnight deposits. This was met with the opposite effect of an increase in investments in property, plant and equipment and intangible assets financed from own funds. Investments of €70.4 million (previous year: €62.8 million) were financed in the amount of €39.9 million (previous year: €29.8 million) by government grants. Of this amount, €1.1 million (previous year: €10.1 million) was received in financial year 2024. The cash flow statement included a total of €1.1 million (previous year: €1.2 million) in non-cash obligations from construction invoices outstanding as a correction to investments in property, plant and equipment as well as intangible assets. For better clarity and comprehension of the consolidated financial statements, deposits and payouts under short-term fixed deposit investments were aggregated under investing activity.

The €17.9 million decrease in cash used in financing activity results from the repayment of the first tranche of the promissory note in the amount of €7.0 million made in the previous year, from the dividend distributed in June 2023 to the shareholders of RHÖN-KLINIKUM AG in the amount of €10.0 million, as well as the payout in 2023 to non-controlling interests in the amount of €0.9 million.

The statement of cash flows sets out the change in cash and cash equivalents between two balance sheet dates. In the RHÖN-KLIN-

IKUM Group, this item exclusively comprises cash and cash equivalents attributable to continuing operations because no operations were discontinued.

In financial year 2024, financial liabilities changed as follows:

in € million	31 Dec. 2023	Cash changes	Non-cash changes	Change in consolidated companies	31 Dec. 2024
Lease obligations	7.1	-3.3	3.0	-	6.8
Current financial liabilities	1.0	-	30.9	-	31.9
Non-current financial liabilities	141.8	-	-30.9	-	110.9
Total liabilities from finance activities	149.9	-3.3	3.0	0.0	149.6

Financial liabilities changed in financial year 2023 as follows:

in € million	31 Dec. 2022	Cash changes	Non-cash changes	Change in consolidated companies	31 Dec. 2023
Lease obligations	8.5	-3.3	1.9	-	7.1
Current financial liabilities	8.0	-7.0	-	-	1.0
Non-current financial liabilities	141.6	-	0.2	-	141.8
Total liabilities from finance activities	158.1	-10.3	2.1	0.0	149.9

8 | SHAREHOLDINGS

8.1 Companies included in the consolidated financial statements

in € '000	Interest held in %	Equity	Result for the year
Hospital companies			
Haus Saaletal GmbH, Bad Neustadt a. d. Saale ¹	100.0	1,516	-
Klinikum Frankfurt (Oder) GmbH, Frankfurt (Oder) ¹	100.0	73,677	-
RHÖN-Kreisklinik Bad Neustadt GmbH, Bad Neustadt a. d. Saale ¹	100.0	350	-
Universitätsklinikum Gießen und Marburg GmbH, Giessen	95.0	215,473	25,583
Zentralklinik Bad Berka GmbH, Bad Berka	87.5	149,803	6,416

¹ The company claims the exemptions pursuant to section 264 (3) HGB from preparing notes and, to the extent required by law, from preparing a management report as well as disclosure.

in € '000	Interest held in %	Equity	Result for the year
Medical care centre companies			
MVZ Bad Neustadt/ Saale GmbH, Bad Neustadt a. d. Saale ¹	100.0	370	-
MVZ des Klinikums Frankfurt (Oder) GmbH, Frankfurt (Oder)	100.0	150	51
MVZ MED GmbH, Bad Neustadt a. d. Saale	100.0	87	-161
MVZ Rhön Diagnostik GmbH, Gießen	95.0	25	-4
MVZ UKGM GmbH, Marburg	95.0	1,704	1,040
MVZ Zentralklinik GmbH, Bad Berka ¹	87.5	1,994	-

¹ The company claims the exemptions pursuant to section 264 (3) HGB from preparing notes and, to the extent required by law, from preparing a management report as well as disclosure.

in € '000	Interest held in %	Equity	Result for the year
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Research and education companies

ESB – Gemeinnützige Gesellschaft für berufliche Bildung mbH, Bad Neustadt a. d. Saale	100.0	2,304	29
gemeinnützige Gesellschaft zur Förderung der klinischen Forschung auf dem Gebiet der Humanmedizin und zur Betreuung von Patienten an den Universitäten Gießen und Marburg mbH, Marburg	100.0	48	13

in € '000	Interest held in %	Equity	Result for the year
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Property companies

BGL Grundbesitzverwaltungs-GmbH, Bad Neustadt a. d. Saale	100.0	39,937	1,588
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in € '000	Interest held in %	Equity	Result for the year
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Service companies

RHÖN-Cateringgesellschaft mbH, Bad Neustadt a. d. Saale ¹	100.0	58	-
RHÖN-KLINIKUM Business Services GmbH, Bad Neustadt a. d. Saale ¹	100.0	15	-
RHÖN-KLINIKUM IT Service GmbH, Bad Neustadt a. d. Saale ¹	100.0	25	-
RHÖN-KLINIKUM Service Einkauf + Versorgung GmbH, Bad Neustadt a. d. Saale ¹	100.0	15,025	-4
RHÖN-KLINIKUM Services GmbH, Bad Neustadt a. d. Saale ¹	100.0	3,368	-
UKGM Service GmbH, Bad Neustadt a. d. Saale	100.0	91	-20

¹ The company claims the exemptions pursuant to section 264 (3) HGB from preparing notes and, to the extent required by law, from preparing a management report as well as disclosure.

in € '000	Interest held in %	Equity	Result for the year
Other companies/shelf companies			
Energiezentrale Universitätsklinikum Gießen GmbH, Gießen	50.0	1,287	221
Kinderhort Salzburger Leite gemeinnützige Gesellschaft mbH, Bad Neustadt a. d. Saale	100.0	265	85
KLINIK "HAUS FRANKEN" GMBH Bad Neustadt/Saale i. L., Bad Neustadt a. d. Saale	100.0	–	–
Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft mbH, Bad Neustadt a. d. Saale	100.0	–32,370	1,675
Psychosomatische Klinik GmbH Bad Neustadt/Saale, Bad Neustadt a. d. Saale	100.0	31	–4
PTZ GmbH, Marburg	100.0	311	5
RHÖN-KLINIKUM Energie für Gesundheit GmbH, Bad Neustadt a. d. Saale ¹	100.0	1,500	–
RHÖN-Innovations GmbH, Bad Neustadt a. d. Saale	100.0	6,256	694

¹ The company claims the exemptions pursuant to section 264 (3) HGB from preparing notes and, to the extent required by law, from preparing a management report as well as disclosure.

8.2 Other companies according to section 313 (2) No. 2 et seq. HGB

in € '000	Interest held in %	Equity	Result for the year
4QD – Qualitätskliniken.de GmbH, Berlin ¹	20.0	351	42
Bäderland Bayerische Rhön GmbH & Co. KG, Bad Kissingen ¹	0.1	21	0
CLEW Medical Inc., Delaware (USA) ²	6.2	–3,235	–5,907
HOSPIZ MITTELHESSEN gemeinnützige GmbH, Wetzlar ¹	13.6	550	3
Inovytec Medical Solutions Ltd., Hod Hasharon (Israel) ³	9.1	11,368	5,184
Seniorenpflegeheim GmbH Bad Neustadt a. d. Saale, Bad Neustadt a. d. Saale ²	25.0	–479	–1,769

¹ Figures according to annual financial statements of 31 December 2023.

² Figures according to annual financial statements of 31 December 2022.

³ Figures according to annual financial statements of 31 December 2023, converted at closing/average exchange rate on 31 December 2024.

9 | OTHER DISCLOSURES

9.1 Average annual number of employees

	2024		2023		Change	
	Number ¹	Number ¹	Number ¹	Number ¹	in %	
Medical doctors	1,138	1,087	51	4.5		
Nursing services	5,471	5,377	94	1.7		
Medical-technical services	2,602	2,551	51	2.0		
Functional	1,677	1,575	102	6.1		
Supply and misc. services	1,772	1,820	-48	-2.7		
Technical	261	262	-1	-0.4		
Administrative	1,057	1,040	17	1.6		
Other personnel	307	309	-2	-0.7		
	14,285	14,021	264	1.8		

¹ Headcount, excluding board members, managing directors, apprentices, trainees, those in alternative national service and civil servants.

9.2 Other financial obligations

in € million	31 Dec. 2024	31 Dec. 2023
Order commitments	44.7	37.0
Other		
Due in subsequent year	53.2	45.7
Due in 2 to 5 years	35.3	20.7
Due in 5 years	2.3	0.5
Total other	90.8	66.9

€7.8 million (previous year: €3.3 million) of the order obligation is in the form of intangible assets and €26.8 million (previous year: €21.6 million) in property, plant and equipment.

The remaining other financial obligations are mainly attributable to service agreements (maintenance agreements, agreements concerning the sourcing of products, agreements relating to laundry services, etc.).

As in the previous year, there are no obligations under loan commitments to associates as at the balance sheet date.

The White Paper Plus (Zukunftspapier Plus), signed at the end of February 2023 between the Federal State of Hesse, RHÖN-KLINIKUM AG, Asklepios Kliniken GmbH & Co. KGaA, Universitätsklinikum Gießen und Marburg GmbH (UKGM) as well as the universities with their faculties of medicine relating to the granting of investment funds for UKGM, provides for investment obligations to be financed from own funds by the end of 2032 in the amount of roughly €259.0 million as of 1 January 2023. As at the balance sheet date of 31 December 2024, there are still obligations for investments from own funds in the amount of €245.8 million.

With aforementioned White Paper, investment projects under the agreement from 2017 were modified and the time limits for meeting the investment obligations adjusted. The time limits for meeting these investment obligations are now within the time frame between 31 December 2024 and 31 December 2028.

What is significant for healthcare delivery and science is a concept for establishing joint ventures to be agreed between Universitätsklinikum Gießen und Marburg GmbH (UKGM) and the two universities making it possible to better translate research findings into clinical practice. The finance volume of €60 million will be provided by UKGM.

In addition, absolute bank guarantee undertakings (selbstschuldnerische Bürgschaftserklärungen) not limited by contract exist for claims of the Physicians Associations (kassenärztliche Vereinigungen) and health insurance funds against medical care centre (MVZ) subsidiaries from their accredited physician activities.

As part of the construction of the new hospital in Bad Neustadt a. d. Saale, a bank guarantee in the amount of €0.1 million (previous year: €0.1 million) was issued to secure the reforestation agreement with the Free State of Bavaria.

Moreover, one aval guarantee undertaking (Aval-Bürgschaftserklärung) in the amount of €3.5 million (previous year: €3.5 million) exists for claims to government grants of the Free State of Bavaria, one absolute guarantee (selbstschuldnerische Bürgschaft) for claims to government grants of the Free State of Bavaria in the amount of €0.2 million (previous year: €0.2 million), as well as rental guarantees in the amount of €0.0 million (previous year: €0.0 million).

It is not expected to be drawn on from the guarantees.

9.3 Leases within the Group

Standard IFRS 16 defines a lease as a contract which conveys the right to use an asset for a period of time in exchange for consideration. Within the Group, the modified retroactive approach was applied. Numerous property leases contain renewal options.

For leases with a term of twelve months maximum amounting to €0.0 million (previous year: €0.0 million) as well as for leases relating to low-value assets in the amount of €0.5 million (previous year: €0.6 million), no rights of use and no lease liabilities are recognised within the Group of RHÖN-KLINIKUM AG. The lease rates are recognised as before within the income statement. Interest expenses from leases amounting to €0.1 million (previous year: €0.1 million) in financial year 2024.

Further details on leases are provided in sections 6.2, 6.17 and 6.20.3.

9.3.1 Obligations of lessees

Under leases, the Group mainly rents copier and printer systems as well as laboratory equipment. In the Group, there is a principle of always acquiring ownership of operating assets.

in € million	2024	2023
Liabilities under leases - minimum lease payments		
Due in subsequent year	2.7	2.7
Due in two to five years	3.9	4.2
Due in five years	0.3	0.4
	6.9	7.3
Future financing costs under leases	-0.1	-0.2
Present value of liabilities under leases	6.8	7.1

in € million	2024	2023
Present value of liabilities under leases		
Due in subsequent year	2.7	2.7
Due in two to five years	4.1	4.4
Due in five years	-	-
	6.8	7.1

9.3.2 Claims of lessors

The Group lets residential space to employees, office and commercial space to third parties (e.g. cafeteria), as well as premises to doctors co-operating with the hospital and to joint laboratories as part of cancellable operating leases.

The most significant operating lease contracts by amount stem from the letting of property to third parties.

There is also income from non-terminable leases. The minimum lease payments to be received in future within one year are €1.1 million (previous year: €0.9 million). The minimum lease payments for the period of one to five years are €1.6 million (previous year: €1.5 million) and those having a maturity date exceeding five years are €0.6 million (previous year: €0.7 million).

9.4 Related Parties

According to the definition of IAS 24.9, related parties are those related to the reporting entity. Such parties are in particular natural persons who control the reporting entity or are involved in its joint management, exercise a material influence or hold a key position in the corporate management of the reporting entity. The same is true of close relatives of such persons. A person's close relatives are family members who may be assumed to be capable of influencing such person or being influenced by such person in their transactions with the Company. That includes children and spouses of life partners of such person, children of the spouse of life partner of such person, and dependants of such person or of the spouse of life partner of such person. Also included are companies of the same corporate group and companies subject to or exercising a material influence.

Companies in the RHÖN-KLINIKUM Group enter into transactions with related parties in certain cases. These in particular include lettings of buildings as well as services related to nursing as well as supply of staff. Such service or lease relations are arranged at arm's length terms.

Related companies are accordingly defined as all companies in which we own an interest of between 20.0% and 50.0% or which were not included in the consolidated financial statements on the grounds of materiality (for the companies of the Group, please refer

to the list of shareholdings in these Notes). Jointly managed joint ventures are also deemed to be related companies. From the point of view of the Group, the volume of transactions with related companies in financial year 2024 was as follows:

in € '000	Expenses 2024	Income 2024	Receivables 31 Dec. 2024	Liabilities 31 Dec. 2024
4QD – Qualitätskliniken.de GmbH, Berlin	4	–	–	–
HOSPIZ MITTELHESSEN gemeinnützige GmbH, Wetzlar	10	–	–	–
	14	–	–	–

From the point of view of the Group, the volume of transactions with companies consolidated using the equity method in financial year 2024 was as follows:

in € '000	Expenses 2024	Income 2024	Receivables 31 Dec. 2024	Liabilities 31 Dec. 2024
Energiezentrale Universitätsklinikum Gießen GmbH, Giessen	663	–	–	84
	663	–	–	84

The receivables and liabilities result from supply and service relationships.

The members of management in key positions as well as their close family relatives are treated as related parties. The Board of Management of RHÖN-KLINIKUM AG, the members of the Supervisory Board, as well as the members of management in key positions of a parent company were included among the members of management in key positions. Direct and indirect parent companies are the companies specified under section 1 “General information” and, after the decease of Dr. Bernard große Broermann, his family.

In the year under review, members of the Supervisory Board of RHÖN-KLINIKUM AG, or companies and entities related with these as well as companies within the meaning of IAS 24, rendered the following services at arm's length terms:

in € '000			Expenses	
Related party	Companies as defined by IAS 24	Nature of services	2024	2023
Community of heirs große Broermann	Asklepios Kliniken Group	Purchase of services and medical products	8,497	10,346
	of which Asklepios Kliniken GmbH & Co. KGaA	Purchase of services and medical products	1,642	1,872
Peter Berghöfer		Supervisory board activity at an affiliated company	4	4
Hafid Rifi		Supervisory board activity at an affiliated company	3	7
Marco Walker		Supervisory board activity at an affiliated company	3	3
Regina Dickey		Supervisory board activity at an affiliated company	3	3
Dr Cornelia Süfke		Supervisory board activity at an affiliated company	3	4
Dr Jan Liersch		Supervisory board activity at an affiliated company	3	4
Dr Dagmar Federwisch		Supervisory board activity at an affiliated company as well as creation of print products	6	-
Dr Sara Sheikhzadeh		Supervisory board activity at an affiliated company	4	-
Prof. Dr Bernd Griewing		Employee expenses, medical treatments	1,210	1,203
Eugen Münch		Fee for services	668	643

As in the previous year, the expenses were recognised in the income statement under the item "Materials and consumables" as well as the item "Other expenses". As in the previous year, no impairments were to be recognised in financial year 2024.

The following services were recognised in the income statement under other income:

in € '000			Income	
Related party	Companies as defined by IAS 24	Nature of services	2024	2023
Community of heirs große Broermann	Asklepios Kliniken Group	Services, pharmacy services and medical products	11,489	12,622
	of which Asklepios Kliniken GmbH & Co. KGaA	Services, medical products and other	16	1,162
PD Dr med. Thomas Pillukat		Rental revenue	5	5
Prof. Dr Bernd Griewing		Medical services	1	-
Eugen and Ingeborg Münch		Telephone costs	1	1
Dr Stefan Stranz		Services	0	0

As at the balance sheet date of 31 December 2024, the following trade payables existed:

in € '000			Liabilities	
			2024	2023
Related party	Companies as defined by IAS 24	Nature of services		
Community of heirs große Broermann	Asklepios Kliniken Group	Purchase of services and medical products	2,844	5,787
	of which Asklepios Kliniken GmbH & Co. KGaA	Services and medical products	792	1,218
Eugen Münch		Fee for services	144	132

As at the balance sheet date of 31 December 2024, the following trade receivables existed:

in € '000			Receivables	
			2024	2023
Related party	Companies as defined by IAS 24	Nature of services		
Community of heirs große Broermann	Asklepios Kliniken Group	Services, pharmacy services and medical products	1,191	2,728
	of which Asklepios Kliniken GmbH & Co. KGaA	Services and medical products	19	1,162

The employee representatives on the Supervisory Board employed at RHÖN-KLINIKUM AG or its subsidiaries received the following remuneration within the scope of their employment contracts in the past financial year:

in € '000	Fixed	Profit-linked	Total	
			2024	2023
Peter Berghöfer	198	7	205	205
Regina Dickey	53	1	54	51
Peter Duce	36	1	37	39
Prof. (apl.) Dr med. Leopold Eberhart	27	0	27	57
Dr med. Martin Mandewirth	206	-	206	207
PD Dr med. Thomas Pillukat	152	14	166	171
Oliver Salomon	52	1	53	58
	724	24	748	788

The above costs are shown under employee benefit expenses in the income statement.

9.5 Total payments of Supervisory Board, the Board of Management and the Advisory Board

The total expenditures (excluding VAT) for members of the Supervisory Board are broken down below:

in € '000	2024	2023
Total payments		
Dr Jan Liersch	103	102
Stefan Röhrhoff (from 1 January 2024)	57	-
Georg Schulze (until 31 December 2023)	-	60
Hafid Rifi	71	69
Peter Berghöfer	43	45
Dr Julia Dannath-Schuh	33	31
Regina Dickey	44	45
Peter Ducke	36	39
Prof. (apl.) Dr med. Leopold Eberhart	43	45
Dr Dagmar Federwisch (from 5 June 2024)	19	-
Joachim Gemmel (from 18 March 2024)	29	-
Irmtraut Gürkan (until 5 June 2024)	22	43
Kai Hankeln (until 13 February 2024)	4	37
Dr med. Martin Mandewirth	34	35
PD Dr med. Thomas Pillukat	38	37
Christine Reißner (until 5 June 2024)	14	33
Oliver Salomon	31	34
Dr Sara Sheikhzadeh (from 5 June 2024)	18	-
Dr Cornelia Sükken	32	32
Marco Walker	30	32
	701	719

As at the balance sheet date, liabilities to members of the Supervisory Board in the amount of €0.6 million (previous year: €0.6 million) exist.

The total payments of the Board of Management break down as follows:

in € '000

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			
	2024	in %	2023	in %	2024 (min.)	2024 (max.)	2024	in %	2023	in %
Base salary (fixed remuneration)	500	76	500	99	500	500	500	99	500	91
Fringe benefits	7	1	7	1	7	7	7	1	7	1
Total	507	77	507	100	507	507	507	100	507	92
One-year variable remuneration ²	155	23	0	0	0	250	0	0	42	8
Total remuneration	662	100	507	100	507	757	507	100	549	100

¹ Remuneration granted and owed in financial year.

² The variable remuneration for 2023 is €0; the target agreement relating to variable remuneration was terminated in September 2023.

in € '000

Incumbent member of Board of Management	Dr Stefan Stranz (Member of the Board of Management)									
	Remuneration earned in financial year						Inflow ¹			
	2024	in %	2023	in %	2024 (min.)	2024 (max.)	2024	in %	2023	in %
Base salary (fixed remuneration)	500	72	500	92	500	500	500	92	500	75
Fringe benefits	43	6	43	8	43	43	43	8	43	6
Total	543	78	543	100	543	543	543	100	543	81
One-year variable remuneration ²	155	22	0	0	0	250	0	-	126	19
Total remuneration	698	100	543	100	543	793	543	100	669	100

¹ Remuneration granted and owed in financial year.

² The variable remuneration for 2023 is €0; the target agreement relating to variable remuneration was terminated in September 2023.

in € '000

Incumbent member of Board of Management

Dr Gunther Karl Weiß
(Member of the Board of Management)

	Remuneration earned in financial year						Inflow ¹			
	2024		2023		2024	2024	2024		2023	
	in €	in %	in €	in %	(min.)	(max.)	in €	in %	in €	in %
Base salary (fixed remuneration)	500	66	500	80	500	500	500	97	500	78
Fringe benefits	17	2	17	3	17	17	17	3	17	3
Total	517	68	517	83	517	517	517	100	517	80
One-year variable remuneration ²	155	20	0	0	–	250	0	0	126	20
Total payments	672	88	517	83	517	767	517	100	643	100
Pension expense ³	88	12	108	17	88	88	0	0	0	0
Total remuneration	760	100	625	100	605	855	517	100	643	100

¹ Remuneration granted and owed in financial year.

² The variable remuneration for 2023 is €0; the target agreement relating to variable remuneration was terminated in September 2023.

³ Pension expenditure includes the expense according to IAS 19.

For the post-termination entitlements of Prof. Dr. Griewing and Dr. Weiß, the following provisions have been formed for post-employment benefits:

in € '000

	Provision as at 31 Dec. 2023	Change in retirement benefits	Provision as at 31 Dec. 2024	Remaining nominal amount on contract expiry ¹
Retirement benefits				
Incumbent members of the Board of Management				
Dr Gunther K. Weiß	547	88	635	647
Former members of the Board of Management				
Prof. Dr Bernd Griewing	173	152	325	325
Total	720	240	960	972

¹ Claim after ordinary expiry of employment contracts based on remuneration

As at the balance sheet date, liabilities to incumbent and former members of the Board of Management in the amount of €0.5 million (previous year: €0.0 million) exist.

No loans were granted to members of the Supervisory Board and the Board of Management. The members of the Supervisory Board and their related parties together have a shareholding interest in RHÖN-KLINIKUM AG of 0.0% (previous year: 0.0%) of total equity capital. As at 31 December 2024, the members of the Board of Management hold no (previous year: no) shares of RHÖN-KLINIKUM AG. The payments of the Supervisory Board relate to benefits due in the short term.

During the 2024 reporting period, RHÖN-KLINIKUM AG received no notifications on transactions for own account by persons discharging managerial responsibilities pursuant to Article 19 of the Market Abuse Regulation (EU) No 596/2014.

9.6 Declaration of Compliance with the German Corporate Governance Code

By joint resolution of the Supervisory Board and the Board of Management of RHÖN-KLINIKUM AG of 12 December 2024, the Company made the declaration pursuant to section 161 of the German Stock Corporation Act (AktG) regarding the application of the German Corporate Governance Code in financial year 2024. It has been published on the website of RHÖN-KLINIKUM AG and thus made available to the general public.

9.7 Disclosure of the fees recognised as expenses (including reimbursement of outlays and excluding VAT) for the statutory auditors

In 2024 financial year, auditor fees of €1.2 million (previous year €0.9 million) were spent throughout the Group. The fees, including expenses and excluding VAT, are due for the following services:

in € '000	2024	2023
Fees for auditing financial statements	920	791
Fees for other statutory auditing services	293	112
Fees for tax advice	-	-
Fees for other services	-	-
Total fee	1,213	903

The fees for the other statutory confirmation services essentially cover certificates for hospital legislation purposes as well as for review of the separate non-financial report. As in the previous year, no tax advisory services or other services were rendered by the statutory auditor.

Of the total fee (excluding VAT), no fees are attributable to other statutory auditors who are not auditors of the consolidated financial statements.

9.8 Events after the reporting date

Since 31 December 2024, no events of special significance have occurred from which a significant influence on the assets, financial position and results of the RHÖN-KLINIKUM AG Group is expected.

10 | CORPORATE BODIES OF RHÖN-KLINIKUM AG

The Supervisory Board of RHÖN-KLINIKUM AG is comprised as follows:

Dr. Jan Liersch

business address at Königstein-Falkenstein, Managing Director of Broermann Holding GmbH, Chairman of the Supervisory Board

Also a member of the Supervisory Board of:

- Asklepios Kliniken GmbH & Co. KGaA, Hamburg (Member of the Supervisory Board)
- Asklepios Kliniken Hamburg GmbH, Hamburg (Chairman of the Supervisory Board)
- MEDICLIN Aktiengesellschaft, Offenburg (Chairman of the Supervisory Board)
- Universitätsklinikum Gießen und Marburg GmbH, Giessen

Other mandates:

- Hotel Montreux Palace S.A., Montreux, Switzerland (Chairman of the Board of Directors)
- Hôtel Suisse Majestic S.A., Montreux, Switzerland (Chairman of the Board of Directors)
- Broermann Medical AG, Montreux, Switzerland (Chairman of the Board of Directors)

Stefan Röhrhoff

Homberg, 1st Deputy Chairman, Regional Director of ver.di, region of Hesse (from 1 January 2024)

Hafid Rifi

Business address at Königstein-Falkenstein, 2nd Deputy Chairman, Chief Financial Officer of Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Also a member of the Supervisory Board of:

- Universitätsklinikum Gießen und Marburg GmbH, Giessen
- MEDICLIN Aktiengesellschaft, Offenburg (from 6 June 2024)
- Asklepios Kliniken Hamburg GmbH, Hamburg (from 17 July 2024)

Peter Berghöfer

Münchhausen, Head of Finance, Universitätsklinikum Gießen und Marburg GmbH, Giessen

Also a member of the Supervisory Board of:

- Universitätsklinikum Gießen und Marburg GmbH, Giessen

Dr. Julia Dannath-Schuh

Zurich, Switzerland, Vice President Human Resources Development & Leadership ETH Zurich

Also a member of the Supervisory Board of:

- MEDICLIN Aktiengesellschaft, Offenburg

Other mandates:

- Alsia und Partners AG, Zürich, Switzerland (Member of the Board of Directors)
- Business Tools AG, Zürich, Switzerland (Member of the Board of Directors)

Regina Dickey

Giessen, administrative employee

Also a member of the Supervisory Board of:

- Universitätsklinikum Gießen und Marburg GmbH, Giessen

Peter Ducke

Marburg, employee in nursing service

Prof. Dr. Leopold Eberhart

Marburg, Medical Doctor

Dr. Dagmar Federwisch

Schwalmstadt, Regional Managing Director Northern Hesse and North-Rhine Westphalia of Asklepios Kliniken GmbH & Co. KGaA, Hamburg (from 5 June 2024)

Also a member of the Supervisory Board of:

- Universitätsklinikum Gießen und Marburg GmbH, Giessen

Joachim Gemmel

Business address Hamburg, Chief Executive Officer of Asklepios Kliniken GmbH & Co. KGaA, Hamburg (from 18 March 2024)

Also a member of the Supervisory Board of:

- MEDICLIN Aktiengesellschaft, Offenburg (from 6 June 2024)

Irmtraut Gürkan

Alsbach, Dipl.-Volkswirtin (Economist) (until 5 June 2024)

Also a member of the Supervisory Board of:

- Biolife Holding AG, Heidelberg (Deputy Chairman of the Supervisory Board)
- Charité Universitätsmedizin Berlin, Berlin

Other mandates:

- Eurotransplant International Foundation, Leiden, Netherlands (Member of the Supervisory Board)
- Stiftung Alice-Hospital vom Roten Kreuz zu Darmstadt, Darmstadt (Member of the Board of Trustees)
- Universitätsspital Basel, Basel, Switzerland (Member of the Board of Directors)
- Georg-August-Universität Göttingen, Göttingen (Member of the Foundation Council)
- Universitätsmedizin Göttingen, Göttingen (Deputy Chairman of the Foundation Committee)
- Oberender Aktiengesellschaft, Bayreuth, (Chairman of the Supervisory Board) (from 14 May 2024)

Kai Hankeln

Business address Hamburg, Chief Executive Officer of Asklepios Kliniken GmbH & Co. KGaA, Hamburg (until 13 February 2024)

Also a member of the Supervisory Board of:

- Asklepios Fachklinikum Stadtroda GmbH, Stadtroda (Chairman of the Supervisory Board) (until 13 February 2024)
- MEDICLIN Aktiengesellschaft, Offenburg (until 13 February 2024)

Dr. Martin Mandewirth

Oberelsbach, Facharzt für Herzchirurgie (Specialist in heart surgery)

PD Dr. Thomas Pillukat

Bad Neustadt a. d. Saale, Facharzt Orthopädie und Unfallchirurgie, Handchirurgie (Specialist in orthopaedics and trauma surgery, hand surgery)

Christine Reißner

Sülzfeld, Kauffrau (Businesswoman) (until 5 June 2024)

Oliver Salomon

Bad Berka, Nurse

PD Dr. Sara Sheikzadeh

business address Hamburg, Chief Medical Officer of Asklepios Kliniken GmbH & Co. KGaA, Hamburg (from 5 June 2024)

Also a member of the Supervisory Board of:

- Universitätsklinikum Gießen und Marburg GmbH, Giessen
- MEDICLIN Aktiengesellschaft, Offenburg (from 6 June 2024)

Dr. Cornelia Süfke

Hamburg, Head of Legal, Insurance & Compliance, Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Also a member of the Supervisory Board of:

- Universitätsklinikum Gießen und Marburg GmbH, Giessen
- Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Marco Walker

Business address Hamburg, Chief Executive Officer of Asklepios Kliniken GmbH & Co. KGaA, Hamburg

Also a member of the Supervisory Board of:

- MEDICLIN Aktiengesellschaft, Offenburg
- Meierhofer Aktiengesellschaft, Munich
- Universitätsklinikum Gießen und Marburg GmbH, Giessen

The Board of Management of RHÖN-KLINIKUM AG comprises the following persons:

Prof. Dr. Tobias Kaltenbach

Business address Bad Neustadt a. d. Saale, Chairman of the Board of Management

Also a member of the supervisory board of:

- Universitätsklinikum Gießen und Marburg GmbH, Giessen (Chairman of the Supervisory Board)

Dr. Stefan Stranz

Business address Bad Neustadt a. d. Saale, Chief Financial Officer

Dr. Gunther Karl Weiß, M.Sc.

Business address Bad Neustadt a. d. Saale, Chief Operating Officer

Other mandates:

- Universitätsklinikum Gießen und Marburg GmbH, Giessen (Chairman of the Management Body)
- Mittelhessische Medizin-Stiftung am Universitätsklinikum Gießen und Marburg, Giessen (Member of the Board of Directors)
- Hessische Krankenhausgesellschaft e. V., Eschborn (Member of the Management Board)

Bad Neustadt a. d. Saale, 19 March 2025

RHÖN-KLINIKUM Aktiengesellschaft
THE BOARD OF MANAGEMENT

Prof. Dr. Tobias Kaltenbach

Dr. Stefan Stranz

Dr. Gunther K. Weiß

Responsibility Statement

We assure to the best of our knowledge that, in accordance with the applicable accounting policies, the consolidated financial statements of RHÖN-KLINIKUM AG give a true and fair view of the net assets, financial position and results of operations of the Group and

that the Group Management Report presents the course of business including the financial results and the position of the Group in a true and fair view and describes the material risks and opportunities of the expected development of the Group of RHÖN-KLINIKUM AG.

Bad Neustadt a. d. Saale, 19 March 2025

RHÖN-KLINIKUM Aktiengesellschaft
THE BOARD OF MANAGEMENT

Prof. Dr. Tobias Kaltenbach

Dr. Stefan Stranz

Dr. Gunther K. Weiß

Independent Auditor's Report

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

Report on the Audit of the Consolidated Financial Statements and of the Group Management Report

Opinions

We have audited the consolidated financial statements of RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2024 and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the group management report of RHÖN-KLINIKUM Aktiengesellschaft for the financial year from 1 January to 31 December 2024.

In accordance with German legal requirements, we have not audited the content of those components of the group management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the group management report does not cover the content of those components of the group management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and the group management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

- Recognition of revenue generated from hospital services provided and revenue compensation (Erlösausgleiche)

Please refer to Note 3.2 in the notes to the consolidated financial statements for information on the accounting policies applied. Disclosures on the amount of revenue can be found in the notes to the consolidated financial statements under Note 5.1.

THE FINANCIAL STATEMENT RISK

The revenue reported in the Company's consolidated financial statements amounting to EUR 1,595.6 million mainly relates to hospital services.

As at the reporting date, for settlement reasons revenue is based on a series of management assumptions which involve estimate uncertainties. As the budget negotiations relevant for performance often take place towards the end of the financial year, the remunerated service volumes are estimates as at the reporting date.

Due to the complexity of the judgements described, there is the risk for the consolidated financial statements that revenue is not appropriately determined.

OUR AUDIT APPROACH

In order to evaluate the appropriateness of the revenue recognised as at the reporting date, we gave consideration to the Company's established processes to recognise revenue from hospital services performed and the regulatory revenue corrections required, and we verified the methodological approach of management in making the regulatory revenue corrections. In order to audit revenue recognition on an accrual basis, we examined the design, establishment and effectiveness of the organisational separation of the departments involved in case processing and the existence of cost assumption declarations/the treatment contract of the health insurer of the patient treated.

During our audit, using (among other things) the contractual documentation presented to us and other correspondence and based on a risk-oriented deliberate sample, we obtained an overview relating to the status of the various budget agreements of the hospitals in the RHÖN-KLINIKUM Group on the reporting date and the respective remunerated service volumes. For the budget negotiations which had not yet been concluded as at the reporting date, we assessed the appropriateness of the estimated budget amounts and revenue compensation. We also comprehended the management assumptions on the service volumes to be remunerated as at the reporting date based on the detailed information provided to us. In order to assess the estimation accuracy, we compared the regulatory revenue corrections with the outcome of the negotiations with the health insurers from previous years. With respect to revenue compensation, we examined the underlying agreements in addition to the reconciliations of the performance statistics audited in the context of the revenue validation. In doing so, we also validated

the implementation of the legal regulations. In order to audit revenue recognition on an accrual basis, we also examined revenue validation.

OUR OBSERVATIONS

The assumptions underlying revenue recognition are appropriate.

- Recoverability of goodwill

Please refer to Note 2.4.1 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Disclosures on the amount of goodwill can be found in Note 6.1 of the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

In the Company's consolidated financial statements under "Goodwill and other intangible assets" an amount of EUR 165.4 million (8.9% of total assets) is recognised for goodwill. The Company allocates the goodwill to the respective cash-generating units, which essentially correspond to the respective hospitals. Goodwill is tested once a year at the level of the cash-generating units for impairment without specific cause. If there is an impairment trigger in the course of the year, an ad hoc impairment test is additionally carried out during the year. For the goodwill impairment test the carrying amount of the respective cash-generating unit including the goodwill is compared against the corresponding recoverable amount of the respective cash-generating unit. If the carrying amount exceeds the recoverable amount, an impairment loss has to be recognised. The recoverable amount is the higher of the fair value less costs to sell and the value in use of the cash-generating unit. The effective date for the impairment test was 1 October 2024.

The goodwill impairment test is complex and based on a number of assumptions requiring judgement. These include the expected business and earnings performance of the cash-generating units for the next ten years, the assumed long-term growth rates and the discount rate applied.

As a result of the impairment tests conducted, the Company did not identify any need for impairment. The result of this measurement is highly dependent on management estimates relating to the future cash flows of the respective cash-generating units, the discount rate used, the growth rate and further assumptions and is thus subject to considerable uncertainty. The Company's sensitivity calculations showed that a potential change of 0.5 percentage points in the discount rate or of 10% in the budgeted earnings would result in a reduction to the recoverable amount.

There is the risk for the consolidated financial statements that impairment existing as at the reporting date was not identified. There is also a risk that the related disclosures in the notes are not appropriate.

OUR AUDIT APPROACH

With the involvement of our valuation specialists, we assessed, among other things, the appropriateness of the key assumptions as well as the Company's valuation model. To this end, we discussed the expected business and earnings development as well as the assumed long-term growth rates with those responsible for planning. We also reconciled this information with other internally available forecasts and the budget approved by management and acknowledged by the Supervisory Board. We additionally assessed the consistency of the assumptions with external market forecasts.

Furthermore, we investigated the Company's planning accuracy by comparing budgeted figures from earlier financial years with the earnings actually realised and by analysing any deviations. We compared the assumptions and data underlying the discount rate – in particular the risk-free rate, the market risk premium and the beta factor – with our own assumptions and publicly available information.

To assess whether the implementation of the valuation model is methodically and mathematically appropriate, we verified the measurement made by the Company using our own calculations and analysed any deviations.

In order to take account of forecast uncertainty and the earlier reporting date for impairment testing, we examined the impact of possible changes in the discount rate and earnings performance on the recoverable amount by calculating alternative scenarios and comparing them with the sensitivity analyses of the Company. The risk-based focus of our audit procedures was on the Gießen and Marburg University Hospital cash-generating unit as well as on the RHÖN-KLINIKUM Campus.

Finally, we assessed whether the disclosures in the notes regarding recoverability of goodwill are appropriate.

OUR CONCLUSIONS

The valuation model underlying the impairment test of goodwill is appropriate and consistent with the applicable accounting policies.

The Company's assumptions and data underlying the measurement are appropriate.

The related disclosures in the notes are appropriate.

Other Information

Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the group management report, whose content was not audited:

- the combined sustainability report including the combined non-financial statement included in the group management report,
- the corporate governance statement referred to in the group management report.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the group management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our

opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present

the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by management in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file "rhoenlinikumag-2024-12-31-de.zip" (SHA256 hash value: 1062a0c3753c62b13cdf91c7338ec489eae47fb87fe3bfa5707399c979727187) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

The Company's management is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's management is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on 5 June 2024. We were engaged by the Chairperson of the Audit Committee of RHÖN-KLINIKUM AG on 20 November 2024. We have been the auditor of the consolidated financial statements of RHÖN-KLINIKUM Aktiengesellschaft without interruption since financial year 2021.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the examined ESEF documents. The consolidated financial statements and group management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

Information on the Supplementary Audit

We issue this independent auditor's report on the amended consolidated financial statements and group management report on the basis of our statutory audit completed on 6 March 2025 and our supplementary audit completed on 20 March 2025, referring to the amendments to the notes to the consolidated financial statements on supervisory board mandates with regard to individual members of the governing bodies of RHÖN-KLINIKUM Aktiengesellschaft and the resulting amended ESEF documents.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Thorsten Schrum.

Frankfurt am Main, 6 March 2025/limited to the amendments stated in the information on the supplementary audit: 20 March 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Huber-Straßer
Wirtschaftsprüferin
[German Public Auditor]

Schrum
Wirtschaftsprüfer
[German Public Auditor]

Balance Sheet and Income Statement

BALANCE SHEET

in € million	31 Dec. 2024	31 Dec. 2023
ASSETS		
Intangible assets	5.7	6.0
Property, Plant and Equipment	248.5	257.9
Financial assets	633.4	624.9
Fixed assets	887.6	888.8
Inventories	6.6	7.0
Receivables and other assets	167.2	160.4
Securities, cash and cash equivalents	298.0	260.2
Current assets	471.8	427.6
Prepaid expenses	2.9	2.1
Deferred tax assets	4.2	6.6
	1,366.5	1,325.1

in € million	31 Dec. 2024	31 Dec. 2023
LIABILITIES		
Subscribed capital/issued capital	167.4	167.4
Capital reserve	589.0	589.0
Retained earnings	201.7	201.7
Net distributable profit	34.8	22.3
Shareholders' equity	992.9	980.4
Contribution to finance fixed assets	17.4	14.6
Provisions	32.0	31.7
Liabilities	324.2	297.7
Deferred income	0.0	0.7
	1,366.5	1,325.1

INCOME STATEMENT

in € million	2024	2023
Revenues	323.7	304.6
Changes in services in progress	-0.5	0.8
Other operating income	12.4	20.9
Materials and consumables used	104.5	96.6
Employee benefits expense	165.2	158.9
Depreciation	21.1	23.0
Other operating expenses	37.9	38.0
Operating result	6.9	9.8
Investment result	-5.0	2.1
Finance result	14.6	13.3
Taxes	4.0	2.9
Net profit for the year	12.5	22.3
Profit carried forward from previous year	22.3	0.0
Net distributable profit	34.8	22.3

The Annual Financial Statements as at 31 December 2024 and the Management Report for financial year 2024 of RHÖN-KLINIKUM Aktiengesellschaft were issued by KPMG AG Wirtschaftsprüfungsgesellschaft with an unqualified auditor's report. They are published in the Companies Register (Unternehmensregister).

The Annual Financial Report can be obtained from the Company on request.

Proposed Appropriation of Profit

The Company's Annual Financial Statements for the year ended 31 December 2024, which have been prepared by the Board of Management, approved by the Supervisory Board and thus adopted as final, show a net distributable profit of € 34,762,751.46. The Board of Management and the Supervisory Board propose appropriating

an amount of € 6,693,847.00 from net distributable profit in the amount of € 34,762,751.46 to distribute a dividend of € 0.10 per no-par value share with dividend entitlement and allocating the remaining amount of € 28,068,904.46 to new account.

Bad Neustadt a. d. Saale, 26 March 2025

RHÖN-KLINIKUM Aktiengesellschaft

The Supervisory Board

The Board of Management

Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the Consolidated Sustainability Statement

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

Assurance Conclusion

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement, included in section “6 CSRD SUSTAINABILITY STATEMENT” of the group management report, of RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale for the financial year from January 1 to December 31, 2024. The Consolidated Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as Sections 315b and 315c of the HGB for a consolidated non-financial statement and Sections 289b to 289e of the HGB for a non-financial statement of the company.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, Sections 289b to 289e of the HGB for a non-financial statement of the company and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying Consolidated Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Consolidated Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section “1. General information IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities” of the

Consolidated Sustainability Statement, or

- the disclosures in section “2. Environmental information Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)” of the Consolidated Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Consolidated Sustainability Statement”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Sustainability Statement

The executive directors are responsible for the preparation of the Consolidated Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a Consolidated Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the Consolidated Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Consolidated Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Consolidated Sustainability Statement.

Inherent Limitations in Preparing the Consolidated Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Consolidated Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Consolidated Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Consolidated Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company's executive directors, and to issue an assurance report that includes our assurance conclusion on the Consolidated Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also

- obtain an understanding of the process used to prepare the Consolidated Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Consolidated Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we a.o.:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Consolidated Sustainability Statement
- inquired of the executive directors and relevant employees involved in the preparation of the Consolidated Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Consolidated Sustainability Statement, and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the Consolidated Sustainability Statement
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain
- performed analytical procedures and made inquiries in relation to selected information in the Consolidated Sustainability Statement
- conducted a site visit
- considered the presentation of the information in the Consolidated Sustainability Statement
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement].

Restriction of Use/Clause on General Engagement Term

This assurance report is solely addressed to RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale.

The engagement, in the performance of which we have provided the services described above on behalf of RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 (www.kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to EUR 4 million specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Frankfurt am Main, March 6, 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft

Niels Beyer
Wirtschaftsprüfer

Sabine Brandt
Wirtschaftsprüfer

FINANCIAL CALENDAR

DATES FOR SHAREHOLDERS AND ANALYSTS 2025

27 March	Publication of 2024 Annual Financial Report, Press Conference & Analysts Meeting
8 May	Publication of Interim Report for the quarter ending 31 March 2025
5 June	Annual General Meeting
7 August	Publication of Half-Year Financial Report as of 30 June 2025
6 November	Publication of Interim Report for the quarter ending 30 September 2025

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This Annual Report is also available in German.

Annual Report on the internet
en.rhoen-klinikum-ag.com/annual-report

DISCLAIMER

The information provided in this Report does not constitute an offer or solicitation to buy shares of RHÖN-KLINIKUM AG. All reasonable care has been taken to ensure that the content of this Report was accurate on the date of publication. However, RHÖN-KLINIKUM AG accepts no warranty that all information is complete, accurate and up to date. Any investment in shares of RHÖN-KLINIKUM AG must be made on the basis of the information contained in the Company's prospectus in its authorised form. Although as a general rule we employ the masculine form for better readability when referring to persons, this form covers all persons of the respective group, irrespective of their (social) gender and gender identity.



RHÖN-KLINIKUM AG

A company of the Asklepios Group