

**AMENDMENT DURING YEAR UNDER WAY TO  
DECLARATION OF COMPLIANCE IN ACCORDANCE WITH  
SECTION 161 OF THE GERMAN STOCK CORPORATION ACT  
(AKTIENGSETZ, AKTG)**

(as issued on 19 March 2020)

Amendment during year under way of the Declaration by the Board of Management and the Supervisory Board of RHÖN-KLINIKUM AG pursuant to section 161 AktG with the German Corporate Governance Code

“The Board of Management and the Supervisory Board of RHÖN-KLINIKUM AG issued the last Declaration of Compliance pursuant to section 161 AktG on 6 November 2019. They declare, in addition to the derogations specified in the Declaration of Compliance dated 6 November 2019, the following additional derogations to the recommendations issued by the “Government Commission of the German Corporate Governance Code” as amended on 7 February 2017 and published by the Federal Ministry of Justice in the official section of the Federal Gazette on 24 April 2017:

**a) Code Item 5.3.2 (3) sentence 2:**

Independence of the chairman of the audit committee

According to Code Item 5.3.2 sentence 2, the chairman of the audit committee is to be independent. The current chairman of the Audit Committee is Mr. Wolfgang Mündel. Mr. Mündel at the same time is a member of the Board of Directors of HCM SE. HCM SE and Asklepios Kliniken GmbH & Co. KGaA have founded a joint venture company which, after clearance under merger control legislation by the German Federal Cartel Office, is expected to hold more than 50% of the shares in RHÖN-KLINIKUM AG. As a result, Mr. Wolfgang Mündel might be regarded as being no longer independent. Since the Supervisory Board, at the Annual General Meeting to be held on 3 June 2020, is to be elected again anyway, the Supervisory Board does not now intend to appoint a new chairman of the Audit Committee.

**b) Code Item 5.4.2 last sentence:**

Directorship of supervisory board members with major competitors

Item 5.4.2 last sentence of the Code provides that supervisory board members are not to exercise any directorship at major competitors of the company. After the clearance under merger control legislation, HCM SE and Asklepios Kliniken GmbH & Co. KGaA will hold an interest in the joint venture company mentioned in lit. a) in proportion to their contributed RHÖN-KLINIKUM shares. At the same time, Asklepios Kliniken GmbH & Co. KGaA will not only contribute the shares already held by it but also any shares it will

acquire in the context of an announced public takeover offer. Through the joint venture company, Asklepios Kliniken GmbH & Co. KGaA will probably control more than 50% of the shares in RHÖN-KLINIKUM AG. Asklepios Kliniken GmbH & Co. KGaA and its affiliates are among the major competitors of RHÖN-KLINIKUM AG on the German hospital market.

The Supervisory Board has resolved to propose to the shareholders, in the elections to the Supervisory Board to take place at the Annual General Meeting on 3 June 2020, also persons exercising directorships with Asklepios Kliniken GmbH & Co. KGaA.”

Bad Neustadt a. d. Saale, 19 March 2020

For the Supervisory Board  
Eugen Münch

For the Board of Management  
Stephan Holzinger

## DECLARATION OF COMPLIANCE PURSUANT TO SECTION 161 GERMAN STOCK CORPORATION ACT

(as issued on 6 November 2019)

The Board of Management and the Supervisory Board of RHÖN-KLINIKUM AG declare that the recommendations issued by the 'Government Commission of the German Corporate Governance Code' as amended on 7 February 2017 and published by the Federal Ministry of Justice in the official section of the Federal Gazette on 24 April 2017 have been implemented will be implemented since the last update of the Declaration of Compliance on 18 January 2019 with the following exceptions:

**a) Code Item 4.2.2 (2) sentence 3**

Relationship between remuneration of the Board of Management and that of senior management and staff overall

Although the Supervisory Board has taken account of the wage and salary structure within the Company when setting the remuneration of the Board of Management, the Supervisory Board has not expressly determined how the senior management and the relevant overall staff are to be differentiated. The relationship of the remuneration of the Board of Management to the remuneration of the senior management and the relevant overall staff is consequently not reflected, either, by application of such definitions in the case of the criteria specified in Code Item 4.2.2 (2) sentence 2.

In view of the current management structure and specific staffing of a hospital company, the Supervisory Board at present does not find such definitions to be objectively justified.

**b) Code Item 4.2.3 (3)**

Pension commitments

Typical pension commitments do not exist at the Company. However, upon termination of the service contract or the decease of a member of the Board of Management the Company, subject to certain conditions, grants a "retirement benefit" explained in further detail in the Remuneration Report. It is paid as a one-time amount that is based on the number of completed years of service and additionally capped.

If the retirement benefits existing at the Company constitute provision benefits within the meaning of the recommendation pursuant to Code Item 4.2.3 (3), the "level of provision" in the view of the Supervisory Board results from the probable term of office of the respective member of the Board of Management and the formula defined in the retirement benefit. The annual as well as long-term expense for the Company is likewise derived from this.

Given the ambiguity of the recommendation pursuant to Code Item 4.2.3 (3) and the special structure of the retirement benefits existing at the Company, deviation from Code Item 4.2.3 (3) is nonetheless hereby declared as a precaution.

**c) Code Item 5.4.1 (2) to (4) and second half-sentence of (5) sentence 3**

Objectives regarding the composition of the supervisory board and competency profile, stating the number and names of independent members as well as publication of curricula vitae (CVs)

The Supervisory Board refrains from stating specific objectives regarding its composition and from defining an abstract competency profile for the body as a whole within the meaning of Code Item 5.4.1 (2) sentence 1, as well as from defining limits in respect of age or in terms of standard length of service within the meaning of Code Item 5.4.1 (2) sentence 2. Consequently, it is not possible to comply with the recommendations pursuant to Code Item 5.4.1 (4), which are based on the recommendations pursuant to Code Item 5.4.1 (2) sentence 1 and 2.

In the past the Supervisory Board, when nominating candidates for membership on the Supervisory Board, has been guided solely by the qualification of such candidates and by the law. In this regard, the Supervisory Board has long been guided by a fundamental requirements profile, which is adapted and clarified on an ad hoc basis as required in the individual case. The shareholders' representatives on the Supervisory Board are convinced that this practice has proven itself and in its view does not require any further self-regulation giving rise to further layers of bureaucracy.

The Corporate Governance Report does not inform separately on what the Supervisory Board regards as an adequate number of independent members of shareholders and their names, and the CVs supplemented within the meaning of Code Item 5.4.1 (5) sentence 3 – where no Supervisory Board elections are impending – are not permanently published and annually updated on the website.

In the assessment of the Supervisory Board, it has an adequate number of independent members of the shareholders within the meaning of Code Item 5.4.2 sentence 1. However, the Supervisory Board does not regard needlessly exposing individual members by stating their number and names in the Corporate Governance Report as objectively justified, especially given the vague character of the independence criterion as defined in the Code. This also rings true for permanent publishing all CVs on the website when no Supervisory Board elections are actually impending. Where elections to the Supervisory Board are impending, the CVs of the candidates have been published, and in future will continue to be published, on the website during this period.

Bad Neustadt a. d. Saale, 6 November 2019

For the Supervisory Board  
Eugen Münch

For the Board of Management  
Stephan Holzinger