

**RHÖN-KLINIKUM AG**  
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ISIN DE0007042301  
WKN 704230

## **FISCAL YEAR 2021: REMUNERATION REPORT OF RHÖN-KLINIKUM AKTIENGESELLSCHAFT PURSUANT TO SECTION 162 AKTG**

### **A Introduction**

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

The Remuneration Report moreover provides individualised and specific information on the remuneration granted and owed to the members of the Board of Management and of the Supervisory Board of RHÖN-KLINIKUM Aktiengesellschaft in financial year 2021. The disclosures on the remuneration of directors and officers meet the requirements of the German Stock Corporation Act as well as those of applicable German and international accounting standards.

### **B. Remuneration of the Board of Management**

With effect from 1 April 2021, the Supervisory Board of RHÖN-KLINIKUM Aktiengesellschaft in March 2021 adopted a revised remuneration scheme for the members of the Board of Management. In this regard the Supervisory Board, in view of the Company's special ownership structure, was guided by the objective of implementing a remuneration scheme which is as simple as possible and which also takes account of the remuneration structures in those companies in which the indirect main shareholder of RHÖN-KLINIKUM Aktiengesellschaft holds a sole or majority interest. For the same reason, the Supervisory Board, by the Declaration of Compliance of 10 November 2021, stated deviations from several recommendations of the German Corporate Governance Code ("**GCGC**") as well as the reasons for such deviations.

The remuneration scheme was approved in its revised form by the shareholders of RHÖN-KLINIKUM Aktiengesellschaft at the Annual General Meeting held on 9 June 2021.

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

This new remuneration scheme does not yet apply to the service contracts already entered into with the then (and currently) incumbent members of the Board of Management (hereinafter referred to collectively as the "**Old Contracts**") (cf. section 26j (1) of the Introductory Act to the German Stock Corporation Act (Einführungsgesetz zum Aktiengesetz, EGAktG). Nonetheless, the current remuneration practice, and also to a large extent the Old Contracts, already are in line with the remuneration scheme adopted by the Supervisory Board in March 2021. This holds true in particular for the Board of Management contracts entered into in 2020 with Dr. Höftberger and Dr. Stranz as well as for the follow-on service contract entered into with Dr. Weiß for the period beginning from 1 January 2022. Against this background, the statement presented under I below is oriented on the new remuneration scheme. Where the Old Contracts deviate therefrom, this is also stated.

## **I. Structure of remuneration of the Board of Management in financial year 2021**

The aggregate remuneration of all members of the Board of Management is comprised of several remuneration components. Specifically, the remuneration is comprised of the base salary, the management profit sharing bonus, additional benefits (non-cash benefits) and in the case of individual members of the Board of Management a contingent post-retirement benefit.

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

There are no plans to grant shares or stock options to the members of the Board of Management, nor has any commitment been made to do so. Since the agreement of the performance criteria for the variable remuneration ensures that the financial and non-financial targets will promote the business strategy and make a contribution towards a long-term development of

the Company, the Supervisory Board has not seen any need to provide for a share-based variable remuneration.

## **1. Fixed remuneration**

The annual basic salary is a fixed cash remuneration with reference to the full year and paid in twelve equal monthly instalments.

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

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

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

The amount of the annual management profit-sharing bonus (tantieme) is defined after expiry of the reference period. The Supervisory Board and the members of the Board of Management try to reach agreement on the extent to which the non-financial targets are to be achieved. If no agreement can be reached, it is defined by the Supervisory Board according to its reasonably exercised discretion. The payment is made as a one-off payment at the earliest after the corresponding values have been calculated for the reference period.

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

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

The Old Contracts with Prof. Dr. Griewing and Dr. Weiß applying to financial year 2021 contain deviating provisions on (partial) variable remuneration components. The Board of Management contracts entered into in 2020 with Dr. Höftberger and Dr. Stranz as well as the follow-on service contract entered into with Dr. Weiß for the period beginning from 1 January 2022 in terms of their variable remuneration components are in line with the remuneration scheme adopted by the Supervisory Board in March 2021.

**a) Determination and application of performance criteria**

The Board of Management contracts of Dr. Höftberger and Dr. Stranz, on the one hand, and of Dr. Weiß and Prof. Dr. Griewing, on the other, differ in terms of the form of variable remuneration.

The Board of Management contracts of Dr. Höftberger and Dr. Stranz provide that both are entitled to receive a performance-linked annual management profit-sharing bonus (tantieme) based on a target agreement to be entered into each year. This totals a maximum amount of EUR 250,000 in each case. In this regard, 50% of the performance criteria is made up of financial targets (Tranche 1) and 50% of non-financial targets (Tranche 2). For the financial targets of Tranche 1, the achievement of targets is measured in each case using a range with reference to EBITDA of the consolidated financial statements of RHÖN-KLINIKUM Aktiengesellschaft according to IFRS. For the non-financial targets of Tranche 2, five equally weighted sub-targets were agreed by the Supervisory Board for 2021 which for both Management Board members relate to sustainably improving processes and the quality of the hospitals, streamlining processes and group structures, reducing the workload of employees, and thus overall increasing the satisfaction of patients and employees.

For Dr. Höftberger, the Supervisory Board resolved in March 2022 with respect to the target achievement for financial year 2021 that Tranche 1 in the amount of EUR 32,500 and Tranche 2 in the amount of EUR 125,000 are earned. For financial year 2021 this results in a management profit-sharing bonus (tantieme) in the total amount of EUR 157,500.

For Dr. Stranz, the Supervisory Board resolved in March 2022 with respect to the target achievement for financial year 2021 that Tranche 1 in the amount of EUR 32,500 and Tranche 2 in the amount of EUR 125,000 are earned. For financial year 2021 this results in a management profit-sharing bonus (tantieme) in the total amount of EUR 157,500.

The Old Contracts of Prof. Dr. Griewing and Dr. Weiß provide that the annual management profit-sharing bonuses are calculated on the basis of a weighted view of consolidated profit according to IFRS over a period of three years, with the Supervisory Board being entitled to adjust the assessment basis to take account of extraordinary developments and results as well as one-off or accounting effects. The assessment basis of the management profit sharing bonuses follows from the average of consolidated results of the last three financial years weighted by the factors of 3, 2 and 1. The consolidated result which is furthest in the past is weighted with the lowest factor. The rate of management profit sharing is defined by the Supervisory Board individually for each member of the Board of Management on recommendation by the Personnel Affairs Committee, giving due regard to the performance, duties and number of terms of office. The Old Contracts of the two members of the Board of Management moreover provide for a guaranteed total remuneration which in the case of Prof. Dr. Griewing (including the fixed remuneration of EUR 192,000) amounts to

EUR 1,200,000 and in the case of Dr. Weiß (including the fixed remuneration of EUR 192,000) amounts to EUR 900,000. Payments under this guarantee made during the financial year under way are applied towards the annual management profit-sharing bonus.

For Prof. Dr. Griewing, the Supervisory Board resolved in March 2022 with respect to the target achievement for financial year 2021 that no further management profit-sharing bonus (tantieme) will be paid above and beyond the guaranteed total remuneration. The annual management profit-sharing bonus (tantieme) thus amounts to EUR 1,008,000.

For Dr. Weiß, the Supervisory Board resolved in March 2022 with respect to the target achievement for financial year 2021 that no further management profit-sharing bonus (tantieme) will be paid above and beyond the guaranteed total remuneration. The annual management profit-sharing bonus (tantieme) thus amounts to EUR 708,000.

#### **b) No recovery of variable remuneration components**

The existing Board of Management contracts with Dr. Höftberger and Dr. Stranz as well as the Old Contract with Dr. Weiß applying to financial year 2021 do not provide for any possibility of recovering variable remuneration components. As a result, no such amounts were recovered in the past financial year. The situation is different only for the Old Contract with Prof. Dr. Griewing according to which the Supervisory Board, where certain conditions are met, is entitled to recover part of the management profit-sharing bonus if it exceeds the guaranteed total remuneration. However, the conditions for a recovery of the management profit-sharing bonus paid in the past were not met.

### **3. Fringe benefits**

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

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

The purpose of granting reasonable fringe benefits, like the fixed remuneration, is to ensure a basic market remuneration for exercising the office.

#### **4. Post-retirement benefits**

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

By contrast, the Board of Management contracts with Dr. Höftberger and Dr. Stranz – in line with the remuneration scheme adopted by the Supervisory Board in March 2021 – do not contain any provisions on post-retirement benefits for the Board of Management members.

#### **5. Total target remuneration or remuneration caps**

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

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

The contractual Maximum Remuneration for the annual basic salary and the variable remuneration amounts to EUR 750,000.00 (plus fringe benefits such as company car and personal accident insurance) for Dr. Höftberger and Dr. Stranz, respectively.

For Prof. Dr. Griewing, the maximum amount made up of annual basic salary plus variable remuneration on the basis of the Old Contract entered into before the Board of Management remuneration scheme was adopted in March 2021 is EUR 1,500,000.00 (likewise plus fringe benefits such as company car and personal accident insurance as well as the post-retirement benefits described below).

For Dr. Weiß, the maximum amount made up of annual basic salary plus variable remuneration on the basis of the Old Contract valid until 31 December 2021 is EUR 1,500,000.00; as of 1 January 2022, the maximum remuneration also in the case of Dr. Weiß based on the concluded follow-on service contract amounts to EUR 750,000.00 (likewise plus fringe benefits such as company car and personal accident insurance as well as the post-retirement benefits described below).

In addition, Prof. Dr. Griewing and Dr. Weiß receive what are referred to as post-retirement benefits. The expense of such post-retirement benefits (service costs) in the case of Prof. Dr. Griewing amounts to 12.5% of the relevant annual payments, in the case of Dr. Weiß up to 31 December 2021 likewise 12.5% of the annual payments relevant up to that time and then from 1 January 2022 12.5% of the aforementioned annual basic salary plus variable remuneration.

The contractual remuneration caps for financial year 2021 were observed.

Since all contracts with the currently incumbent members of the Board of Management were entered into before the Board of Management remuneration scheme was adopted by the Supervisory Board in March 2021, these contracts currently do not provide for any explicit maximum amount for the fringe benefits described above.

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

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

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

## **II. Individual remuneration of members of the Board of Management**

### **1. Level of remuneration of members of the Board of Management for financial year 2021**

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

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

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

By contrast, a remuneration is "owed" if the company has a legally existing obligation towards the director or officer which is due but not yet fulfilled. If such obligation is not yet due, it constitutes a (mere) commitment to pay a remuneration. Pursuant to section 162 (1) sentence 2 no. 1 AktG, such remuneration therefore is to be disclosed in the remuneration report (only) for the financial year in which the corresponding obligation is due. For RHÖN-KLINIKUM Aktiengesellschaft this relates, in the case of individual members of the Board of Management, to the performance-linked management profit-sharing bonus (tantieme) which is determined after the end of the financial year and after determination of the target achievement by the Supervisory Board early in the following year and which is then paid out.

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

In addition, the table below contains by way of comparison disclosures on the remuneration "earned" in the financial year concerned (and the previous year) (which corresponds to the benefits granted within the meaning of the GCGC (old version)), once again including the respective relative share of all fixed and variable remuneration components. In this place the presentation also contains other additional disclosures relating to the minimum and maximum remuneration as well as on the post-retirement expense incurred to the Company.

Incumbent member of Board of Management	Dr. Christian Höftberger (Chairman of Board of Management from 5 November 2020; member of Board of Management from 15 August 2020)									
	Remuneration earned in financial year						Accrual <sup>1</sup>			
	2021		2020		2021		2021		2020	
	€ '000	%	€ '000	%	€ '000 (min)	€ '000 (max)	€ '000	%	€ '000	%
Basic salary (fixed remuneration)	500	75%	188	62%	500	500	500	83%	188	90%
Fringe benefits	9	1%	21	7%	9	9	9	1%	21	10%
<b>Total</b>	<b>509</b>	<b>76%</b>	<b>209</b>	<b>69%</b>	<b>509</b>	<b>509</b>	<b>509</b>	<b>84%</b>	<b>209</b>	<b>100%</b>
One-year variable remuneration										
Tantieme	158	24%	94	31%	0	250	94	16%	0	0%
<b>Total payments/total remuneration</b>	<b>666</b>	<b>100%</b>	<b>303</b>	<b>100%</b>	<b>509</b>	<b>759</b>	<b>603</b>	<b>100%</b>	<b>209</b>	<b>100%</b>

<sup>1</sup>Remuneration granted and owed in financial year.



Incumbent member of Board of Management	Prof. Dr. Bernd Griewing (member of Board of Management)									
	Remuneration earned in financial year								Accrual <sup>2</sup>	
	2021		2020		2021 (min)	2021 (max)	2021		2020	
	€ '000	%	€ '000	%	€ '000	€ '000	€ '000	%	€ '000	%
Basic salary (fixed remuneration)	192	14%	192	14%	192	192	192	16%	192	16%
Fringe benefits	12	1%	12	1%	12	12	12	1%	12	1%
<b>Total</b>	<b>204</b>	<b>15%</b>	<b>204</b>	<b>15%</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>17%</b>	<b>204</b>	<b>17%</b>
One-year variable remuneration										
Tantieme	1,008	74%	1,008	73%	1,008	1,308	1,008	83%	1,008	83%
<b>Total payments/total remuneration</b>	<b>1,212</b>	<b>89%</b>	<b>1,212</b>	<b>88%</b>	<b>1,212</b>	<b>1,512</b>	<b>1,212</b>	<b>100%</b>	<b>1,212</b>	<b>100%</b>
Post-retirement expense <sup>1</sup>	159	12%	165	12%	159	159	0	0%	0	0%
<b>Total remuneration</b>	<b>1,371</b>	<b>100%</b>	<b>1,377</b>	<b>100%</b>	<b>1,371</b>	<b>1,671</b>	<b>1,212</b>	<b>100%</b>	<b>1,212</b>	<b>100%</b>

<sup>1</sup>Post-retirement expense includes the past-service cost according to IAS 19.

<sup>2</sup>Remuneration granted and owed in financial year.

Incumbent member of Board of Management	Dr. Stefan Stranz (member of Board of Management from 1 September 2020)									
	Remuneration earned in financial year								Accrual <sup>1</sup>	
	2021		2020		2021 (min)	2021 (max)	2021		2020	
	€ '000	%	€ '000	%	€ '000	€ '000	€ '000	%	€ '000	%
Basic salary (fixed remuneration)	500	71%	167	63%	500	500	500	80%	167	92%
Fringe benefits	43	6%	14	5%	43	43	43	7%	14	8%
<b>Total</b>	<b>543</b>	<b>78%</b>	<b>181</b>	<b>69%</b>	<b>543</b>	<b>543</b>	<b>543</b>	<b>87%</b>	<b>181</b>	<b>100%</b>
One-year variable remuneration										
Tantieme	158	22%	83	31%	0	250	83	13%	0	0%
<b>Total payments/total remuneration</b>	<b>700</b>	<b>100%</b>	<b>264</b>	<b>100%</b>	<b>543</b>	<b>793</b>	<b>626</b>	<b>100%</b>	<b>181</b>	<b>100%</b>

<sup>1</sup>Remuneration granted and owed in financial year.

Incumbent member of Board of Management	Dr. Gunther K. Weiß (member of Board of Management)									
	Remuneration earned in financial year								Accrual <sup>2</sup>	
	2021		2020		2021 (min)	2021 (max)	2021		2020	
	€ '000	%	€ '000	%	€ '000	€ '000	€ '000	%	€ '000	%
Basic salary (fixed remuneration)	192	19%	192	18%	192	192	192	21%	192	21%
Fringe benefits	17	2%	17	2%	17	17	17	2%	17	2%
<b>Total</b>	<b>209</b>	<b>20%</b>	<b>209</b>	<b>20%</b>	<b>209</b>	<b>209</b>	<b>209</b>	<b>23%</b>	<b>209</b>	<b>23%</b>
One-year variable remuneration										
Tantieme	708	69%	708	68%	708	1,308	708	77%	708	77%
<b>Total payments/total remuneration</b>	<b>917</b>	<b>89%</b>	<b>917</b>	<b>88%</b>	<b>917</b>	<b>1,517</b>	<b>917</b>	<b>100%</b>	<b>917</b>	<b>100%</b>
Post-retirement expense <sup>1</sup>	114	11%	130	12%	114	114	0	0%	0	0%
<b>Total remuneration</b>	<b>1,031</b>	<b>100%</b>	<b>1,047</b>	<b>100%</b>	<b>1,031</b>	<b>1,631</b>	<b>917</b>	<b>100%</b>	<b>917</b>	<b>100%</b>

<sup>1</sup>Post-retirement expense includes the past-service cost according to IAS 19.

<sup>2</sup>Remuneration granted and owed in financial year.

Former member of Board of Management	Stephan Holzinger (Chairman of Board of Management until 16 June 2020; member of Board of Management until 22 June 2020; service relationship until 30 September 2020)									
	Remuneration earned in financial year						Accrual <sup>1</sup>			
	2021		2020		2021 (min)	2021 (max)	2021		2020	
	€ '000	%	€ '000	%	€ '000	€ '000	€ '000	%	€ '000	%
Basic salary (fixed remuneration)	0	0	1,350	41%	0	0	0	0	1,350	33%
Fringe benefits	0	0	8	0%	0	0	0	0	8	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,358</b>	<b>41%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,358</b>	<b>33%</b>
One-year variable remuneration										
Tantieme	0	0	0	0%	0	0	0	0	0	0%
<b>Total payments/total remuneration</b>	<b>0</b>	<b>0</b>	<b>1,358</b>	<b>41%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,358</b>	<b>33%</b>
Post-retirement expense <sup>1</sup>	0	0	63	2%	0	0	0	0	825	20%
Severance compensation payments	0	0	1,872	57%	0	0	0	0	1,872	46%
<b>Total remuneration</b>	<b>0</b>	<b>0</b>	<b>3,293</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,055</b>	<b>100%</b>

<sup>1</sup>Post-retirement expense includes the past-service cost according to IAS 19.

<sup>2</sup>Remuneration granted and owed in financial year.

By contrast, earned remuneration of the incumbent members of the Board of Management in financial year 2021 totalled EUR 3.8 million (previous year: EUR 6.3 million). Of this total, EUR 1.7 million (previous year: EUR 4.4 million) was accounted for by components that are not results-based and EUR 2.1 million (previous year: EUR 1.9 million) by variable components. The provision for claims to post-retirement benefits by the incumbent Board of Management in accordance with IFRS amounted to EUR 1.4 million (previous year: EUR 1.1 million) as at 31 December 2021.

In financial year 2021, the granted and owed remuneration (within the meaning of section 162 AktG) of the incumbent members of the Board of Management totalled EUR 3.4 million (previous year: EUR 6.6 million). Of this total, EUR 1.5 million (previous year: EUR 4.9 million) was accounted for by components that are not results-based and EUR 1.9 million (previous year: EUR 1.7 million) by variable components.

## 2. Overview of post-retirement benefits

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

Post-retirement benefits	Provision as at 31 Dec. 2020 € '000	Change in post-retirement benefits € '000	Provision as at 31 Dec. 2020 € '000	Nominal amount on expiry of contract <sup>1</sup> € '000
<b>Incumbent members of Board of Management</b>				
Prof. Dr. Bernd Griewing	808	128	936	1,350
Dr. Gunther K. Weiß	306	123	429	694
<b>Total</b>	<b>1,114</b>	<b>251</b>	<b>1,365</b>	<b>2,044</b>

<sup>1</sup> Claim according to scheduled expiry of Board of Management contract of incumbent members of Board of Management on the basis of payments received.

### **3. Additional disclosures**

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

#### **C. Remuneration of the Supervisory Board**

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

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

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

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

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

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

- the chairman of the Audit Committee EUR 25,000.00, each other member of the Audit Committee EUR 5,000.00;
- the chairman of another committee EUR 10,000.00, each other member of another committee EUR 2,500.00 if such other committee in each case has acted at least once during the financial year.

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

In derogation from the remuneration previously specified, the chairman of the Supervisory Board shall receive a fixed annual remuneration of EUR 75,000.00, his deputy chairmen a

fixed annual remuneration of EUR 50,000.00 in each case. This shall also compensate their memberships on committees.

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

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

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

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

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

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

## II. Individual remuneration of members of the Supervisory Board for financial year 2021 and compared with financial year 2020

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

Total payments for 2021	Attendance fee		Fixed annual remuneration		Activity on the committees		Total
	€ '000	%	€ '000	%	€ '000	%	€ '000
Dr. Jan Liersch (from 3 June 2020) [Chairman]	21	22%	75	78%	0	0%	96
Georg Schulze [1 <sup>st</sup> Deputy Chairman]	7	12%	50	88%	0	0%	57
Hafid Rifi (from 19 August 2020) [2 <sup>nd</sup> Deputy Chairman]	17	25%	50	75%	0	0%	67
Peter Berghöfer	11	27%	25	61%	5	12%	41
Nicole Mooljee Damani	4	14%	25	86%	0	0%	29
Dr. Julia Dannath-Schuh	5	17%	25	83%	0	0%	30
Regina Dickey	12	29%	25	60%	5	12%	42
Peter Ducke	6	18%	25	74%	2	9%	33
Prof. (apl.) Dr. med. Leopold Eberhart	11	27%	25	61%	5	12%	41
Prof. Dr. Gerhard Ehninger (until 15 January 2021)	0	0%	2	100%	0	0%	2
Irmtraut Gürkan	11	27%	25	61%	5	12%	41
Kai Hankeln	6	18%	25	74%	3	9%	34
Dr. Martin Mandewirth	7	22%	25	78%	0	0%	32
Dr. Thomas Pillukat	6	18%	25	74%	2	9%	33
Christine Reißner	7	22%	25	78%	0	0%	32
Oliver Salomon	6	19%	25	81%	0	0%	31
Marco Walker (from 9 March 2021)	4	16%	21	84%	0	0%	25
<b>Total</b>	<b>141</b>	<b>21%</b>	<b>498</b>	<b>75%</b>	<b>27</b>	<b>4%</b>	<b>666</b>

As a result of the amendment of the Articles of Association of RHÖN-KLINIKUM AG with regard to the remuneration structure of the Supervisory Board in financial year 2020, the total payments received by the Supervisory Board are presented separately in the tables below according to the new version and the previous version.

Total payments in 2020 according to "new version of Articles of Association"	Attendance fee		Fixed annual remuneration		Activity on the committees		Total € '000
	€ '000	%	€ '000	%	€ '000	%	
			0				
Dr. Jan Liersch (from 3 June 2020) [Chairman]	6	16%	31	84%	0	0%	37
Georg Schulze [1 <sup>st</sup> Deputy Chairman]	3	13%	21	88%	0	0%	24
Hafid Rifi (from 19 August 2020) [2 <sup>nd</sup> Deputy Chairman]	4	16%	21	84%	0	0%	25
Peter Berghöfer	3	20%	10	67%	2	13%	15
Nicole Mooljee Damani (from 19 August 2020)	5	31%	10	63%	1	6%	16
Dr. Julia Dannath-Schuh (from 3 June 2020)	2	17%	10	83%	0	0%	12
Regina Dickey (from 19 August 2020)	3	20%	10	67%	2	13%	15
Peter Ducke (from 19 August 2020)	2	15%	10	77%	1	8%	13
Prof. (apl.) Dr. med. Leopold Eberhart (from 19 August 2020)	5	29%	10	59%	2	12%	17
Prof. Dr. Gerhard Ehninger (until 15 January 2021)	4	22%	10	56%	4	22%	18
Irmtraut Gürkan (from 19 August 2020)	3	20%	10	67%	2	13%	15
Kai Hankeln (from 19 August 2020)	3	21%	10	71%	1	7%	14
Dr. med. Martin Mandewirth (from 19 August 2020)	5	31%	10	63%	1	6%	16
PD Dr. med. Thomas Pillukat (from 19 August 2020)	2	15%	10	77%	1	8%	13
Christine Reißner	2	17%	10	83%	0	0%	12
Oliver Salomon	3	21%	10	71%	1	7%	14
Marco Walker (from 9 March 2021)	0	0%	0	0%	0	0%	0
Dr. Annette Beller (until 3 June 2020)	0	0%	0	0%	0	0%	0
Jan Hacker (until 19 August 2020)	0	0%	0	0%	0	0%	0
Stefan Härtel (from 19 August 2020)	0	0%	0	0%	0	0%	0
Klaus Hanschur (until 19 August 2020)	0	0%	0	0%	0	0%	0
Meike Jäger (until 19 August 2020)	0	0%	0	0%	0	0%	0
Dr. Brigitte Mohn (until 19 August 2020)	0	0%	0	0%	0	0%	0
Eugen Münch (until 19 August 2020)	0	0%	0	0%	0	0%	0
Wolfgang Mündel (until 19 August 2020)	0	0%	0	0%	0	0%	0
Evelin Schiebel (until 19 August 2020)	0	0%	0	0%	0	0%	0
Dr. Katrin Vernau (until 3 June 2020)	0	0%	0	0%	0	0%	0
Natascha Weihs (until 19 August 2020)	0	0%	0	0%	0	0%	0
<b>Total</b>	<b>55</b>	<b>20%</b>	<b>203</b>	<b>73%</b>	<b>18</b>	<b>7%</b>	<b>276</b>

Total payments in 2020 according to "old version of Articles of Association"	Attendance fee		Fixed total remuneration		Fixed basic remuneration		Total € '000
	€ '000	%	€ '000	%	€ '000	%	
Dr. Jan Liersch (from 3 June 2020) [Chairman]	11	37%	10	33%	9	30%	30
Georg Schulze [1 <sup>st</sup> Deputy Chairman]	31	32%	16	16%	51	52%	98
Hafid Rifi (from 19 August 2020) [2 <sup>nd</sup> Deputy Chairman]	2	100%	0	0%	0	0%	2
Peter Berghöfer	21	27%	30	40%	25	33%	76
Nicole Mooljee Damani (from 19 August 2020)	2	100%	0	0%	0	0%	2
Dr. Julia Dannath-Schuh (from 3 June 2020)	8	29%	11	39%	9	32%	28
Regina Dickey (from 19 August 2020)	3	100%	0	0%	0	0%	3
Peter Ducke (from 19 August 2020)	2	100%	0	0%	0	0%	2
Prof. (apl.) Dr. med. Leopold Eberhart (from 19 August 2020)	3	100%	0	0%	0	0%	3
Prof. Dr. Gerhard Ehninger (until 15 January 2021)	13	24%	12	24%	25	51%	50
Irmtraut Gürkan (from 19 August 2020)	3	100%	0	0%	0	0%	3
Kai Hankeln (from 19 August 2020)	2	100%	0	0%	0	0%	2
Dr. med. Martin Mandewirth (from 19 August 2020)	2	100%	0	0%	0	0%	2
PD Dr. med. Thomas Pillukat (from 19 August 2020)	2	100%	0	0%	0	0%	2
Christine Reißner	19	26%	27	40%	23	34%	69
Oliver Salomon	15	25%	16	29%	25	45%	56
Marco Walker (from 9 March 2021)	0	0%	0	0%	0	0%	0
Dr. Annette Beller (until 3 June 2020)	32	39%	34	41%	17	20%	83
Jan Hacker (until 19 August 2020)	16	28%	16	28%	25	44%	57
Stefan Härtel (from 19 August 2020)	14	25%	16	29%	25	45%	55
Klaus Hanschur (until 19 August 2020)	12	24%	15	30%	23	46%	50
Meike Jäger (until 19 August 2020)	20	29%	27	39%	23	33%	70
Dr. Brigitte Mohn (until 19 August 2020)	10	23%	10	23%	23	53%	43
Eugen Münch (until 19 August 2020)	32	15%	111	51%	76	35%	219
Wolfgang Mündel (until 19 August 2020)	44	22%	101	52%	51	26%	196
Evelin Schiebel (until 19 August 2020)	16	28%	16	28%	25	44%	57
Dr. Katrin Vernau (until 3 June 2020)	16	29%	23	41%	17	30%	56
Natascha Weihs (until 19 August 2020)	16	28%	16	28%	25	44%	57
<b>Total</b>	<b>367</b>	<b>27%</b>	<b>507</b>	<b>37%</b>	<b>497</b>	<b>36%</b>	<b>1,371</b>

#### D. Comparative presentation

The tables below show a comparison of the percentage change in remuneration of the members of the Board of Management and the Supervisory Board with the trend in earnings of RHÖN-KLINIKUM Aktiengesellschaft and the average remuneration of the employees on an equivalent full-time basis over the previous year (section 162 (1) sentence 2 no. 2 AktG in conjunction with section 26j (2) sentence 2 EGAktG).

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

years was used as a basis for the change in remuneration of members of the Board of Management.

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

<b>Total payments of Board of Management</b>	<b>Total</b>	<b>Total</b>	<b>Deviation</b>	
	<b>2021</b>	<b>2020</b>	<b>€ '000</b>	<b>%</b>
Dr. Christian Höftberger (chairman of Board of Management)	666	303	363	120%
Prof. Dr. Bernd Griewing	1,371	1,377	-6	0%
Dr. Stefan Stranz	700	264	436	165%
Dr. Gunther K. Weiß	1,031	1,047	-16	-1%
Stephan Holzinger	0	3,293	-3,293	-100%
<b>Total</b>	<b>3,768</b>	<b>6,284</b>	<b>-2,516</b>	<b>-40%</b>

<b>Total payments of Supervisory Board</b>	<b>Total</b>	<b>Total</b>	<b>Deviation</b>	
	<b>2021</b>	<b>2020</b>	<b>€ '000</b>	<b>%</b>
Dr. Jan Liersch (from 3 June 2020) [Chairman]	96	67	29	43%
Georg Schulze [1 <sup>st</sup> Deputy Chairman]	57	122	-65	-53%
Hafid Rifi (from 19 August 2020) [2 <sup>nd</sup> Deputy Chairman]	67	27	40	148%
Peter Berghöfer	41	91	-50	-55%
Nicole Mooljee Damani (from 19 August 2020)	29	18	11	61%
Dr. Julia Dannath-Schuh (from 3 June 2020)	30	40	-10	-25%
Regina Dickey (from 19 August 2020)	42	18	24	133%
Peter Ducke (from 19 August 2020)	34	15	19	123%
Prof. (apl.) Dr. med. Leopold Eberhart (from 19 August 2020)	41	20	21	105%
Prof. Dr. Gerhard Ehninger (until 15 January 2021)	2	68	-66	-97%
Irmtraut Gürkan (from 19 August 2020)	41	18	23	128%
Kai Hankeln (from 19 August 2020)	34	16	18	109%
Dr. med. Martin Mandewirth (from 19 August 2020)	32	18	14	78%
PD Dr. med. Thomas Pillukat (from 19 August 2020)	34	15	19	123%
Christine Reißner	32	81	-49	-60%
Oliver Salomon	31	70	-39	-56%
Marco Walker (from 9 March 2021)	25	0	25	> 100%
Dr. Annette Beller (until 3 June 2020)	0	83	-83	-100%
Jan Hacker (until 19 August 2020)	0	57	-57	-100%
Stefan Härtel (from 19 August 2020)	0	55	-55	-100%
Klaus Hanschur (until 19 August 2020)	0	50	-50	-100%
Meike Jäger (until 19 August 2020)	0	70	-70	-100%
Dr. Brigitte Mohn (until 19 August 2020)	0	43	-43	-100%
Eugen Münch (until 19 August 2020)	0	219	-219	-100%
Wolfgang Mündel (until 19 August 2020)	0	196	-196	-100%
Evelin Schiebel (until 19 August 2020)	0	57	-57	-100%
Dr. Katrin Vernau (until 3 June 2020)	0	56	-56	-100%
Natascha Weihs (until 19 August 2020)	0	57	-57	-100%
<b>Total</b>	<b>666</b>	<b>1,647</b>	<b>-981</b>	<b>-60%</b>



Comparative presentation	As at	As at	Deviation	
	31 Dec. 2020	31 Dec. 2020	€ '000	%
	€ '000	€ '000	€ '000	
Average employee remuneration	64.0	62.4	1.5	2%
Board of Management remuneration earned in financial year	3,768	6,284	-2,516	-40%
Supervisory Board remuneration earned in financial year	666	1,647	-981	-60%
EBITDA acc. to consolidated financial statements of RHÖN-KLINIKUM AG	101,160	80,225	20,935	26%
Result for the year of RHÖN-KLINIKUM AG	7,579	-10,309	17,888	174%

Bad Neustadt a. d. Saale, 23 March 2022

The Board of Management

The Supervisory Board

### Independent Auditor's Report on the Audit of the Remuneration Report pursuant to section 162 (3) of the German Stock Corporation Act (Aktiengesetz, AktG)

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

#### Audit Opinion

We have formally examined the Remuneration Report of RHÖN-KLINIKUM AG, Bad Neustadt a. d. Saale, for the financial year of 1 January to 31 December 2021 to determine whether the disclosures pursuant to section 162 (1) and (2) of the German Stock Corporation Act (Aktiengesetz, AktG) were made in the Remuneration Report. In line with section 162 (3) AktG, we have not examined the content of the Remuneration Report.

In our assessment, the disclosures pursuant to section 162 (1) and (2) AktG in all material matters were made in the attached Remuneration Report. Our Audit Opinion does not cover the content of the Remuneration Report.

#### Basis for Audit Opinion

We conducted our audit of the Remuneration Report in accordance with section 162 (3) AktG observing the IDW Audit Standard: The Audit of the Remuneration Report pursuant to section 162 (3) of the German Stock Corporation Act (AktG) (IDW PS 870 (08.2021)). Our responsibility under this provision and this Standard is described in further detail in the section "Responsibility of Auditor" of our Auditor's Report. As an auditing firm, we applied the requirements of the IDW quality assurance standard: Quality Assurance Requirements in Audit Practice (IDW QS 1). We have observed the professional duties pursuant to the German Public Auditors Act (Wirtschaftsprüferordnung, WO) and the Professional Charter for Public Auditors/Sworn Auditors (Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer, BS WP/vBP) including the requirements for independence.

## **Responsibility of Supervisory Board and Board of Management**

The Board of Management and the Supervisory Board are responsible for adopting the Remuneration Report, including the related disclosures satisfying the requirements of section 162 AktG. Furthermore, they are responsible for the internal controls which they deem necessary for enabling adoption of a remuneration report, including the related disclosures, which is free from material – intentional or unintentional – misrepresentations.

## **Responsibility of auditor**

Our aim is to obtain sufficient certainty of whether the disclosures pursuant to section 162 (1) and (2) AktG in all material matters were made in the Remuneration Report to submit an audit opinion on this in an auditor's report.

We have planned and conducted our Audit in such a way that we can determine the formal completeness of the Remuneration Report by comparison of the disclosures made in the Remuneration Report with the disclosures required in section 162 (1) and (2) AktG. In line with section 162 (3) AktG, we have not examined the substantive correctness of the disclosures, the substantive completeness of the individual disclosures or the appropriate presentation of the Remuneration Report.

Frankfurt am Main, 23 March 2022

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Huber-Straßer  
German Public Auditor

Schrum  
German Public Auditor