

Report of the Managing Board to the Shareholders' Meeting on Agenda Item 11 in accordance with Section 186 (4) sentence 2 of the German Stock Corporation Act (AktG) in conjunction with Section 203 (1), (2) sentence 2 of the German Stock Corporation Act (AktG)

In accordance with Section 203 (2) sentence 2 of the German Stock Corporation Act (AktG) in conjunction with Section 186 (4) sentence 2 of the German Stock Corporation Act (AktG), the Managing Board must prepare a written report on the reasons for the authorization to exclude the subscription right proposed under Agenda Item 11 and on the partial use of the initially resolved "Authorized Capital 2018". The report will be available on the internet at [siemens-healthineers.com/agm](https://www.siemens-healthineers.com/agm) as of the date notice of the annual shareholders' meeting has been given. The report is published as follows:

The initially resolved "Authorized Capital 2018" pursuant to Section 4 (5) of the Articles of Association was used in September 2020 in accordance with the respective authorization issued by the extraordinary shareholders' meeting of February 19, 2018 in application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) by way of a capital increase in the amount of EUR 75,000,000.

The capital increase was effected in a so-called "accelerated bookbuilding" placement procedure in the course of which a large number of institutional investors were invited to submit purchase offers accordingly. The goal was to place the shares at the smallest possible discount to the stock exchange price in order to thereby achieve issue proceeds as high as possible in the interest of the Company and its shareholders. This goal was reached. The new shares were placed at EUR 36.40 per no-par value share. This corresponded to a discount of 4.5% from the volume-weighted average price on the day the price was determined. The gross total issue proceeds from the capital increase amounted to EUR 2.73 billion. They serve the purpose of partially financing the envisaged acquisition of Varian Medical Systems, Inc. ("Varian"). The exclusion of subscription rights was a mandatory requirement for implementing the capital increase by way of an accelerated bookbuilding procedure. Only by excluding the subscription right was it possible to place the new shares at the best possible issue price and, at the same time, to keep the costs at minimum. In this way, it was best-possible to generate proceeds for the partial financing of the acquisition of Varian, which is in the interests of the Company and of all shareholders. As a result of the placement of the new shares at a placement price that was only minimally below the current stock exchange price at the time the price was determined, i.e., at 4.5% below the volume-weighted average price on the day the price was determined, the dilution of shareholders was extremely low. Since, at the same time, the capital increase was less than 10%, the dilution of the shareholders' membership rights (*mitgliedschaftliche Verwässerung*) was also minor. At the same time, the shareholders were able to maintain their proportionate shareholding and their proportion of voting rights by acquiring the shares required for this purpose via the stock exchange. The statutory requirements of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) and the corresponding requirements under the authorization stipulated by the shareholders' Meeting at the time of creating the authorized capital together with the authorization to exclude subscription rights pursuant to Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), i.e. the low discount to the stock exchange price and the limited scope of the

capital increase, were thus fulfilled. Considering all these circumstances, the exclusion of the subscription right was necessary, appropriate, commensurate and in the interests of the Company.

The Managing Board is to be able also in the future to again take corporate action involving the exclusion of subscription rights. This is to enable the Company to act swiftly and flexibly without having to await the next annual or extraordinary shareholders' meeting.

Therefore, the Managing Board and the Supervisory Board propose under Agenda Item 11 to cancel the authorization of the Company's Managing Board pursuant to Section 4 (5) of the Articles of Association subject to the Supervisory Board's approval, to increase the share capital during the period up until February 18, 2023 in cash and/or in kind (Authorized Capital 2018), and to replace same by a new authorized capital in the amount of EUR 537,500,000 up until February 11, 2026 (Authorized Capital 2021) by way of an amendment to the Articles of Association.

The subscription right is to be excluded with the Supervisory Board's approval in order to, in turn, enable the Company to offer Siemens Healthineers Shares in the event of capital increases in kind in particular within the framework of mergers or in order to (also indirectly) acquire companies, establishments, parts of companies, interests or other assets or claims for the acquisition of assets, including amounts receivable from the Company or its affiliates quickly and flexibly without having to use the stock exchange. Siemens Healthineers AG is in global competition and has to be able at all times to act quickly and flexibly on the international and regional markets in the interests of its shareholders. This includes the ability to acquire companies, establishments, parts of companies, interests or other assets or claims for the acquisition of assets, including amounts receivable from the Company or its affiliates at short notice in order to improve its competitive position. Granting shares as consideration can be expedient or even required in order to protect the Company's liquidity or to meet seller expectations. The proposed exclusion of the shareholders' subscription right for capital contributions in kind is in line with this objective. The dilutive effect of the exclusion of the subscription right is compensated by the fact that the business expansion by way of strengthening the equity capital is financed by third parties and that the existing shareholders – albeit with lower proportionate shareholdings and a lower proportion of voting rights than previously – will participate in the Company's growth which they would have to finance themselves if they were granted subscription rights. Moreover, because the shares are publicly traded, each shareholder has, in principle, the option to increase his or her proportionate shareholding again by acquiring additional shares.

Furthermore, the proposed authorization is to allow the exclusion of the shareholders' subscription right for cash capital increases for the purpose of issuing new shares to members of the Company's Managing Board or to members of the representative body of an affiliate company of the Company or to employees of the Company or of any of its affiliated companies. Issuing shares to managers and/or employees is intended to enhance the identification of these persons with the Company and strengthens their willingness to accept responsibility within the Company. Stock-based remuneration also enables, where appropriate, aligning the remuneration of managers and/or employees to a sustainable Company performance. To the extent permitted under Section 204 (3) sentence 1 of the German Stock Corporation Act (AktG), the contribution to be paid on such new shares may be covered by that part of the annual net income which the Managing Board and the Supervisory Board could allocate to other retained earnings under Section 58 (2) of the German Stock Corporation Act (AktG). This facilitates the implementation of the issuance of shares and accounts for the fact that, in these cases, the issuance qualifies as remuneration. To the extent that new shares are to be issued to members of the Company's Managing Board, in accordance with the allocation of responsibilities under stock corporation law, the Supervisory Board, and not the Managing Board, will decide on the granting of the shares.

The proposed authorization to exclude the subscription right for fractional amounts serves to ensure a practicable subscription ratio with respect to the amount of the respective capital increase. Without the exclusion of the subscription right for fractional shares, the technical execution of capital increases and the exercise of subscription rights would be significantly more difficult, particularly for capital increases in uneven amounts. Normally, the value of such fractional amounts is low compared to the significantly higher administrative effort involved in the issuance without their exclusion. The new shares excluded from the subscription right as free fractional amounts will be used in the best interest of the Company. Due to the limitation to fractional amounts, the possible dilutive effect is negligible. The purpose of the exclusion of the subscription right is to facilitate the issue process and is thus in the interest of the Company and its shareholders. When determining the subscription ratio, the Managing Board will, in the interests of the shareholders, take into account that the scope of fractional amounts is kept at a minimum.

Furthermore, the Managing Board is to be authorized to exclude, with the consent of the Supervisory Board, the subscription right in order to grant holders and/or creditors of conversion or option rights to shares of the Company or of corresponding conversion/option obligations under bonds issued or guaranteed by Siemens Healthineers AG subscription rights as compensation for effects of dilution in the amount in which they would be entitled to such rights after exercising the conversion or option rights or fulfilling the conversion/option obligations. This enables granting a customary market form of dilution protection to the holders or creditors of such instruments. They are thus put in the same position as if they were already shareholders. In order to be able to equip the bonds with such anti-dilution protection, the shareholders' subscription right to these shares must be excluded.

The proposed authorization to exclude the subscription right pursuant to Sections 203 (1) sentence 1, 203 (2), 186 (3) sentence 4 of the German Stock Corporation Act (AktG) in the event of a cash capital increase serves the interest of the Company in achieving the best possible issue price when issuing new shares. The proceeds attainable in a placement with exclusion of subscription rights, in general, enable a significantly higher cash inflow than in case of an issue with subscription rights, a main reason for this being that a placement without a statutory subscription period can take place directly after the determination of the issue price, which means that no risk of price changes must be taken into account with regard to the issue price for the period until the end of the subscription period. Additionally, another objective of implementing a cash capital increase with exclusion of subscription rights is to attract new shareholder groups. Moreover, the time-consuming and costly processing of subscription rights is being avoided. Capital increases under this authorization to exclude the subscription right are in aggregate limited to 10% of the Company's capital stock, with the lowest amount of the Company's existing capital stock at the time the authorization is exercised being decisive. This means that, even in the event of several capital increases within the authorization period, the subscription right may be excluded based on this authorization in aggregate for no more than 10% of the capital stock. When calculating the aforementioned 10% limit, the pro rata amount of the capital stock has to be taken into account which is attributable to shares that are to be issued to service conversion or option rights and/or conversion or option obligations arising from notes or bonds issued in analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) with simplified exclusion of subscription rights until the authorization is used. Furthermore, the issuance and disposal of shares with exclusion of subscription rights implemented under other authorizations in accordance with and in analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) must be taken into account until the relevant authorization is used, which means that the number of shares issued with simplified exclusion of subscription rights must, in aggregate, not exceed 10% of the capital stock. These requirements account for the shareholders' need to protect their shareholdings against dilution in accordance with statutory provisions. Furthermore, the Managing Board will endeavor, taking into account the market conditions prevailing at the time, to ensure that any discount to the stock exchange

price is as low as possible. Based on the fact that the issue price of the new shares is close to the stock exchange price, each shareholder has the possibility to purchase via the stock exchange the shares required for maintaining his proportional shareholding on nearly the same terms. It is thus ensured that, in compliance with the legal interpretation of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), the shareholders' interests in terms of assets and voting rights are appropriately safeguarded when using the Authorized Capital 2021 by way of a cash capital increase with exclusion of subscription rights, while the Company is provided with more leeway for action which will benefit all shareholders.

Corresponding anticipatory resolutions with the possibility to exclude the subscription right are common practice both nationally and internationally. The Managing Board will in each case carefully examine whether the use of the Authorized Capital 2021 and, in particular, the exclusion of the subscription right are in the interest of the Company and its shareholders. If the proposed authorization is used, the Managing Board will report on this at the next shareholders' meeting.

Munich, November 19, 2020

Siemens Healthineers AG

The Managing Board