Annual Shareholders’ Meeting 2021

Notice of Annual Shareholders’ Meeting of Siemens Healthineers AG on February 12, 2021

siemens-healthineers.com
A. Specification of the message
1. Unique identifier of the event: Virtual annual shareholders’ meeting of Siemens Healthineers AG 2021
2. Type of Message: Notice of annual shareholders’ meeting

B. Specification of the issuer
1. ISIN: DE000SHL1006
2. Name of Issuer: Siemens Healthineers AG

C. Specification of the shareholders’ meeting
1. Date of the shareholders’ meeting: February 12, 2021
2. Time of the shareholders’ meeting (start): 10:00 a.m. (CET) (corresponds to 9:00 a.m. UTC)
3. Type of shareholders’ meeting: Ordinary shareholders’ meeting as virtual annual shareholders’ meeting without physical presence of shareholders or their proxies
4. Location of the shareholders’ meeting: URL to the company’s shareholder portal to follow the shareholders’ meeting live in audio and video and to exercise shareholder rights:
   siemens-healthineers.com/agm
   Location of the shareholders’ meeting in terms of the German Stock Corporation Act (AktG): Werner-von-Siemens-Straße 1, 80333 Munich, Germany
5. Technical Record Date: February 5, 2021, midnight (CET) (corresponds to 11 p.m. UTC)
   The shareholding entered in the share register on the day of the shareholders’ meeting is decisive for participation and voting rights – irrespective of any deposit holdings. Orders for the rewriting of the share register that are received by the Company after the closing date for registration in the period from February 6, 2021, up to and including February 12, 2021, will only be processed and taken into account with effect after the day of the shareholders’ meeting on February 12, 2021. The technical record day is therefore February 5, 2021.
6. Uniform Resource Locator of the shareholders’ meeting/URL:
   siemens-healthineers.com/agm

Further information on the notice of the shareholders’ meeting (Blocks D to F of Table 3 of the Annex to Implementing Regulation (EU) 2018/1212):

Further information on participation in the shareholders’ meeting (Block D), the agenda (Block E) and the specification of the deadlines regarding the exercise of other shareholders rights (Block F) can be found on the following website:
   siemens-healthineers.com/agm
Overview over the agenda

1. To present the adopted Annual Financial Statements of Siemens Healthineers AG and the approved Consolidated Financial Statements of the Group, together with the Combined Management Report of Siemens Healthineers AG and the Group as of September 30, 2020, as well as the Report of the Supervisory Board for the fiscal year 2020  
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2. To resolve on the appropriation of the net income of Siemens Healthineers AG  
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3. To ratify the acts of the members of the Managing Board  
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4. To ratify the acts of the members of the Supervisory Board  
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5. To resolve on the appointment of independent auditors for the audit of the Annual Financial Statements and the Consolidated Financial Statements and for the review of the half-year Financial Report  
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6. To resolve on amending Section 4 (2) sentence 3 of the Articles of Association (information for registration in the share register) to reflect changes under the German Act Implementing the Second Shareholders’ Rights Directive (ARUG II)  
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7. To resolve on amending Section 7 (1) of the Articles of Association (number of Supervisory Board members)  
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8. To elect a further Supervisory Board member  
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9. To approve the compensation system for the members of the Managing Board  
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10. To resolve to confirm the compensation and to resolve on the compensation system for the members of the Supervisory Board  
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11. To resolve on the cancellation of Authorized Capital 2018 provided for in Section 4 (5) of the Articles of Association, the creation of new authorized capital against contributions in cash and/or in kind with the authorization to exclude subscription rights, and related amendments to the Articles of Association  
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12. To resolve on the cancellation of the authorization to issue convertible bonds and/or warrant bonds of February 19, 2018 and of the Conditional Capital 2018 pursuant to Section 4 (6) of the Articles of Association, on granting a new authorization to the Managing Board to issue convertible bonds and/or warrant bonds and to exclude subscription rights and to create, simultaneously, conditional capital and related amendments to the Articles of Association  
    p. 15
13. To resolve on the revocation of the authorization of February 19, 2018 to acquire and use treasury shares pursuant to Section 71 (1) no. 8 of the German Stock Corporation Act (AktG) and to exclude subscription and tender rights and on a new authorization of the Managing Board to acquire and use treasury shares pursuant to Section 71 (1) no. 8 of the German Stock Corporation Act (AktG) and to exclude subscription and tender rights  
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To Our Shareholders

Notice is hereby given that the annual shareholders’ meeting of Siemens Healthineers AG (hereinafter “Siemens Healthineers AG” or the “Company”),

will take place on Friday, February 12, 2021, at 10:00 a.m. (CET) as a virtual shareholders’ meeting without the shareholders or their proxy representatives being physically present.

The entire shareholders’ meeting will be broadcast for shareholders of Siemens Healthineers AG and their proxy representatives in a live video and audio stream on the internet. The shareholders and their proxy representatives will be able to exercise voting rights exclusively via postal voting or by assigning proxy to the proxy representatives designated by the Company.

The venue of the shareholders’ meeting within the meaning of the German Stock Corporation Act (AktG) is Werner-von-Siemens-Straße 1, 80333 Munich, Germany.
Agenda

1. To present the adopted Annual Financial Statements of Siemens Healthineers AG and the approved Consolidated Financial Statements of the Group, together with the Combined Management Report of Siemens Healthineers AG and the Group as of September 30, 2020, as well as the Report of the Supervisory Board for the fiscal year 2020

The materials referred to also include the compensation report and the explanatory report on the information required pursuant to Section 289a (1) and Section 315a (1) of the German Commercial Code (HGB) in the version applicable to the fiscal year 2020 as well as the information on the declaration on corporate management with the corporate governance reporting. With the exception of the adopted Annual Financial Statements, these materials are part of the Annual Report 2020. The materials are available at our website at

> siemens-healthineers.com/agm

In addition, they will be available during the shareholders’ meeting and will also be explained there in more detail.

The Supervisory Board has already approved the Annual Financial Statements and the Consolidated Financial Statements prepared by the Managing Board; the Annual Financial Statements are thus adopted. In accordance with the applicable legal provisions, no resolution on Agenda Item 1 is therefore proposed to be adopted.

2. To resolve on the appropriation of the net income of Siemens Healthineers AG

The Supervisory Board and the Managing Board propose that the unappropriated net income of Siemens Healthineers AG for the fiscal year 2020 amounting to EUR 1,394,167,870.59 be appropriated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unappropriated net income:</td>
<td>1,394,167,870.59 EUR</td>
</tr>
<tr>
<td>Distribution of a dividend of EUR 0.80 per no-par value share entitled to the dividend for the expired fiscal year 2020:</td>
<td>856,973,775.20 EUR</td>
</tr>
<tr>
<td>Amount carried forward to a new account:</td>
<td>537,194,095.39 EUR</td>
</tr>
</tbody>
</table>

The proposal for the appropriation of the net income takes into account the 3,782,781 treasury shares that were held directly or indirectly by the Company at the time the Annual Financial Statements were prepared by the Managing Board and which are not entitled to a dividend pursuant to Section 71b of the German Stock Corporation Act (AktG). Should there be any change in the number of no-par value shares entitled to a dividend for the expired fiscal year 2020 before the date of the shareholders’ meeting, the above proposal will be amended accordingly and presented for resolution at the shareholders’ meeting, with an unchanged dividend of EUR 0.80 per no-par value share entitled to the dividend as well as accordingly adjusted amounts for the sum to be distributed and to be carried forward. In accordance with Section 58 (4) sentence 2 of the German Stock Corporation Act (AktG), the dividend is due on the third business day following the resolution adopted by the shareholders’ meeting, i.e. on February 17, 2021.
3. **To ratify the acts of the members of the Managing Board**

The Supervisory Board and the Managing Board propose that the acts of the members of the Managing Board in office in the fiscal year 2020 be ratified for that period.

It is intended to let the shareholders’ meeting decide by separate ballot whether to ratify the acts of each individual member of the Managing Board.

4. **To ratify the acts of the members of the Supervisory Board**

The Supervisory Board and the Managing Board propose that the acts of the members of the Supervisory Board in office in the fiscal year 2020 be ratified for that period.

It is intended to let the shareholders’ meeting decide by separate ballot whether to ratify the acts of each individual member of the Supervisory Board.

5. **To resolve on the appointment of independent auditors for the audit of the Annual Financial Statements and the Consolidated Financial Statements and for the review of the half-year Financial Report**

On the basis of its Audit Committee’s recommendation, the Supervisory Board proposes that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, be appointed to serve as independent auditors of the Annual Financial Statements and the Consolidated Financial Statements for the fiscal year 2021 and be appointed as auditors for the review of the Condensed Financial Statements and the Interim Management Report for the Group for the first half of the fiscal year 2021.

The Audit Committee declared that its recommendation has not been improperly influenced by third parties and that it has not been subject to any clause restricting its choice within the meaning of Article 16 (6) of the EU Audit Regulation.

6. **To resolve on amending Section 4 (2) sentence 3 of the Articles of Association (information for registration in the share register) to reflect changes under the German Act Implementing the Second Shareholders’ Rights Directive (ARUG II)**

The German Act Implementing the Second Shareholders’ Rights Directive (ARUG II) of December 12, 2019, amended, inter alia, the provisions of the German Stock Corporation Act (AktG) regarding share registers. Pursuant to Section 67 (1) of the German Stock Corporation Act (AktG) in the version applicable since January 1, 2020, shareholders are obligated in the future to also submit an electronic address for registration in share registers. This change has been in effect since September 3, 2020, and necessitates an amendment of Section 4 (2) sentence 3 of the Company’s Articles of Association.

Therefore, the Managing Board and the Supervisory Board propose to resolve:

Section 4 (2) sentence 3 of the Company’s Articles of Association is restated as follows:

“The Company’s shareholders shall provide the Company with the information required by law for registration in the share register.”
7. **To resolve on amending Section 7 (1) of the Articles of Association (number of Supervisory Board members)**

Pursuant to Sections 95 sentence 1, 96 (1) alternative 6, and 101 (1) of the German Stock Corporation Act (AktG), the Company’s Supervisory Board is composed exclusively of members elected by the shareholders’ meeting and has nine members pursuant to Section 7 (1) of the Company’s Articles of Association.

Pursuant to Section 95 sentence 1 German Stock Corporation Act (AktG) the Supervisory Board is composed of three members; according to Section 95 sentence 2 and sentence 3 of the German Stock Corporation Act (AktG), the Company’s Articles of Association can set a certain higher number of members of the Supervisory Board, the number of members is not required to be divisible by three.

The Managing Board and the Supervisory Board consider it sensible to increase the number of Supervisory Board members from the current nine to ten. The enlargement of the Supervisory Board is intended to lead to an addition of further industry specific know-how on the Supervisory Board. In the context of the company’s developments during the recent years, this reflects the increased demands on the Supervisory Board, in particular in terms of knowledge, professional experience and internationality.

Therefore, the Managing Board and the Supervisory Board propose to resolve: Section 7 (1) of the Company’s Articles of Association is restated as follows:

“(1) The Supervisory Board shall have ten (10) members.”

8. **To elect a further Supervisory Board member**

Once the amendment to the Company’s Articles of Association proposed in Agenda Item 7 takes effect, pursuant to Sections 95, 96 (1) alternative 6, and 101 (1) of the German Stock Corporation Act (AktG) and pursuant to Section 7 (1) of the Company’s Articles of Association, the Company’s Supervisory Board will consist of ten members, who are elected by the shareholders’ meeting pursuant to the provisions of the German Stock Corporation Act (AktG).

The Supervisory Board proposes to the shareholders’ meeting to newly elect as a further member of the Supervisory Board the individual indicated below with effect from the registration of the amendment of the Articles of Association proposed in Agenda Item 7 in the commercial register until the end of the shareholders’ meeting that ratifies the acts of the Supervisory Board for the fiscal year 2025:

**Mr. Peer M. Schatz**, Managing Director (Geschäftsführer) of PS Capital Management GmbH, Düsseldorf, Germany; resident in Düsseldorf, Germany.

No memberships in other legally required German supervisory boards at the time notice is given of the annual shareholders’ meeting.

Memberships in comparable German and foreign controlling bodies of commercial enterprises at the time notice is given of the annual shareholders’ meeting:

- Chairman of the Supervisory Board, Centogene N.V., Amsterdam, The Netherlands,
- Chairman of the Board, Resolve BioSciences GmbH, Monheim am Rhein, Germany.
The nomination takes into account the targets adopted by the Supervisory Board for its composition and aims to ensure that the profile of required skills and expertise determined by the Supervisory Board for the Board as a whole is achieved.

With Mr. Peer M. Schatz one of the aims is to gain additional expertise in the field of diagnostics. In selecting the candidate, particular attention was paid to many years of international experience in a business area that is essential for the Siemens Healthineers Group in view of the company’s international orientation. With Mr. Peer M. Schatz, we have gained one of the world’s most distinguished managers in the field of diagnostics, who will make a special contribution with his many years of in-depth international experience and who will excellently complement the expertise in the Supervisory Board. His expertise is an enrichment and a valuable source of experience for the Supervisory Board. In addition, the election of Mr. Peer M. Schatz will further increase the proportion of independent members of the Supervisory Board.

The nomination proposal by the Supervisory Board on this Agenda Item is based on the recommendation of the Chairman’s Committee of the Supervisory Board. The Supervisory Board has verified that the candidate nominated for election to the Supervisory Board can devote the expected amount of time required to discharge this office. In the assessment of the Supervisory Board, there are no personal or business relationships between the individual nominated for election to the Supervisory Board and the Company or the Siemens Healthineers Group, the corporate bodies of the Company or any major shareholder of the Company that would require disclosure pursuant to Section C.13 of the German Corporate Governance Code (DCGK).

Further information on the nominated candidate, such as his résumé, are printed following the Agenda Item 13 under “Further Information on the Supervisory Board candidate nominated for election (Agenda Item 8)” and may be found on the Company’s website at

> siemens-healthineers.com/agm

9. **To approve the compensation system for the members of the Managing Board**

In accordance with Section 120a (1) of the German Stock Corporation Act (AktG), the shareholders’ meeting is obligated to resolve on the approval of the compensation system for the members of the Managing Board, as presented by the Supervisory Board, every time material changes are made and in any case at least every four years.

Taking into account the requirements of Section 87a (1) of the German Stock Corporation Act (AktG), the Supervisory Board, based on the recommendation of the Chairman’s Committee of the Supervisory Board, resolved on changes to the compensation system for the members of the Managing Board with effect from October 1, 2020. This amended compensation system is set out under “Description of the compensation systems for Managing Board members (Agenda Item 9)” and will be submitted to the shareholders’ meeting for approval.

The Supervisory Board proposes to approve this compensation system for the members of the Managing Board.
10. To resolve to confirm the compensation and to resolve on the compensation system for the members of the Supervisory Board

In accordance with Section 113 (3) of the German Stock Corporation Act (AktG), the shareholders’ meeting must vote on the compensation of the Supervisory Board members at least every four years. The vote can also confirm the existing compensation. The current compensation of the Supervisory Board was set by resolution of the extraordinary shareholders’ meeting of February 19, 2018, and of the shareholders’ meeting of February 12, 2020, in Section 12 of the Articles of Association.

The compensation of the Supervisory Board is purely fixed compensation (plus an attendance fee) in accordance with suggestion G.18 sentence 1 of the German Corporate Governance Code (DCGK) and is paid entirely in cash.

The Managing Board and the Supervisory Board believe that the compensation amount and the specific design of the compensation system for the Supervisory Board are appropriate in view of the tasks of the Supervisory Board members and the Company’s situation. Their evaluation has been validated by an independent external compensation expert.

Therefore, the Managing Board and the Supervisory Board propose to resolve:

The compensation of the Supervisory Board members, including the system on which this compensation is based, is confirmed.

The text of Section 12 of the Articles of Association and the information pursuant to Sections 113 (3) sentence 3, 87a (1) sentence 2 of the German Stock Corporation Act (AktG) are set out following Agenda Item 13 under “Description of the compensation of the members of the Supervisory Board (Agenda Item 10)”.

11. To resolve on the cancellation of Authorized Capital 2018 provided for in Section 4 (5) of the Articles of Association, the creation of new authorized capital against contributions in cash and/or in kind with the authorization to exclude subscription rights, and related amendments to the Articles of Association

On February 19, 2018, the shareholders’ meeting authorized the Managing Board to increase the capital stock, with the prior approval of the Supervisory Board, once or several times until February 18, 2023 by up to EUR 500,000,000 through the issuance of up to 500,000,000 new registered no-par value shares against contributions in cash and/or in kind.

On September 2, 2020, the Managing Board resolved, with the approval of the Supervisory Board, to increase the capital stock by EUR 75,000,000 from EUR 1,000,000,000 to EUR 1,075,000,000 using parts of the initially resolved “Authorized Capital 2018” and excluding shareholders’ subscription rights. The initially resolved “Authorized Capital 2018” was thereby utilized in the amount of EUR 75,000,000. The remaining authorized capital is now to be canceled and replaced by a new authorized capital in the amount of EUR 537,500,000 in order to be able to meet the Company’s possible need for financing in the future.

Therefore, the Managing Board and the Supervisory Board propose to resolve:

a) The authorization of the Company’s Managing Board pursuant to Section 4 (5) of the Articles of Association to increase the capital stock, with the approval of the Supervisory Board, during the period up until February 18, 2023
against contributions in cash and/or in kind (Authorized Capital 2018) and Section 4 (5) of the Articles of Association are hereby canceled.

b) The Managing Board is authorized to increase the capital stock, with the approval of the Supervisory Board, during the period up until February 11, 2026, by a nominal value of up to EUR 537,500,000 by issuing up to 537,500,000 registered no-par value shares against contributions in cash and/or in kind. The authorization may be used once or several times, in one total sum or in installments. The Managing Board is authorized to determine, with the approval of the Supervisory Board, the further details of the rights attached to the shares and of the terms of issue of the shares (Authorized Capital 2021).

The Managing Board is authorized to exclude the subscription rights with the Supervisory Board's approval in the event of capital increases against contributions 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.

In the event of capital increases against contributions in cash, the new shares must generally be offered to the shareholders for subscription; they may also be subscribed by credit institutions or enterprises within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with the obligation to offer them to the shareholders for subscription. However, the Managing Board is authorized to exclude shareholders’ subscription rights, with the approval of the Supervisory Board, in the event of capital increases against contributions in cash

- in order to grant members of the Company's Managing Board, members of the representative body of any of the Company's affiliated companies or employees of the Company and its affiliated companies new shares in connection with stock participation programs or other stock-based programs. To the extent permitted by law, the new shares may also be issued in such a manner that the contribution to be paid on such shares is 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). To the extent members of the Company's Managing Board are to be granted shares, the Company's Supervisory Board decides thereon;

- in as far as this is necessary for fractional amounts resulting from the subscription ratio;

- in order to grant holders/creditors of conversion or option rights in respect of shares of the Company or corresponding conversion or option obligations subscription rights as compensation for effects of dilution in the amount in which they would be entitled to such rights upon exercising these rights or fulfilling these obligations;

- if the issue price of the new shares is not significantly lower than the stock exchange price of the Company's shares already listed. The notional pro rata amount of the capital stock attributable to shares issued against cash contributions pursuant to Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) with the exclusion of subscription rights
must not exceed in total 10% of the capital stock existing at the time this
authorization becomes effective or, if this amount is lower, at the time
this authorization is used. When calculating the aforementioned limit,
shares have to be taken into account that are issued or disposed of in direct
or analogous application of that legal provision during the term of this
authorization until the point in time of its use and also shares that are to
be issued or granted on the basis of a convertible bond or warrant bond
issued during the term of this authorization with the exclusion of
subscription rights in accordance with Section 186 (3) sentence 4 of the
German Stock Corporation Act (AktG).

c) Section 4 (5) of the Articles of Association is restated as follows:

“(5) The Managing Board is authorized to increase the capital stock, with the
approval of the Supervisory Board, during the period up until February 11, 2026,
by a nominal value of up to EUR 537,500,000 by issuing up to 537,500,000
registered no-par value shares against contributions in cash and/or in kind.
The authorization may be used once or several times, in one total sum or in
installments. The Managing Board is authorized to determine, with the
approval of the Supervisory Board, the further details of the rights attached
to the shares and of the terms of issue of the shares (Authorized Capital 2021).

The Managing Board is authorized to exclude the subscription rights with
the Supervisory Board’s approval in the event of capital increases against
contributions 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.

In the event of capital increases against contributions in cash, the new shares
must generally be offered to the shareholders for subscription; they can also
be subscribed by credit institutions or enterprises within the meaning of
Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with
the obligation to offer them to the shareholders for subscription. However,
the Managing Board is authorized to exclude shareholders’ subscription
rights, with the approval of the Supervisory Board, in the event of capital
increases against contributions in cash

– in order to grant members of the Company’s Managing Board, members
of the representative body of any of the Company’s affiliated companies
or employees of the Company and its affiliated companies new shares
in connection with stock participation programs or other stock-based
programs. To the extent permitted by law, the new shares may also be
issued in such a manner that the contribution to be paid on such shares
is 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). To the extent members of the Company’s Managing Board are to
be granted shares, the Company’s Supervisory Board decides thereon;

– in as far as this is necessary for fractional amounts resulting from the
subscription ratio;

– in order to grant holders/creditors of conversion or option rights in respect
of shares of the Company or corresponding conversion or option obligations
subscription rights as compensation for effects of dilution in the amount in which they would be entitled to such rights upon exercising these rights or fulfilling these obligations;

- if the issue price of the new shares is not significantly lower than the stock exchange price of the Company’s shares already listed. The notional pro rata amount of the capital stock attributable to shares issued against cash considerations pursuant to Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) with the exclusion of subscription rights must not exceed in total 10% of the capital stock existing at the time this authorization becomes effective or, if this amount is lower, at the time at which this authorization is used. When calculating the aforementioned limit, shares have to be taken into account that are issued or disposed of in direct or analogous application of that legal provision during the term of this authorization until the point in time of its use, and also shares that are to be issued or granted on the basis of a convertible bond or warrant bond issued during the term of this authorization with the exclusion of subscription rights in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG).”

The Managing Board is instructed to apply for registration of the cancellation of the existing Authorized Capital 2018 pursuant to Agenda Item 11 a) and of Section 4 (5) of the Articles of Association and for registration of the resolution passed on Section 4 (5) of the Articles of Association pursuant to Agenda Item 11 c) with the commercial register subject to the proviso that registration will be made in the order set out before and that the registration of the cancellation of the existing Authorized Capital 2018 pursuant to Agenda Item 11 a) will not be effected until it is safeguarded that the resolution on Section 4 (5) of the Articles of Association will be registered immediately thereafter pursuant to Agenda Item 11 c).

The Managing Board’s written report setting forth the reasons for its authorization to exclude the shareholders’ subscription right is set out following Agenda Item 13 under “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)“.

12. To resolve on the cancellation of the authorization to issue convertible bonds and/or warrant bonds of February 19, 2018 and of the Conditional Capital 2018 pursuant to Section 4 (6) of the Articles of Association, on granting a new authorization to the Managing Board to issue convertible bonds and/or warrant bonds and to exclude subscription rights and to create, simultaneously, conditional capital and related amendments to the Articles of Association

On February 19, 2018, the shareholders’ meeting conditionally increased the capital stock by up to EUR 100,000,000 (Conditional Capital 2018). The Conditional Capital 2018 serves to grant registered no-par value shares upon the exercise of convertible bonds or warrants under warrant bonds.

It is intended to renew the existing authorization resolved by the shareholders’ meeting on February 19, 2018, under Agenda Item 2 to issue convertible bonds and/or warrant bonds, which has not yet been used. For this purpose, it is intended to cancel the Conditional Capital 2018, to create new conditional capital in the
amount of up to EUR 107,500,000 (Conditional Capital 2021) and to amend Section 4 (6) of the Articles of Association accordingly.

Therefore, the Managing Board and the Supervisory Board propose to resolve:

a) The authorization to issue convertible bonds and/or warrant bonds of February 19, 2018, the Conditional Capital 2018 and Section 4 (6) of the Articles of Association will be canceled.

b) The Managing Board is authorized to issue bearer or registered bonds in a total nominal amount of up to EUR 6,000,000,000 with a conversion right or with option rights certified in bearer warrants or registered warrants, or a combination of these instruments for a total of up to 107,500,000 registered no-par value shares of Siemens Healthineers AG (the “Siemens Healthineers Shares”), representing a pro rata amount of up to EUR 107,500,000 of the capital stock (the “Bonds”). The respective terms and conditions of the bonds and/or warrants may provide for servicing from conditional capital, in particular from the new Conditional Capital 2021 to be created in connection with this authorization, but also for servicing exclusively or, alternatively, at the option of the Company, with Siemens Healthineers Shares from authorized capital or from existing treasury shares, or treasury shares to be acquired, of Siemens Healthineers AG or one of its affiliated companies. The terms and conditions of the bonds and/or warrants may also provide for mandatory conversion or an obligation to exercise the option rights or a put option of the issuer to deliver Siemens Healthineers Shares (and any combination of the foregoing), in each case at any point in time, especially also at the end of their term. The Bonds may be issued against contribution in cash, but also against contributions in kind, including in particular participations in other undertakings. Warrant bonds may be issued against contribution in kind to the extent that the terms and conditions of the warrants provide for full payment in cash of the option price per Siemens Healthineers Share upon exercise. If applicable, this also comprises the indirect issue of such Bonds with the involvement of a bank if the procedure chosen does not constitute an issue against cash contribution. The authorization also includes the possibility to assume the guarantee for Bonds issued by affiliated companies of the Company and to make further statements and to take the actions necessary for successful issuance of Bonds. Furthermore, the authorization includes the possibility to grant Siemens Healthineers Shares to the extent that the holders/creditors of convertible bonds or warrants under warrant bonds exercise their conversion or option rights or fulfill their obligation to convert or exercise the option right, or to the extent that shares are tendered. The authorization for the issue of Bonds expires on February 11, 2026. The Bonds and, if applicable, the warrants may be issued once or several times, in whole or in part, including simultaneously in different tranches. All partial bonds belonging to a particular tranche issued rank pari passu with each other in all respects. The nominal amount of the Bonds or an issue price of Bonds below the nominal amount may also be chosen such that it corresponds to the pro rata amount of the capital stock represented by the shares to be granted in accordance with the terms and conditions of the Bonds, i.e., the relevant nominal amount or issue price need not necessarily exceed that amount.

The conversion/option price must not be less than 80% of the price of the Siemens Healthineers Share as quoted in the Xetra trading system (or a comparable successor system). The calculation is based on the average
closing price over the ten trading days prior to the date on which the final Managing Board resolution is reached to make an offer for the subscription of Bonds or to the Company’s notice of acceptance following a public solicitation to submit subscription offers. In the event that subscription rights are traded, the closing market prices on the days on which the subscription rights are traded apply, with the exception of the last two trading days of subscription rights trading. In the case of Bonds with conversion or option obligations or a put option entitling the issuer to deliver shares, the conversion price or option price may either at least equal the minimum price set out above or correspond to the volume weighted average price of the Siemens Healthineers Share on at least three stock exchange trading days in the Xetra trading system (or a comparable successor system) immediately preceding the determination of the conversion/option price in accordance with the terms and conditions of the bonds or warrants, even if this average price is below the minimum price (80%) set out above. Section 9 (1) and Section 199 (2) of the German Stock Corporation Act (AktG) remain unaffected.

In the case of warrant bonds being issued, one or several warrants are attached to each partial bond entitling or obliging the holder/creditor to subscribe to Siemens Healthineers Shares, or including a put option entitling the issuer to deliver shares, subject in each case to the terms and conditions of the bonds or warrants. The relevant warrants may be detachable from the respective partial bonds. The terms and conditions of the bonds or the warrants may also provide that payment of the option price can also be fulfilled by transferring partial bonds (trade-in) and, if applicable, making an additional cash payment.

In the case of convertible bonds being issued, the holders/creditors of the convertible bonds are entitled or obliged to convert them into Siemens Healthineers Shares, subject to the terms and conditions of the convertible bonds. The conversion ratio is determined by dividing the nominal amount, or the issue price of a convertible bond if that price is below the nominal amount, by the respective conversion price stipulated for one Siemens Healthineers Share.

The pro rata amount of the capital stock represented by the shares to be subscribed for on the basis of a convertible bond or in the case of a trade-in of a warrant bond must not exceed the nominal amount or any lower issue price of the Bonds.

The authorization also includes the possibility, subject to the terms and conditions of the bonds and/or the warrants, to provide dilution protection and/or to make other adjustments under certain circumstances. Protection against dilution or adjustments may especially be contemplated in the event that there are changes in the capital of the Company during the term of the Bonds or the warrants (for example, in the event of a capital increase or reduction in capital or a share split), but also in connection with dividend payments, the issuance of additional convertible bonds/warrant bonds, transformation measures as well as in the case of other events affecting the value of the option or conversion rights occurring during the term of the Bonds or the warrants (for example, in the event of acquisition of control by a third party). Protection against dilution or adjustments can especially be provided for by granting subscription rights, by changing the conversion/option price and by changing or granting cash components.
The Managing Board is authorized to determine the further terms and conditions of the Bonds and/or warrants or to establish such terms and conditions by mutual agreement with the respective issuing affiliated company. The terms and conditions can especially also provide for and stipulate the following:

– whether, instead of servicing from conditional capital, servicing from authorized capital, delivery of treasury shares, payment of the equivalent amount in cash or delivery of other listed securities may be provided for,

– whether the conversion or option price or the conversion ratio is to be determined at the time of the issue of the Bonds or based on future stock exchange prices within predetermined margins,

– whether and how there will be rounding to a full share conversion ratio,

– whether an additional payment to be rendered in cash or cash compensation will be specified in the case of fractional amounts,

– how the details of the exercise, the performance of obligations or rights, the deadlines and the setting of the conversion prices/exercise prices are to be determined in the case of mandatory conversion obligations and/or the fulfillment of obligations to exercise option rights or the delivery rights under a put option,

– whether the Bonds will be issued in euros or in other legal currencies of OECD countries. For the purpose of determining the maximum aggregate nominal amount of this authorization in the case of issues in foreign currencies, the nominal amount of the Bonds is in each case to be converted into euros on the day when the decision on the issue thereof is taken.

The Bonds must generally be offered to the shareholders for subscription; they may also be issued to credit institutions or enterprises within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with the obligation to offer them to shareholders for subscription. However, the Managing Board is authorized, with the approval of the Supervisory Board, to exclude the subscription right

– provided that the Bonds are issued against cash payment and the issue price of a Bond is not significantly lower than its theoretical market price computed in accordance with generally accepted actuarial methods. The notional pro rata amount of the capital stock attributable to shares to be issued on the basis of Bonds issued under this authorization must not exceed 10% of the capital stock existing at the time this authorization becomes effective or, if this amount is lower, at the time this authorization is used. When calculating the aforementioned limit, shares have to be taken into account that are issued or sold in direct or analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) during the term of this authorization until the point in time of its use and also shares that are to be issued or granted on the basis of a convertible bond or warrant bond issued during the term of this authorization based on another authorization with shareholders’ subscription rights excluded in accordance with the German Stock Corporation Act (AktG).

– if the Bonds are issued against contributions or consideration in kind, in particular within the framework of mergers or in order to acquire (also indirectly) 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,

– in as far as this is necessary for fractional amounts resulting from the
subscription ratio,

– in order to grant holders/creditors of conversion or option rights to shares
of the Company or corresponding conversion or option obligations
subscription rights as compensation for effects of dilution in the amount
in which they would be entitled to such rights upon exercising these
conversion or option rights or fulfilling these conversion obligations.

c) In order to grant shares to holders/creditors of convertible bonds or warrant
bonds issued under the authorization pursuant to b) above, the capital stock
is conditionally increased by up to EUR 107,500,000 by issuing up to
107,500,000 registered no-par value shares (Conditional Capital 2021). The
conditional capital increase will be implemented by issuing up to 107,500,000
registered no-par value registered shares with dividend entitlement from the
beginning of the fiscal year during which they are issued, only in as far as the
holders and/or creditors of convertible bonds or of warrants from warrant
bonds that are issued by Siemens Healthineers AG or one of its affiliated
companies up until February 11, 2026 on the basis of the authorization of
the Managing Board pursuant to b) exercise their conversion/option rights,
fulfill their conversion/option obligations or if shares are delivered under the
put option, and only to the extent that no other forms of servicing are used.
The issue of the new shares shall be made at the conversion/option prices to
be determined, subject to the above authorization resolution, in the terms
and conditions of the Bonds or options (Conditional Capital 2021). The Managing
Board is authorized to decide on the further details of the implementation of
the conditional capital increase.

d) In this context, Section 4 (6) of the Articles of Association is amended to read
as follows:

"(6) The share capital is conditionally increased by up to EUR 107,500,000. The
conditional capital increase shall be implemented through issue of up to
107,500,000 no-par value registered shares with dividend entitlement from the
beginning of the fiscal year during which they are issued, only in as far as the
holders and/or creditors of convertible bonds or of option warrants from option bonds that are issued by Siemens Healthineers AG or one of its affiliated
companies up to February 11, 2026 on the basis of the authorization of the Managing Board by the General Meeting of February 12, 2021 exercise
their conversion/option rights, perform their conversion/option obligations or if shares are delivered, and only if other forms of performance are not used. The issue of the new shares shall be made at the conversion/option prices to be determined, subject to the above authorization resolution, in the terms and conditions of the Bonds or options (Conditional Capital 2021). The Managing Board is authorized to decide on the further details of the implementation of the conditional capital increase."

The Managing Board is instructed to apply for registration of the cancellation
of the existing Conditional Capital 2018 and of Section 4 (6) of the Articles of
Association pursuant to a) and of the resolution passed on Section 4 (6) of the
Articles of Association pursuant to d) with the commercial register subject to
the proviso that registration will be made in the order set out before and that
the registration of the cancellation of the existing Conditional Capital 2018
pursuant to a) will not be effected until it is safeguarded that the resolution on
Section 4 (6) of the Articles of Association pursuant to d) will be registered
immediately there after.

The Managing Board’s written report setting forth the reasons for its authorization
to exclude the shareholders’ subscription right is printed following Agenda
Item 13 under “Report of the Managing Board to the Shareholders’ Meeting on
Agenda Item 12 in accordance with Section 186 (4) sentence 2 in conjunction
with Section 221 (4) sentence 2 of the German Stock Corporation Act (AktG)”.

13. To resolve on the revocation of the authorization of February 19, 2018 to
acquire and use treasury shares pursuant to Section 71 (1) no. 8 of the
German Stock Corporation Act (AktG) and to exclude subscription and tender
rights and on a new authorization of the Managing Board to acquire and
use treasury shares pursuant to Section 71 (1) no. 8 of the German Stock
Corporation Act (AktG) and to exclude subscription and tender rights

On February 19, 2018, the shareholders’ meeting resolved to grant an authorization
to acquire and use treasury shares pursuant to Section 71 (1) no. 8 of the German
Stock Corporation Act (AktG). This authorization is now to be revoked and replaced
by a new authorization of the Managing Board to acquire and use treasury shares
pursuant to Section 71 (1) no. 8 of the German Stock Corporation Act (AktG).

Therefore, the Managing Board and the Supervisory Board propose to resolve:

a) The authorization of the Managing Board of February 19, 2018, to acquire and
use treasury shares pursuant to Section 71 (1) no. 8 of the German Stock
Corporation Act (AktG), is cancelled.

b) The Company is authorized to acquire until February 11, 2026 for any
permissible purpose treasury shares in an aggregate amount of up to 10%
of the capital stock existing at the time the resolution is adopted or – if this
amount is lower – of the capital stock existing at the time the authorization
is exercised. The shares acquired under this authorization together with
other shares of the company already acquired and still held by the Company
or which are attributable to it pursuant to Sections 71d and 71e of the German
Stock Corporation Act (AktG), must not, at any time, represent more than
10% of the relevant capital stock.

c) Siemens Healthineers Shares will be acquired, at the option of the Managing
Board, 1) by purchase via the stock exchange or 2) by means of a public
purchase offer. Offers pursuant to no. 2) below may also be made by means
of an invitation to submit offers.

1) In the case of acquisition of the Siemens Healthineers Shares via the
stock exchange, the purchase price per Siemens Healthineers Share
(without ancillary costs for the acquisition) paid must not exceed the
price per Siemens Healthineers Share determined by the opening auction
in Xetra trading (or in a comparable successor system) on the trading day
by more than 10% or fall below such price by more than 20%.

2) In the case of acquisition of the Siemens Healthineers Shares through a
public purchase offer, the purchase price paid per Siemens Healthineers
Share (without ancillary costs for the acquisition) must not exceed the average closing price per Siemens Healthineers Share in Xetra trading (or in a comparable successor system) on the fourth, third and second trading day preceding the decision of the Managing Board on the offer or on the acceptance of offers of the shareholders by more than 10% or fall below such price by more than 20%.

The Managing Board will determine the further details of the relevant acquisition process. If the number of Siemens Healthineers Shares tendered or offered for purchase exceeds the total volume of shares the company intends to acquire, the shareholders' tender right may be excluded such that the acquisition will be made based on the proportion of the number of Siemens Healthineers Shares tendered or offered by each shareholder. Likewise, the acquisition process may provide for a preferred acquisition or acceptance of small numbers of up to 150 tendered Siemens Healthineers Shares per shareholder as well as a rounding according to commercial principles.

If, following the publication of an offer in accordance with c) no. 2), the market price deviates from the price or from a price range determined in the context of the invitation to submit offers and these deviations may be material to the success of the offer, the price or the price range may be adjusted during the offer period or up until acceptance.

d) The Managing Board is authorized to use the treasury shares acquired pursuant to Section 71 (1) no. 8 of the German Stock Corporation Act (AktG) on the basis of this authorization in addition to selling them via the stock exchange or by means of an offer to all shareholders proportionately according to their shareholding for every purpose permissible under applicable law, and, in particular, as follows:

1) The shares can be cancelled without the cancellation or its implementation requiring any further resolution by the shareholders’ meeting. The cancellation may also be implemented without a capital reduction by adjusting the pro rata amount of the remaining no-par value shares in the capital stock of the Company. In this case, the Managing Board is authorized to amend the number of no-par value shares in the Articles of Association.

2) The shares may be used as part of remuneration and/or employee stock-based compensation programs of the Company or its affiliated companies and may be issued to persons who are or were employed with the Company or any of its affiliated companies as well as to members of corporate bodies of affiliated companies of the Company. They may be offered for sale, awarded or transferred to the aforesaid persons and members of corporate bodies (against consideration or not) provided that the employment or service relationship or membership still exists at the time of the offer, award or transfer.

3) With the approval of the Supervisory Board, they may be offered or transferred against contributions in kind, within the framework of mergers or in order to acquire (also indirectly) 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.
4) With the approval of the Supervisory Board, they may be sold against cash payment if the sales price is not significantly below the stock exchange price of a Siemens Healthineers Share.

5) The shares can be used to service or secure obligations or rights to acquire Siemens Healthineers Shares specifically under or in connection with convertible bonds and warrants bonds issued by the Company or its affiliated companies.

The notional pro rata amount of the capital stock attributable to shares used in accordance with the authorizations under d) nos. 4) and 5) must not exceed 10% of the capital stock existing at the time the resolution is adopted or – if this amount is lower – at the time the authorization is used, provided that the shares are issued against contributions in cash, with subscription rights excluded, in analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) at a price that is not significantly lower than the stock exchange price. When calculating this limit, shares have to be taken into account that are issued or sold in direct or analogous application of such provision during the term of this authorization up to the time of it being used. Likewise included are shares that are to be issued or sold on the basis of a convertible bond or warrant bond issued during the term of this authorization, with subscription rights excluded, in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG).

e) The Supervisory Board is authorized to use the treasury shares acquired on the basis of this authorization as follows: The shares can be used to service obligations or rights to acquire Siemens Healthineers Shares that have been or will be agreed with members of the Managing Board of Siemens Healthineers AG in the context of the provisions on remuneration for the Managing Board. They may specifically be offered for purchase, awarded or transferred to the members of the Managing Board of Siemens Healthineers AG provided that the service relationship of the relevant member or the board membership still exists at the time of the offer, award or transfer. The details regarding the remuneration of the members of the Managing Board are determined by the Supervisory Board.

f) The authorizations included in this resolution may be exercised in each case independently of each other, once or several times, individually or collectively, in their entirety or partially also by affiliated companies or by third parties acting for the account of the Company or its affiliated companies. Furthermore, treasury shares acquired may also be transferred to affiliated companies.

g) The shareholders’ subscription right with respect to treasury shares acquired is excluded to the extent that these shares are used in accordance with the above authorizations under d) nos. 2) to 5) and e). Furthermore, the Managing Board is authorized to exclude the subscription right in order to grant holders/creditors of conversion or option rights in respect of shares of the Company or corresponding conversion or option obligations subscription rights as compensation against effects of dilution in the amount in which they would be entitled to such rights upon exercising these rights or after fulfilling these obligations. Moreover, in the case of an offer to acquire treasury shares made to all shareholders, the shareholders’ subscription right may also be excluded for fractional amounts.
The Managing Board’s written report setting forth the reasons for its authorization to exclude the shareholders’ subscription right is printed following this Agenda Item 13 under “Report of the Managing Board to the Shareholders’ Meeting on Agenda Item 13 in accordance with Section 186 (4) sentence 2 in conjunction with Section 71 (1) no. 8 of the German Stock Corporation Act (AktG)“.
Further information on the Supervisory Board candidate nominated for election (Agenda Item 8)

Peer M. Schatz
Managing Director of PS Capital Management GmbH, Düsseldorf, Germany

Date/place of birth: August 3, 1965 in New York, USA
Nationality: Austria/Switzerland

Education
1989 Master of Economics and Social Sciences, University of St. Gallen, Switzerland
1991 Master of Business Administration (MBA), University of Chicago Booth School of Business, USA

Professional career and material activities
since 2019 Managing Director, PS Capital Management GmbH, Düsseldorf, Germany
since 2019 Special Advisor for the Supervisory Board QIAGEN N.V., Venlo, The Netherlands; until June 2021
2004 - 2019 Chief Executive Officer, QIAGEN N.V., Venlo, The Netherlands
1993 - 2004 Chief Financial Officer, QIAGEN N.V., Venlo, The Netherlands
Prior to that, various functions at Sandoz AG, ComputerLand AG, HTCS AG, among others.

Memberships in other statutory supervisory boards or comparable domestic and foreign controlling bodies

No memberships in other legally required German supervisory boards at the time notice is given of the annual shareholders’ meeting.

Memberships in comparable German and foreign controlling bodies of commercial enterprises at the time notice is given of the annual shareholders’ meeting:

• Chairman of the Supervisory Board, Centogene N.V., Amsterdam, The Netherlands
• Chairman of the Board, Resolve BioSciences GmbH, Monheim am Rhein, Germany
Knowledge, skills and professional experience

Mr. Peer M. Schatz is an entrepreneur and executive with over 30 years of experience in the life sciences. Prior to 2019 Mr. Peer M. Schatz was Chief Executive Officer of QIAGEN N.V. Mr. Peer M. Schatz joined QIAGEN in 1993, when the company had under 30 employees and revenues of approximately US$2 million. Under his direction, QIAGEN grew to employ more than 5,200 people in over 35 locations around the world and to record annual revenues of over US$1.6 billion – with strong leadership positions in molecular diagnostics/precision medicine, research tools and advanced bioinformatics. He led more than 40 acquisitions for QIAGEN as well as QIAGEN's listing on NASDAQ (in 1996, making QIAGEN the first German company to do so) and the listings on the NYSE (2018) and the Frankfurt Stock Exchange (1997). Between 2009 and 2019 Mr. Peer M. Schatz held director positions for AdvaMedDx (in-vitro diagnostics industry organization of the USA) and ALDA (Analytical, Life Science & Diagnostics Association, USA). Mr. Peer M. Schatz participated in the founding and growth of a number of companies in the life sciences, primarily in biotechnology/biopharmaceuticals. Between 2001 and 2009, he was a partner in a venture capital firm focused on investments in the life sciences.
Description of the compensation system for Managing Board members (Agenda Item 9)

A. Main features and objectives of the compensation system for the members of the Managing Board of Siemens Healthineers AG

The compensation system for members of the Managing Board is to be set in a way that promotes the Company's business strategy and long-term development. Siemens Healthineers’ 2025 Strategy is aimed at accelerating profitable growth and delivering return. To generate growth, the Company intends to both strengthen its existing core businesses and sharpen its strategic focus on adjacent growth markets. With its high weighting of variable compensation components and ambitious performance targets, the compensation system helps increase the motivation of the Managing Board members to implement Siemens Healthineers’ 2025 Strategy effectively. The new compensation system for members of the Managing Board will permit the Supervisory Board to re-adjust the performance targets for the short-term and long-term variable compensation components on an annual basis and, hence, to respond to changing challenges to the strategy. As the long-term variable compensation component will largely depend on share price performance, the compensation of the Managing Board members will be linked to the best interests of the shareholders. At the same time, the compensation of the Managing Board members is designed to promote the sustainable and long-term development of the Siemens Healthineers Group, in particular by assigning a considerably higher weighting to the long-term variable compensation components, by introducing new ESG (environmental, social and governance) metrics and by setting clear, measurable targets, and salary limits. With this approach, the compensation system will promote innovation and incentivize the Company’s value-creating and long-term development while minimizing disproportionate risks at the same time. When developing the compensation system, the Supervisory Board relied on the following guidelines:

Guidelines on the compensation of the Managing Board members

- Promoting the execution of the long-term business strategy and the sustainable development of Siemens Healthineers AG
- Appropriate compensation that is common in the market taking into account the size, complexity and financial position of the Company
- Tied to shareholder and stakeholder interests
- Clear pay for performance focus
- Comparison with competitors in order to incentivize long-term outperformance
- Ambitious performance criteria with a long-term focus
- Intuitive, easy-to-understand compensation system
- Compliance with the regulatory requirements applicable in Germany
- Consistency of the compensation systems applicable to the members of the Managing Board and the members of the senior management
- Taking into account the experience and expertise of the Managing Board members

The Supervisory Board’s objective is to offer to the Managing Board members, within the framework of the guidelines referred to above and in compliance with the applicable
regulatory requirements, a compensation package that is both in line with common market practices and competitive with comparable roles in order to incentivize the members of the Managing Board to manage the business in a sustainable manner, and to be able to recruit the best candidates globally for a Managing Board position at Siemens Healthineers AG.

The new compensation system for the members of the Managing Board is simple, clear, and easy-to-understand, and meets the requirements of the German Stock Corporation Act (AktG) and the recommendations of the German Corporate Governance Code (DCGK). The new compensation system will permit the Supervisory Board the flexibility necessary to respond to organizational changes and to take into account changes in the economic environment and different market conditions when drafting the terms of the compensation of Management Board members in the specific case.

B. Procedure for the determination, implementation and review of the compensation system

The compensation system for the members of the Managing Board is determined by the Supervisory Board in accordance with Section 87 (1) of the German Stock Corporation Act (AktG). The Chairman's Committee of the Supervisory Board provides assistance to the Supervisory Board in the process. The Chairman's Committee of the Supervisory Board drafts the relevant recommendations regarding the compensation system for the Managing Board members, taking into account the guidelines described in A. and the recommendations of the German Corporate Governance Code (DCGK), which are discussed in detail and resolved upon by the Supervisory Board. The Supervisory Board may retain external consultants if and as necessary. If the Supervisory Board retains an external compensation expert, it must make sure that the expert is independent; in particular, the Supervisory Board must obtain confirmation of such expert’s independence. The external compensation expert so retained must be substituted from time to time. The provisions governing the procedure of dealing with conflicts of interest are also observed in the Supervisory Board’s determining, implementing and reviewing the compensation system.

<table>
<thead>
<tr>
<th>Procedure used to determine the compensation of the Managing Board members</th>
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<tbody>
<tr>
<td><strong>Chairman’s Committee</strong></td>
</tr>
<tr>
<td>Develops recommendations on the compensation system and the structure and amount of the compensation of the Managing Board and submits these to the Supervisory Board.</td>
</tr>
</tbody>
</table>
The compensation system resolved by the Supervisory Board is submitted to the shareholders’ meeting for approval. If the compensation system so submitted is not approved by the shareholders’ meeting, a revised compensation system will be submitted for voting and approval at the next annual shareholders’ meeting at the latest.

The Chairman’s Committee of the Supervisory Board regularly reviews the compensation system for Managing Board members and submits proposals in this regard to the Supervisory Board. If necessary, the Chairman’s Committee of the Supervisory Board recommends the Supervisory Board to change the compensation system. If material changes have been made, and in any case at least every four years, the compensation system will be re-submitted to the shareholders’ meeting for approval.

At the recommendation of the Chairman’s Committee of the Supervisory Board, the Supervisory Board resolved on the present compensation system for the Managing Board members. At the preparation stage, the Supervisory Board was assisted by a renowned independent compensation expert.

C. New compensation system to take effect on October 1, 2020

The new compensation system has been implemented by the Supervisory Board with effect from October 1, 2020. The acting members of the Managing Board have consented to the relevant amendments being made to their respective service agreements. The new system will therefore apply to all existing service agreements of the Managing Board members, to any renewal thereof and any service agreements to be newly concluded.

D. Determining the structure and amount of the specific target total compensation

At the recommendation of the Chairman’s Committee of the Supervisory Board, the Supervisory Board will determine the amount of the target total compensation of each Managing Board member in compliance with the compensation system, in each case for the next fiscal year or at the beginning of a fiscal year. For each Managing Board member, the target total compensation will be the sum of fixed and variable compensation components.

In this context, the Supervisory Board will make sure that the target total compensation is appropriate considering the relevant Managing Board member’s tasks and performance. In addition, the Supervisory Board will take into account, in particular, the economic climate, the market environment, and the Company’s success and future prospects.

The Supervisory Board will attach particular importance to the target total compensation being in line with common market practices. For the purposes of assessing whether the target total compensation is in line with common market practices, the Supervisory Board will make both horizontal and vertical comparisons:

a) Horizontal comparison – external comparison:

For the purposes of assessing whether the total compensation is in line with common market practices, compensation data gathered from the 90 largest DAX or MDAX listed German companies will be used. When performing
an external (horizontal) market comparison, the Supervisory Board will take into account the market position, including the size and complexity of Siemens Healthineers AG having particular regard to how the Company is positioned within the aforementioned peer group. In terms of market capitalization, Siemens Healthineers AG is currently listed in the MDAX index; however, given the size of the Company (e.g., in terms of numbers of employees and sales), taking the DAX index as a basis would also appear reasonable.

Should Siemens Healthineers AG be included in the DAX index at some point in the future, only the companies listed in the DAX index will be used for the purposes of the external comparison. In all other respects, the procedure described above will apply accordingly.

b) Vertical comparison – internal comparison:

In addition, in order to perform an internal (vertical) comparison, the Supervisory Board will take into account the development of the compensation of the Managing Board members as compared to the development of the salaries of the staff of the entire Siemens Healthineers Group in Germany in order to use a peer group beyond Siemens Healthineers AG that is as broad as possible. For the purposes of this comparison, the compensation of the Managing Board members will be compared to the compensation of the senior management, to the compensation of the non-senior management (non-tariff employees) and to the salaries of the other staff – i.e., the employees covered by collective agreements – and be used in a market comparison.

E. Components of the compensation system for Managing Board members

The total compensation of the members of the Managing Board of Siemens Healthineers AG consists of fixed and variable compensation components. The fixed compensation component, which is non-performance-based, comprises the base salary, fringe benefits and pension benefit commitments (Siemens Healthineers contribution-based Siemens pension scheme (Siemens Healthineers Beitragsorientierte Siemens Altersversorgung, “Siemens Healthineers BSAV”). The performance-based, and therefore variable, compensation component comprises the short-term variable compensation (bonus) and the long-term variable stock-based compensation (“Siemens Healthineers Stock Awards”). The potential total compensation for the individual Managing Board members is capped (maximum compensation).

In addition, the Share Ownership Guidelines form an integral supplemental part of the compensation system. By committing to permanently hold a specified multiple of their base salary in Siemens Healthineers Shares and to purchase additional shares in the event that the value of their shares falls below the specified amount, Managing Board members demonstrate their confidence in the successful future of Siemens Healthineers AG.
Components of the compensation system for Managing Board members

<table>
<thead>
<tr>
<th>Compensation component</th>
<th>Design</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base salary</strong></td>
<td>Contractually agreed fixed compensation, which is paid in 12 monthly installments</td>
</tr>
<tr>
<td><strong>Fringe benefits</strong></td>
<td>Contractual commitments to (partially) pay, for example, expenses related to the provision of a company car, insurance allowances and medical check-ups</td>
</tr>
<tr>
<td><strong>Pension benefit commitment</strong></td>
<td>Annual fixed contribution in euros</td>
</tr>
</tbody>
</table>
| **Short-term variable compensation (bonus)** | Type of plan: Annual bonus Cap: 200% of the target amount Performance criteria:  
  • 2/3 company performance (2–3 equally weighted KPIs)  
  • 1/3 individual performance (2–4 equally weighted KPIs)  
Payout: In cash |
| **Long-term variable compensation (Siemens Healthineers Stock Awards)** | Type of plan: Performance Share Plan Cap: 200% of the target amount (cap on number of shares) and 300% payout cap Performance criteria:  
  • 80% relative total shareholder return (TSR) against the two equally weighted indices, i.e., the MSCI World Health Care and the MSCI Europe Health Care Equipment & Services  
  • 20% sustainability (2–3 ESG KPIs)  
Vesting period: 4 years  
Payout: Generally, in the form of shares |
| **Maximum compensation** | The maximum compensation per year is capped at:  
  • Chief Executive Officer: EUR 9.7 million  
  • Other members of the Managing Board: EUR 6.1 million |
| **Malus/clawback**      | Reduction or clawback of the variable compensation in whole or in part is possible |
| **Share Ownership Guidelines (SOG)** | Members of the Managing Board are obliged to permanently hold Siemens Healthineers Shares that have the following value:  
  • Chief Executive Officer: 250% of the base salary  
  • Other members of the Managing Board: 200% of the base salary |

F. Overview of the compensation system

The following diagram provides an overview of the key components of the compensation system:
G. Structure of the target total compensation

The compensation system will permit the Supervisory Board to set the target total compensation according to the function of each Managing Board member and thus to consider the different requirements for each function in setting both the absolute amount and the structure of the compensation accordingly. The ratio between the fixed and variable compensation components and their respective relative share in the compensation is not to be clearly specified but to be approximately in the range described below.

Under the Managing Board compensation system, the Supervisory Board may make a function-specific differentiation using duty-bound discretion and applying the criteria of market conditions and the relevant Managing Board member’s experience and portfolio. For example, a Managing Board member with a prominent function, such as the Chief Executive Officer, may receive compensation which is overall higher than that of other Managing Board members. When a Managing Board member has been appointed who is not a German resident, the proportion of the long-term variable compensation could be increased, for example, in light of the fact that compensation is typically higher in international markets. Furthermore, an overall lower compensation may be determined, or individual compensation components reduced, for the initial term of appointment of a Managing Board member appointed to the Managing Board for the first time. In addition, as part of the annual review of the compensation of the Managing Board members, the Supervisory Board may adjust, if and as necessary, individual compensation components rather than all components. This is done with due regard to market conditions and appropriateness considerations. The short-term or long-term variable compensation component, for example, may thus be adjusted in a targeted manner to re-align compensation levels with market levels in order to optimize the target total compensation to reflect changing market requirements. The ratios of the individual compensation components in the target total compensation may vary as a result of the use of the differentiation methods described above.

In compliance with the requirements of the German Stock Corporation Act (AktG) and the recommendations of the German Corporate Governance Code (DCGK), the Supervisory Board will ensure, when structuring the target compensation, that the long-term target variable compensation always exceeds the short-term target variable compensation. The focus will thus be on the long-term and sustainable development of Siemens Healthineers AG without losing sight of the annual operating targets. Adhering to the principle of focusing on long-term aspects, the Supervisory Board may determine a higher long-term variable compensation proportion in order to align the compensation of Managing Board members even more closely with the Company’s long-term performance. At the same time, the Company thus implements the recommendation of the German Corporate Governance Code (DCGK) to the effect that the variable compensation components granted to the Managing Board member should be invested by him or her predominantly in shares of the Company or be granted in the form of a corresponding stock award.

The relative proportion of the individual compensation components in the target total compensation (expressed as a percentage) for all Managing Board members is currently approximately:
The proportion of compensation that is not performance-based (base salary, usual fringe benefits and pension benefit commitments) is currently approximately 43% of the target total compensation. The proportion of the short-term variable compensation (bonus) is currently approximately 22% of the target total compensation (assuming 100% target achievement), whereas the proportion of the long-term variable compensation (Siemens Healthineers Stock Awards) is currently the largest proportion at approximately 35% of the target total compensation (assuming 100% target achievement).

Going forward, these proportions may vary as a result of functional differentiation and/or the annual review and re-alignment of the compensation with market levels. Regardless, the Supervisory Board will always make sure that the variable compensation will exceed the fixed compensation and that the variable compensation will have a long-term focus.

H. Information on the individual compensation components

Fixed compensation components

The fixed compensation is designed to ensure that the Managing Board members receive an appropriate base salary, thus discouraging the members from exposing the Company to excessive risks. The fixed compensation component comprises the base salary, fringe benefits and pension benefit commitments (Siemens Healthineers BSAV).

a) Base salary

Each Managing Board member receives a fixed base salary, which reflects the relevant Managing Board member’s portfolio and experience and is paid in cash in twelve monthly installments.
b) Fringe benefits

Fringe benefits are established for each Managing Board member. These benefits cover benefits in favor of the Managing Board members. In particular, the fringe benefits include the costs or the benefit in money's worth, as the case may be, of any in-kind compensation granted by the Company and other fringe benefits such as the provision of a company car, the refund of certain tax adviser costs, insurance allowances, payments to cover the costs of accommodation and relocation, and costs related to medical check-ups, including any taxes paid thereon.

The Supervisory Board will decide, at the recommendation of the Chairman’s Committee of the Supervisory Board, whether and to what extent any of the additional compensation components described below will be granted under the relevant Managing Board member’s individual service agreement:

Compensation for the loss of benefits granted by the previous employer

Where a Managing Board member, by reason of moving to Siemens Healthineers AG, loses or forfeits compensation benefits (for example, long-term variable compensation or pension benefit commitments) granted by a previous employer, the Supervisory Board may grant compensation in the form of (usually Phantom) Siemens Healthineers Stock Awards, pension benefit commitments within the scope of the Siemens Healthineers BSAV, or cash payments.

c) Pension benefit commitments

The members of the Managing Board are included in the Siemens Healthineers contribution-based Siemens pension scheme (Siemens Healthineers BSAV). Under the Siemens Healthineers BSAV, Managing Board members receive contributions that are credited to their pension accounts. The Supervisory Board reviews the appropriateness of the contribution every year and determines the amount of the contribution to the Siemens Healthineers BSAV as a fixed amount in euros.

In very exceptional circumstances, newly appointed members of the Managing Board who have not been employed with the Siemens Healthineers Group (or with Siemens AG or any affiliate of Siemens AG) may be granted, instead of a Siemens Healthineers BSAV contribution, a fixed cash amount that can be used at the member’s own discretion.

The Supervisory Board may also make decisions regarding special contributions for and special provisions applicable to individual members of the Managing Board. When making its decision, the Supervisory Board will take into account the level of pension benefits sought by the relevant Managing Board member, the length of such member’s service on the Managing Board, and the resulting amount of annual and long-term expenses incurred.

Pension benefit commitments or entitlements will become forfeited if and when the recipient/beneficiary acts in a way that compromises the Company’s key interests or that would entitle Siemens Healthineers AG to terminate such person’s service agreement without notice.

The essential characteristics of the Siemens Healthineers BSAV for Managing Board members are summarized in the following table:
Characteristics of the Siemens Healthineers BSAV

| Design | • Generally a defined contribution commitment in euros; in exceptional cases, an amount in euros may be paid, which may be used at the member’s own discretion |
| Entitlement | • Managing Board members become entitled to benefits upon reaching the age of 65 • Upon request, on or after reaching the age of 62 for pension commitments made on or after January 1, 2012, and, upon request, on or after reaching the age of 60 for pension commitments made before January 1, 2012 |
| Non-forfeitability | • In accordance with the provisions of the German Company Pensions Act (Betriebsrentengesetz) |
| Disbursement | • As a rule, in 12 yearly instalments • Other payment options, on request, are: a smaller number of instalments, a lump sum payment, an annuitization with or without survivors’ benefits, as well as a combination of these options |
| Guaranteed Interest | • Annual guaranteed interest credited to the pension accounts until benefits are first drawn |
| Disability/death | • The risk that benefits may have to be drawn before the age of 60 due to disability or death is mitigated by crediting contributions from the age at the time benefits are first drawn until the covered individual reaches or would have reached the age of 60 |

Variable compensation components

The variable compensation of the Managing Board members is to create the right incentives for such members to act with the Company's corporate strategy, shareholders, customers, employees and other stakeholders in mind and to achieve long-term targets in a sustainable manner.

To ensure the realization of the corporate strategy with the aim of ensuring the Company's long-term and sustainable development, the necessary operating measures need to be defined and managed. To this end, annual operating targets of both a financial and non-financial nature are set, the achievement of which will be incentivized by promising a bonus. In line with the Siemens Healthineers 2025 Strategy, these targets are designed to strengthen the Company's profitability and ability to work profitably and efficiently by tapping into adjacent growth markets, by marketing next-generation products and platforms, and by saving organizational costs. In particular, this means that market shares are intended to be increased both in established markets and in new markets in order to expand the Company's position as a market leader and its profitability in a sustainable manner. In addition, the Supervisory Board will take the specific strategic and operating challenges involved in the Company’s development into account when setting the individual performance targets for each individual Managing Board member.

In addition, there is a long-term stock-based compensation component in the form of Siemens Healthineers Stock Awards rewarding the Managing Board members for their contribution to the long-term success of the Company relative to its competitors and the long-term price appreciation of the Siemens Healthineers AG shares and, thus, the attractive and sustainable return generated for the Company's shareholders. Return is expressed concretely in the form of dividend payments and share price appreciation. Sustainable business management is another key strategic performance criterion of Siemens Healthineers AG. For this reason, selected sustainability targets are among the performance criteria that must be met for long-term compensation to be granted, demonstrating Siemens Healthineers AG’s social responsibility.
Consequently, the amount of the two variable compensation components, the short-term bonus and the long-term Siemens Healthineers Stock Awards, which is actually paid/granted depends on the fulfillment of financial and non-financial performance criteria. The performance criteria are derived from the strategic goals and operative controlling of the Company. They also include ESG performance criteria. Ultimately, all of the performance criteria measure successful value creation in all its different forms, as strategically envisioned.

Performance criteria for variable compensation

<table>
<thead>
<tr>
<th>Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
</tr>
<tr>
<td>Financial</td>
</tr>
</tbody>
</table>

The Supervisory Board ensures that the targets are demanding and ambitious. If the targets are not achieved, the variable compensation may even be reduced to zero. If the targets are substantially exceeded, target achievement will be capped at 200%.

a) Short-term variable compensation (bonus)

The bonus rewards a Managing Board member’s contribution in a fiscal year to the operative realization of the Company’s strategy and, consequently, to the Company’s long-term performance. The bonus takes account of the Company’s performance in the previous fiscal year and of the specific individual challenges faced by each individual Managing Board member. In line with the Siemens Healthineers 2025 Strategy, the Supervisory Board derives demanding and ambitious operative targets (key performance indicators (KPI)) for the relevant following fiscal year or at the beginning of a fiscal year. These KPIs are both financial and non-financial in nature.

The focus is placed on the short-term measures taken to execute the Company’s strategy including, without limitation, ensuring profitability and promoting growth. These measures are also aimed at incentivizing profitable and efficient management. To this end, targets will be taken into account in addition to the usual earnings indicators that are key, in particular, to the sustainable development of the Company, such as customer and employee satisfaction levels.

Two thirds of the bonus will therefore be based on the financial performance of the Company and one third on the individual performance of the relevant Managing Board member, which is generally measured using non-financial KPIs.

- The performance of the Company takes account of the overall responsibility of the Managing Board and measures the performance of Siemens Healthineers AG as a whole.

- The individual performance allows for further differentiation depending on each individual Managing Board member’s portfolio and specific strategic
and operative challenges. In this context, specific targets are agreed with the Managing Board member that are generally non-financial and qualitative in nature.

Each year, the Supervisory Board will assign new performance criteria, in each case for the following fiscal year or at the beginning of a fiscal year, for both of the categories (performance of the Company and individual performance) referred to above. The performance of the Company will be measured exclusively on the basis of financial KPIs. A Managing Board member’s individual performance will generally be measured on the basis of non-financial KPIs.

### Possible performance criteria applicable to the bonus

<table>
<thead>
<tr>
<th>Growth</th>
<th>Profit</th>
<th>Capital efficiency</th>
<th>Realization of the Company's strategy</th>
<th>Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>Non-financial</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Possible performance criteria for the performance of the Company (2–3 performance criteria with one KPI each)

#### Possible performance criteria for the individual performance (1–2 performance criteria with a total of 2–4 KPIs)

### Performance of the Company

The performance of the Company will be measured on the basis of two to three equally weighted financial performance criteria. A financial KPI is assigned to each financial performance criterion. In this context, the Supervisory Board may choose from the performance criteria of “growth”, “profit”, and “capital efficiency”.

Fulfillment of the financial performance criteria is determined exclusively on the basis of specific KPIs, which are predominantly operational steering parameters derived from the Company’s strategic direction. They are based on the Company’s medium-term goals and are typically part of its external financial reporting.

When assigning the individual financial KPIs, the Supervisory Board considers the market and competitive environment. Furthermore, the values from prior years (concept of continuous improvement), budget values and the Company’s externally communicated, medium-term goals may also be considered. In addition, information on business prospects and competitors and values achievable in the event of excellent performance may be considered.

The bonus is typically determined on the basis of the two financial performance criteria for measuring the performance of the Company set out below:

- “Profit”: earnings, measured on the basis of earnings per share (EPS) in the previous fiscal year or on the basis of earnings ratios such as EBITDA (earnings before interest, taxes, depreciation, and amortization)
- “Growth”: the growth of the Company, measured on the basis of a comparable revenue growth (expressed as a percentage) in comparison to the previous fiscal year
In order to ensure continuity of target setting, the Supervisory Board will only deviate from this selection of criteria in exceptional cases where this is justifiable. Within this context, the Supervisory Board may decide before the start of the respective fiscal year to introduce “capital efficiency” as an additional or substitute performance criterion in lieu of any of the above performance criteria. For this purpose, the ROCE, ROI, ROE or Operating Working Capital Turn KPI may be used.

The individual financial KPIs will then be set, and fulfillment thereof be measured, on the basis of the following methodology (using “Growth” as an example):

**Example: target achievement curve of the bonus KPIs**

![Graph](image)

**Comparable revenue growth (example)**

- **Target achievement in %** (0% to 200%)
- **Comparable revenue growth in %** (x% to z%)

- **Example (target values are set each year)**

**Individual performance**

To measure individual performance, the Supervisory Board generally determines two to four equally weighted non-financial KPIs for each Managing Board member. These KPIs will be selected by the Supervisory Board from the performance criteria “realization of the Company’s strategy” and “sustainability”. To this end, individual targets are derived from the focus topics set for each individual Managing Board member for the relevant fiscal year, which topics must be clearly defined and measurable to the greatest extent possible. The Supervisory Board will then assess the degree to which the individual Managing Board members have achieved the targets. Targets are based on operative aspects of the realization of the Company’s strategy, among other factors. Examples include business development, the implementation of ongoing major projects and optimization/efficiency improvement measures. Targets may also be based on sustainability aspects such as customer satisfaction, employee satisfaction, ownership culture and compliance. In exceptional cases, for example, a suitable financial KPI may also be used within the framework of the “realization of the Company’s strategy” criterion which, however, must not overlap with the financial KPIs used to measure the performance of the Company.
### Performance criteria and KPIs applicable to the bonus (selected annually by the Supervisory Board)

<table>
<thead>
<tr>
<th>Possible KPIs for the company performance</th>
<th>Possible KPIs for the individual performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth</strong></td>
<td><strong>Realization of the corporate strategy</strong></td>
</tr>
<tr>
<td>Comparable revenue growth</td>
<td></td>
</tr>
<tr>
<td>Earnings per share (EPS)</td>
<td>Business development</td>
</tr>
<tr>
<td>Earnings figures such as EBITDA</td>
<td>Implementation of ongoing major projects</td>
</tr>
<tr>
<td>Operating Working Capital Turn</td>
<td>Optimization/efficiency improvements</td>
</tr>
<tr>
<td></td>
<td>Market exploitation</td>
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<tr>
<td></td>
<td>Implementation of portfolio measures</td>
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<td></td>
<td>Implementation of other strategic targets</td>
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<tr>
<td><strong>Earnings</strong></td>
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<td></td>
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<tr>
<td><strong>Capital efficiency</strong></td>
<td></td>
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</table>

In general, the bonus is designed as follows:

### Current design of the bonus

<table>
<thead>
<tr>
<th>Target amount in EUR</th>
<th>Target achievement (0–200%)</th>
<th>Payout amount in EUR (Cap: 200% of the target amount)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonus</td>
<td>Company performance (each 0–200%)</td>
<td>Individual performance (0–200%)</td>
</tr>
<tr>
<td></td>
<td>Weight: 1/3</td>
<td>Weight: 1/3</td>
</tr>
<tr>
<td></td>
<td>Adjusted basic earnings per share</td>
<td>Comparable revenue growth</td>
</tr>
</tbody>
</table>

- **Weight:** 1/3
- **Cap:** 200% of the target amount
Target achievement for each individual KPI can range from 0% to 200% (cap). The decision on the KPIs and their values resulting in target achievement levels of 0%, 100% (= target value) and 200% (cap) is taken annually at the beginning of the fiscal year by the Supervisory Board upon recommendation from the Chairman's Committee of the Supervisory Board. The respective values of 0% and 100% or of 100% and 200% result in a linear bonus curve that is interpolated on a linear basis. Based on the linear bonus curve and the actual results for the fiscal year, the specific target achievement for each KPI is determined and aggregated as a weighted average after the end of the fiscal year. The percentage of the weighted target achievement multiplied by the individual bonus target amount yields the bonus payout amount for the past fiscal year. No bonus will be paid if total target achievement is 0%. The bonus payment is capped at 200% of the relevant bonus target amount.

The bonus is paid out entirely in cash. It is paid out at the latest with the regular payroll at the end of February of the subsequent fiscal year. If a member exits the Managing Board during the year, the bonus is calculated (pro rata temporis) after the end of the fiscal year and paid on the normal payment date.

Timeline

The compensation report for each past fiscal year contains an outlook regarding the application of the compensation system in the ongoing fiscal year. The outlook reports from an ex-ante perspective on the selection of financial performance criteria and KPIs. Performance criteria measuring individual performance, however, are disclosed and explained from an ex-post perspective just like the specific targets set for the financial KPIs in order to avoid communicating internal strategic considerations of relevance to the competition from an ex-ante perspective.

Each year, the Supervisory Board determines, upon recommendation from the Chairman's Committee of the Supervisory Board, the performance criteria and the KPIs and also focus topics including the method used to measure performance and the relevant weightings. The Supervisory Board defines the specific target values for the financial KPIs resulting in target achievement ranging from 0% to 200% and the specific individual targets for each Managing Board member. After the end of each fiscal year, target achievement regarding the individual KPIs is determined and used to calculate the corresponding actual compensation. The compensation report provides transparent information on the specific target values and the target achievement levels. It also shows how the bonus promotes the Company's long-term development based on the selected performance criteria and KPIs and explains how the bonus amount is calculated. As regards the Company's performance, the target values, the floors and ceilings and the respective target achievement level are published on an ex-post basis. For the individual targets, the target achievement levels are published.
The performance criteria, KPIs or focus topics and the target values do not change during the course of a fiscal year. No subsequent changes are made to target values. The Supervisory Board may, in justified rare special cases and based on the recommendation given in the German Corporate Governance Code (DCGK), take exceptional developments reasonably into account when it assesses target achievement levels. This may result in an increase or decrease of the payout amount of the bonus. Exceptional developments occurring during the year may be, for example, extraordinary and far-reaching changes of the economic climate (such as a pandemic or severe economic crisis) that invalidate the original business targets, provided that they were not foreseeable. Unfavorable market developments are expressly not deemed exceptional developments occurring during the year. If any adjustments are needed due to exceptional developments, they will be reported comprehensively and transparently in the annual compensation report.

b) Long-term variable compensation (Siemens Healthineers Stock Awards)

The Managing Board is required to commit itself to the Company’s long-term success, to promote sustainable growth and to achieve lasting value creation. In accordance with these principles, a significant part of total compensation is tied to the long-term performance of Siemens Healthineers Shares. This is why, at the beginning of each fiscal year, forfeitable stock awards, i.e., the Siemens Healthineers Stock Awards, are granted as a long-term variable compensation component. A Siemens Healthineers Stock Award is the entitlement to receive one share of Siemens Healthineers AG – provided the targets are met – after the period of about four years (“vesting period”) has ended.

At the beginning of each fiscal year, the Supervisory Board determines for each Managing Board member an individual target amount (in euros) as the monetary value of the Siemens Healthineers Stock Awards that corresponds to a target achievement level of 100% (“LTI target amount”). In doing so, it takes into account the individual performance and experience of the relevant Managing Board member and the scope and responsibilities of his or her function and also the aim of long-term viable development of the Company and of securing the competitiveness of the compensation system on an international level.

This individual LTI target amount is then divided by the arithmetic mean of the Xetra closing prices of Siemens Healthineers Shares during the last 60 stock exchange trading days prior to the start of the respective vesting period less the discounted estimated dividend, which results in the number of Siemens Healthineers Stock Awards allocated (granted) on a contingent basis.
The vesting period begins on the allocation date at the start of the fiscal year set by the Supervisory Board. The contingent allocation of the Siemens Healthineers Stock Awards is initially based on an assumed target achievement of 200% (maximum allocation). During the vesting period, the Managing Board members are not entitled to receive a dividend. (Example: If the LTI target amount is EUR 1,000,000 and the relevant price of a Siemens Healthineers Share is EUR 40, Managing Board members will receive 25,000 Siemens Healthineers Stock Awards corresponding to a target achievement level of 100% and 50,000 Siemens Healthineers Stock Awards corresponding to an assumed target achievement level of 200%.)

If the term of a Managing Board member’s service agreement starts after the allocation date during a fiscal year, the LTI target amount is calculated on a pro rata temporis basis and the member is granted the corresponding number of Phantom Siemens Healthineers Stock Awards (virtual stock awards). At the end of the vesting period, these Phantom Siemens Healthineers Stock Awards will exclusively be settled in cash; no shares will be transferred. The remaining provisions applicable to Siemens Healthineers Stock Awards apply analogously.

The final allocation of Siemens Healthineers Stock Awards will be made after the end of the vesting period. The vesting period ends at the end of the day of publication of the preliminary fiscal year results in the fourth calendar year after the allocation date ("vesting date"). The number of Siemens Healthineers Stock Awards finally allocated on the vesting date depends on the level of target achievement regarding the following indicators:

- **relative total shareholder return** (TSR) as compared to the two equally weighted indices MSCI World Health Care and MSCI Europe Health Care Equipment & Services (weighting: 80%) and

- **sustainability** (weighting: 20%).

To increase the level of transparency and verifiability of relative capital market performance, the Supervisory Board has decided that, going forward, TSR will be measured using the two indices referred to above instead of twelve individually selected competitors, as has previously been the case. The use of indices means that the relevant peer group is defined exclusively by an external service provider and cannot be influenced directly by the Company. The MSCI World Health Care index and the MSCI Europe Health Care Equipment & Services index optimally reflect the key markets, competitors and fields of activity of Siemens Healthineers AG. The MSCI World Health Care index includes a large number of companies from across the health care and medical technology sectors and covers the globally relevant markets, including, without limitation, the U.S.A. and Asia. The MSCI Europe Health Care Equipment & Services index takes account in particular of the field of medical devices and related services and, at the same time, emphasizes the importance of the business in the European region. Siemens Healthineers AG is included in both indices. At the beginning of a fiscal year, the Supervisory Board determines the exact KPIs and the target system to apply throughout the approximately four-year vesting period. The level of target achievement for each of those KPIs can be between 0% and 200% (cap). After expiry of the four-year vesting period, the final allocation of Siemens Healthineers Stock Awards is determined based on the level of target achievement. (Example: If a Managing Board
member was allocated 50,000 Siemens Healthineers Stock Awards on a contingent basis at the beginning of the vesting period with an assumed target achievement level of 200%, but the target achievement level in fact only amounts to 150%, the number of Siemens Healthineers Stock Awards finally allocated to that Managing Board member on the vesting date is 37,500.

The Managing Board member is then transferred, without having to make any payment of his or her own, one share of Siemens Healthineers AG for each Siemens Healthineers Stock Award finally allocated. In this context, the actual amount, which is defined as the final number of Siemens Healthineers Shares multiplied by the Xetra closing prices of Siemens Healthineers Shares at the end of the vesting period, must not exceed 300% of the original LTI target amount (absolute payout cap). If the actual amount is higher, the corresponding number of stock awards will be forfeited without compensation. (Example: If the LTI target amount is EUR 1,000,000, the number of Siemens Healthineers Stock Awards finally allocated to the Managing Board member on the vesting date is 37,500 and the relevant price of a Siemens Healthineers Share is EUR 80, no deduction is made; if, however, the share price exceeds EUR 80, the Siemens Healthineers Stock Awards so allocated are forfeited so that the value of the final number of Siemens Healthineers Shares in no event exceeds 300% of the LTI target amount, i.e., EUR 3,000,000.)

In the context of long-term variable compensation, too, the Supervisory Board, in justified rare special cases and based on the recommendation given in the German Corporate Governance Code (DCGK), may take exceptional developments reasonably into account when it assesses target achievement levels. This may result in an increase or decrease of the payout amount. Exceptional developments occurring during the year may be, for example, extraordinary and far-reaching changes of the economic climate (such as a pandemic or severe economic crisis) that invalidate the original business targets, provided that they were not foreseeable. Unfavorable market developments are expressly not deemed exceptional developments occurring during the year. If any adjustments are needed due to exceptional developments, they will be reported comprehensively and transparently in the annual compensation report.

Alternatively, the Supervisory Board may decide to make a cash payment to settle the stock awards. In this event, too, the payout is capped at an aggregate of 300% of the LTI target amount granted.
Structure of the Siemens Healthineers Stock Awards

Relative total shareholder return (TSR)

Relative total shareholder return is measured and determined in each case separately as compared to the two reference indices, the MSCI World Health Care index and the MSCI Europe Health Care Equipment & Services index.

Relative total shareholder return is measured based on the difference between the performance of the TSR of Siemens Healthineers AG and of the relevant reference index, i.e., as compared to the MSCI World Health Care index (or a comparable successor index) and to the MSCI Europe Health Care Equipment & Services index (or a comparable successor index). In this context, the TSR performance means the share price performance plus the notional reinvestment of gross dividends during the four-year vesting period. This approach takes account of the TSR performance of Siemens Healthineers Shares as compared to the relevant reference index. Siemens Healthineers AG seeks to remain an attractive capital investment for its investors and therefore seeks to set an incentive for above-average capital market performance.

The level of target achievement is determined based on the calculation of the difference between the TSR performance of Siemens Healthineers AG and the TSR performance of the relevant reference index. If the difference is 0 percentage points – i.e., if the performance is the same as that of the index – the level of target achievement is 100%. If the difference is -20 percentage points or greater (underperformance), the level of target achievement is 0%. If the difference is +20 percentage points or greater (outperformance), the level of target achievement is 200% (cap). If the change in TSR is between 20 percentage points better and 20 percentage points worse than the reference index, the target achievement levels are interpolated on a linear basis. The
The figure below shows the target achievement curve for the relative TSR targets. If one of the two relevant reference indices ceases to be published during the vesting period, the Supervisory Board may, at its duty-bound discretion, replace the relevant reference index with an adequate comparable index.

**Linear target achievement curve of TSR outperformance**

**Sustainability**

Sustainable actions are an integral part of our strategy and ensure the future viability of the Company from a social and economic perspective. As a leading health care company, we strive to help manage some of the most challenging global issues with our innovative products and services. We have derived the following three fields of action from the Siemens Healthineers sustainability strategy that factor in the compensation of the members of the Managing Board:

- increasing quality of life, for example by improved access to health care,
- contributing to a healthy environment, for example by reducing CO₂ emissions, and
- promoting diversity and integration and the commitment of our staff within the Company.

The sustainability target takes account of the effects that our business activities have on a social and environmental level.

To assess the level of target achievement regarding the sustainability target, the Supervisory Board determines – each year at the beginning of the approximately four-year vesting period – two to three equally weighted targets that reflect the ESG (environmental, social and governance) performance of Siemens Healthineers AG. In this context, the Supervisory Board not only defines the specific ESG KPIs but also the method to be used to measure performance and the target values and floors and ceilings of the individual KPIs. Actual target achievement levels can range from 0% to 200% and will be explained ex-post in the compensation report after four years. Total sustainability target achievement is therefore assessed based on the average target achievement for each ESG KPI.
When setting the specific ESG KPIs, the Supervisory Board takes care to ensure that they are measurable and transparent, using the aims under the global Siemens Healthineers sustainability strategy for orientation. Where unforeseeable developments make it impossible to quantify or determine the selected ESG KPIs, the Supervisory Board may, upon recommendation from the Chairman’s Committee of the Supervisory Board, use an alternative KPI that is as close to the original purpose as possible. In line with the recommendation given in the German Corporate Governance Code (DCGK), however, the ESG targets must not, as a rule, be changed retroactively.

The ESG KPIs are explained in each case at the start of the approximately four-year vesting period and the actual target achievement levels are explained ex-post in the compensation report after four years.

For example: Based on the fields of action set out above, the Supervisory Board has determined the following ESG KPIs (one KPI for each field of action) to apply to the 2021 tranche (vesting period: November 2020 to November 2024): access to health care, reduction of CO2 emissions and reaching a certain target figure regarding gender balance.

If extraordinary unforeseeable developments occur that affect the performance criteria, the Supervisory Board may decide that the number of the Siemens Healthineers Stock Awards granted is reduced retroactively, that only cash compensation will be paid in a yet to be determined limited amount instead of Siemens Healthineers Shares being transferred or that the transfer of Siemens Healthineers Shares relating to vested Siemens Healthineers Stock Awards will be suspended until the development has stopped affecting the share price.

I. Share Ownership Guidelines

In addition to the compensation components set out above, the Siemens Healthineers Share Ownership Guidelines are another key component of the compensation system for the Managing Board members. They require the Managing Board members to permanently hold Siemens Healthineers Shares of an amount equal to a multiple of their average annual base salary during the past four years – for the Chief Executive Officer, this multiple is 250%, and for the other Managing Board members, this multiple is 200%. Each Managing Board member must prove that he or she is in compliance with this requirement after a build-up phase of up to four years after his or her appointment (or the introduction of the Share Ownership Guidelines) and every year thereafter. If, due to a fall in the price of Siemens Healthineers Shares, the value of the shares held falls below the minimum amount that must be proven to be held, the Managing Board member must acquire additional shares.
J. Compensation caps (cap of variable compensation and maximum compensation)

For both variable compensation elements, dedication to performance and sustainability are the key criteria for measuring performance. The Supervisory Board takes care to ensure that the targets set for variable compensation are ambitious but that the risk/reward ratio is still balanced. This is why variable compensation is designed so that it can be reduced even to zero if the targets are not met. If the targets are clearly exceeded, variable compensation is capped at 200% (bonus) and 300% (Siemens Healthineers Stock Awards) of the individual target amount (payout cap).

In addition, the Supervisory Board has determined maximum compensation amounts pursuant to Section 87a (1) sentence 2 no. 1 of the German Stock Corporation Act (AktG) for the Chief Executive Officer and for the other members of the Managing Board; these amounts comprise all fixed and variable compensation components. The maximum compensation is the numerical cap and, therefore, the highest possible actual payout that can be received for the relevant fiscal year consisting of fixed compensation (including base salary, fringe benefits and pension benefit commitments), short-term variable compensation (bonus) and long-term variable compensation (Siemens Healthineers Stock Awards). The maximum compensation also includes potential additional payments provided for in separate agreements, such as compensation for the loss of benefits from the previous employer. The maximum compensation thus constitutes the maximum expense of Siemens Healthineers AG for the relevant Managing Board member.

As of fiscal year 2021, the maximum annual compensation amounts to:

<table>
<thead>
<tr>
<th>Role</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>9,700,000 EUR</td>
</tr>
<tr>
<td>Managing Board member</td>
<td>6,100,000 EUR</td>
</tr>
</tbody>
</table>

The Supervisory Board points out that these amounts are not the target total compensation deemed reasonable by the Supervisory Board but merely an absolute upper limit, which may be achieved by a Managing Board member at most if all targets are met in full and the price of Siemens Healthineers Shares rises significantly. If the maximum compensation is exceeded, a proportionate number of Siemens Healthineers Stock Awards will be forfeited. If the shareholders’ meeting resolves to lower the maximum compensation under the present compensation system, the Supervisory Board will take that resolution into account when concluding or renewing Managing Board members’ service agreements.

K. Malus and clawback provisions regarding variable compensation

Malus and clawback provisions apply based on the Managing Board members’ service agreements, the plan provisions, the bonus and the Siemens Healthineers Stock Awards.

According thereto, the Supervisory Board, when assessing target achievement levels, is entitled, upon the occurrence of serious breaches of duty or violations of compliance rules during the performance period, to reduce the variable compensation to as little as zero, depending on the extent of the breach or violation, and/or to declare the Siemens Healthineers Stock Awards to be forfeited without compensation in whole or in part (malus), using duty-bound discretion in each case.
Moreover, the Supervisory Board is entitled, upon the occurrence of a willful or grossly negligent breach of the duty of care of a diligent and conscientious manager pursuant to Section 93 (1) of the German Stock Corporation Act (AktG) by the Managing Board member, to demand that the Managing Board member repay, in whole or in part, the variable compensation components (bonus and/or granted Siemens Healthineers Stock Awards) paid for the relevant performance period in which the breach of duty occurred or to declare that the Siemens Healthineers Stock Awards have been forfeited.

Where variable compensation components (bonus and/or granted Siemens Healthineers Stock Awards) that are based on the achievement of certain targets were unduly paid out on the basis of incorrect data, the Company is entitled to reclaim the difference resulting from the recalculation of the variable compensation in comparison to the original payment made. The Company must demonstrate that the data based on which the compensation was calculated was incorrect and that the variable compensation of the Managing Board member was too high as a result.

In the event of a reclaim, the Managing Board member must repay the relevant net amount. The Company is entitled to demand repayment even if the term of office or term of service has already ended by the time the right to demand repayment arises. Claims for damages against the Managing Board member remain unaffected.

L. Compensation-related legal transactions

The compensation paid to the Managing Board members is governed by their service agreements with the variable compensation components being determined by the Supervisory Board based on the Company’s compensation system. The term of the Managing Board members’ service agreements depends on their term of appointment.

The Managing Board members’ service agreements are concluded for their terms of appointment and are renewed upon reappointment for the term of the renewed appointment. In line with the provisions of Section 84 of the German Stock Corporation Act (AktG) and of the German Corporate Governance Code (DCGK), the term of a Managing Board member’s appointment and, therefore, of his or her service agreement, is usually three years if the Managing Board member is appointed for the first time. If the Managing Board member is reappointed, the term of the renewed appointment and service agreement, respectively, is usually five years.

In line with the provisions of the German Stock Corporation Act (AktG), the Managing Board members’ service agreements do not provide for a termination right; the right of either party to terminate a Managing Board member’s service agreement for good cause without notice remains unaffected. In the event of early termination of the appointment, the Managing Board member’s service agreement will also be terminated early.

If a Managing Board member joins or leaves the Managing Board during the year, compensation will be calculated pro rata temporis.

In line with the recommendation given in the German Corporate Governance Code (DCGK), the payout of any remaining variable compensation components in the event of termination of the Managing Board member’s service agreement by giving due notice will be based on the originally agreed targets and on the due dates or holding periods stipulated in the Managing Board member’s service agreement.
The Managing Board members’ service agreements do not contain a post-contractual non-competition prohibition and therefore do not provide for non-competition compensation.

**M. Grants in connection with the termination of the Managing Board membership**

The system for the compensation of the Managing Board members also specifies the amount of compensation to be paid in the event of early termination of the Managing Board membership. Depending on the reason for the termination, the following applies regarding the compensation granted upon a Managing Board member leaving office:

**a) Amicable termination**

In the event of amicable early termination of the Managing Board membership without good cause, the Managing Board members’ service agreements provide for a compensation payment the amount of which is limited to the higher of compensation for the remaining term of the service agreement or twice the member’s annual compensation (severance cap). The compensation payment will be made in the month in which the Managing Board member leaves office. It is calculated based on the base salary, the bonus actually received in the last fiscal year preceding termination and the Siemens Healthineers Stock Awards allocated. If the remaining term of the appointment is more than six months, the compensation payment will be reduced by 5% as a lump-sum allowance for discounting. This reduction, however, only relates to the part of the compensation payment calculated without counting the first six months of the remaining term of the agreement. Fringe benefits will be settled by a payment of 5% of the compensation payment. The Managing Board member must repay the compensation payment made if he or she starts working for a third party between the date of the early amicable termination of his or her appointment and the end of the remaining term of the agreement and receives compensation for that work (set-off of other income) even if the compensation is actually paid to the Managing Board member by the third party only after the end of the remaining term of the agreement. Additionally, a one-time special contribution to the Siemens Healthineers BSAV will be made, the amount of which depends on the Siemens Healthineers BSAV contribution received by the Managing Board member in the previous year and on the remaining term of his or her appointment. It is capped at a maximum of two annual contribution amounts, however.

**b) Early termination at the request of the Managing Board member or termination for cause by Siemens Healthineers AG**

No compensation payments or special contributions to the Siemens Healthineers BSAV will be made. Moreover, all outstanding grants of Siemens Healthineers Stock Awards for which the four-year vesting period has not yet ended will be forfeited without compensation. Siemens Healthineers AG reserves the right to assert claims for damages.

**c) Change of Control**

The compensation system does not include any special provisions applicable in the event of a change of control, in particular, it does not provide for a right to extraordinary termination or a compensation payment.
N. Set-off of compensation received by Managing Board members for sideline activities

Managing Board members may exercise sideline activities (e.g. hold a public function or a position on a supervisory board, board of directors, advisory board or comparable position or accept an appointment to a scientific body) only to a very limited extent. They need to obtain prior consent from the Chairman’s Committee of the Supervisory Board unless the relevant position is a function at a Siemens Healthineers company. As a rule, no consent will be given to the assumption of more than two supervisory board memberships in third-party listed companies or of comparable functions. This serves to ensure that neither the time spent nor the compensation granted for such activity will present a conflict with the member’s responsibilities at Siemens Healthineers AG.

If a Managing Board member holds an intra-group or comparable supervisory board membership, the compensation received will be set off against the Managing Board compensation.

Where a Managing Board member assumes a supervisory board membership at a third-party company, the Supervisory Board will take a case-by-case decision at its duty-bound discretion as to whether and to what extent the compensation is to be set off. In doing so, it will take into account, in particular, the degree to which the activity is in the interest of the Company or of the Managing Board member.

O. Temporary deviations from the compensation system

In individual cases, the Supervisory Board, upon the recommendation of the Chairman’s Committee of the Supervisory Board, may deviate temporarily from the application of individual components of the compensation system described if this is necessary in the interest of the Company’s long-term prosperity. This includes, for example, adjusting the compensation system to maintain adequate incentives despite significant changes in the Company’s strategy or far-reaching changes in the economic climate (caused by e.g. pandemics or severe economic crises) that invalidate the original performance criteria and/or KPIs under the compensation system, provided that the specific effects thereof were not foreseeable. Unfavorable market trends are expressly not deemed exceptional developments.

Such a deviation may only be implemented based on an express resolution adopted by the Supervisory Board that adequately describes the duration of the deviation and the deviation as such and also the reason for the deviation (i.e., why the deviation is necessary for the Company’s long-term prosperity). The components of the compensation system from which the Company may deviate in exceptional cases are the procedure, the rules on the structure and amount of the compensation, and the individual compensation components, including, without limitation, the performance criteria. Objectively, the Supervisory Board may deviate both from the respective relative share of the individual compensation components and from the relevant conditions applicable thereto and may also, in individual cases, determine a different base salary to be paid temporarily if this is in the interest of the Company’s long-term prosperity; it may not, however, set the maximum compensation at an amount that exceeds that determined by the shareholders’ meeting.

Additionally, the build-up phase under the Share Ownership Guidelines may be suspended temporarily if there is a potential risk of inside trading.
Description of the compensation of the Supervisory Board members (Agenda Item 10)

The members of the Supervisory Board receive fixed annual compensation in the amount of EUR 110,000. In compliance with the recommendation in G.17 of the German Corporate Governance Code (DCGK), the compensation of the Chairman of the Supervisory Board and of the Chairman and the members of committees will be increased in order to take appropriate account of the greater time commitment. The Chairman of the Supervisory Board will receive compensation in the amount of EUR 220,000. Members of Supervisory Board committees will receive additional fixed annual compensation for their work on each committee of which they are a member. These compensation amounts are paid as follows: EUR 40,000 to the members of the Audit Committee and EUR 80,000 to the Chairman of the Audit Committee; EUR 30,000 to the members of the Innovation and Finance Committee and EUR 60,000 to the Chairman of the Innovation and Finance Committee; EUR 20,000 to the members of the Chairman’s Committee and EUR 40,000 to the Chairman of the Chairman’s Committee; EUR 10,000 to the members of the Related-Party Transactions Committee and EUR 20,000 to the Chairman of the Related-Party Transactions Committee. Since the Related-Party Transactions Committee will become involved only if there are transactions with related parties requiring consent, the compensation for the members of this particular Committee will be paid exclusively for fiscal years in which the Committee convened for a meeting at least once or has adopted at least one resolution.

In addition to the above, the members of the Supervisory Board and the members of the Supervisory Board committees will be paid an attendance fee of EUR 1,500 for each Supervisory Board meeting and committee meeting that they attend. If a Supervisory Board member fails to attend a Supervisory Board meeting, one third of the total compensation that the relevant member can claim will be reduced by a percentage equal to the percentage of the meetings which the relevant Supervisory Board member did not attend in relation to the total number of Supervisory Board meetings held during the relevant fiscal year. The Supervisory Board members are included in a pecuniary damage liability (D&O) insurance for members of the corporate bodies. The D&O insurance premiums are paid by the Company. The Company will reimburse all Supervisory Board members for their expenses and value added tax levied on their salaries. No other agreements on compensation have been concluded between the Company and the members of the Supervisory Board in addition to the provisions of the Articles of Association. The compensation is due and payable after the close of the shareholders’ meeting at which the financial statements for the preceding fiscal year are submitted or which resolves on the adoption thereof.

Unless a different term of office is determined upon their election, the members of the Supervisory Board are elected for the period ending at the close of the shareholders’ meeting that resolves on the approval of the Supervisory Board members’ actions for the fourth fiscal year following the commencement of their term of office. The fiscal year in which the term of office begins is not counted. Supervisory Board members may be removed subject to the applicable legal provisions and may resign prior to the end of their term of office without good cause by giving four weeks’ written notice. The notice period may be shortened or waived by the Chairman of the Supervisory Board. There is no further compensation for dismissals or provision for compensation following the term of office. Members of the Supervisory Board who have not been a member or Chairman of the Supervisory Board or of a committee for a full fiscal year receive compensation pro rata temporis, with each part of a month being rounded up to a full month.
The structure of the compensation system applicable to Supervisory Board members, which provides for fixed compensation only, serves to strengthen the independence of the Supervisory Board and provides a counterbalance to the structure of the compensation system applicable to Managing Board members, which mostly consists of variable components and is geared to the growth strategy pursued by Siemens Healthineers. The compensation paid to the members of the Supervisory Board thus promotes the long-term performance of Siemens Healthineers.

The Chairman’s Committee prepares the discussions and resolutions of the Supervisory Board regarding the compensation of the Supervisory Board members, including the underlying compensation system. Based on the preparations by the Chairman’s Committee, the Supervisory Board conducts regular reviews as to whether the compensation paid to its members is reasonable in light of their responsibilities and of the Company’s situation. For this purpose, the Supervisory Board has the option of performing a horizontal market comparison and/or a vertical comparison with the compensation paid to the employees of the company and of consulting an external independent expert. Due to the special characteristics of the Supervisory Board’s work, a vertical comparison with the compensation paid to the employees of the company is not usually used for purposes of reviewing the compensation paid to the members of the Supervisory Board. Depending on the results of the comparative analysis and the evaluation of the results by the Supervisory Board, the Supervisory Board, acting jointly with the Managing Board, may submit a proposal to the shareholders’ meeting on changes to the compensation paid to the members of the Supervisory Board. The shareholders’ meeting resolves on the compensation paid to the Supervisory Board members (including the underlying compensation system) at least every four years. The corresponding resolution may also confirm the existing compensation system. If the shareholders’ meeting does not resolve to approve the proposed compensation system, a revised compensation system shall be submitted no later than the following annual shareholders’ meeting.

The methods used to establish, implement and review the compensation system are in compliance with the rules on handling conflicts of interest as set out in the rules of procedure for the Managing Board and the Supervisory Board. Where external compensation experts are retained, it is made sure that the expert is independent; in particular, confirmation of such expert’s independence must be obtained.

The compensation paid to the Supervisory Board members is governed by Section 12 of the Company’s Articles of Association, which reads as follows:

§ 12 Compensation

(1) The Supervisory Board members shall receive a basic compensation of EUR 110,000.00 for each fiscal year of the Company; the Supervisory Board chairman shall receive a basic compensation of EUR 220,000.00 for each fiscal year of the Company. For work on the Supervisory Board committees, the following additional amounts shall be paid:

(a) to the Chairman of the Audit Committee: EUR 80,000.00;
   to each other member of the Audit Committee: EUR 40,000.00;

(b) to the Chairman of the Chairman’s Committee (Präsidium): EUR 40,000.00;
   to each other member of the Chairman’s Committee: EUR 20,000.00;
(c) to the Chairman of the Innovation and Finance Committee: EUR 60,000.00; to each other member of the Innovation and Finance Committee: EUR 30,000.00;

(d) if the Supervisory Board establishes a Committee for Related Party Transactions, to the Chairman of that Committee: EUR 20,000.00; to each other member: EUR 10,000.00. The compensation shall only become payable for fiscal years when the Committee for Related Party Transactions has convened for at least one meeting or passed at least one resolution, including meetings and resolutions in the form stated in § 11 (3) and (4) of the Articles of Association.

(2) Supervisory Board members who did not serve as a member or chairman of the Supervisory Board or of a committee for the full (12-month) fiscal year shall be paid a compensation pro rata temporis, rounding up to full months. If a Supervisory Board member fails to attend a Supervisory Board meeting, one third of the total compensation that the relevant member can claim pursuant to sub-clause (1) shall be reduced by a percentage equal to the percentage of the meetings which the relevant Supervisory Board member did not attend in relation to the total number of Supervisory Board meetings held during the relevant fiscal year.

(3) The compensation shall be due for payment after the General Meeting that accepts, or decides on the approval of, the annual financial statements for the prior fiscal year.

(4) In addition to the above, the Supervisory Board shall be paid an attendance fee amounting to EUR 1,500.00 for each Supervisory Board meeting and committee meeting which they attend.

(5) The Supervisory Board members shall be included into a pecuniary damage liability insurance for members of the corporate bodies and specific employees of the Healthineers Group taken out by the Company in the interests of the Company, in as far as such insurance has been taken out. The premiums shall be paid by the Company. Moreover, the Company shall reimburse all Supervisory Board members for their expenses and value added tax levied on their salaries.

(6) The above rules regarding compensation shall not apply to the first Supervisory Board.

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

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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.

Report of the Managing Board to the Shareholders’ Meeting on Agenda Item 12 in accordance with Section 186 (4) sentence 2 in conjunction with Section 221 (4) sentence 2 of the German Stock Corporation Act (AktG)

The Supervisory Board and the Managing Board propose under Agenda Item 12 to grant a new authorization to issue convertible bonds or warrant bonds ("Bonds"). According to the resolution proposal regarding Agenda Item 12, the Managing Board is to be authorized with the consent of the Supervisory Board to issue Bonds in the total nominal amount of up to EUR 6,000,000,000 up until February 11, 2026. The new authorization is to continue to provide the Company with more leeway for financing its activities and, in particular, to enable the management to react quickly and flexibly to favorable conditions on the capital market.

The shareholders are, in principle, entitled to a statutory subscription right for Bonds. It is intended to enable the issuance of Bonds under the new authorization, in certain cases, with exclusion of subscription rights. In accordance with Section 186 (4) sentence 2 of the German Stock Corporation Act (AktG) in conjunction with Section 221 (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 12. The report will be available on the internet at

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as of the date notice of the annual shareholders’ meeting has been given and will be published as follows:

The Managing Board is to be authorized, subject to the approval of the Supervisory Board, to entirely exclude the shareholders’ subscription right where the Bonds are issued in return for cash payment at an issue price that is not substantially below the market value of the Bonds. This enables the Company to seize favorable market opportunities very quickly on a short-term basis and, by determining the conditions in accordance with prevailing market terms, to achieve better terms and conditions for the Bonds. If the subscription rights were not excluded, any such market-oriented determination of the terms and conditions and smooth placement would not be
possible. Pursuant to Section 186 (2) sentence 2 of the German Stock Corporation Act (AktG), the subscription price (and thus the terms of the Bonds) must be published no later than three days before expiry of the subscription period. There would then be the risk that market conditions change in this period and that the terms and conditions of the Bonds are therefore no longer conform with market conditions. That risk would have to be countered, by way of precaution, by applying discounts to the interest rate or the issue price of the Bonds. Therefore, the Bonds would ultimately not be placed at optimal market conditions. Also, the granting of a subscription right could jeopardize any successful placement with third parties, or result in additional expenses, due to the uncertainty of the exercise thereof (subscription behavior). Finally, if the Company grants subscription rights, it cannot react swiftly to favorable or unfavorable market conditions due to the length of the subscription period. In the case of exclusion of the subscription right when issuing Bonds against cash payment as provided for herein, the provision of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) applies mutatis mutandis pursuant to Section 221 (4) sentence 2 of the German Stock Corporation Act (AktG). Accordingly, the option of excluding the subscription right may only be used for Bonds with a pro rata amount of up to 10% of the capital stock. Applicable in this case is the amount of the capital stock at the time the authorization becomes effective or, if this amount is lower, the amount of the capital stock at the time when the authorization is used. When calculating the aforementioned 10% limit, the pro rata amount of the capital stock will be taken into account which is attributable to new shares that have been issued or disposed of during the term of this authorization with exclusion of subscription rights pursuant to or in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG). This includes both the shares issued from authorized capital with exclusion of shareholders’ subscription rights pursuant to Section 203 (1) of the German Stock Corporation Act (AktG) in conjunction with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) and treasury shares that are sold during the term of the authorization under an authorization with exclusion of shareholders’ subscription rights. Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) provides for the case of issuance of shares with exclusion of subscription rights that the issue price of the shares must not significantly fall below the stock exchange price. This is to prevent a material economic dilution of the value of the shares and to enable the shareholders to maintain their proportionate shareholding in the Company’s capital stock by purchasing additional shares via the stock exchange on almost identical terms. Whether or not there will be such a dilutive effect in connection with the issuance of Bonds with exclusion of subscription rights can be determined by calculating the hypothetical stock exchange price (market value) of the Bonds based on recognized methods, particularly those of financial mathematics, and comparing that value to the issue price. If, according to the Managing Board’s due review, such issue price is only insignificantly lower than the hypothetical stock exchange price (market value) at the time of issue of the Bonds, the notional market value of a subscription right would decrease to almost zero. Given that the shareholders will then not suffer any material economic disadvantage on account of the exclusion of their subscription rights because of the only insignificant discount, the exclusion of subscription rights is permissible in accordance with the intent and purpose of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG). Regardless of this review by the Managing Board, it is ensured that conditions are set on market terms and that thereby a dilution is prevented if the bookbuilding procedure is implemented. In the bookbuilding procedure, the terms of the Bonds will be set on the basis of purchase orders of investors, thereby enabling that the total value of the Bonds is determined on market terms.
Moreover, the Managing Board is to be authorized to exclude the shareholders’ subscription right if the Bonds are to be issued against contributions or consideration in kind. This authorization is intended to enhance the Company’s position in the competition for attractive acquisition targets and to enable it to react in a swift and flexible manner to the opportunities that present themselves. Using this authorization may also help to achieve an optimal financing structure. Under the authorization, the Company may issue Bonds against contributions in kind, in particular in the context of mergers of companies or for the purpose of acquiring (also indirectly) 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. The Managing Board will in each case examine carefully whether it will make use of the authorization to issue Bonds with option or conversion rights or obligations against consideration in kind with exclusion of subscription rights. The Managing Board will only make use of this authorization if this is in the interest of the Company and thus also in the interest of its shareholders. This will not put the Company at a disadvantage because the issue of the Bonds against considerations in kind is subject to the condition that the value of such consideration in kind is reasonably proportionate to the value of the new Bonds issued in exchange. When determining the value of the Bonds granted as consideration, the Managing Board will, in principle, use the theoretical market value of the Bonds calculated based on recognized financial mathematical methods, derived from the stock exchange price of the shares of Siemens Healthineers AG, or on the market value of the Bonds determined using a recognized market-oriented procedure.

In addition, an authorization to exclude the subscription right for fractional amounts is to be granted. This is to ensure a practicable subscription ratio regarding the amount of the respective issue. Without the exclusion of subscription rights for fractional amounts, the technical execution of the capital increase and the exercise of subscription rights would be significantly more difficult, particularly for Bond issuances of round sums.

Finally, it is possible under the aspect of anti-dilution protection to exclude the subscription right in favor of the holders of Bonds already issued since, as a rule, such Bond holders are entitled to such protection. In order to facilitate the placement, anti-dilution protection often provides, in addition to the possibility of reducing the conversion or option price, that the holders or creditors of the Bonds or warrants are granted a subscription right to new shares also for a subsequent issue of further Bonds, equivalent to the subscription rights of the shareholders. They are thus put in the same position as if they were already shareholders. The granting of a subscription right offers the possibility to prevent that the conversion or option price of Bonds previously issued has to be reduced. This ensures a higher issue price of the shares that are issued when implementing the conversion or exercising the option. In order to grant subscription rights as anti-dilution protection to the holders of Bonds previously issued, the shareholders’ subscription rights to the new Bonds used for this purpose must be excluded.

The Managing Board will carefully consider on a case-by-case basis whether use of the authorization would be in the interests of the Company and its shareholders.
The Company is again seeking authorization from this year’s shareholders’ meeting to acquire and use treasury shares pursuant to Section 71 (1) no. 8 of the German Stock Corporation Act (AktG). Against this background, the Managing Board and the Supervisory Board propose to cancel the existing authorization to acquire and use treasury shares and to grant a new authorization to acquire and use treasury shares.

The Company is to be able to acquire shares over a period of five years in an amount of up to 10% of the capital stock and thus make use of the legal framework for such authorizations. The repurchase of treasury shares may be effected as an acquisition on the stock exchange, through a public share repurchase offer made by the Company itself or any of its affiliated companies, or by third parties acting on behalf of the Company or any of its affiliated companies. Shares can also be acquired on the stock exchange as part of a structured repurchase program, which a credit institution or an enterprise operating under Section 53 (1) sentence 1 or Section 53 b (1) sentence 1 or Section 53 b (7) of the German Banking Act (KWG) or a consortium of such credit institutions or enterprises is commissioned to conduct.

If the number of Siemens Healthineers Shares tendered or offered for purchase exceeds the total volume of shares that the Company intends to acquire, the shareholders’ tender right may be excluded to the extent that, instead of in proportion to their percentage of ownership, the repurchase will be in proportion to the Siemens Healthineers Shares tendered or offered by each shareholder in order to facilitate the allocation process. The preferential treatment of small lots of up to 150 tendered or offered shares per shareholder and rounding according to commercial principles may also be used to facilitate the allocation process.

The authorization also includes the use or sale of treasury shares as described in greater detail below, in particular to the extent that it involves an exclusion of the shareholders’ subscription right.

Pursuant to the authorization proposed under Agenda Item 13 d) no. 2), acquired treasury shares may be used in connection with stock-based remuneration programs and/or employee share programs. The Siemens Healthineers Group promotes an ownership culture at the Company and enables employees and managers, where possible worldwide, to participate in the Company and its development by means of stock programs and stock-based remuneration. This participation is also desired by legislators and therefore is facilitated in several ways. The issue of shares to employees of Siemens Healthineers AG or its affiliated companies and to board members of its affiliated companies is intended to enhance the identification of these persons with the Siemens Healthineers Group. Their longterm affiliation with the Company is to be reinforced and they are to be enabled to participate as shareholders in the Company’s long-term development. The aim, in the best interest of the Company and its shareholders, is to strengthen the understanding and willingness to accept greater, especially economic, co-responsibility. The issue of shares also makes it possible to create schemes with longterm incentive effects in which both positive and negative developments can be reflected. For example, this enables the grant of shares with a lockup period or vesting period or sales-deferring inducements to have
not just a bonus effect, but, in the case of negative developments, also a malus effect, and therefore shall serve as a strong incentive to focus on a sustainable increase in the Company’s value.

The targets described above are currently being pursued in the Siemens Healthineers Group using a variety of models for employee share programs and stock-based remuneration.

Under what is termed a Share Matching Plan, eligible employees and managers of Siemens Healthineers AG and its affiliated companies that participate in the plan have the opportunity, every year in which a new plan tranche is issued, to invest a certain portion of their remuneration in the acquisition of Siemens Healthineers Shares at market price. After a vesting period of around three years, plan participants receive one additional free Siemens Healthineers Share (“matching share”) for every three Siemens Healthineers Shares acquired and continuously held under the Share Matching Plan, provided they are employed with Siemens Healthineers AG, any of its affiliated companies or, only for as long as the Siemens Healthineers Group is a fully consolidated part of the Siemens Group, with a company of the Siemens Group without interruption until the end of the vesting period.

In addition, eligible managers and employees in Germany have the opportunity to acquire shares with the purchase funded in equal parts through their own investment and a company contribution in accordance with the applicable tax privileges. Shares that are acquired or held in this way on preferential terms also entitle the holders to receive matching shares under the same conditions as under the Share Matching Plan.

Eligible managers and employees of Siemens Healthineers AG and of its affiliated companies are currently awarded Siemens Healthineers Shares also without previous own investment subject to a vesting period. The shares are transferred when the vesting period ends (“Siemens Healthineers Stock Awards”). As a matter of principle, the vesting periods are several years in length. However, an annual pro rata transfer of equal parts of a total number of awarded shares over a term of several years can also be provided for. Specific categories of Stock Awards are also partly linked to performance targets. Up to now, they have been linked to the development of the price of the Siemens Healthineers Shares relative to its main competitors, for example. Starting in this fiscal year, targets related to sustainability are taken into account in the future in addition to increases in company value and the performance of the stock exchange price of the Siemens Healthineers Shares compared to two peer sector indices are being considered.

It is also intended to provide for the possibility to transfer repurchased treasury shares to eligible employees of Siemens Healthineers AG and its affiliated companies without any own investment to allow for a participation in the Company’s success after successful fiscal years or to reward them for their long service.

The issue of shares under the above-mentioned share programs may also be made to third parties [such as credit institutions or enterprises operating under Section 53 (1) sentence 1 or Section 53 b (1) sentence 1 or Section 53 b (7) of the German Banking Act (KWG)] who cede the beneficial ownership and/or the economic benefits from the shares to the program participants. The use of the authorization proposed under Agenda Item 13 d) no. 2) is not intended to be restricted to the above-mentioned employee share programs and stock-based remuneration. The shares included under this authorization are also to be available in cases in which, to the benefit of employees of Siemens Healthineers AG or its affiliated companies or board members of its affiliated companies, new employee share programs and stock-based remuneration
programs, including programs limited to individual companies, are introduced or when existing employee share programs or stock-based remuneration programs are extended or adjusted.

If this authorization is used, the total number of shares issued and the preferential treatment granted to the beneficiaries as a result of the shares being granted at a reduced price or without any own investment should be in reasonable relation to the Company's situation and the anticipated advantages for the Company. The issue of the shares can be tied to other conditions, such as vesting periods, lockup periods, achievement of specific targets or continued employment within the Group.

The objectives described in detail above, i.e., identification with the Company, affiliation with the Company and acceptance of entrepreneurial co-responsibility, are in the interest of the Company and its shareholders. Transferring existing or newly repurchased treasury shares instead of making use of available authorized capital, if any, may be an economically viable alternative, as it avoids the effort associated with a capital increase and the listing of new shares. The exclusion of shareholders' subscription rights required for this use is thus generally in the interest of the Company and its shareholders.

Furthermore, the authorization proposed under Agenda Item 13 e) is also intended to enable the Company to use repurchased treasury shares to service obligations or rights to acquire Siemens Healthineers Shares that have been or will be agreed with members of the Managing Board of Siemens Healthineers AG in the context of the provisions on Managing Board remuneration. Also for these purposes, the exclusion of shareholders’ subscription rights is required. In this way, variable remuneration components can be granted which provide an incentive for sustainable management over the long term, for example by a part of the variable remuneration, instead of being paid in cash, being granted in the form of shares subject to a certain lockup period or stock awards that are subject to a vesting period. In addition, such stock-based remuneration components can be linked to specific performance targets, such as the development of the price of Siemens Healthineers Shares relative to comparable sector indices or other targets related to increasing company value or sustainability.

By transferring shares subject to a lockup period or granting stock awards with a vesting period or granting other stock-based remuneration instruments to members of the Managing Board, a part of their remuneration can be deferred, thereby increasing their loyalty to the Company, since the Managing Board will participate in a sustainable increase in the Company's value and can dispose of the remuneration components only after the vesting period has expired. The minimum vesting period for such remuneration instruments should be around four years. Since disposal of such shares is not permitted before the end of the vesting period, the members of the Managing Board will participate in the positive as well as negative developments in the stock exchange price during the vesting period. As a consequence, the members of the Managing Board may, in addition to the bonus effect, also experience a malus effect.

The details regarding the remuneration of the members of the Managing Board are determined by the Supervisory Board. These include rules concerning further conditions, such as vesting periods, lockup periods, achievement of specific targets, the forfeiture and nonforfeiture of stock awards, as well as rules concerning the treatment of stock awards and shares subject to a lockup period in special cases, such as in the case of retirement, disability or death, or prematurely leaving the Company, where, for example, a cash settlement or removal of the lockup period or
vesting period may be provided. The comprehensive system of remuneration for the members of the Managing Board adopted by the Supervisory Board with effect from October 1, 2020 is described in detail and submitted for approval under Agenda Item 9.

The decision on the design of the instrument to be used and the method of servicing is determined by the Supervisory Board with regard to shares used in the context of Managing Board remuneration, and by the Managing Board with regard to all other shares. In reaching their decisions, these Boards will focus solely on promoting the interests of the Company and the shareholders.

Pursuant to the authorization proposed under Agenda Item 13 d) no. 3), the Managing Board is also to be authorized, with the approval of the Supervisory Board, to offer and transfer treasury shares against contributions in kind and thereby to use them as a consideration in connection with mergers or as a consideration for the acquisition (including indirect acquisition) of companies, establishments, parts of companies, participations or other assets or claims for the acquisition of assets, including amounts receivable from the Company or its affiliates. The proposed authorization is designed to enhance the competitive edge in the quest of Siemens Healthineers AG for interesting acquisition targets and to give the Company the necessary freedom to exploit opportunities to acquire such assets quickly, flexibly and with little detriment to liquidity by using treasury shares. The proposed exclusion of shareholders’ subscription rights takes account of this objective. The decision whether and to what extent treasury shares or shares issued under authorized capital will be used as an acquisition currency is made by the Managing Board, which will base such decision solely on the interest of the shareholders and the Company. When determining the valuation ratios, the Managing Board will ensure that the interests of shareholders are adequately safeguarded, taking into account the stock exchange price of Siemens Healthineers Shares. However, no schematic link to a stock exchange price is provided for in this context, in particular to ensure that fluctuations in the stock exchange price cannot jeopardize negotiation results reached. There are currently no specific plans to make use of this authorization.

Furthermore, the authorization proposed under Agenda Item 13 d) no. 4) is designed to enable the Company, with the approval of the Supervisory Board, to sell treasury shares (with exclusion of shareholders’ subscription rights) also against payment in cash, e.g. to one or more institutional investors or in order to enhance the Company’s investor base. The sale is subject to the condition that the sales price is not significantly lower than the stock exchange price of a Siemens Healthineers Share. The possibility of selling repurchased treasury shares against payment in cash with exclusion of shareholders’ subscription rights serves the interests of the Company to obtain the best price possible on the sale of the treasury shares. By excluding shareholders’ subscription rights, it is possible to place the shares close to the stock exchange price, i.e., the discount normally associated with rights issues is eliminated. Compared to selling the shares on the stock exchange over a lengthy period of time, this approach results in an immediate inflow of funds and avoids the uncertainties of future stock exchange developments in relation to the total purchase price that is obtained. It enables the Company to quickly, flexibly and cost-effectively exploit opportunities that arise in the context of prevailing stock exchange conditions.

In addition, the authorization proposed under Agenda Item 13 d) no. 5) is also intended to enable the Company to use treasury shares to service or secure obligations or rights to acquire Siemens Healthineers Shares arising particularly from or in connection with convertible bonds or warrant bonds of the Company or its group companies. In its decision whether to use treasury shares or to issue new shares when servicing
these obligations or rights, the Managing Board will duly consider the interests of
the shareholders. The same applies to the question of the – also possibly exclusive –
serviceability of convertible bonds or warrant bonds using treasury shares. The
exclusion of shareholders’ subscription rights is a prerequisite in all such cases. This
also applies if a customary market form of dilution protection is granted to the extent
that holders/creditors of conversion or option rights or conversion or option obligations
on shares of the Company are granted subscription rights to shares in the event of
rights issued by the Company in the amount in which they would be entitled to such
rights upon exercising these rights or fulfilling these obligations.

The notional pro rata amount of the capital stock attributable to the authorizations
under Agenda Item 13 d) nos. 4) and 5) must not, in aggregate, exceed 10% of the
capital stock existing at the time the resolution is adopted or – if this amount is lower –
at the time at which the authorizations are used. By using the stock exchange price
as a basis when setting the sales price, due consideration is given to the principle
of protecting shareholders from dilution and the shareholders’ interests in terms
of assets and voting rights are appropriately safeguarded. The management will
endeavor, taking into account the market conditions prevailing at the time, to ensure
that any discount on the stock exchange price is as low as possible. The shareholders
are generally able to maintain their proportionate shareholdings by acquiring
Siemens Healthineers Shares via the stock exchange on nearly the same terms while
the Company is provided with more leeway for action which will benefit all share-
holders. The proposed authorization ensures that the number of treasury shares
issued pursuant to Agenda Item 13 d) nos. 4) and 5) with simplified exclusion of
subscription rights in analogous application of Section 186 (3) sentence 4 of the
German Stock Corporation Act (AktG) together with other shares that were issued or
sold in direct or analogous application of that provision during the term of this
acquisition authorization until the point in time of its use will not exceed the limit
of 10% of the capital stock, neither at the point in time at which the shareholders’
meeting adopts the resolution nor at the point in time at which the authorization is
used. Furthermore, shares must be included that are to be issued or sold on the
basis of a convertible bond or warrant bond issued during the term of this authorization,
with subscription rights excluded in accordance with Section 186 (3) sentence 4 of
the German Stock Corporation Act (AktG). There are currently no specific plans to
make use of this authorization.

Furthermore, pursuant to the authorization proposed under Agenda Item 13 g), it is
also intended that, in the event of a sale of treasury shares by a public offer to all
shareholders, the subscription right for fractional amounts can be excluded in order
to facilitate the process. Further, the Managing Board is authorized to exclude sub-
scription rights in order to grant holders/creditors of conversion or option rights in
respect of shares of the Company or corresponding conversion or option obligations
subscription rights as compensation against effects of dilution in the amount in
which they would be entitled to such rights upon exercising these rights or after
fulfilling these obligations.

Finally, pursuant to the authorization proposed under Agenda Item 13 d) no. 1) the
Company is to be entitled to cancel treasury shares without requiring an additional
resolution by the shareholders’ meeting. Such cancellations may also be carried out
without a capital reduction, with the result that the pro rata amount of the other
no-par value shares in the Company’s capital stock is increased. In this case, the
Managing Board is authorized to adjust the number of shares of no-par value specified
in the Articles of Association.
Total number of shares and voting rights

At the time of giving notice of the shareholders’ meeting, the Company’s capital stock amounts to 1,075,000,000 no-par value registered shares, with each share entitling to one vote. The total number of shares and voting rights thus amounts to 1,075,000,000. Of these 1,075,000,000 no-par value shares, at the time the Annual Financial Statements were prepared by the Managing Board, 3,782,781 shares were held as treasury shares from which the Company derives no rights.

Prerequisites for attending the virtual Shareholders’ Meeting and for exercising the voting rights

Holding the shareholders’ meeting as a virtual shareholders’ meeting will result in a number of modifications in relation to the conduct of the meeting and the exercise of shareholders’ rights. We therefore ask that particular note be taken of the following information, particularly of the possibility to follow along with the shareholders’ meeting by tuning in to a video and audio stream, to exercise voting rights, to ask questions and to declare objections.

On the basis of the German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic of March 27, 2020 (German Federal Law Gazette I No. 14 2020, p. 570), the provisions of which continue to apply on the basis of the Ordinance to Extend Measures Under the Law of Companies, Cooperative Societies, Associations and Foundations to Combat the Effects of the COVID-19 Pandemic of October 20, 2020 (German Federal Law Gazette I No. 48 2020, p. 2248) until December 31, 2021 (hereinafter the “COVID-19 Act”), the Managing Board of Siemens Healthineers AG decided, with the approval of the Supervisory Board, to hold the shareholders’ meeting as a virtual shareholders’ meeting without physical attendance of the shareholders or their authorized representatives. It is therefore not possible for shareholders or their authorized representatives to physically attend (except for the proxy representatives designated by the Company).

All shareholders will be able to view the entire shareholders’ meeting live through video and audio broadcast via the shareholder portal at the internet address:

siemens-healthineers.com/agm

Shareholders can exercise their voting rights exclusively via postal voting or by assigning proxy to the proxy representatives designated by the Company. Shareholders will be given the opportunity to ask questions in advance of the shareholders’ meeting by means of electronic communication. Furthermore, it is possible to declare an objection to a resolution of the shareholders’ meeting by means of electronic communication. Further details on this subject are presented below.
Notification of attendance

Only those shareholders are entitled to attend the virtual shareholders’ meeting, i.e. exercise their shareholder rights, in particular voting rights, who have submitted notification of attendance by no later than midnight (CET) on Friday, February 5, 2021

and who are registered in the Company’s share register at the time of the shareholders’ meeting.

The notification of attendance must be received by the Company in German or English language either electronically via the shareholder portal accessible at

> siemens-healthineers.com/agm

or in text form [Section 126b of the German Civil Code (BGB)] via one of the following channels:

Siemens Healthineers AG
c/o Computershare Operations Center
80249 Munich, Germany

or by fax: +49 (0)89 30903-74675
or by e-mail: anmeldestelle@computershare.de

For the purpose of compliance with the notification deadline, receipt by the Company of your notification of attendance is decisive.

To register electronically via the shareholder portal, you will receive online access by entering your shareholder control number and the related personal identification number (PIN), both of which you can find in the documents sent to you. Shareholders who have already registered for electronic delivery of invitations to annual shareholders’ meetings with an access password selected by them shall use this access password. Further information on the registration procedure may be found on the attendance notification form sent to you together with the notice of shareholders’ meeting.

Authorized representatives

Shareholders who are registered in the Company’s share register can exercise their voting rights not only themselves but also through an authorized representative, such as an intermediary, a shareholders’ association or a proxy voting advisory firm. In these cases, timely notification of attendance by a formally acceptable method is also necessary in accordance with the provisions specified in section “Notification of attendance” above.

Please find details on voting by authorized representative in the section below on “Exercising shareholder rights through an authorized representative; procedure for voting through an authorized representative.”
Registration stop (technical record date); disposal of shares

The exercise of the right to attend and vote is based on the shareholding evidenced by entry in the Company's share register on the day of the shareholders' meeting. Please note, however, that for reasons of technical processing a so-called registration stop will be in effect, i.e., no entries or deletions will be made in the Company's share register, from the point in time the notification period ends (00:00 (CET) on Saturday, February 6, 2021) until the day of the shareholders' meeting ends, midnight (CET) on Friday, February 12, 2021. The technical record date for exercising the right to attend and vote in the shareholders' meeting is therefore midnight (CET) on Friday, February 5, 2021.

A notification of attendance at the shareholders' meeting does not result in the blocking of shares. Shareholders may therefore continue to freely dispose of their shares even after submitting attendance notification and irrespective of the registration stop (technical record date). However, persons who acquire shares and whose applications for registration are not received on time by the Company cannot exercise the right to attend and vote conferred by those shares, unless they obtain authorization to act as a proxy representative or to exercise said rights.

Exercising voting rights

The shareholders and their authorized representatives will be able to exercise voting rights exclusively via postal voting or by assigning proxy to the proxy representatives designated by the Company.

Postal voting

Shareholders or their authorized representatives are entitled to submit their votes by way of postal voting (voting by mail). The requirements specified in section “Notification of attendance” above for exercising voting rights, in particular timely notification of attendance, must be fulfilled in respect of the relevant shareholding.

Postal votes can be cast, changed or rescinded in text form via postal mail, telefax or email or electronically in the shareholder portal.

Votes cast by postal voting and any changes thereto or rescissions thereof in text form must be received by the Company via one of the following channels by no later than midnight (CET) on Thursday, February 11, 2021 (time of receipt is decisive):

Siemens Healthineers AG
c/o Computershare Operations Center
80249 Munich, Germany

or by fax: +49 (0)89 30903-74675
or by e-mail: anmeldestelle@computershare.de

To cast postal votes in text form, the shareholders have been sent a postal voting form together with the attendance notification documents. The postal voting form is also available on the internet at

> siemens-healthineers.com/agm

and will be sent to shareholders on request.
Postal votes can also be submitted, changed or rescinded electronically via the shareholder portal by entering your shareholder control number and the related personal identification number (PIN), both of which may be found in the material sent to you and via the internet at

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Shareholders who have already registered for electronic delivery of invitations to annual shareholders' meetings with an access password selected by them shall use this access password.

Beyond midnight (CET) on Thursday, February 11, 2021, electronically casting postal votes is also possible on the day of the virtual shareholders' meeting but must be completed no later than by the time voting begins at the virtual shareholders' meeting.

Casting postal votes is possible only on such motions and nominations in respect of which proposals have been made by the Managing Board and/or the Supervisory Board in accordance with Section 124 (3) of the German Stock Corporation Act (AktG) or by shareholders in accordance with Section 122 (2) of the German Stock Corporation Act (AktG) and that are included in this present notice of the shareholders' meeting or announced subsequently or that have been made available in accordance with Section 126 and Section 127 of the German Stock Corporation Act (AktG).

**Casting votes through the proxy representatives designated by the Company**

Shareholders or their authorized representatives may also have their voting rights exercised by staff members of the Siemens Healthineers Group designated by the Company (so-called proxy representatives designated by the Company). In this case, too, the requirements specified in section "Notification of attendance" above for exercising voting rights, in particular timely notification of attendance notification, must be fulfilled in respect of the relevant shareholding.

Proxy authorizations and voting instructions to the proxy representatives designated by the Company can be issued, amended or revoked in text form via one of the following channels by no later than midnight (CET) on Thursday, February 11, 2021 (time of receipt is decisive).

Siemens Healthineers AG  
c/o Computershare Operations Center  
80249 Munich, Germany  
or by fax: +49 (0)89 30903-74675  
or by e-mail: anmeldestelle@computershare.de  

Shareholders are receiving the form that they can use to issue proxy authorizations and instructions in text form to the proxy representatives designated by the Company together with the attendance notification documents. The proxy and instruction form is also available on the homepage at

› siemens-healthineers.com/agm

Issuing, changing and revoking the proxy authorization of proxy representatives designated by the Company is also possible electronically via the shareholder portal accessible at

› siemens-healthineers.com/agm
beyond midnight (CET) on Thursday, February 11, 2021 until the day of the virtual shareholders’ meeting, but must be completed by no later than the time voting begins at the virtual shareholders’ meeting.

Proxy representatives designated by the Company may only vote on items of the agenda for which they have been issued explicit instructions regarding the exercise of the voting right. The proxy representatives designated by the Company are obligated to vote in accordance with these instructions. If no instructions are issued to the proxy representatives designated by the Company, they will not exercise the voting right. If an instruction is given that is not clear or if it is contradictory, the proxy representatives will abstain from voting.

The proxy representatives designated by the Company will not accept instructions to speak, to ask questions, to submit motions and to lodge objections to resolutions of the shareholders’ meeting and they are available to vote only on motions and nominations in respect of which proposals have been made by the Managing Board and/or the Supervisory Board in accordance with Section 124 (3) of the German Stock Corporation Act (AktG) or by shareholders in accordance with Section 122 (2) of the German Stock Corporation Act (AktG) and that are included in this present notice of the shareholders’ meeting or announced subsequently or that have been made available in accordance with Section 126 and Section 127 of the German Stock Corporation Act (AktG).

**Relation between postal votes and proxy authorizations and instructions issued to the proxy representatives and further information on exercising voting rights**

If proxy authorizations and instructions to the proxy representatives designated by the Company are issued or if the voting right is exercised by postal voting in a timely manner both in text form and electronically via the shareholder portal, irrespective of the time of receipt, exclusively the postal voting done electronically via the shareholder portal or, as the case may be, the proxy authorization and instruction to the proxy representative designated by the Company issued electronically via the shareholder portal will be considered binding.

If several proxy authorizations and instructions to proxy representatives designated by the Company are received in text form, the last of these received will be deemed binding. The same applies to several postal votes. However, postal votes in text form have priority over the issuance of proxy authorizations and instructions in text form to proxy representatives designated by the Company.

Voting by postal votes and instructions to the proxy representatives designated by the Company on Agenda Item 2 (appropriation of the net income) remain valid even if the proposal for the appropriation of the net income is amended as a result of a change in the number of shares that entitle the holder to payment of a dividend.

If an Agenda Item is individually put to a vote, instead of collectively, the postal vote cast for that Agenda Item or, as the case may be, the instruction to the proxy representative designated by the Company will apply mutatis mutandis for each item put to individual vote.
Exercising shareholder rights through an authorized representative; procedure for voting through an authorized representative

Shareholders who are registered in the Company's share register and submitted timely notification of attendance may also have their voting right and any other rights exercised through an authorized representative of their choice, including an intermediary, a shareholders’ association or a proxy voting advisory firm. In this case, too, the requirements specified in section “Notification of attendance” above for exercising voting rights, in particular timely notification of attendance, must be fulfilled in respect of the relevant shareholding.

Authorized representatives also cannot physically be present at the virtual shareholders’ meeting. They can exercise the voting right on behalf of the shareholders represented by them only through postal voting or by granting (sub-)proxy to the proxy representatives designated by the Company.

Shareholders who wish to exercise their right to vote at the shareholders’ meeting through an authorized representative rather than personally must ensure that they grant a proper proxy authorization to the authorized representative prior to the voting. Shareholders wishing to vote through an authorized representative must consider the following:

If neither a proxy voting advisory firm nor a shareholders’ association nor any other intermediary within the meaning of Section 135 of the German Stock Corporation Act (AktG) nor others of equal status pursuant to Section 135 of the German Stock Corporation Act (AktG) are authorized, the proxy authorization must be provided either

- in text form or electronically in the shareholder portal, in each case to the Company, or
- in text form directly to the authorized representative (in this case, proof of proxy authorization must be provided to the Company in text form).

The same applies should a shareholder wish to change and revoke a proxy authorization.

To authorize proxy voting advisory firms, shareholders’ associations, other intermediaries within the meaning of Section 135 of the German Stock Corporation Act (AktG) or others of equal status pursuant to Section 135 of the German Stock Corporation Act (AktG), revoke and provide proof of proxy authorization, the legal provisions, in particular Section 135 of the German Stock Corporation Act (AktG), apply. That provision stipulates that in such cases the proxy authorization must be granted to a specific authorized representative and kept by that representative in a verifiable form; moreover, the declaration of proxy authorization must be complete and may only contain declarations relating to the exercise of the voting rights.

Proxy voting advisory firms, shareholders’ associations, other intermediaries within the meaning of Section 135 of the German Stock Corporation Act (AktG) or others of equal status pursuant to Section 135 of the German Stock Corporation Act (AktG) are entitled to cast votes for shares not owned by them but recorded under their names in the Company's share register only if they have the shareholder's authorization.

The relevant authorized representatives may, however, stipulate special requirements for their own proxy authorization; shareholders are therefore requested to consult with the relevant authorized representatives in good time regarding the applicable form and procedure for granting proxy authorization.
If an intermediary within the meaning of Section 67a (4) of the German Stock Corporation Act (AktG) is registered in the Company’s share register, the intermediary is entitled to cast votes for shares not owned by it only if it has the authorization of the beneficial owner of the shares. The same applies to proxy voting advisory firms, shareholders’ associations, other intermediaries within the meaning of Section 135 of the German Stock Corporation Act (AktG) and others of equal status pursuant to Section 135 of the German Stock Corporation Act (AktG).

If a shareholder authorizes more than one person, under Section 134 (3) sentence 2 of the German Stock Corporation Act (AktG) the Company may reject one or more of them at its own discretion and in observance of the principle of equal treatment pursuant to Section 53a of the German Stock Corporation Act (AktG).

Notification of the grant, amendment or revocation of a proxy authorization can be submitted to the Company by no later than midnight (CET) on Thursday, February 11, 2021 via one of the following channels, in which case the time of receipt at the Company is decisive. The same applies to providing proof to the Company of a proxy authorization granted to an authorized representative.

Siemens Healthineers AG
c/o Computershare Operations Center
80249 Munich, Germany
or by fax: +49 (0)89 30903-74675
or by e-mail: anmeldestelle@computershare.de

Notification of the granting, amendment and revocation of the proxy authorization can be submitted to the Company also electronically using your shareholder control number and your personal identification number (PIN), which are included in the documents sent to you, via the shareholder portal accessible at

> siemens-healthineers.com/agm

beyond midnight (CET) on Thursday, February 11, 2021 until the day of the virtual shareholders’ meeting, but must be completed by no later than the time voting begins at the virtual shareholders’ meeting. Shareholders who already registered for electronic delivery of invitations to annual shareholders’ meetings with an access password selected by them shall use this access password.

The authorized representative requires individual login details to cast votes electronically. After notification of the granting of proxy authorization has been submitted to the Company or proof has been submitted to the Company that proxy authorization has been granted to an authorized representative, the Company will provide the shareholder with the authorized representative’s login details for forwarding to the authorized representative. Shareholders who have submitted notification of the granting of proxy authorization to the Company via the shareholder portal will receive the authorized representative’s login details directly via the shareholder portal.

Shareholders wishing to use the possibility of granting proxy authorization are requested to do so at their earliest convenience.
Live transmission of the Shareholders’ Meeting

All shareholders of Siemens Healthineers AG or their authorized representatives may follow along with the entire shareholders’ meeting starting at 10:00 a.m. (CET) on Friday, February 12, 2021, live in audio and video via the internet at

▷ siemens-healthineers.com/agm

Online access is granted to shareholders by entering their shareholder number and the corresponding individual access password, which can be found in the documents sent to them. Shareholders who have already registered for electronic delivery of invitations to annual shareholders’ meetings with an access password selected by them shall use this access password.

The speeches of the Supervisory Board and the Chief Executive Officer may also be watched by other interested parties live over the internet at

▷ siemens-healthineers.com/agm

A replay of these speeches, but not of the entire shareholders’ meeting, will be available after the shareholders’ meeting at the same internet address.

The live transmission of the shareholders’ meeting does not allow for a participation in the shareholders’ meeting within the meaning of Section 118 (1) sentence 2 of the German Stock Corporation Act (AktG).

Motions, nominations, information requests, questions, objections

(Information on shareholders’ rights pursuant to Section 122 (2), Section 126 (1), Section 127, Section 131 (1) of the German Stock Corporation Act (AktG), Section 1 (2) sentence 1 no. 3 in conjunction with sentence 2 of the COVID-19 Act, Section 245 no. 1 of the German Stock Corporation Act (AktG), Section 1 (2) sentence 1 no. 4 of the COVID-19 Act)

Requests for additions to the agenda pursuant to Section 122 (2) of the German Stock Corporation Act (AktG)

Shareholders whose combined shares amount to one-twentieth of the capital stock or a proportionate ownership of at least EUR 500,000 (the latter is equivalent to 500,000 shares) may request that items be placed on the agenda and be published.

Persons submitting a request must prove that they have held the shares for at least 90 days before the date the request is received and that they will hold the shares until the Managing Board decides on the request, with Section 70 of the German Stock Corporation Act (AktG) being applicable when calculating the time for which shares have been held. The day on which the request is received must not be counted. Any change from a Sunday, Saturday, or public holiday to a preceding or subsequent business day is not possible for this purpose. Sections 187 to 193 of the German Civil Code (BGB) are not to be applied mutatis mutandis.
Each new item must be accompanied by a statement of reasons or a formal resolution proposal. The request must be submitted in writing or in electronic form as provided for in Section 126a of the German Civil Code (BGB) (i.e. a qualified electronic signature is required) to the Managing Board of Siemens Healthineers AG and be received by the Company no later than midnight (CET) on Sunday, January 12, 2021. Please use the following address to submit such requests:

Managing Board of Siemens Healthineers AG  
Henkestr. 127  
91052 Erlangen, Germany  
or by e-mail: HV.team@siemens-healthineers.com  

Unless made public at the same time as the notice of the shareholders’ meeting, requests for additions to the agenda that are required to be published will be published without undue delay upon receipt in the German Federal Gazette (Bundesanzeiger). In addition, such requests will be published on the internet at

> siemens-healthineers.com/agm  

and communicated to the shareholders. Formal resolution proposals accompanying such requests for additions to the agenda will be treated as if they were submitted orally during the shareholders’ meeting.

Counterproposals and nominations pursuant to Section 126 (1) and Section 127 of the German Stock Corporation Act (AktG)

In addition, shareholders may submit to the Company counterproposals to Managing Board and/or Supervisory Board proposals relating to specific Agenda Items and make nominations for Supervisory Board members or independent auditors. All counterproposals (along with a statement of reasons) and nominations must exclusively be sent to:

Siemens Healthineers AG  
Henkestr. 127  
91052 Erlangen, Germany  
or by e-mail: HV.team@siemens-healthineers.com  

Counterproposals and nominations by shareholders to be made available, including the shareholder’s name and city of residence or, as the case may be, registered office as well as any statement of reasons to be made available will be posted on the internet at

> siemens-healthineers.com/agm  

without undue delay upon their receipt. All counterproposals and nominations relating to items on the agenda that are received at the above-mentioned address by midnight (CET) on January 28, 2021, will be considered. Statements by the management, if any, on the counterproposals and nominations will also be available at the above-mentioned website.

The Company will treat the counterproposals thus published as if they had been orally submitted during the shareholders’ meeting.
Right to obtain information pursuant to Section 131 (1) of the German Stock Corporation Act (AktG); opportunity to ask questions pursuant to Section 1 (2) sentence 1 no. 3 in conjunction with sentence 2 of the COVID-19 Act

Pursuant to Section 131 (1) of the German Stock Corporation Act (AktG), during in-person shareholders’ meetings, every shareholder or shareholder representative may request from the Managing Board information regarding the Company’s affairs, the Company’s legal and business relationships with affiliated companies, and the position of the Group and any companies included in the Consolidated Financial Statements to the extent that such information is necessary to allow a proper evaluation of an item on the agenda.

The afore-stated right to obtain information does not exist during the virtual shareholders’ meeting taking place on February 12, 2021. On the basis of the COVID-19 Act, shareholders need not be granted any statutory right to obtain information during the virtual shareholders’ meeting; instead, they must be granted the opportunity to ask questions by means of electronic communication. This does not entail any right to receive answers.

With the approval of the Supervisory Board, the Managing Board of Siemens Healthineers AG has decided that shareholders or their authorized representatives after submitting notification of attendance may direct questions to the Managing Board via the shareholder portal on the internet at

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Such questions must be received by the Company by no later than 12:00 p.m. (CET) on February 10, 2021 via the shareholder portal. After that point in time and, in particular during the virtual shareholders’ meeting, no questions can be posed.

The Managing Board will decide at its own due, absolute discretion which questions it will answer and how. In particular, it may summarize questions and select questions that are of broad interest to the other shareholders. In doing so, it may give preference to shareholders’ associations and institutional investors with significant holdings of voting shares. Questions in foreign languages will not be considered.

When questions are answered during the shareholders’ meeting, the name of the shareholder who submitted the question is only disclosed (to the extent that questions are answered individually) if the shareholder expressly agreed to such disclosure when submitting the question.

Lodging an objection to a resolution for the record pursuant to Section 245 no. 1 of the German Stock Corporation Act (AktG), Section 1 (2) sentence 1 no. 4 of the COVID-19 Act

Shareholders who are entered in the Company’s share register and have submitted notification of attendance in due time and their authorized representatives can lodge an objection to resolutions of the shareholders’ meeting for the record pursuant to Section 245 no. 1 of the German Stock Corporation Act (AktG), Section 1 (2) sentence 1 no. 4 of the COVID-19 Act from the start to the end of the shareholders’ meeting via the shareholder portal at

▷ siemens-healthineers.com/agm
The notary authorized the Company to accept objections via the shareholder portal and will receive the objections via the shareholder portal.

Additional explanations

Additional explanations regarding shareholders’ rights pursuant to Section 122 (2), Section 126 (1), Section 127, Section 131 (1) of the German Stock Corporation Act (AktG), Section 1 (2) sentence 1 no. 3 in conjunction with sentence 2 of the COVID-19 Act, Section 245 no. 1 of the German Stock Corporation Act (AktG), Section 1 (2) sentence 1 no. 4 of the COVID-19 Act may be found at the Company’s website at

› siemens-healthineers.com/agm

Website where information pursuant to Section 124a of the German Stock Corporation Act (AktG) is available

The notice of the shareholders’ meeting, together with the information and explanations required by law, is also available at our website at

› siemens-healthineers.com/agm

where the information pursuant to Section 124a of the German Stock Corporation Act (AktG) and the currently applicable Articles of Association of Siemens Healthineers AG may also be found.

The voting results will be posted at the Company’s website at

› siemens-healthineers.com/agm

after the shareholders’ meeting.
Information on data protection

For the purpose of maintaining the share register and conducting the shareholders’ meeting, Siemens Healthineers AG processes personal data of shareholders and their representatives in its capacity as data controller in compliance with the provisions of the EU Data Protection Regulation (GDPR) and all other relevant laws.

In our data protection declaration for the shareholders’ meeting, we have summarized all information on the processing of your personal data and on the rights to which you are entitled under the GDPR:

► https://www.corporate.siemens-healthineers.com/investor-relations/hv

Kind regards,

Siemens Healthineers AG
The Managing Board

Siemens Healthineers AG

Chairman of the Supervisory Board: Ralf P. Thomas

Managing Board: Bernhard Montag, Chief Executive Officer; Jochen Schmitz, Christoph Zindel

Registered office: Munich, Germany
Commercial Registry: Munich, HRB 237558