# Shareholder Counterproposals
and Election Nominations

for the Annual Shareholders' Meeting 2024
of Siemens AG on February 8, 2024

SIEMENS

**Latest update:** January 25, 2024

The following contains all shareholder proposals to be made available (counterproposals and election nominations by shareholders as defined in Sections 126 and 127 of the German Stock Corporation Act (AktG)) concerning items on the Agenda of the Annual Shareholders' Meeting 2024, if applicable along with the content to be added in accordance with Section 127 sentence 4 AktG. In all cases, the shareholder proposals and supporting information reflect the views of the persons who submitted them. Assertions of fact and hyperlinks to third-party websites were also posted on the Internet unchanged and unchecked by us to the extent that they are required to be disclosed. Siemens does not assume any responsibility for said content, nor does it endorse said websites and their content.

This document prepared for the convenience of English-speaking readers is a translation of the German original. For purposes of interpretation, the German text shall be authoritative and final.

**Voting and voting instructions in respect of shareholder proposals**

Shareholder proposals that must be made available in accordance with Section 126 or Section 127 AktG shall be – in accordance with Section 126 (4) AktG – deemed to have been submitted at the time they are made available. You can vote in favor of shareholder proposals which simply reject the proposal of the Management by marking the appropriate box of the agenda item relating to such shareholder proposal, i. e. "NO", on the printed Attendance Notification Form or on our Internet Service at www.siemens.com/agm-service. Such shareholder proposals are disclosed below **without capital letters**.

Shareholder proposals that do not only reject the Management proposal but also put forward a resolution differing in content are indicated below **with capital letters**. If shareholder proposals of this kind are to be voted on separately at the Annual Shareholders' Meeting and you wish to give instructions to a proxy representative on how to exercise your voting rights or you wish to submit your vote by absentee voting, please tick the "FOR the proposal", "AGAINST the proposal" or "ABSTAIN" box as appropriate to the right of each capital letter under the heading "Shareholder counterproposals and election nominations" on the printed Attendance Notification Form or on our Internet Service. If you wish to vote on, or abstain from voting on, a shareholder proposal to which no capital letter has been pre-assigned on the printed Attendance Notification Form, please insert the appropriate capital letter in one of the empty boxes provided.

**Horst Schilling, Rödental, has submitted the following shareholder proposal:**

## Counterproposal at the Annual Shareholders' Meeting of Siemens.

Within the meaning of Sections 126 (1) and 127 of the German Stock Corporation Act (AktG) relating to the items on the agenda of the Annual Shareholders' Meeting of Siemens AG on Thursday, February 8, 2024.

*With regard to Agenda Item 4 "To ratify the acts of the members of the Supervisory Board"*

**3. Type of annual shareholders' meeting: virtual annual shareholders' meeting without the physical attendance of the shareholders or their representatives at the place of the meeting (except for the proxy representatives nominated by the Company)**

Holding a "virtual annual shareholders' meeting without the physical attendance of shareholders reflects poorly on the shareholder culture". Shareholders could understand the need for that during the pandemic, but it should really be a thing of the past in normal times.

Several large companies held digital shareholders' meetings in 2023: Munich Re (May 5, 2023), RWE (May 4, 2023), BASF (April 27, 2023), Mercedes Benz (May 3, 2023), Continental (April 27, 2023) and Bayer (April 28, 2023). Investors with shares in the companies in their portfolios and wanting to exercise their shareholder rights therefore had to demonstrate their "multitasking skills."
Hendrik Schmidt, Senior Investment Stewardship Specialist at the asset manager DWS, describes the concentration of annual shareholders' meetings as extremely detrimental to shareholder culture.
However, there is not only growing anger because of the concentration of annual shareholders' meetings. In 2023, 28 of the 38 German companies listed on the DAX opted to hold a virtual annual shareholders' meeting. As the Deutsche Schutzvereinigung für Wertpapierbesitz (DSW) found in its Annual Shareholders' Meetings Report 2023, the technology did not always work smoothly. The protectors of shareholder rights recorded numerous video and audio disruptions, which meant that some annual shareholders' meetings ended up being very lengthy. For instance, the digital AGM of Convestro AG lasted around nine-and-a-half hours due to several interruptions. According to the DSW, virtual annual shareholders' meetings have not led to several shareholders exercising their right to have a say. The number of participants has been declining since the start of the coronavirus measures. Unlike the large German stock corporations, most

companies in the MDax and SDax did not hold their annual shareholders' meetings virtually in 2023, but as usual as an in-person event.

A fear expressed by Janne Werning, Head of ESG Capital Markets & Stewardship at the fund management company Union Investment:

Once the coronavirus pandemic is over, the wheat will be separated from the chaff among companies. Shareholder-friendly companies would once again allow a "general debate with the physical attendance of shareholders".
"The other companies will retreat to anemic, purely virtual formats where there is little potential for conflict."
**Experts believe there is the threat that could weaken the important role of shareholders as a corrective to the actions of the Managing Board and Supervisory Board.**

Is holding a "virtual annual shareholders' meeting without the physical attendance of shareholders" an expression by the Managing Board and Supervisory Board of Siemens AG of respect for shareholders? As Janne Werning, Head of ESG Capital Markets & Stewardship at the fund management company Union Investment, put it so aptly – I quote:
"The other companies will retreat to anemic, purely virtual formats where there is little potential for conflict."

**Ratification of the acts of the members of the Supervisory Board is denied.**
Rationale:
The Supervisory Board has the duty to oversee the Managing Board in the interests of the shareholders and the Company (Shareholder-friendly companies would once again allow a "general debate with the physical attendance of shareholders"). The Supervisory Board is failing in that duty.

I ask the shareholders of Siemens AG, especially employee shareholders who are committed to sustainability and the long-term success of the Company, and above all the fund management companies DWS and Union Investment, to endorse the proposal in the interests of their customers.

On Thursday, July 7, 2022, the Bundestag adopted a draft law by the SPD, Bündnis 90/Die Grünen and FDP on virtual annual shareholders' meetings of stock corporations (20/1738) with a broad majority of the coalition parties, the CDU/CSU and Die Linke.
Germany has a problem with a shortage of skilled workers – and there is also a shortage of skilled politicians.

I ask the governing bodies of Siemens AG to make my counterproposals I have submitted in due time available in accordance with Sections 126 and 127 et seq. of the German Stock Corporation Act (AktG).

Thank you.

sgd.

Shareholder
Horst Schilling

(Shareholder Control Number: [redacted])

**Wilm Diedrich Mueller, Neuenburg, has submitted the following shareholder proposal:**

Counterproposal on agenda item 3

*With regard to Agenda Item 3, "To ratify the acts of the members of the Managing Board"*

From Mr. Mueller [redacted]
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To the company Siemens AG, with registered office in Berlin and Munich
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#
Counterproposal on Agenda Item number three of the Notice of Annual Shareholders' Meeting of the above-mentioned company Siemens
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People, I hereby propose that the acts of no member of the Managing Board be ratified for fiscal year 2023.
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My reason for this counterproposal is that the Notice of Annual Shareholders' Meeting reads "Dear Ladies and Gentlemen Shareholder, we invite you ...".
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The preferential treatment accorded to women over men in this form of address to shareholders is a clear violation of the principle of equal treatment of all shareholders, regardless of the gender of said shareholders.
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I would ask for the counterproposal to be published.
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The above-mentioned Mr. Mueller

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**The "Dachverband der Kritischen Aktionärinnen und Aktionäre e.V.", Cologne, has submitted the following shareholder proposals:**

**Counterproposals from the "Dachverband der Kritischen Aktionärinnen und Aktionäre" at the Annual Shareholders' Meeting of Siemens AG on February 8, 2024**

*With regard to Agenda Item 2, "To resolve on the appropriation of the net income"*

**With regard to Agenda Item 2: To resolve on the appropriation of the net income**

The Dachverband der Kritischen Aktionärinnen und Aktionäre requests that the proposal by the Managing Board and Supervisory Board on the appropriation of the net income be rejected.

**Rationale:**

The dividend is too high. Siemens should invest more of the unappropriated net income of almost €3.8 billion, which is to be distributed almost entirely as a dividend, in ensuring its own future viability and in achieving its climate and sustainability targets. That is desperately needed, as evidenced by Siemens' highly problematic carbon footprint (see also our proposal below that the acts of the Managing Board not be ratified).

In addition, the energy business of the former subsidiary Siemens Energy urgently needs financial support, including directly from Siemens, in order to be able to shed its climate-damaging fossil energy business and support the crisis-ridden wind power division at Siemens Gamesa.

In view of the deep crisis at Siemens Energy, for which Siemens also shoulders some of the responsibility due to the recent spin-off in 2020, it is incomprehensible and downright brazen that Siemens Energy still has to pay Siemens an amount in the triple-digit million range every year just to be able to keep on using the brand name "Siemens."

Siemens itself is thereby putting its own reputation at risk and thus the foundation for being able to demand such high fees for the brand license in the first place. Instead of using more of its own funds to rescue Siemens Energy, Siemens is sitting back and relying on the fact that the risks for which it is partly to blame are being socialized so that its own financial targets and dividend are not jeopardized. The German government, and therefore the taxpayer, is now providing state guarantees amounting to €7.5 billion for Siemens Energy – guarantees that Siemens would have assumed until recently. With such irresponsible behavior in view of the fact that net income has almost doubled to €8.5 billion while public budgets funded by borrowing are under severe strain and the energy transition is faltering, Siemens is biting the hand that feeds it by undermining the reputation of the “Siemens” brand.

## *With regard to Agenda Item 3, "To ratify the acts of the members of the Managing Board”*

**With regard to Agenda Item 3: To ratify the acts of the members of the Managing Board**

The Dachverband der Kritischen Aktionärinnen und Aktionäre requests that the acts of the members of the Managing Board not be ratified.

**Rationale:**

The Managing Board continues not to live up to its responsibility to effectively implement measures to enable sustainable supply chains and reduce greenhouse gas emissions caused by Siemens.

**Siemens products continue to cause more greenhouse gas emissions instead of lowering them**

According to the Sustainability Report, the greenhouse gas emissions caused directly by Siemens and upstream (Scope 1 and Scope 3 upstream) hardly decreased in the last fiscal year compared to the same period in the previous year. An especially fatal aspect: In particular, downstream emissions resulting from the use of Siemens products (in Scope 3 downstream) have risen sharply by more than 27 million tons to exceed 469 million tons of $CO_2e$.

It is of no use for the Managing Board to refer to the fact that Siemens products and services help cut $CO_2e$ by almost 190 million tons. The bottom line is that Siemens is responsible for extra emissions of 279 million tons of $CO_2e$ in 2023 and the damage to the climate that causes. By way of comparison: That figure still equates to over 40 percent of Germany’s greenhouse gas emissions in 2023 (673 million tons, preliminary figures).

As long as Siemens products cause higher rather than lower greenhouse gas emissions, Siemens’ climate and sustainability pledges are not credible. Siemens is one of the few companies that not only has the potential but also the responsibility to make a crucial contribution to the actual success of the energy, heating and mobility transition, for example through the efficient use of fewer resources. However, only 20 percent of Siemens’ total revenue is covered by the EU taxonomy for environmentally friendly economic activities.

Given that its emissions are rising, it is not even clear how Siemens will actually be able to achieve its own, not exactly ambitious Scope 3 climate targets.
On the other hand, it is clear that the measures taken so far are not enough – everything needs to be scrutinized critically. In view of the increasingly obvious impacts of the climate crisis, it is no longer enough to refer to climate targets or to rely on dubious carbon offset programs.

**German Supply Chain Act: Siemens must become more transparent**

On paper, Siemens appears to meet the requirements of international standards for sustainable supply chains. However, what counts is effective execution, and in this regard Siemens relies too greatly on self-assessments and external audits of suppliers, the meaningfulness of which is always limited.

With its more than 67,700 suppliers from 140 countries, the risk-based approach chosen by Siemens makes sense, but it remains unclear which specific problems have been identified at suppliers and what measures are being used to address them preventively.

In the Sustainability Report, for example, Siemens states that in the 2023 fiscal year it took 168 improvement measures after more than 5,000 supplier self-assessments and 106 improvement measures after 481 external audits in relation to the prohibition of child labor with suppliers. It is not clear whether these are real, systematic risks that have been identified with regard to child labor or formal updating of contracts in this regard. At the very least, a few specific cases should be used as examples to demonstrate transparently and comprehensibly what exactly has been undertaken.

To ensure that companies do not outsource their own due diligence obligations to external audit firms, the reporting obligations under the Supply Chain Act explicitly stipulate that enterprises must assess the impact and effectiveness of the measures they have chosen and report on what conclusions they draw from the assessment for future measures (Section 10 of the Act on Corporate Due Diligence Obligations in Supply Chains (LkSG)). In our view, Siemens has not sufficiently complied with this legal requirement.

**Government aid for Siemens Energy: Siemens' Managing Board is acting irresponsibly**

In the midst of the biggest crisis at Siemens Energy, which Siemens spun off only recently in 2020 and of which it is still a major shareholder, the Managing Board of Siemens seems to be focused primarily on its own short-term financial targets and bonuses and instead also wants taxpayers to shoulder the burden. It was only after a long to and fro that the Managing Board of Siemens was able to bring itself to at least do something in terms of guarantees and to enable the continued existence of the former subsidiary. However, the state guarantees totaling €7.5 billion mean that the German government now clearly bears the greater risk. Until recently, Siemens provided significantly more guarantees for Siemens Energy. The poker game about the future of Siemens Energy, in which the risks have now been socialized to the benefit of Siemens, is unworthy of a Managing Board that wants to live up to its social responsibility in the face of limited public funds, high national debt and the success of the energy transition.

## Chris Orlowski, Allstedt/OT Emseloh, has submitted the following shareholder proposal:

## Proposal in accordance with Section 126 of the German Stock Corporation Act (AktG)
## Counterproposal on Agenda Item 2
Siemens AG

Shareholder: Chris Orlowski      Allstedt/OT Emseloh

**A** *With regard to Agenda Item 2, "To resolve on the appropriation of the net income"*

Dear Ladies and Gentleman,

I hereby put forward the following countermotion to the proposal by the Managing Board and Supervisory Board on the appropriation of the net income:

**Chris Orlowski proposes that the unappropriated net income of Siemens AG for the fiscal year ended September 30, 2023, amounting to €3,760,000,000.00 be appropriated as follows:**

Unappropriated net income: €3,760,000,000.00

**Distribution of a dividend of €4.50 on each share of no par value entitled to the dividend** for fiscal year 2023: €3,555,093,582.00

Amount carried forward: €204,906,418.00

**Rationale:**

Siemens AG is a technology company. "Research and development" is an important issue in this industry. Financial resources are required for it.
The company has a good dividend policy. Distribution of a dividend of €4.50 on each share of no par value entitled to the dividend is perfectly adequate.
Investments in "research and development" should be prioritized in the near future so that the company does not fall behind the industry.

N.B.!!!
The share price corrects to reflect the distributed dividend.

Dear Shareholders,
Dear Ladies and Gentleman,

I ask you to vote for and endorse my proposal.

Best regards,

sgd.

Chris Orlowski

Address Siemens AG
Werner-von-Siemens-Str. 1
80333 Munich
Germany
Internet www.siemens.com
Phone +49 (0) 89 7805-33443 (Media Relations)
+49 (0) 89 7805-32474 (Investor Relations)
E-mail press@siemens.com
investorrelations@siemens.com