

C.4 Corporate Governance

C.4.1 Management and control structure

Siemens AG is subject to German corporate law. Therefore, it has a two-tier board structure, consisting of a Managing Board and a Supervisory Board.

C.4.1.1 MANAGING BOARD

As the top management body, the Managing Board is committed to serving the interests of the Company and achieving sustainable growth in company value. The members of the Managing Board are jointly responsible for the entire management of the Company and decide on the basic issues of business policy and corporate strategy as well as on the Company's annual and multi-year plans.

The Managing Board prepares the Company's Quarterly Statements and Half-year Financial Report, the Annual Financial Statements of Siemens AG, the Consolidated Financial Statements of the Siemens Group and the Combined Management Report of Siemens AG and the Siemens Group. In addition, the Managing Board ensures that the Company adheres to statutory requirements, official regulations and internal Company policies and works to achieve compliance with these provisions and policies within the Siemens Group. The Managing Board has established a comprehensive compliance management system. Details are available on the Siemens Global Website at: www.siemens.com/sustainability-figures

The Managing Board is divided into the portfolio of the President and CEO and a variety of Managing Board portfolios. The Managing Board members responsible for the individual Managing Board portfolios are defined in the business allocation plan as approved by the Supervisory Board. As the Managing Board member with responsibility for the Human Resources portfolio, the Labor Director (*Arbeitsdirektor*) is appointed in accordance with the requirements of Section 33 of the German Codetermination Act (*Mitbestimmungsgesetz*). A portfolio assigned to an individual member is that member's own responsibility. Activities and transactions in a particular Managing Board portfolio that are considered to be extraordinarily important for the Company or associated with an extraordinary economic risk require the prior consent of the full Managing Board. The same applies to activities and transactions for which the President and CEO or another member of the Managing Board demands a prior decision by the Managing Board. The President and CEO is responsible for the coordination of all Managing Board portfolios. Further details are available in the Bylaws for the Managing Board at: www.siemens.com/bylaws-managingboard

The Managing Board and the Supervisory Board cooperate closely for the benefit of the Company. The Managing Board informs the Supervisory Board regularly, comprehensively and without delay on all issues of importance to the Company with regard to strategy, planning, business development, financial position, earnings, compliance and risks. When filling managerial positions at the Company, the Managing Board takes diversity into account and, in particular, aims for an appropriate consideration of women and internationality.

With the support of the Chairman's Committee and in consultation with the Managing Board, the Supervisory Board ensures long-term succession planning for appointments to the Managing Board. In September 2018, the Supervisory Board approved a diversity concept for the composition of the Managing Board that also takes into account the recommendations of the German Corporate Governance Code (Code) and includes criteria for long-term succession planning for the Managing Board. In 2017, the Supervisory Board defined a target for the proportion of women in the Managing Board of Siemens AG and set a deadline for its attainment. In 2017, the Managing Board defined targets for the proportion of women at the two management levels below the Managing Board and set a deadline for their attainment. Details regarding the diversity concept for the Managing Board, the concept's implementation and the targets are set out in chapter → **C.4.2.4 TARGETS FOR THE QUOTA OF WOMEN ON THE MANAGING BOARD AND AT THE TWO MANAGEMENT LEVELS IMMEDIATELY BELOW THE MANAGING BOARD.**

The members of the Managing Board are subject to a comprehensive prohibition on competitive activity for the period of their employment at Siemens AG. They are committed to serving the interest of the company. When making their decisions, they may not be guided by personal interests nor may they exploit for their own advantage business opportunities offered to the company. Managing Board members may engage in secondary activities – in particular, supervisory board positions outside the Siemens Group – only with the approval of the Chairman's Committee of the Supervisory Board. Every Managing Board member is under an obligation to disclose conflicts of interest without delay to the Chairman or Chairwoman of the Supervisory Board and to inform the other members of the Managing Board thereof. No Managing Board member holds more than three supervisory board positions in non-group listed companies or positions in the supervisory bodies of non-group entities that have similar requirements.

The Managing Board has one committee, the Equity and Compensation Committee. This committee is responsible for the duties assigned to it by decision of the Managing Board – including, in particular, duties in connection with capital measures and equity-linked financial instruments relating to the compensation of the employees and managers of the Siemens Group (except

for the compensation of the members of the Managing Board and Top Management) and relating to share-based compensation components and employee share plans.

The Equity and Compensation Committee comprises the President and CEO, the Chief Human Resources Officer, the Chief Financial Officer and, as a consultative member, the Chief of Staff of Siemens AG. Its members are Joe Kaeser (Chairman), Janina Kugel, Prof. Dr. Ralf P. Thomas and, as a consultative member, Mariel von Schumann (as of September 30, 2018).

Information on the areas of responsibility and the curricula vitae of the members of the Managing Board are available on the Siemens Global Website at: www.siemens.com/company-structure. Information on the compensation paid to the members of the Managing Board is provided in chapter [→ A.10 COMPENSATION REPORT](#).

Members of the Managing Board and positions held by Managing Board members

In fiscal 2018, the **Managing Board** comprised the following members:

Name	Date of birth	First appointed	Term expires	Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises	
				External positions (as of September 30, 2018)	Group company positions (as of September 30, 2018)
Joe Kaeser President and Chief Executive Officer	June 23, 1957	May 1, 2006	At the end of the 2021 Annual Shareholders' Meeting	German positions: › Allianz Deutschland AG, Munich › Daimler AG, Stuttgart Positions outside Germany: › NXP Semiconductors B.V., Netherlands	Positions outside Germany: › Siemens Ltd., India
Roland Busch, Dr. rer. nat.	November 22, 1964	April 1, 2011	March 31, 2021	German positions: › European School of Management and Technology GmbH, Berlin › OSRAM Licht AG, Munich (Deputy Chairman) › OSRAM GmbH, Munich (Deputy Chairman) Positions outside Germany: › Atos SE, France	German positions: › Siemens Postal, Parcel & Airport Logistics GmbH, Constance Positions outside Germany: › Arabia Electric Ltd. (Equipment), Saudi Arabia › ISCOA Industries and Maintenance Ltd., Saudi Arabia (Deputy Chairman) › Siemens Ltd., Saudi Arabia › Siemens W.L.L., Qatar › VA TECH T&D Co. Ltd., Saudi Arabia
Lisa Davis	October 15, 1963	August 1, 2014	July 31, 2019	Positions outside Germany: › Penske Automotive Group, Inc., USA	Positions outside Germany: › Siemens Corp., USA (Chairwoman and CEO) › Siemens Gamesa Renewable Energy, S.A., Spain
Klaus Helmrich	May 24, 1958	April 1, 2011	March 31, 2021	German positions: › Deutsche Messe AG, Hanover › EOS Holding AG, Krailling › inpro Innovationsgesellschaft für fortgeschrittene Produktionssysteme in der Fahrzeugindustrie mbH, Berlin	Positions outside Germany: › Siemens AB, Sweden (Chairman) › Siemens Aktiengesellschaft Österreich, Austria (Chairman) › Siemens Proprietary Ltd., South Africa (Chairman) › Siemens Schweiz AG, Switzerland (Chairman)

Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises					
Name	Date of birth	First appointed	Term expires	External positions (as of September 30, 2018)	Group company positions (as of September 30, 2018)
Janina Kugel	January 12, 1970	February 1, 2015	January 31, 2020	German positions: > Pensions-Sicherungs-Verein Versicherungsverein auf Gegenseitigkeit, Cologne Positions outside Germany: > Konecranes Plc., Finland	German positions: > Siemens Healthcare GmbH, Munich
Cedrik Neike	March 7, 1973	April 1, 2017	May 31, 2020		Positions outside Germany: > Siemens Ltd., China (Chairman) > Siemens Ltd., India > Siemens Ltd. Seoul, South Korea (Chairman)
Michael Sen	November 17, 1968	April 1, 2017	March 31, 2022		German positions: > Siemens Healthcare GmbH, Munich (Chairman) > Siemens Healthineers AG, Munich (Chairman) Positions outside Germany: > Siemens Gamesa Renewable Energy, S.A., Spain
Ralf P. Thomas, Prof. Dr. rer. pol.	March 7, 1961	September 18, 2013	September 17, 2023		German positions: > Siemens Healthcare GmbH, Munich > Siemens Healthineers AG, Munich Positions outside Germany: > Siemens Aktiengesellschaft Österreich, Austria > Siemens Corp., USA (Deputy Chairman) > Siemens Gamesa Renewable Energy, S.A., Spain

C.4.1.2 SUPERVISORY BOARD

The Supervisory Board oversees and advises the Managing Board in its management of the Company's business. At regular intervals, the Supervisory Board discusses business development, planning, strategy and strategy implementation. It reviews the Annual Financial Statements of Siemens AG, the Consolidated Financial Statements of the Siemens Group, the Combined Management Report of Siemens AG and the Siemens Group, and the proposal for the appropriation of net income. It approves the Annual Financial Statements of Siemens AG as well as the Consolidated Financial Statements of the Siemens Group, based on the results of the preliminary review conducted by the Audit Committee and taking into account the reports of the independent auditors. The Supervisory Board decides on the Managing Board's proposal for the appropriation of net income and the Report of the Supervisory Board to the Annual Shareholders' Meeting. In addition, the Supervisory Board or the Compliance Committee, which is described in more detail below, concerns itself with monitoring the Company's adherence to statutory provisions, official regulations and internal Company policies (compliance). The Supervisory Board also appoints the members of the Managing Board and determines each member's portfolios. Important Managing Board decisions – such as those regarding major acquisitions, divestments, fixed asset investments or financial measures – require Supervisory Board approval, unless the Bylaws for the Supervisory Board specify that such authority be delegated to the Innovation and Finance Committee of the Supervisory Board. The Supervisory Board has issued Bylaws for the Managing Board that contain the assignment of responsibilities and the rules for cooperation within the Managing Board.

Separate preparatory meetings of the shareholder representatives and of the employee representatives are held regularly in order to prepare the Supervisory Board meetings. If necessary, the Supervisory Board meets without the Managing Board, at least once during the fiscal year. The Supervisory Board regularly reviews the efficiency of its activities, either internally or with the involvement of external consultants. Every Supervisory Board member must disclose to the Supervisory Board conflicts of interest – in particular, those that could arise through the performance of advisory or governing-body functions at customers, suppliers, lenders or other third parties. Information regarding any conflicts of interest that have arisen and their handling is provided in the Report of the Supervisory Board.

In September 2018, the Supervisory Board – taking into account the recommendations of the Code – newly approved the objectives for its composition, including a profile of the skills and expertise that the Supervisory Board should possess and a diversity concept for the Supervisory Board. Details and the status of implementation are set out in chapter → **C.4.2 CORPORATE GOVERNANCE STATEMENT PURSUANT TO SECTIONS 289F AND 315D OF THE GERMAN COMMERCIAL CODE.**

The Supervisory Board of Siemens AG has 20 members. As stipulated by the German Codetermination Act, half of the members represent Company shareholders, and half represent Company employees. The employee representatives' names are marked below with an asterisk (*). Seven of the ten shareholder representatives were elected at the Annual Shareholders' Meeting on January 31, 2018. The Supervisory Board's employee representatives were elected on October 5, 2017, in accordance with the provisions of the German Codetermination Act. Their election took effect at the end of the ordinary Annual Shareholders' Meeting on January 31, 2018. The terms of office of the Supervisory Board members will end, as a rule, at the conclusion of the ordinary Annual Shareholders' Meeting in 2023. The terms of offices of Dr. Nicola Leibinger-Kammüller, Jim Hagemann Snabe and Werner Wenning will end at the conclusion of the ordinary Annual Shareholders' Meeting in 2021.

Details regarding the work of the Supervisory Board are provided in chapter → **C.3 REPORT OF THE SUPERVISORY BOARD.** The curricula vitae of the members of the Supervisory Board are available on the Siemens Global Website at: www.siemens.com/supervisory-board. Information on the compensation paid to the members of the Supervisory Board is provided in chapter → **A.10 COMPENSATION REPORT.**

Members of the Supervisory Board and positions held by Supervisory Board members

In fiscal 2018, the **Supervisory Board** comprised the following members:

Name	Occupation	Date of birth	Member since	Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises (as of September 30, 2018)
Jim Hagemann Snabe Chairman	Chairman of the Supervisory Board of Siemens AG and of the Board of Directors of A.P. Møller-Mærsk A/S	October 27, 1965	October 1, 2013	German positions: <ul style="list-style-type: none"> › Allianz SE, Munich (Deputy Chairman) Positions outside Germany: <ul style="list-style-type: none"> › A.P. Møller-Mærsk A/S, Denmark (Chairman)
Birgit Steinborn* First Deputy Chairwoman	Chairwoman of the Central Works Council of Siemens AG	March 26, 1960	January 24, 2008	
Werner Wenning Second Deputy Chairman	Chairman of the Supervisory Board of Bayer AG	October 21, 1946	January 23, 2013	German positions: <ul style="list-style-type: none"> › Bayer AG, Leverkusen (Chairman) › Henkel AG & Co. KGaA, Düsseldorf¹ › Henkel Management AG, Düsseldorf
Olaf Bolduan* (until January 31, 2018)	Former Chairman of the Works Council of Siemens Dynamowerk, Berlin	July 24, 1952	July 11, 2014	
Werner Brandt, Dr. rer. pol. (since January 31, 2018)	Chairman of the Supervisory Board of RWE AG and ProSiebenSat.1 Media SE	January 3, 1954	January 31, 2018	German positions: <ul style="list-style-type: none"> › ProSiebenSat.1 Media SE, Munich (Chairman) › RWE AG, Essen (Chairman)
Gerhard Cromme, Dr. iur. former Chairman (until January 31, 2018)	Supervisory Board Member	February 25, 1943	January 23, 2003	Positions outside Germany: ² <ul style="list-style-type: none"> › AUTO1 N.V., Netherlands (Chairman) › ODDO BHF SCA, France (Co-Chairman)
Michael Diekmann	Chairman of the Supervisory Board of Allianz SE	December 23, 1954	January 24, 2008	German positions: <ul style="list-style-type: none"> › Allianz SE, Munich (Chairman) › BASF SE, Ludwigshafen am Rhein (Deputy Chairman) › Fresenius Management SE, Bad Homburg › Fresenius SE & Co. KGaA, Bad Homburg (Deputy Chairman)
Andrea Fehrmann, Dr. phil.* (since January 31, 2018)	Trade Union Secretary, IG Metall Regional Office for Bavaria	June 21, 1970	January 31, 2018	
Hans Michael Gaul, Dr. iur. (until January 31, 2018)	Supervisory Board Member	March 2, 1942	January 24, 2008	German positions: ² <ul style="list-style-type: none"> › HSBC Trinkaus & Burkhardt AG, Düsseldorf
Reinhard Hahn*	Trade Union Secretary of the Managing Board of IG Metall	June 24, 1956	January 27, 2015	German positions: <ul style="list-style-type: none"> › Siemens Healthcare GmbH, Munich
Bettina Haller*	Chairwoman of the Combine Works Council of Siemens AG	March 14, 1959	April 1, 2007	
Robert Kensbock*	Deputy Chairman of the Central Works Council of Siemens AG	March 13, 1971	January 23, 2013	
Harald Kern*	Chairman of the Siemens Europe Committee	March 16, 1960	January 24, 2008	
Jürgen Kerner*	Treasurer and full-time member of the Executive Committee of IG Metall	January 22, 1969	January 25, 2012	German positions: <ul style="list-style-type: none"> › Airbus Operations GmbH, Hamburg › Flender GmbH, Bocholt › MAN Energy Solutions SE, Augsburg › MAN SE, Munich (Deputy Chairman) › Premium Aerotec GmbH, Augsburg (Deputy Chairman)

¹ Shareholders' Committee.

² As of January 31, 2018.

³ Group company position.

Name	Occupation	Date of birth	Member since	Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises (as of September 30, 2018)
Nicola Leibinger-Kammüller, Dr. phil.	Managing Partner and CEO of TRUMPF GmbH + Co. KG	December 15, 1959	January 24, 2008	German positions: > Axel Springer SE, Berlin Positions outside Germany: > TRUMPF Schweiz AG, Switzerland ³
Gérard Mestrallet (until January 31, 2018)	Honorary Chairman of ENGIE S.A.	April 1, 1949	January 23, 2013	Positions outside Germany: ² > ENGIE S.A., France (Chairman) > Société Générale S.A., France > Suez S.A., France (Chairman)
Benoît Potier (since January 31, 2018)	Chairman and Chief Executive Officer of Air Liquide S.A.	September 3, 1957	January 31, 2018	Positions outside Germany: > Air Liquide International S.A., France (Chairman and Chief Executive Officer) ³ > Air Liquide International Corporation (ALIC), USA (Chairman) ³ > American Air Liquide Holdings, Inc., USA ³ > Danone S.A., France
Norbert Reithofer, Dr.-Ing. Dr.-Ing. E. h.	Chairman of the Supervisory Board of Bayerische Motoren Werke Aktiengesellschaft	May 29, 1956	January 27, 2015	German positions: > Bayerische Motoren Werke Aktiengesellschaft, Munich (Chairman) > Henkel AG & Co. KGaA, Düsseldorf ¹
Güler Sabancı (until January 31, 2018)	Chairwoman and Executive Member of Hacı Ömer Sabancı Holding A.Ş.	August 14, 1955	January 23, 2013	
Dame Nemat Talaat Shafik (since January 31, 2018)	Director of the London School of Economics	August 13, 1962	January 31, 2018	
Nathalie von Siemens, Dr. phil.	Managing Director and Spokesperson of Siemens Stiftung	July 14, 1971	January 27, 2015	German positions: > Messer Group GmbH, Sulzbach > Siemens Healthcare GmbH, Munich > Siemens Healthineers AG, Munich
Michael Sigmund*	Chairman of the Committee of Spokespersons of the Siemens Group; Chairman of the Central Committee of Spokespersons of Siemens AG	September 13, 1957	March 1, 2014	
Dorothea Simon*	Chairwoman of the Central Works Council of Siemens Healthcare GmbH	August 3, 1969	October 1, 2017	German positions: > Siemens Healthcare GmbH, Munich
Sibylle Wankel* (until January 31, 2018)	General Counsel, Managing Board of IG Metall	March 3, 1964	April 1, 2009	German positions: ² > Daimler AG, Stuttgart
Matthias Zachert (since January 31, 2018)	Chairman of the Board of Management of LANXESS AG	November 8, 1967	January 31, 2018	Positions outside Germany: > ARLANXEO Holding B.V., Netherlands (Chairman of the Shareholders' Committee) ^{1,3}
Gunnar Zukunft* (since January 31, 2018)	Deputy Chairman of the Central Works Council of Siemens Industry Software GmbH	June 21, 1965	January 31, 2018	German positions: > Siemens Industry Software GmbH, Cologne (Deputy Chairman)

¹ Shareholders' Committee.

² As of January 31, 2018.

³ Group company position.

Supervisory Board Committees

The Supervisory Board has seven committees, whose duties, responsibilities and procedures fulfill the requirements of the German Stock Corporation Act (*Aktiengesetz*) and the Code. The chairmen of these committees provide the Supervisory Board with regular reports on their committees' activities.

The **Chairman's Committee** makes proposals, in particular, regarding the appointment and dismissal of Managing Board members and is responsible for concluding, amending, extending and terminating employment contracts with members of the Managing Board. When making recommendations for first-time appointments, it takes into account that the terms of these appointments shall not, as a rule, exceed three years. In preparing recommendations regarding the appointment of Managing Board members, the Chairman's Committee takes into account the candidates' professional qualifications, international experience and leadership qualities, the age limit specified for Managing Board members and the long-range plans for succession as well as diversity. It also takes into account the targets for the proportion of women on the Managing Board defined by the Supervisory Board and the diversity concept for the Managing Board approved by the Supervisory Board. The Chairman's Committee concerns itself with questions regarding the Company's corporate governance and prepares the resolutions to be approved by the Supervisory Board regarding the Declaration of Conformity with the Code – including the explanation of deviations from the Code – and regarding the approval of the Corporate Governance Report as well as the Report of the Supervisory Board to the Annual Shareholders' Meeting. Furthermore, the Chairman's Committee submits recommendations to the Supervisory Board regarding the composition of the Supervisory Board committees and decides whether to approve contracts and business transactions with Managing Board members and parties related to them.

As of September 30, 2018, the Chairman's Committee comprised Jim Hagemann Snabe (Chairman), Jürgen Kerner, Birgit Steinborn and Werner Wenning.

The **Compensation Committee** prepares, in particular, the proposals for decisions by the Supervisory Board's plenary meetings regarding the system of Managing Board compensation, including the implementation of this system in Managing Board contracts, the definition of the targets for variable Managing Board compensation, the determination and review of the appropriateness of the total compensation of individual Managing Board members and the approval of the annual Compensation Report.

As of September 30, 2018, the Compensation Committee comprised Werner Wenning (Chairman), Michael Diekmann, Robert Kensbock, Jürgen Kerner, Jim Hagemann Snabe and Birgit Steinborn.

The **Audit Committee** oversees, in particular, the accounting and the accounting process and conducts a preliminary review of the Annual Financial Statements of Siemens AG, the Consolidated Financial Statements of the Siemens Group, the Combined Management Report of Siemens AG and the Siemens Group. On the basis of the independent auditors' report on their audit of the annual financial statements, the Audit Committee makes, after its preliminary review, recommendations regarding Supervisory Board approval of the Annual Financial Statements of Siemens AG and the Consolidated Financial Statements of the Siemens Group. The Audit Committee discusses the Quarterly Statements and Half-year Financial Report with the Managing Board and the independent auditors and deals with the auditors' report on the review of the Half-year Consolidated Financial Statements and Interim Group Management Report. It concerns itself with the Company's risk monitoring system and oversees the effectiveness of the internal control, risk management and the internal audit systems. The Audit Committee receives regular reports from the Internal Audit Department. It prepares the Supervisory Board's recommendation to the Annual Shareholders' Meeting concerning the election of the independent auditors and submits the corresponding proposal to the Supervisory Board. Prior to submitting this proposal, the Audit Committee obtains a statement from the prospective independent auditors affirming that their independence is not in question. It awards the audit contract to the independent auditors elected by the Annual Shareholders' Meeting and monitors the independent audit of the financial statements as well as the auditors' selection, independence, qualification, rotation and efficiency.

As of September 30, 2018, the Audit Committee comprised Dr. Werner Brandt (Chairman), Bettina Haller, Robert Kensbock, Jürgen Kerner, Dr. Nicola Leibinger-Kammüller, Jim Hagemann Snabe, Birgit Steinborn and Matthias Zachert. The members of the Audit Committee are, as a group, familiar with the sector in which the Company operates. Pursuant to the German Stock Corporation Act, the Audit Committee must include at least one Supervisory Board member with knowledge and experience in the areas of accounting or the auditing of financial statements. Pursuant to the Code, the chairman or chairwoman of the Audit Committee shall have specialist knowledge and experience in the application of accounting principles and internal control processes, shall be independent and may not be a former Managing Board member whose appointment ended less than two years ago. The Chairman of the Audit Committee, Dr. Werner Brandt, fulfills these requirements.

The **Compliance Committee** concerns itself, in particular, with monitoring the Company's adherence to statutory provisions, official regulations and internal Company policies (compliance).

As of September 30, 2018, the Compliance Committee comprised Jim Hagemann Snabe (Chairman), Dr. Werner Brandt, Bettina Haller, Harald Kern, Jürgen Kerner, Dr. Nicola Leibinger-Kammüller, Birgit Steinborn and Matthias Zachert.

The **Nominating Committee** is responsible for making recommendations to the Supervisory Board on suitable candidates for election by the Annual Shareholders' Meeting as shareholder representatives on the Supervisory Board. In preparing these recommendations, the objectives defined by the Supervisory Board for its composition and the approved diversity concept – in particular, independence and diversity – are to be appropriately considered, as are the proposed candidates' required knowledge, abilities and professional experience. Fulfillment of the required profile of skills and expertise is also to be aimed at. Attention shall be paid to an appropriate participation of women and men in accordance with the legal requirements relating to the gender quota as well as to ensuring that the members of the Supervisory Board are, as a group, familiar with the sector in which the Company operates.

As of September 30, 2018, the Nominating Committee comprised Jim Hagemann Snabe (Chairman), Dr. Nicola Leibinger-Kammüller, Benoît Potier and Werner Wenning.

The **Mediation Committee** submits proposals to the Supervisory Board in the event that the Supervisory Board cannot reach the two-thirds majority required for the appointment or dismissal of a Managing Board member on the first ballot.

As of September 30, 2018, the Mediation Committee comprised Jim Hagemann Snabe (Chairman), Jürgen Kerner, Birgit Steinborn and Werner Wenning.

The **Innovation and Finance Committee** discusses, in particular, based on the Company's overall strategy, the Company's focuses of innovation and prepares the Supervisory Board's discussions and resolutions regarding questions relating to the Company's financial situation and structure – including annual planning (budget) – as well as the Company's fixed asset investments and its financial measures. In addition, the Innovation and Finance Committee has been authorized by the Supervisory Board to decide on the approval of transactions and measures that require Supervisory Board approval and have a value of less than €600 million.

As of September 30, 2018, the Innovation and Finance Committee comprised Jim Hagemann Snabe (Chairman), Robert Kensbock, Harald Kern, Jürgen Kerner, Dr.-Ing. Dr.-Ing. E.h. Norbert Reithofer, Dr. Nathalie von Siemens, Birgit Steinborn and Werner Wenning.