

Munich, October 30, 2017

Employee share ownership at Siemens

- **Employee share ownership is firmly anchored in Siemens' corporate culture**
- **Nearly every second Siemens employee owns Siemens shares**
- **The Share Matching Program is one of the world's largest employee share programs**

Werner von Siemens already envisioned making employees company owners. His idea of rewarding employee engagement with a participating interest in Siemens and thus fostering workforce loyalty is a key component of Siemens' corporate culture today. It's based on the conviction that employees who are also company owners identify more strongly with their company. They are more motivated and committed, assume greater responsibility and act with a view to the company's long-term success. Around 165,000 employees worldwide – or 47 percent of the total workforce of 351,000 – are currently also Siemens shareholders. By 2020, Siemens wants to increase the number of employee shareholders to over 200,000. Together, employees hold about three percent of all Siemens shares.

Siemens offers a variety of plans through which employees can acquire shares:

Share Matching Program (SMP) – International

- The Share Matching Program is one of the world's largest employee share programs. It aims to promote a living equity culture at all levels.
- Employees invest part of their income in Siemens shares and – after the applicable holding period has expired and if the plan rules have been met – receive one additional matching share for every three shares held.
- More than 131,000 employees participated in the last tranche of the SMP in 2017.
- Since the SMP was launched in 2009, the number of employee shareholders at Siemens has increased by about 80 percent.

Monthly Investment Plan (MIP) – International

- For a period of twelve months, employees select an amount to be withheld from their net pay every month and invested in (fractional) Siemens shares (maximum: five percent of gross annual salary).
- After the twelve-month investment phase, the shares are transferred to the Share Matching Plan if one is offered. This marks the beginning of the two-year holding period, at the end of which, if the plan rules have been met, participants receive one additional matching share for every three shares purchased.

Basic Share Program (BAP) – Germany

- Once a year, employees invest up to €360 in Siemens shares and receive a tax-free company subsidy in the same amount. The total of up to €720 then is invested into the Basic Share Program.
- Employees who hold the shares for three years receive one additional matching share for each three shares if the plan rules are met.
- The Basic Share Program exists only in Germany.

Siemens Profit Sharing – International

- The aim of Siemens Profit Sharing is to enable employees to participate directly in the company's success. The scheme is directed toward all worldwide employees below management.
- The Managing Board decides anew each year whether Profit Sharing will be offered.
- Depending on the company's success during the fiscal year, the Managing Board can decide to pay up to €400 million into what is known as a profit sharing pool.
- If the pool reaches €400 million, the full amount or a partial amount can be paid out to employees worldwide, if possible, in the form of free Siemens shares, otherwise in cash.
- There is currently €300 million in the profit sharing pool.

Siemens Stock Awards

- As a long-term incentive, Siemens grants senior management employees so-called Siemens Stock Awards. After a four-year restriction period, these awards entitle holders to receive Siemens shares.
- The number of shares depends on the performance of the Siemens share compared to that of relevant competitors' shares.
- Siemens Stock Awards are intended to motivate Siemens managers and to more closely link the interests of Siemens managers and investors.

Further information on employee share ownership at Siemens is available at www.siemens.com/press/equityculture

Follow us on Twitter: www.twitter.com/siemens_press

Contact for journalists:

Konstanze Somborn

Tel.: +49 89 636 36641; E-mail: konstanze.somborn@siemens.com

Siemens AG (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for 170 years. The company is active in more than 200 countries, focusing on the areas of electrification, automation and digitalization. One of the world's largest producers of energy-efficient, resource-saving technologies, Siemens is a leading supplier of efficient power generation and power transmission solutions and a pioneer in infrastructure solutions as well as automation, drive and software solutions for industry. The company is also a leading provider of medical imaging equipment – such as computed tomography and magnetic resonance imaging systems – and a leader in laboratory diagnostics as well as clinical IT. In fiscal 2016, which ended on September 30, 2016, Siemens generated revenue of €79.6 billion and net income of €5.6 billion. At the end of September 2016, the company had around 351,000 employees worldwide. Further information is available on the Internet at www.siemens.com.