

**SIEMENS**

*Ingenuity for life*



# Shareholder Counterproposals and Election Nominations

for the Annual Shareholders' Meeting 2019  
of Siemens AG on January 30, 2019

## **Latest update: January 16, 2019**

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 2019, 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. To the extent that they are to be made available, any assertions and statements of facts made by the submitting shareholders have been left unchanged and posted on our website without being checked.

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

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](http://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.

**Christopher Schultze, Kiel, 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"

The ratification of the acts of the Managing Board must be denied.

*Supporting statement:*

The Managing Board permitted Mr. Kaeser, serving in his function as CEO, to interfere in the political discussion about immigration issues and, in this context, to use an unacceptable Nazi comparison with a female politician.

Thereby, the Managing Board jeopardizes the relationship of trust that exists with its industrial and private partners as well as with elected political representatives, and practices party politics without mandate of the shareholders at the expense of the company.

As a result, it bears co-responsibility for the decreases in the industrial business results that have already occurred.

Christopher Schultze, Kiel

**Hans-Bernd Ulrich, Ratingen, has submitted the following shareholder proposal:**

**Proposal on Agenda Item 3 (To ratify the acts of the Managing Board)**

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

The ratification of the acts of the CEO Jo Kaeser must be denied.

**Supporting statement:**

Jo Kaeser heavily damaged the company's image with embarrassing public statements and appearances. His personally motivated, political pronouncements had no connection to any business activities of Siemens, nor were they the least bit useful for employees or shareholders. Here are a few examples: the affair about the "BDM girl" and "hijab girl;" the strange demand raised in the Sunday newspaper Frankfurter Sonntagszeitung for higher top income tax rates in Germany; the misplaced attempts at ingratiating himself with Donald Trump; and the insistence on traveling to Saudi Arabia directly after the murder of the opponent of the regime Jamal Khashoggi. A person who acts with such a lack of instinct disqualifies himself for the leadership of Siemens AG.

Best regards,

Hans-Bernd Ulrich

40883 Ratingen

Shareholder Control Number [REDACTED]

M +49-[REDACTED]

E [REDACTED]

# **The „Verein von Belegschaftsaktionären in der Siemens AG, e.V.,“ has submitted the following shareholder proposal:**

Verein von Belegschaftsaktionären in der Siemens AG, e.V.

c/o Ernst Koether, Bäckerstr. 37, 81241 München, ☎ 089/89670229, ☎ 03212/1239263, E-Mail: E.Koether@unsereAktien.de  
<https://www.unsereAktien.de/>

## **Annual Shareholders' Meeting 2019**

### **Counter proposal on Agenda Item 3:**

The Verein von Belegschaftsaktionären in der Siemens AG, e.V. submits the following proposal:

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

Ratification of the acts of CEO Joe Kaeser is denied.

### **Supporting statement:**

The Verein von Belegschaftsaktionären in der Siemens AG, which is committed to sustainability and the long-term concerns of employees, believes that the exaggerated expectations for rates of return endanger long-term success. This leads to harmful effects on health, makes working conditions worse and endangers jobs on a large scale. In addition, exaggerated return expectations (margin ranges) result in selection processes regarding business operations. Less profitable activities become the victims of the focus on profits. In the past, it was possible to transform less profitable secondary pursuits into business fields that are now pillars of our success. Less pressure for high returns created leeway, which then served as the foundation for the Company's innovative drive. It is uncertain whether start-ups can generate similar momentum.

This outweighs, in the opinion of the Verein von Belegschaftsaktionären in der Siemens AG, the good business results and the profit-sharing program for employees, which we welcome very much. The profit-sharing program fulfills an old demand of the Verein for free share programs for the employees. We are convinced that allowing employees to profit from the Company's success positively influences corporate culture and reinforces success. In addition, we feel that the future corporate restructuring is being planned and carried out much more carefully in comparison to past measures. Despite this, we want our refusal to ratify the acts of the CEO to send a message and draw attention to incorrect strategic decisions.

In addition to the exaggerated expectations for rates of return, we criticize the planned Siemens-Alstom merger owing to the costs and because two incompatible train platforms are to be married. This will also dilute otherwise above-average returns for at least several years to come. There are now discussions about antitrust authorities imposing conditions that undermine the integration agreements and might make it necessary to dispose of promising business fields. The fear seems to be accurate that banks and consulting companies will be the only winners in the merger.

We criticize the costs of €500 million for the restructuring of Power and Gas as well as Process Industries and Drives on account of the failure to safeguard jobs in the scope of long-term planning. Managers think that they demonstrate enough accountability because they take into consideration the reconciliation of interests – but secure jobs are the basis for good workplace performance. Good management is characterized by not shifting to employees the burdens of market slumps and necessary structural changes.

We welcome the CEO's successful conclusion of contracts, but we lack a proper role in addressing energy matters. The German path towards the supplying of energy using renewable sources urgently requires focus, which Siemens, too, has seemingly lost. We have drawn attention to the important role of a bridging technology for combined-cycle power plants (CCPPs) – and studies confirm these considerations. But we do not see the company taking any substantial action in this regard. The economic efficiency of CCPPs is affected by the price of CO2 certificates; the price tripled in just one year and is volatile. The questionable mining of coal while at the same time talking about ending reliance on coal represents ambivalence. In this situation, lobbying could provide decisiveness and be a voice of reason. It is right and proper that we are a player in nearly every technology segment for the provision of renewable energies – but without the required vigor. As a result, these projects do very little to bring about change.

In our opinion, it is right to grant the business areas more freedom. Prior to implementing the CEO principle, however, corporate executive committees and area executive managers proved their worth: Siemens was an integrated industrial group with central functions and uniformly high standards of social responsibility towards employees. The current restructuring forgoes not only integration but also, figuratively speaking, a common operating system – which can endanger the heart of the Siemens brand.

Munich, January 15, 2019

Verein von Belegschaftsaktionären in der Siemens AG, e.V.

Dr. Werner Fembacher  
Chairman

Tommy Jürgensen  
Vice Chairman

Dr. Carsten Probol  
Vice Chairman

Franz Weigert  
Vice Chairman

# **The “Dachverband der Kritischen Aktionärinnen und Aktionäre”, Cologne, has submitted the following shareholder proposals:**

Counterproposals from the Dachverband der Kritischen Aktionärinnen und Aktionäre e.V.  
for the Annual Shareholders' Meeting of Siemens AG on January 30, 2019

## **On 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”

Ratification of the acts of the members of the Managing Board is denied.

### **Supporting statement:**

The Managing Board of Siemens AG does not fulfill its duty of care with respect to human rights.

Only during the last two years has the Managing Board made a serious attempt even to identify possible human rights violations in its own projects and its supply chain. In its “Sustainability Information 2018”, Siemens came to the following determination on the basis of its collected findings:

„In the context of large infrastructure projects, it becomes apparent that human rights of indigenous and vulnerable communities are [...] potentially at risk of being exposed to disadvantageous effects.” (Siemens Sustainability Information 2018, p. 45) (*as referred to in the German original*)

However, the new program to respect human rights will only be implemented “over the course of the next few years”. A host of controversial infrastructure projects shows that Siemens urgently needs effective indicators for human rights problems:

### **Siemens wind power projects obstruct solution to the Western Sahara conflict**

In the midst of the conflict over the regions in the Western Sahara occupied by Morocco, Siemens is cooperating with an energy company that is owned by the Moroccan king and is involved in the development and maintenance of several wind parks in the occupied territories.

The International Court of Justice has clearly declared: Morocco has no rights to this occupied territory. The Court of Justice of the European Union issued the judgment: Morocco has no right to conclude contracts with regard to the Western Sahara without first obtaining the approval of the recognized representatives of the Saharawi people. This did not happen with these wind parks. In 2018, Siemens concluded a new 15-year maintenance agreement with the Moroccan government. The wind parks supply energy for the mines that the Moroccan governments operate – likewise illegally – in the territories described here. This is hindering the efforts of the responsible UN special envoy and former German federal president, Horst Köhler, to resolve the conflict through negotiation.

## **Human rights violations through dam projects in Colombia**

Siemens supplied transformers, one switchgear system and other electrical equipment for the controversial Hidrosogamoso and Hidroituango hydroelectric plants in Columbia.

Both projects were planned and implemented in regions that are very strongly affected by armed conflict. In spite of the protests of relatives and human rights organizations, mass graves were flooded in both cases. In cases of murder and forced disappearance, the mortal remains of the victims, for which families are still searching, can no longer be found. It has been known for years that critics of the dams have faced murder and threats. In 2018 alone, three members of the Ríos Vivos organization, which has adopted a critical stance vis-à-vis Hidroituango, were murdered along with three of their family members.

In the Hidroituango case, it was obvious from the beginning that the licenses were issued without consideration for nature conservation areas and without regard for the rights of the indigenous communities to prior, free and informed consultation, and in part after the fact. Last year, blocked tunnels caused landslides and flooding. Hundreds of families lost everything they owned. It is still unclear how the victims of this catastrophe will be compensated. Many families are still in temporary emergency housing or are being privately housed.

In the Hidrosogamoso case, numerous people involved in planned resettlement have not received any appropriate compensation, and were offered no alternatives to the livelihoods they lost. Fishing, agriculture and tourism have been strongly impaired by the ecological consequences of both projects.

## **Violation of the rights of indigenous people in Canada**

Siemens is also participating in the construction of the controversial Site C dam on the Peace River in British Columbia, Canada, through Voith-Hydro, the Siemens joint venture with Voith. Voith Hydro will supply the turbines and electromechanical equipment for this power plant. The land rights of the indigenous population, which have been guaranteed since 1899 in Treaty 8, are being violated as a consequence of the construction, for which reason an association of indigenous people is opposing the project using legal instruments. Roland Willson, Chief of the West Moberley First Nations, explained that Site C was the equivalent of a "cultural genocide". Last December, the United Nations also agreed with this view: The UN Committee on the Elimination of Racial Discrimination demanded that Canada interrupt the project to work with the affected parties to develop alternatives for the project, which has a price tag of 10.7 billion.

In addition to the land rights of the indigenous people, the dam would also cause the loss of more than 2,000 hectares of agricultural land. Owing to the food imports that would then be necessary, British Columbia would produce even higher levels of carbon dioxide emissions with Site C than without it, according to Canadian scientist David Suzuki.

## **On Agenda Item 4: To ratify the acts of the members of the Supervisory Board**

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

Ratification of the acts of the members of the Supervisory Board is denied.

### **Supporting statement:**

The Supervisory Board of Siemens AG does not sufficiently fulfill its responsibility to instruct the Managing Board to comply with its duty of care with respect to human rights and to develop more effective measures for climate protection. The measures taken to date are insufficient to make an effective contribution to reaching the targets of the Paris climate protection agreement and the UN sustainability agenda for 2030, to which Siemens AG has committed itself.

### **Climate-damaging business model of the Division "Power and Gas"**

The central business model of the Siemens Division "Power and Gas", the facilitation of the production of electrical power from fossil energy sources as well as the extraction and transport of oil and gas, contributes decisively to climate change. In addition, Siemens supplies electronic equipment to coal-fired power plants. Siemens thus contributes to the entire energy industry's continuing to rely on climate-damaging technologies instead of investing more strongly in renewable energies.

Siemens may well be climate-neutral by 2030 with respect to its own plants, but 90 percent of all the greenhouse gas emissions of Siemens occur in its supply chain. They amounted to 15.5 million tons in fiscal year 2018; the company's own plants produced "only" 1.5 million tons of greenhouse gases. There are no clear targets for the supply chain for a further reduction in greenhouse gas emissions. Siemens does not live up to its own responsibility here to make an effective contribution to achieving the targets of the Paris climate protection agreement and the UN sustainability agenda for 2030.

### **Job cuts: Employees must bear the consequences of the orientation toward fossil energies**

The focus on fossil energies is already proving to be shortsighted. The poor development of the market for gas and steam turbines was foreseeable considering the regulations on carbon dioxide emissions. Here, Siemens should have oriented itself earlier toward renewable energies. The affected employees must now bear the consequences, and were only able to prevent layoffs for operational reasons through creative protest, their own ideas and difficult negotiations. In this context, the Management Board acted in a fashion that was anything but employee-friendly when it initially announced massive job cuts. This is not an isolated case: Over the last five years, the Works Council had to negotiate the outsourcing/carve-out of around 30,000 employees and the reduction of 15,000 jobs.

## **Environmental impact assessment in Mexico contains errors**

In Mexico, consultations with indigenous communities affected by Siemens Gamesa's projects are being carried out with incomplete information, the use of force, and permits that have already been approved.

The company Gesa Oax I, a subsidiary of Siemens Gamesa, submitted two environmental impact assessments (UVP) to the Mexican Ministry of Environmental Affairs (Semarnat) for the La Palmita 1 and 2 projects, in order to receive permits to operate the new wind parks in Unión Hidalgo for 40 years. These projects are planned on community land on which palm fibers are produced for economic and handicraft activities. There are already wind farms here that limit the free transit of the residents across the site, which is guarded by the police. The new Siemens Gamesa wind parks have more than 15 and 18 wind turbines each, which entails the destruction of a total of 1589 hectares of the area.

The indigenous community's lawyers from Unión Hidalgo have discovered serious errors and omissions in the UVPs. On November 8, 2018, they submitted a complaint about these discrepancies to Semarnat, the Embassy of Germany in Mexico and to the representative of Siemens Gamesa.

## **Business transactions in Saudi Arabia support the monarchy**

Siemens is hoping for new orders in Saudi Arabia with a value of 30 billion dollars. In other respects as well, Siemens is an important contractor of Saudi Arabia's absolutistic monarchy and is, for instance, involved in the construction of the subway in Ryad. There have been numerous arrests of dissidents and numerous death sentences have been carried out under the reign of Crown Prince Mohammed bin Salman. The government of Saudi Arabia is entangled in the killing of the journalist Jamal Khashoggi, and as a result the *Bundesregierung* has also imposed sanctions on the country. Particularly serious is the Saudi Arabia-led military intervention in Yemen, which has resulted in the world's largest supply crisis and massive violations of human rights. Siemens should not do business with an autocratic regime that is responsible for human rights violations to this degree.

## **Siemens' participation in the Southern Gas Corridor/Transadriatic Pipeline**

Siemens is involved in the construction of the Transadriatic Gas Pipeline (TAP). The pipeline is intended to be supplied with gas from Azerbaijan, the Azerbaijan's state-owned oil and gas company SOCAR is also a member of the TAP consortium. Income from the gas business supports the autocratic Aliyev regime that pursues and arrests critics.

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.

**Siemens Aktiengesellschaft**

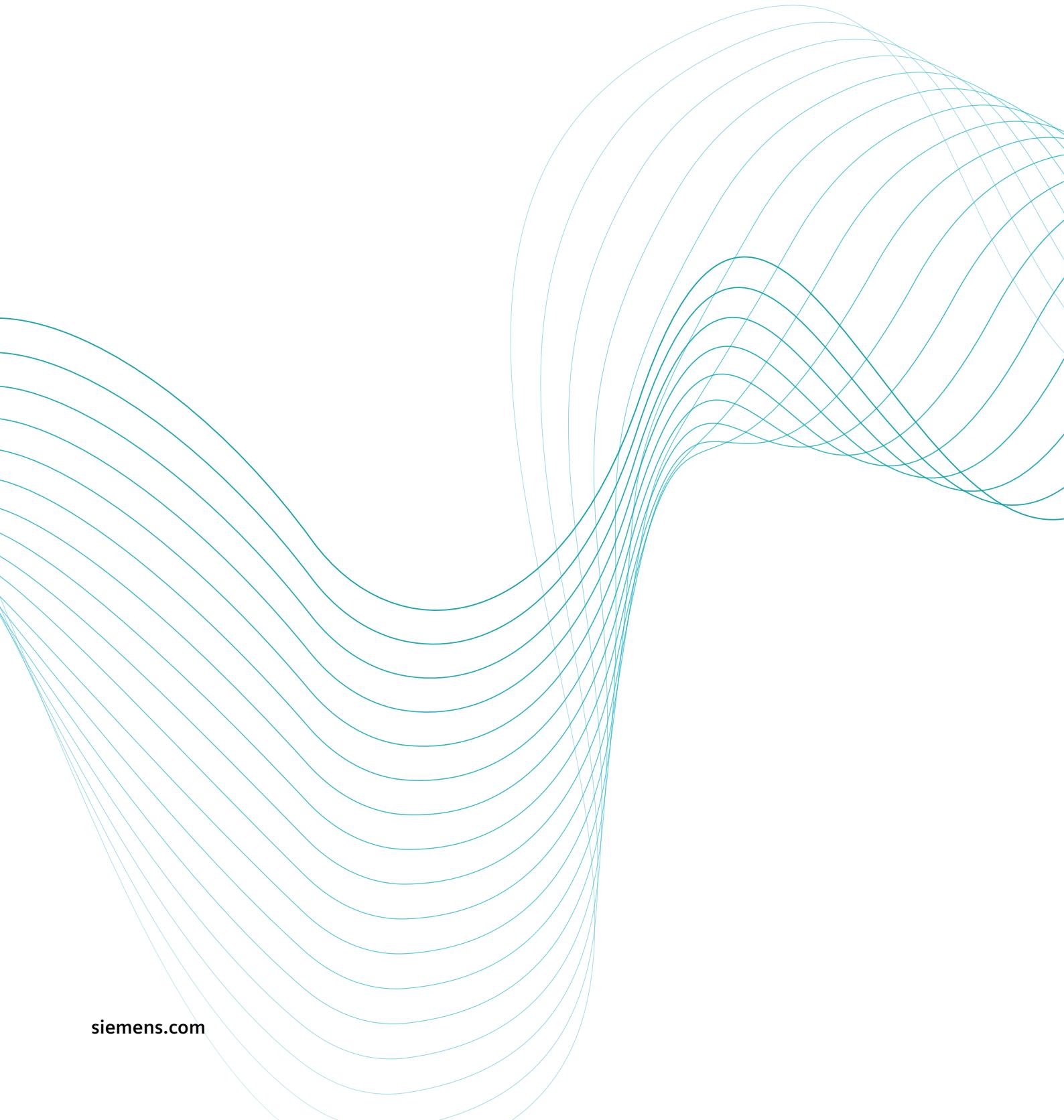
Chairman of the Supervisory Board: Jim Hagemann Snabe

Managing Board: Joe Kaeser, President and Chief Executive Officer

Members of the Managing Board: Roland Busch, Lisa Davis,  
Klaus Helmrich, Janina Kugel, Cedrik Neike, Michael Sen, Ralf P. Thomas

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