

A.10

Compensation Report

This report describes the compensation system and the compensation of the members of the Managing Board and the Supervisory Board of Siemens AG for fiscal 2020. It provides detailed and individualized explanations of the structure and amount of the individual components of Managing and Supervisory Board compensation.

The report is based on the requirements of the German Commercial Code (*Handelsgesetzbuch*, HGB), the German Accounting Standards (*Deutsche Rechnungslegungsstandards*, DRS) and the International Financial Reporting Standards (IFRS). It also includes previously selected voluntary disclosures in accordance with the substantive requirements of the German Act on the Implementation of the Second Shareholder Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie*, ARUG II) of December 12, 2019, such as detailed information on the application of performance criteria in variable compensation.

A.10.1 Compensation of Managing Board members

A.10.1.1 Compensation system

RESPONSIBILITY FOR ESTABLISHING MANAGING BOARD COMPENSATION

The compensation system for Siemens' Managing Board members is established by the Supervisory Board. The Compensation Committee of the Supervisory Board develops corresponding recommendations and prepares, in particular, the proposals for decisions by the Supervisory Board's plenary meetings. The Supervisory Board may consult external advisors when necessary. The system approved by the Supervisory Board is then presented to the Annual Shareholders' Meeting for endorsement.

The current compensation system for the members of the Managing Board of Siemens AG has been in place since fiscal 2020 and was endorsed at the Annual Shareholders' Meeting on February 5, 2020 by a majority of 94.51%.

BASIC PRINCIPLES OF THE MANAGING BOARD COMPENSATION SYSTEM

The Managing Board compensation system contributes to the execution of the Company's strategy: The compensation system is designed to motivate Managing Board members to achieve the strategic goals defined in "Vision 2020+." The system promotes innovation and fosters incentives for the Company's value-creating and long-term development while avoiding excessive risks.

The Supervisory Board makes decisions regarding the design of the compensation system and the structure and amount of the Managing Board members' compensation with due consideration of the following principles:

Compensation linked to performance	→ Extraordinary performance should be appropriately rewarded, and failure to achieve targets should lead to an appreciable reduction of compensation.
Consideration of the collective and individual performance of Managing Board members	→ Compensation takes into account the individual performance of Managing Board members in their respective areas of responsibility. Overall responsibility for the Company's long-term development is represented by targets set at the Group level. These targets apply equally to all Managing Board members.
Compatibility of compensation systems	→ The compensation system for Managing Board members also extends to the other management levels in the Group.
Appropriateness of compensation	→ The compensation of Managing Board members should conform to market conditions and be appropriate for the Company's size, complexity and economic situation.

COMPONENTS AND STRUCTURE OF MANAGING BOARD COMPENSATION

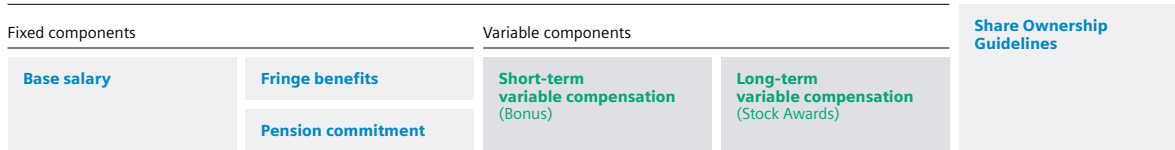
The compensation of the members of the Managing Board of Siemens AG comprises fixed and variable components. Fixed, non-performance-based compensation comprises base salary, fringe benefits and a pension commitment. Short-term variable compensation (Bonus) and long-term variable compensation (Stock Awards) are granted as performance-based compensation and are thus variable.

In addition, the Share Ownership Guidelines are a further key component of the compensation system. They obligate Managing Board members to permanently hold Siemens shares worth a defined multiple of their base salary and to purchase additional shares in the event that the value of their shares falls below the defined multiple.

The Managing Board compensation system is also supplemented by appropriate and market-based commitments granted in connection with the commencement and termination of appointments to the Managing Board as well as any change in the regular place of work.

Components comprising the Managing Board compensation system

Total target compensation



The Supervisory Board determines, in accordance with the compensation system, the amount of each Managing Board member’s total target compensation for the upcoming fiscal year. This determination is based on an appropriate consideration of the Managing Board member’s tasks and performance and the Company’s economic situation, performance and future prospects.

The Supervisory Board ensures that total target compensation conforms to market conditions. For assessing the market conformance of total compensation, compensation data for companies included in the DAX, the German blue-chip stock index, and for comparable non-listed companies (insofar as these are available) are considered. In view of Siemens’ international footprint, compensation data for companies included in the STOXX Europe 50 index are also considered. In this

horizontal market comparison, the Supervisory Board considers Siemens’ market position, industry affiliation, size and global presence. In addition, the Supervisory Board considers the development of Managing Board compensation in relation to the compensation of the employees of Siemens in Germany. In this vertical comparison, it conducts a market comparison of the ratio of Managing Board compensation to the compensation of upper management and the wider workforce with the corresponding ratios at companies included in the DAX. For this purpose, the Supervisory Board has defined upper management as the executive employees in the Senior Management and Top Management contract groups. The wider workforce is divided into employees who are covered by collective bargaining agreements and those who are not.

The compensation system enables the Supervisory Board to define total target compensation according to the function of each Managing Board member and thus to consider the different requirements for each function when defining both the absolute amount and the structure of compensation. In doing so, the Supervisory Board ensures that the proportions of total target compensation represented by each of the individual compensation components are within the following percentage ranges:

- **fixed compensation:** minimum 36% to maximum 43% of total target compensation
- **short-term variable compensation (Bonus):** minimum 20% to maximum 28% of total target compensation
- **long-term variable compensation (Stock Awards):** minimum 30% to maximum 42% of total target compensation.

FIXED COMPENSATION COMPONENTS

Fixed, non-performance-based compensation comprises the base salary, fringe benefits and the pension commitment.

Base salary

Each Managing Board member receives a base salary, which is paid in 12 monthly installments.

Fringe benefits

A maximum value of fringe benefits for the upcoming fiscal year is established for each Managing Board member. For this purpose, the Supervisory Board determines an amount relative to base salary. This amount covers expenses incurred to the benefit of the Managing Board member, for example, in-kind compensation and fringe benefits granted by the Company, including the provision of a company car, insurance allowances and medical check-ups.

Pension commitment

Like the employees of Siemens AG, the members of the Managing Board are included for the most part in the Siemens Defined Contribution Pension Plan (BSAV). Under the BSAV, Managing Board members receive contributions that are credited to their pension accounts. Newly appointed members of the Managing Board can be granted, instead of a BSAV contribution, a fixed cash amount that he or she can freely dispose of.

If a member of the Managing Board earned a pension entitlement from the Company before the BSAV was introduced, a portion of his or her contributions will go toward financing this legacy entitlement.

Other essential characteristics of the BSAV for Managing Board members are summarized in the following table:

Entitlement	<ul style="list-style-type: none"> → Upon request, on or after reaching the age of 62 for pension commitments made on or after January 1, 2012 → Upon request, on or after reaching the age of 60 for pension commitments made before January 1, 2012
Vested status	→ In accordance with the provisions of the German Company Pensions Act (<i>Betriebsrentengesetz</i>)
Disbursement	→ As a rule, in 12 yearly installments; other payment options, on request, are: ten or 11 installments, a lump sum payment and an annuitization with or without survivors' benefits as well as a combination of these options
Guaranteed interest	→ Annual guaranteed interest credited to the pension account until benefits are first drawn (currently: 0.9%)
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.

Like other eligible employees of Siemens AG, Managing Board members who were employed by the Company before September 30, 1983 are entitled to transition payments equal to the difference between the last base salary and the pension entitlement under the Company pension plan in the first six months after retirement.

VARIABLE COMPENSATION COMPONENTS

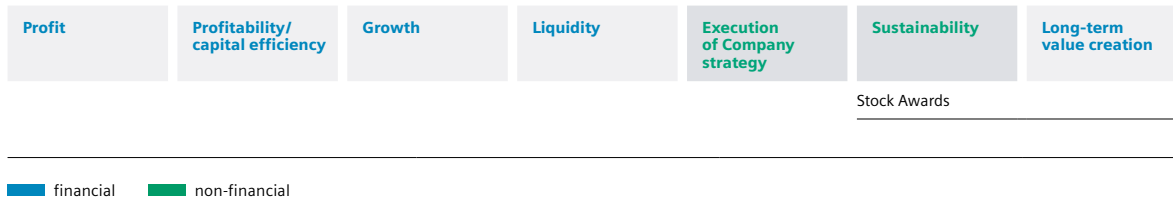
The variable, performance-based compensation of Managing Board members is tied to performance and aligned with the Company's short- and long-term development. It consists of a short-term component (Bonus) and a long-term component (Stock Awards).

The final payout amount from both components depends on the fulfillment of financial and non-financial performance criteria. Performance criteria are derived from the Company’s strategic goals and operational steering. In

line with Siemens’ social responsibility, sustainability is also included in the performance criteria. Ultimately, the performance criteria measure successful value creation in all its different forms, as strategically envisioned.

Performance criteria for variable compensation

Bonus



The Supervisory Board ensures that targets are demanding and ambitious. If they are not met, variable compensation can be reduced to as little as zero. If the targets are substantially exceeded, target attainment is limited to 200%.

In addition, there are malus and clawback regulations that allow the Supervisory Board to withhold or reclaim both short-term and long-term variable compensation in certain cases.

Short-term variable compensation (Bonus)

Short-term variable compensation (Bonus) rewards the contribution in a fiscal year to the operational execution of the Company’s strategy and therefore also to the Company’s long-term performance. The Bonus system is based on three equally weighted target dimensions, which take account of the overall responsibility of the Managing Board as well as the Managing Board members’ respective business responsibilities and their individual challenges:

→ **“Siemens Group”**

The dimension “Siemens Group” reflects the Managing Board’s overall responsibility and measures the performance of the Siemens Group in its entirety, as the sum of the contributions of each individual part of the Company.

→ **“Managing Board portfolio”**

The dimension “Managing Board portfolio” focuses on the business activities for which each Managing Board

member is responsible and measures his or her performance based on the predefined portfolio strategy. In the case of mainly functional responsibility (for example, the President and CEO and the Chief Financial Officer), the performance of the Siemens Group is considered.

→ **“Individual targets”**

A minimum of two and a maximum of four individual targets allow for further differentiation depending on the specific strategic and operational challenges of each Managing Board member.

Performance criteria are assigned to each of the three target dimensions based on Company priorities and the responsibilities of each Managing Board member. The focus is on short-term measures that execute the Company’s strategy, such as strengthening earnings and ensuring profitability/capital efficiency and liquidity.

One financial performance criterion is assigned to the “Siemens Group” dimension and another to the “Managing Board portfolio” dimension. The fulfillment of these criteria is measured on the basis of key performance indicators. These key performance indicators are predominantly operational steering parameters derived from the Company’s strategic direction. They are based on the Siemens Financial Framework and are also, as a rule, part of the Company’s external financial reporting. See chapter ↗ **A.2 FINANCIAL PERFORMANCE SYSTEM**.

Growth and liquidity can both be employed as financial performance criteria in the “Individual targets” dimension, as can additional non-financial performance criteria. In the case of non-financial performance criteria, the Supervisory Board considers the degree to which a Managing Board member has fulfilled so-called focus topics, which comprise both operational aspects of the execution of the Company’s strategy – such as business performance, the execution of large-scale projects, optimization and efficiency enhancement – as well as sustainability aspects – such as diversity, ownership culture,

customer satisfaction, employee satisfaction and succession planning.

After the end of the fiscal year, target attainment for the key performance indicators for the target dimensions “Siemens Group” and “Managing Board portfolio” and the attainment for the individual targets are determined and aggregated to form a weighted average. The percentage of weighted target attainment multiplied by the individual target amount yields the Bonus payout amount for the past fiscal year. The payable Bonus is limited to two times the target amount and is disbursed entirely in cash.

Bonus design and calculation of payout amount



Long-term variable compensation (Stock Awards)

The Managing Board is required to commit itself to the Company’s long-term success, promote sustainable growth and achieve long-lasting value creation. In accordance with these principles, a significant part of total compensation is tied to the long-term performance of the Siemens share. Siemens grants long-term variable compensation in the form of Stock Awards. A Stock Award is the claim to one share – conditional on target attainment – after the expiration of a defined vesting period.

dividing the maximum grant amount by the price of the Siemens share on the grant date, less the estimated discounted dividends (“grant price”). An approximately four-year vesting period begins with the granting of Stock Awards, after the expiration of which Siemens shares are transferred. Beneficiaries are not entitled to dividends during the vesting period.

Granting of Stock Awards

At the beginning of a fiscal year, the Supervisory Board defines a target amount in euros based on 100% target attainment for each Managing Board member. This target amount is multiplied using target attainment of 200% (“maximum grant amount”). Stock Awards for this maximum grant amount are then granted to the beneficiary. The number of Stock Awards is calculated by

Performance criteria

Since fiscal 2020, the number of Siemens shares that are actually transferred depends 80% on the financial performance criterion “long-term value creation,” measured on the basis of total shareholder return (TSR), and 20% on the non-financial performance criterion “sustainability.” For measuring the sustainability criterion, Siemens AG’s performance in the area of Environmental, Social & Governance (ESG) is assessed on the basis of a Siemens internal ESG/Sustainability index, the composition of which is determined annually by the Supervisory Board.

Total shareholder return – TSR is indicative of the performance of a share over a period of time – in the case of Siemens, during the approximately four-year vesting period. It includes the dividends paid and any changes in the share price during this period. To reflect the Company’s international footprint, the TSR of Siemens AG is compared at the end of the vesting period with the TSR of an international sector index, the MSCI World Industrials or a comparable successor index.

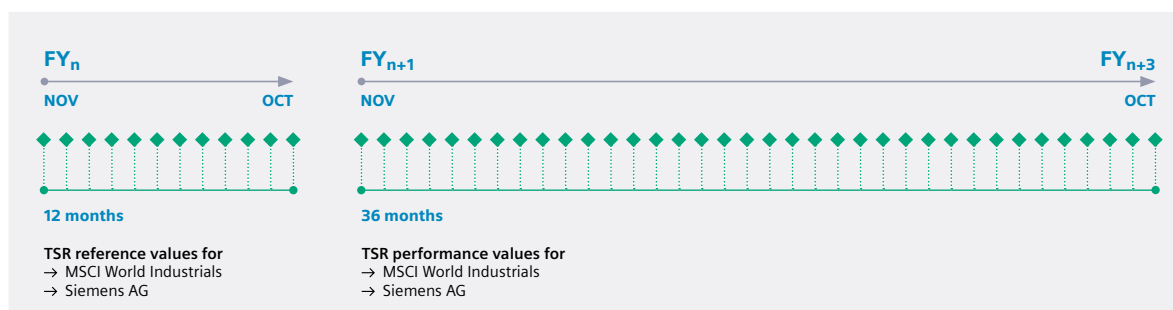
Target attainment for TSR is specifically determined by first calculating a TSR reference value for Siemens AG and a TSR reference value for the sector index. The TSR reference value is equal to the average of the end-of-month

values over the first 12 months of the vesting period (reference period).

In order to determine at the end of the vesting period how well the TSR of Siemens AG has performed in comparison to the sector index, the TSR performance value is calculated over the subsequent 36 months (performance period). The TSR performance value is the average of the end-of-month values during the performance period.

At the end of the vesting period, the change in Siemens’ TSR as well as that of the sector index is determined by comparing the TSR values for the reference period with those for the performance period.

Calculation of TSR reference values and TSR performance values for Stock Awards



The following applies for the determination of target attainment:

- If the change in the TSR of Siemens AG is at least 20 percentage points above that of the sector index, target attainment is 200%.
- If the change in the TSR of Siemens AG is equal to that of the sector index, target attainment is 100%.
- If the change in the TSR of Siemens AG is at least 20 percentage points below that of the sector index, target attainment is 0%.

If the change in the TSR of Siemens AG is between 20 percentage points above and 20 percentage points below that of the sector index, target attainment is calculated using linear interpolation.

Environmental, Social & Governance – The Siemens internal ESG/Sustainability index consists of three equally weighted, structured and verifiable ESG key performance indicators. At the beginning of each tranche, the Supervisory Board sets ambitious target values for each of the ESG key performance indicators. Targets are measured based on pre-defined interim targets for each fiscal year. Target attainment for the Siemens internal ESG/Sustainability index is finally determined at the end of the approximately four-year vesting period based on the weighted average of the target attainment values calculated for each of the key performance indicators.

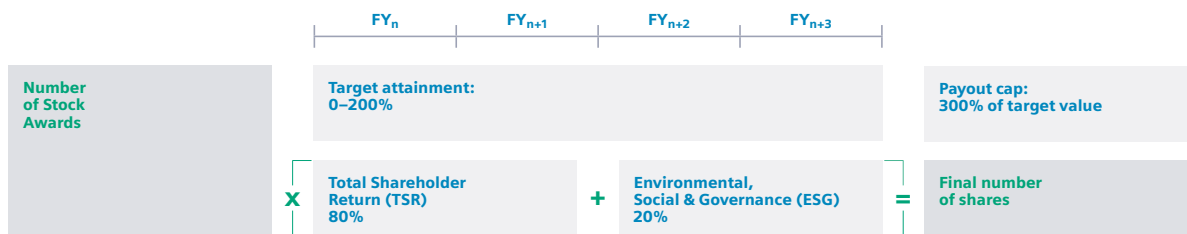
Determination of total target attainment

At the end of the approximately four-year vesting period, the Supervisory Board determines the degree of target attainment. The target attainment range for TSR and the Siemens internal ESG/Sustainability index is between 0% and 200%. If target attainment is less than 200%, a number of Siemens Stock Awards equivalent to the shortfall are forfeited without refund or replacement and an accordingly reduced number of shares will be transferred.

The value of the Siemens shares transferred after the expiration of the vesting period is further limited to a maximum of 300% of the target amount. If this ceiling is exceeded, a corresponding number of Stock Awards will be forfeited without refund or replacement.

The remaining Stock Awards are settled by the transfer of Siemens shares to the relevant Managing Board member.

Calculation of the number of Siemens shares



Further provisions for Stock Awards

In the event of exceptional, unforeseen events that have an influence on the performance criteria, the Supervisory Board may decide that the number of granted Stock Awards will be reduced after the fact, that only a cash settlement of a limited amount to be determined will take place instead of a transfer of Siemens shares or that the transfer of Siemens shares for vested Stock Awards will be suspended until the event ceases to influence the performance criteria.

If the employment contract of a Managing Board member begins during a fiscal year, an equivalent number of forfeitable virtual Stock Awards (Phantom Stock Awards) will be granted instead of Stock Awards. Unlike Stock Awards, Phantom Stock Awards will not be settled by a transfer of shares, but by a cash payment after the expiration of the vesting period. The remaining provisions applicable to the Stock Awards apply analogously.

With regard to the further terms of the Stock Awards, the same principles apply in general to the Managing Board and to executive employees. These principles are explained in ↗ **NOTE 26** in ↗ **B.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**.

MAXIMUM COMPENSATION LIMITS

Maximum compensation is determined annually by the Supervisory Board for each Managing Board member in accordance with Section 87a para. 1 sent. 2 No. 1 of the German Stock Corporation Act (*Aktiengesetz, AktG*). Maximum compensation is equal to the sum of the maximum amounts that can be paid out to each Managing Board member for all compensation components for the given fiscal year and is calculated by adding base salary, maximum fringe benefits, BSAV contribution (or cash amount at the member's free disposal) as well as two times the Bonus target amount and three times the Stock Awards target amount.

SHARE OWNERSHIP GUIDELINES

Under the Siemens Share Ownership Guidelines, Managing Board members are obligated to permanently hold Siemens shares of an amount equal to a multiple of their base salary – 300% for the President and CEO and 200% for the other members of the Managing Board – during their terms of office on the Managing Board, following an initial four-year build-up phase. The average base salary received by each member of the Managing Board in the four years before the applicable verification date is relevant for this purpose.

Fulfillment of this obligation must be verified for the first time after the four-year build-up phase and annually thereafter. If share price fluctuations cause the value of the accumulated shareholding to fall below the respective amounts to be verified, the Managing Board member will be obligated to purchase additional shares.

DEDUCTION OF COMPENSATION FOR MANAGING BOARD MEMBERS' SECONDARY ACTIVITIES

The acceptance of public offices, seats on supervisory boards (including any committee memberships), boards of directors, advisory boards and comparable bodies and of appointments to scientific bodies are subject to prior approval by the Chairman's Committee of the Supervisory Board. As a rule, approval is not granted for more than two supervisory board positions or comparable functions at listed companies outside the Group. If a Managing Board member holds a supervisory board position within the Group, the compensation received for such a position will be deducted from his or her Managing Board compensation. If supervisory board positions outside the Group are accepted, the Supervisory Board will decide at its duty-bound discretion on a case-by-case basis whether and to what extent the compensation for such positions is to be deducted. In this context, particular consideration will be given to the extent to which the activity is in the interest of the Company or the Managing Board member.

Memberships on supervisory boards whose establishment is required by law or on comparable domestic or foreign controlling bodies of business enterprises are listed in chapter ↗ **C.4.1 MANAGEMENT AND CONTROL STRUCTURE** in ↗ **C.4 CORPORATE GOVERNANCE**.

COMMITMENTS GRANTED IN CONNECTION WITH THE COMMENCEMENT OF MANAGING BOARD APPOINTMENTS OR A CHANGE IN THE REGULAR PLACE OF WORK

Upon the commencement of Managing Board membership or if the regular place of work is changed at the request of the Company, the Supervisory Board will decide on the basis of a proposal by the Compensation Committee whether and to what extent, in addition to the regular fringe benefits, the following compensation and/or benefits will be granted under the Managing Board member's individual employment contract:

→ Compensation for the loss of benefits from the previous employer

Depending on whether the compensation and/or benefits granted by a previous employer (for example, long-term variable compensation grants or pension commitments) are lost by reason of moving to Siemens AG, the Supervisory Board may grant compensation in the form of (usually Phantom) Stock Awards, special contributions within the scope of the BSAV or cash payments.

→ Moving expenses

If the appointment as a member of the Managing Board or a change of the regular place of work at the request of the Company requires the Managing Board member to move to a new residence, moving expenses will be reimbursed up to an appropriate maximum amount to be specified in the individual employment contract.

COMMITMENTS IN CONNECTION WITH THE TERMINATION OF MANAGING BOARD APPOINTMENTS

The compensation system also governs the amount of compensation a Managing Board member receives if his or her Managing Board appointment is terminated early. Depending on the reason for the termination, the following provisions apply to compensation guaranteed upon departure from office:

Termination due to regular expiration of term of office

No severance payments or special pension contributions are made.

Termination by mutual agreement

In the event of an early termination of membership on the Managing Board by mutual agreement and without serious cause, Managing Board members' employment contracts provide for a severance payment:

Basis for calculation	→ Base salary plus actual short-term variable compensation received in the last fiscal year before termination and granted long-term variable compensation
Limit (severance cap)	→ Not more than two years' annual compensation and not more than the member would receive for the remaining term of his or her employment contract
Payment	→ In the month of departure
Special pension contribution; one-time	→ Based on the contribution that the Managing Board member received in the prior year and on the remaining term of his or her appointment → Limited to not more than the contributions for two years (cap)
Increase/discount	→ Severance payment will be reduced by 5% as a lump sum allowance for discounting and for earnings obtained elsewhere if the remaining term of office is more than six months. → Reduction refers only to that portion of the severance payment that was determined without consideration of the first six months of the remaining term of office. → In-kind benefits are compensated for by a payment of 5% of the severance amount.
Deduction	→ In the event of a post-contractual non-compete agreement, the severance payment and special pension contribution shall be taken into account in the calculation of any compensation payments.

Early termination at the request of the Managing Board member or termination for cause by the Company

No severance payments or special pension contributions are made.

Change of control

For newly concluded Managing Board employment contracts (first-time appointments) or the extension of these contracts, there are no special provisions for the event that a change of control occurs, that is, neither special rights to terminate the contract nor severance payments.

The following is applicable for existing Managing Board employment contracts:

If a change of control occurs, as a consequence of which the role of a Managing Board member significantly changes, the Managing Board member is entitled to terminate his or her employment contract. If this right of termination is exercised, the Managing Board member is entitled to a severance payment for the remainder of his or her term of office.

Basis for calculation	→ Base salary plus the target amount for the Bonus and the target amount for Stock Awards, each based on the values for the last fiscal year before contract termination
Limit (severance cap)	→ Two years' annual compensation
Increase/discount	→ Severance payment will be reduced by 10% as a lump-sum allowance for discounting and for earnings obtained elsewhere. → The reduction shall apply to the portion of the severance payment calculated for the period following the first six months of the remaining contract term. → In-kind benefits will be covered by a payment of 5% of the severance payment as a lump sum.
Stock Awards	→ Stock-based compensation components granted by the Company in the past remain unaffected

There is no entitlement to severance payment if the Managing Board member receives payments from third parties on the occasion of, or in connection with, a change of control. Furthermore, there is no right of termination if the change of control takes place within 12 months before the Managing Board member reaches retirement age.

THE COMPENSATION SYSTEM AT A GLANCE

The following chart provides an overview of all components of the compensation system:

Overview of the compensation system for Managing Board members

	Compensation components	Design of compensation components			Maximum payout (in % of target amount)	Maximum compensation	Other design characteristics	
Fixed Variable Stock Awards	Cash	Fixed compensation	Base salary		100% ¹	Sum of maximum payout from each compensation component for the relevant fiscal year	Share Ownership Guidelines	
			Fringe benefits				200%	Extra-ordinary developments
	Pension commitment							
Variable	Bonus	Short-term variable compensation (Bonus)	33.34% Siemens Group	33.33% Managing Board portfolio	33.33% Individual targets	300%	Severance cap	
		Long-term variable compensation (Stock Awards)	80% Total shareholder return (TSR) compared to MSCI World Industrials	20% Environmental, Social & Governance (ESG)				

¹ Fringe benefits are reimbursed up to a maximum amount set by the Supervisory Board.

A.10.1.2 Compensation of the members of the Managing Board for fiscal 2020

This section describes the concrete application of the compensation system for the members of the Managing Board of Siemens AG in fiscal 2020. It provides detailed information and background regarding total Managing Board compensation, target setting and target attainment for variable compensation as well as individualized disclosures regarding the compensation of each Managing Board member for fiscal 2020.

TOTAL COMPENSATION

In accordance with the applicable accounting principles, the total compensation of all Managing Board members for fiscal 2020 totaled €26.53 million (2019: €33.04 million). This amount corresponds to a decrease of 19.7%. Of total compensation, €15.28 million (2019: €21.97 million) was attributable to cash compensation and €11.25 million (2019: €11.07 million) was attributable to stock-based compensation (Stock Awards).

In fiscal 2020, total compensation, excluding fringe benefits, underwent a regular, upward adjustment of 3.0% to the benefit of the target amount for long-term variable

compensation (Stock Awards). This increase was based, among other things, on adjustments to the compensation of other employee groups within the Siemens Group.

In addition, the Supervisory Board exercised its option to differentiate the compensation of three members of the Managing Board in fiscal 2020. As in previous years, all components of Joe Kaeser’s compensation were differentiated due to his function as President and CEO. The target amount of Prof. Dr. Ralf P. Thomas’s Stock Awards was differentiated due to his particular responsibility as CFO. Dr. Roland Busch’s base salary and the target amount of his Stock Awards were differentiated due to his appointment as Deputy CEO. Compared to the previous year, this differentiation resulted in an adjustment of Dr. Roland Busch’s total compensation, excluding fringe benefits, by 15% upwards, effective October 1, 2019. Due to his assumption, among other things, of the overarching coordination of Digital Industries, Smart Infrastructure and Mobility, Dr. Busch’s total compensation, excluding fringe benefits, was adjusted upwards by a further 12% to the benefit of his base salary and the target amount of his Bonus, effective April 1, 2020.

The internal review of the appropriateness of the compensation of the Managing Board for fiscal 2020 established that the Managing Board compensation resulting from target attainment for fiscal 2020 is appropriate.

BASE SALARY

Base salary in fiscal 2020 was as follows:

- for the President and CEO, Joe Kaeser: €2,205,000
- for the Deputy CEO, Dr. Roland Busch: €1,352,300
- for the other members of the Managing Board: €1,101,600.

FRINGE BENEFITS

In fiscal 2020, Managing Board members were entitled to fringe benefits equal to a maximum of 7.5% of their base salary (maximum fringe benefits). As an exception, Lisa Davis was entitled to fringe benefits equal to a maximum of 100% of her base salary in fiscal 2020 on the basis of existing contractual commitments (in particular, a currency adjustment).

PENSION BENEFIT COMMITMENT

For fiscal 2020, Managing Board members were granted contributions under the Siemens Defined Contribution Pension Plan (BSAV) totaling €4.5 million (2019: €5.6 million) on the basis of a decision by the Supervisory Board on September 18, 2019. Of this amount, €0.02 million (2019: €0.02 million) related to the funding of pension commitments earned prior to the transfer to the BSAV.

The expense recognized in fiscal 2020 as a service cost under IFRS for Managing Board members' entitlements under the BSAV in fiscal 2020 totaled €5.5 million (2019: €5.4 million).

Contributions under the BSAV are added to the individual pension accounts in the January following each fiscal year. Until pension payments begin, members' pension accounts are credited with an annual interest payment (guaranteed interest) on January 1 of each year. The interest rate is currently 0.90%.

The following table shows the individualized contributions (allocations) under the BSAV for fiscal 2020 and the defined benefit obligations for pension commitments:

(Amounts in €)	2020	Total contributions for 2019	Defined benefit obligation for all pension commitments excluding deferred compensation ¹	
			2020	2019
Managing Board members in office as of September 30, 2020				
Joe Kaeser	1,234,800	1,234,800	15,592,209	14,299,267
Dr. Roland Busch	616,896	616,896	6,566,101	6,071,233
Klaus Helmrich	616,896	616,896	7,026,562	6,473,904
Cedrik Neike	616,896	616,896	2,938,080	2,349,895
Prof. Dr. Ralf P. Thomas	616,896	616,896	6,702,858	6,184,498
Total	3,702,384	3,702,384	38,825,810	35,378,797
Former members of the Managing Board				
Lisa Davis ²	257,040	616,896	6,444,855	5,701,811
Janina Kugel	205,632	616,896	2,829,621	2,674,432
Michael Sen	308,448	616,896	2,432,671	1,862,660
Total	771,120	1,850,688	11,707,147	10,238,903

¹ Deferred compensation totals €3,911,848 (2019: €4,125,612), including €3,512,020 for Joe Kaeser (2019: €3,703,123), €342,276 for Klaus Helmrich (2019: €361,494) and €57,552 for Prof. Dr. Ralf P. Thomas (2019: €60,995).

² In accordance with the provisions of the BSAV, benefits to be paid to Lisa Davis are not in any way secured or financed through the trust associated with the Company's BSAV plan or with any other trust. They represent only an unsecured, unfunded legal obligation on the part of the Company to pay such benefits in the future under certain conditions, and the payout will only be made from the Company's general assets.

In fiscal 2020, former members of the Managing Board and their surviving dependents received emoluments within the meaning of Section 314 para. 1 No. 6b of the German Commercial Code (HGB) totaling €15.96 million (2019: €21.09 million).

The defined benefit obligation (DBO) of all pension commitments to former members of the Managing Board and their surviving dependents as of September 30, 2020 – including to those members of the Managing Board who left in fiscal 2020 – amounted to €176.5 million (2019: €175.7 million). This figure is included in ↗ **NOTE 17** in ↗ **B.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.**

SHORT-TERM VARIABLE COMPENSATION (BONUS)

The Bonus target amounts for fiscal 2020 were as follows:

- for the President and CEO, Joe Kaeser: €2,205,000
- for the Deputy CEO, Dr. Roland Busch: €1,277,300
- for the other members of the Managing Board: €1,101,600.

“Siemens Group” target dimension

For the “Siemens Group” target dimension in fiscal 2020, the Supervisory Board of Siemens AG approved the performance criterion “profit,” measured in terms of basic earnings per share (EPS). For both target setting and target attainment, the average EPS of three consecutive fiscal years is used. The averaged values take account of the Company’s long-term performance and provide incentives for a sustainable increase in profit.

“Managing Board portfolio” target dimension

For the “Managing Board portfolio” target dimension in fiscal 2020, the Supervisory Board of Siemens AG approved the performance criterion “profitability/capital efficiency,” measured in terms of

- return on capital employed (ROCE) for Managing Board members with primarily functional responsibility or
- the adjusted EBITA margin of the relevant business for Managing Board members with business responsibility.

“Individual targets” target dimension

In addition to the aforementioned financial targets, the Supervisory Board of Siemens AG established four equally weighted “individual targets” for each Managing Board member for fiscal 2020. These targets are related to the Managing Board members’ specific areas of responsibility.

The individual targets “successful spin-off of Siemens Energy” and “achievement of the “Vision 2020+” goals” were established for all Managing Board members. The performance criterion “liquidity” measured in terms of the cash conversion rate was also established as an individual target. For the Managing Board members with functional responsibility, the cash conversion rate at the Industrial Businesses is relevant. For the Managing Board members with business responsibility, the cash conversion rate at their respective businesses is relevant. For Klaus Helmrich (Digital Industries) and Cedrik Neike (Smart Infrastructure), a further individual target was the performance criterion “growth” in the particular business for which they are responsible. The other individual targets for Managing Board members were defined on the basis of the following focus topics: succession planning, innovation performance, business development, employee satisfaction, optimization/efficiency enhancement and the implementation of other strategic measures.

Determination of target attainment

The targets and target attainment for the Bonus for fiscal 2020 are summarized in the following table:

Target setting and target attainment for short-term variable compensation (Bonus)

Target dimension					"Siemens Group" (Weighting 33.34%)
Managing Board members in office as of September 30, 2020	KPI	Target amount ^{2,3}	Performance range (floor/cap)	Actual value ³	Target attainment
Joe Kaeser					
Dr. Roland Busch					
Klaus Helmrich	Earnings per share (EPS), ¹ basic	€6.99	€5.49 – €8.49	€6.18	46.00%
Cedrik Neike					
Prof. Dr. Ralf P. Thomas					
Former members of the Managing Board⁵					
Janina Kugel	Earnings per share (EPS), ¹ basic	€6.99	€5.49 – €8.49	€6.18	46.00%
Michael Sen ⁶					

¹ Continuing and discontinued operations.

² Based on 100% target attainment.

³ The target value equals the average of EPS values in fiscal 2017, 2018 and 2019. The actual value results from the average EPS values for fiscal 2018, 2019 and 2020.

⁴ The adjusted EBITA margin of Digital Industries was adjusted for portfolio effects, which reduced the calculated target attainment.

⁵ Excluding Lisa Davis, who left the Company as of February 29, 2020, and to whom a pro-rated Bonus of €476,962 for fiscal 2020 was granted in accordance with her severance agreement.

⁶ In accordance with his severance agreement, Michael Sens' entitlement to a Bonus for the first six months of fiscal 2020 (October 1, 2019, to March 31, 2020), will be settled in accordance with the terms of his employment contract and the actual degree of target attainment, subject to the provision that Michael Sen will receive 50% (*pro rata temporis*) of the actual bonus achieved. For the second six months of fiscal 2020 (April 1, 2020, to September 30, 2020), his Bonus is set at 100% of the pro-rated target amount – that is, at a gross amount of €550,800.

KPI	Target amount ²	Performance range (floor/cap)	"Managing Board portfolio" (Weighting 33.33%)		"Individual targets" (Weighting 33.33%)		Total target attainment
			Actual value	Target attainment	Target attainment	Total target attainment	
Return on capital employed (ROCE) ¹	9.63%	6.63% – 12.63%	7.82%	39.67%	135.50%	73.72%	
Return on capital employed (ROCE) ¹	9.63%	6.63% – 12.63%	7.82%	39.67%	125.50%	70.39%	
Adjusted EBITA margin Digital Industries ⁴	17.38%	15.38% – 19.38%	17.02%	82.00%	130.00%	86.00%	
Adjusted EBITA margin Smart Infrastructure	9.97%	7.97% – 11.97%	9.09%	56.00%	137.50%	79.83%	
Return on capital employed (ROCE) ¹	9.63%	6.63% – 12.63%	7.82%	39.67%	135.50%	73.72%	
Return on capital employed (ROCE) ¹	9.63%	6.63% – 12.63%	7.82%	39.67%	105.50%	63.72%	
Adjusted EBITA margin Gas and Power	3.50%	0.50% – 6.50%	0.97%	15.67%	102.50%	54.72%	

**LONG-TERM VARIABLE COMPENSATION
(STOCK AWARDS)**

Information on the granting of the 2020 tranche

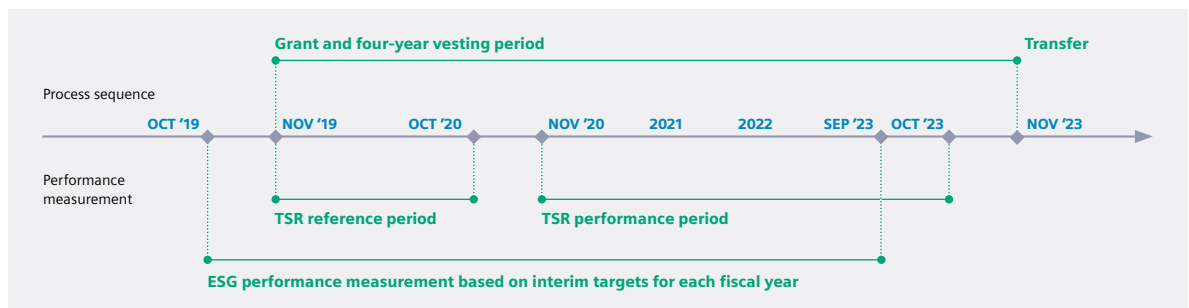
The Supervisory Board approved the following performance criteria for the 2020 Stock Awards tranche:

→ “Sustainability,” measured in terms of a Siemens internal ESG/Sustainability index,¹ which is based on the following three equally weighted key performance indicators: CO₂ emissions (environmental), learning hours per employee (social), and Net Promoter Score (governance).

→ “Long-term value creation,” measured in terms of the development of the total shareholder return (TSR) of Siemens AG relative to the international sector index MSCI World Industrials and

The time sequence for the 2020 Stock Awards tranche is set out in the following chart:

Time sequence for the 2020 Stock Awards tranche



The grant price applicable for the 2020 tranche was €95.80. The Supervisory Board set the grant date at November 8, 2019. The target amounts, the maximum grant values and the maximum number of Stock Awards granted to each Managing Board member were as follows:

¹ ESG stands for “Environmental, Social & Governance.”

Information on the grant of the 2020 Stock Awards tranche

Managing Board members in office as of September 30, 2020	Target amount (based on 100% target attainment)	Maximum grant value (based on 200% target attainment)	Maximum number of Stock Awards (based on 200% target attainment)	
			Total shareholder return (Weighting 80%)	ESG/Sustainability index (Weighting 20%)
Joe Kaeser	€2,516,000	€5,032,000	42,021	10,505
Dr. Roland Busch	€1,594,000	€3,188,000	26,622	6,656
Klaus Helmrich	€1,259,000	€2,518,000	21,027	5,257
Cedrik Neike	€1,259,000	€2,518,000	21,027	5,257
Prof. Dr. Ralf P. Thomas	€1,544,000	€3,088,000	25,787	6,447
Former members of the Managing Board				
Lisa Davis ¹	€524,583	€1,049,167	8,761	2,190
Janina Kugel ²	€419,667	€839,333	7,009	1,752
Michael Sen ³	€629,500	€1,259,000	10,514	2,628

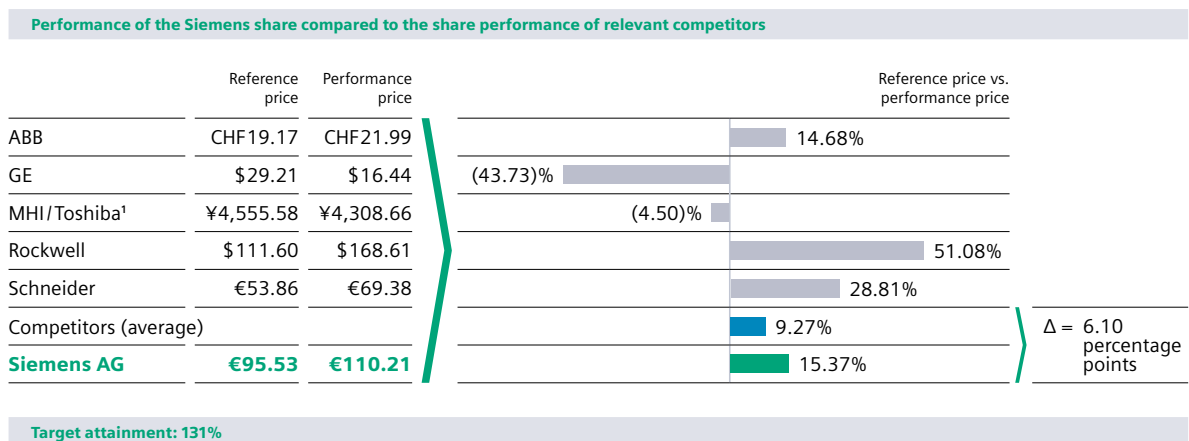
- ¹ Pro-rated target amount for the period from October 1, 2019, to February 29, 2020.
- ² Pro-rated target amount for the period from October 1, 2019, to January 31, 2020.
- ³ Pro-rated target amount for the period from October 1, 2019, to March 31, 2020.

Concrete target setting and the degree of target attainment for total shareholder return and the Siemens internal ESG/Sustainability index for the 2020 Stock Awards tranche will be published in the Compensation Report after the expiration of the vesting period.

Determination of target attainment for the 2016 tranche

The 2016 Stock Awards tranche depended on the performance of the Siemens share compared to the share performance of relevant competitors during the roughly four-year vesting period from November 2015 through October 2019.

Target attainment for the 2016 Stock Awards tranche



¹ The reported relative deviation of (4.50)% also takes into account Toshiba's performance, which is factored into the reported deviation on a weighted basis for seven months. Toshiba's reference price was ¥2,682.26, and its performance price was ¥2,663.83, yielding a relative deviation of (0.69)%. MHI's relative deviation was (5.42)%, with a weighting of 29 months.

The following table provides a summary of the key parameters of the 2016 Stock Awards tranche:

Overview of the 2016 Stock Awards tranche

	Target amount (based on 100% target attainment)	Grant price November 13, 2015	Number of Stock Awards granted	Target attainment share price performance	Number of Stock Awards ¹ calculated	Value at the day of transfer ² November 11, 2019
Managing Board members in office as of September 30, 2020						
Joe Kaeser	€2,120,000 /	€75.60 =	28,043 x	131% =	36,737 >	€4,105,778.12
Dr. Roland Busch	€1,080,000 /	€75.60 =	14,286 x	131% =	18,715 >	€2,091,614.38
Klaus Helmrich	€1,080,000 /	€75.60 =	14,286 x	131% =	18,715 >	€2,091,614.38
Prof. Dr. Ralf P. Thomas	€1,080,000 /	€75.60 =	14,286 x	131% =	18,715 >	€2,091,614.38
Former members of the Managing Board						
Lisa Davis	€1,080,000 /	€75.60 =	14,286 x	131% =	18,715 >	€2,091,614.38
Janina Kugel	€1,040,000 /	€75.60 =	13,757 x	131% =	18,022 >	€2,014,163.74

¹ In accordance with plan requirements, the 2016 Stock Awards tranche was settled by the transfer of Siemens shares up to a target attainment of 100%. For the portion of target attainment above 100%, Managing Board members received a cash payment in accordance with plan requirements.

² The Stock Awards settled by share transfer were valued at the German low price of the Siemens share on November 11, 2019, of €111.52; Stock Awards settled by cash payment were valued at the Xetra closing price on November 11, 2019, of €112.54.

Provisional target attainment for the 2017 to 2020 tranches

As of October 2020, provisional target attainment for the 2017 to 2020 tranches of the Stock Awards was as follows:

Provisional target attainment for the 2017 to 2020 Stock Awards tranches (as of October 2020)

Tranche ^{1,2}	Vesting period	Performance criteria	Reference period	Performance period	Target attainment (provisional)
2017	Nov. 2016 – Nov. 2020	Share price performance compared to competitors	Nov. 2016 – Oct. 2017	Nov. 2017 – Oct. 2020	89%
2018	Nov. 2017 – Nov. 2021		Nov. 2017 – Oct. 2018	Nov. 2018 – Oct. 2021	89%
2019	Nov. 2018 – Nov. 2022		Nov. 2018 – Oct. 2019	Nov. 2019 – Oct. 2022	115%
2020	Nov. 2019 – Nov. 2023	TSR compared to MSCI World Industrials	Nov. 2019 – Oct. 2020	Nov. 2020 – Oct. 2023	–
		ESG ³	–	Oct. 2019 – Sep. 2023	92%

¹ The 2017 to 2019 tranches of the Stock Awards depend on the performance of the Siemens share compared to the share performance of relevant competitors during the roughly four-year vesting period.

² The 2020 Stock Awards tranche depends 80% on the development of the total shareholder return (TSR) of Siemens AG compared to the international sector index MSCI World Industrials and 20% on the Siemens internal ESG/Sustainability index.

³ In fiscal 2020, the three ESG key performance indicators were strongly impacted by the COVID-19 pandemic. Therefore, it was decided not to measure the interim targets for fiscal 2020. The provisional target attainment shown is based on estimated target attainments for the three ESG key performance indicators up to the end of the vesting period.

Review of the maximum amount of total compensation

In the course of transferring the 2016 Stock Awards tranche, compliance with the maximum amounts of total compensation for fiscal 2016 was also reviewed. The applicable maximum amount was not exceeded in the case of any active or former Managing Board member.

Share Ownership Guidelines

The deadlines by which the individual Managing Board members must first verify compliance with the Share

Ownership Guidelines vary from member to member, depending on when they were appointed to the Managing Board. For Managing Board members in office as of September 30, 2020, the following table shows the number of Siemens shares each held as of the March 2020 deadline for verifying compliance with the Share Ownership Guidelines. It also shows the number of shares to be held throughout their terms of office with a view to future deadlines.

Obligations under the Share Ownership Guidelines

	Required			Verified		
	Percentage of base salary ¹	Value ¹ in €	Number of shares ²	Percentage of base salary ¹	Value ² in €	Number of shares ³
Managing Board members in office as of September 30, 2020, and required to verify compliance as of March 13, 2020						
Joe Kaeser	300%	6,451,313	58,900	324%	6,971,804	63,652
Dr. Roland Busch	200%	2,188,200	19,978	239%	2,616,015	23,884
Klaus Helmrich	200%	2,156,950	19,693	259%	2,792,686	25,497
Prof. Dr. Ralf P. Thomas	200%	2,156,950	19,693	312%	3,367,500	30,745
Total		12,953,413	118,264		15,748,004	143,778

¹ The amount of the obligation is based on the average base salary for the four years prior to the respective dates of verification.

² Based on the average Xetra opening price of €109.53 for the fourth quarter of 2019 (October – December).

³ As of March 13, 2020 (date of verification).

BENEFITS IN CONNECTION WITH THE TERMINATION OF MANAGING BOARD APPOINTMENTS

Janina Kugel's appointment as a member of the Managing Board of Siemens AG ended regularly on January 31, 2020. In accordance with the provisions of her employment contract, no severance payment or special pension contribution was made.

As part of the termination by mutual agreement of the Managing Board appointment of Lisa Davis, it was agreed that her appointment and employment contract would end as of February 29, 2020, prior to the end of her contractual term of office. All contractually committed benefits continued to be granted until the termination date of February 29, 2020. To settle her claims for the period from the termination date of February 29, 2020, to the

regular end of her appointment and employment contract on October 31, 2020, a severance payment in the gross amount of €2,369,353, which was due and payable on the termination date of February 29, 2020, was agreed with Lisa Davis. In addition, Lisa Davis will receive a special contribution to the BSAV of €411,264, which will be credited to her pension account in January 2021. Lisa Davis will receive the contractually agreed tax adjustment and the currency adjustment for both the regular payments until the termination date of February 29, 2020, and the severance payment on the basis of the base salary included in the severance payment and the pro-rated Bonus. In addition, she will receive the unadjusted lump-sum payment for tax advisory services for the calendar year 2020 in the gross amount of €15,000, which was due and payable at the termination date of

February 29, 2020. In accordance with her employment contract, the 2017 to 2020 tranches of the Stock Awards that were granted in the past and are still within the vesting period will not be forfeited and will remain unaffected; they are still governed by the terms and conditions of the applicable Siemens Stock Awards Guideline. The Stock Awards will become due and will be settled upon the expiration of the regular vesting period of each tranche.

Michael Sen's appointment as a member of the Managing Board of Siemens AG was terminated by mutual agreement as of March 31, 2020, prior to the end of his contractual term of office. His employment relationship will remain unaffected until the end of the day on March 31, 2021. All contractually committed benefits will continue to be granted until the termination date of March 31, 2021. To settle his claims for the period from the termination date of March 31, 2021, until the regular end of his appointment and employment contract on March 31, 2022, a severance payment in the gross amount of €3,544,427, which will be due and payable on the termination date of March 31, 2021, was agreed with Michael Sen. In addition, Michael Sen will receive a special contribution to the BSAV in the amount of €616,896, which will be credited to his pension account in January 2022. In accordance with his employment contract, the 2017 to 2020 tranches of the Stock Awards that were granted in the past and are still within the vesting period will not be forfeited and will remain unaffected; they are still governed by the terms and conditions of the applicable Siemens Stock Awards Guideline. The Stock Awards will become due and will be settled upon the expiration of the regular vesting period for each tranche.

OTHER

No loans or advances from the Company are provided to members of the Managing Board.

BENEFITS GRANTED AND PAYMENTS MADE IN FISCAL 2020

The following tables, which are based on the model tables of the German Corporate Governance Code (the

"Code") in its version of February 7, 2017, show individually for each Managing Board member the benefits granted in fiscal 2020 and fiscal 2019. The actual amounts paid out are reported under "Benefits received."

The amounts of base salary, the Bonus and fringe benefits relate to fiscal 2020 and fiscal 2019.

The respective target amounts for short-term variable compensation (Bonus), including floors and caps, are reported under "Benefits granted." The amounts for long-term variable compensation (Stock Awards) granted in fiscal 2020 and fiscal 2019 reflect the fair values on the grant date. The figures for individual maximums for short-term variable compensation (Bonus) and long-term variable compensation (Stock Awards) reflect the possible maximum values in accordance with the maximum amounts defined in the compensation system – that is, 200% and 300% of the applicable target amounts. Maximum compensation, which is reported in column "2020 (Max)" under "Total compensation (Code)," represents the contractually agreed upon maximum amount of total compensation for fiscal 2020 in accordance with Section 87a para. 1 sent. 2 No. 1 of the German Stock Corporation Act (AktG). For each Managing Board member, maximum compensation equals the sum of the maximum amount of all compensation components for fiscal 2020 and is calculated by adding the base salary, maximum fringe benefits, BSAV contribution, twice the Bonus target amount and three times the Stock Awards target amount.

Total compensation in accordance with the applicable accounting standards is also reported under "Benefits granted." According to these accounting standards, this figure includes the amount of short-term variable compensation (Bonus) actually paid, instead of the target amount, and excludes the pension service cost.

The payments made in 2020 and 2019 are reported under "Benefits received." The payouts for stock-based compensation refer to the grants for the fiscal years 2016, 2015 and 2014, respectively.

Joe Kaeser

Appointed: May 2006; President and CEO since August 2013

(Amounts in thousands of €)		Benefits granted				Benefits received	
		2020	2020 (Min)	2020 (Max)	2019	2020	2019
Non-performance-based compensation	Base salary	2,205	2,205	2,205	2,205	2,205	2,205
	Fringe benefits	115	115	165	115	115	115
	Total	2,320	2,320	2,370	2,320	2,320	2,320
Performance-based compensation	Short-term variable compensation						
	Bonus	2,205	0	4,410	2,205	1,626	2,502
	Long-term variable compensation						
	Stock Awards 2020 (Vesting period: 2019–23)	2,904	0	7,548	–	–	–
	Stock Awards 2019 (Vesting period: 2018–22)	–	–	–	2,330	–	–
	Stock Awards 2016 (Vesting period: 2015–19)	–	–	–	–	4,106	–
	Stock Awards 2015 (Vesting period: 2014–18)	–	–	–	–	–	4,647
	Stock Awards 2014 (Vesting period: 2014–18)	–	–	–	–	–	2,580
	Bonus Awards 2014 (Waiting period: 2014–18)	–	–	–	–	–	931
Other	–	–	–	–	–	–	
Total non-performance/performance-based compensation		7,429	2,320	14,328	6,854	8,051	12,978
Pension service cost ¹		1,220	1,220	1,235	1,271	1,220	1,271
Total compensation (Code)		8,649	3,540	15,563	8,125	9,271	14,249
Compensation according to applicable accounting standards							
Performance-based compensation	Short-term variable compensation						
	Bonus (Payout amount)	1,626			2,502		
Total compensation (HGB)		6,850			7,151		

¹ Maximum compensation includes the contribution to the Siemens Defined Contribution Pension Plan (BSAV) instead of the pension service cost, see column "2020 (Max)."

Dr. Roland Busch

Appointed: April 2011; Deputy CEO since October 2019

(Amounts in thousands of €)		Benefits granted				Benefits received	
		2020	2020 (Min)	2020 (Max)	2019	2020	2019
Non-performance-based compensation	Base salary	1,352	1,352	1,352	1,102	1,352	1,102
	Fringe benefits	98	98	101	57	98	57
	Total	1,450	1,450	1,454	1,159	1,450	1,159
Performance-based compensation	Short-term variable compensation						
	Bonus	1,277	0	2,555	1,102	899	1,176
	Long-term variable compensation						
	Stock Awards 2020 (Vesting period: 2019–23)	1,840	0	4,782	–	–	–
	Stock Awards 2019 (Vesting period: 2018–22)	–	–	–	1,166	–	–
	Stock Awards 2016 (Vesting period: 2015–19)	–	–	–	–	2,092	–
	Stock Awards 2015 (Vesting period: 2014–18)	–	–	–	–	–	2,478
	Stock Awards 2014 (Vesting period: 2014–18)	–	–	–	–	–	1,358
	Bonus Awards 2014 (Waiting period: 2014–18)	–	–	–	–	–	559
Other	–	–	–	–	–	–	
Total non-performance/performance-based compensation		4,567	1,450	8,790	3,426	4,441	6,730
Pension service cost ¹		608	608	617	566	608	566
Total compensation (Code)²		5,175	2,058	8,948	3,992	5,049	7,296

Compensation according to applicable accounting standards

Performance-based compensation	Short-term variable compensation Bonus (payout amount)	899		1,176
Total compensation (HGB)		4,189		3,501

¹ Maximum compensation includes the contribution to the Siemens Defined Contribution Pension Plan (BSAV) instead of the pension service cost, see column "2020 (Max)."

² The maximum compensation of Dr. Roland Busch was not adjusted in the course of his intra-year salary increase as of April 1, 2020. Consequently, his maximum compensation does not correspond to the sum of the individual compensation components, see column "2020 (Max)."

Lisa Davis^{1,2}

Appointed: August 2014; Left: February 2020

(Amounts in thousands of €)		Benefits granted				Benefits received	
		2020	2020 (Min)	2020 (Max)	2019	2020	2019
Non-performance-based compensation	Base salary	459	459	459	1,102	459	1,102
	Fringe benefits ³	459	459	459	751	481	729
	Total	918	918	918	1,835	940	1,830
Performance-based compensation	Short-term variable compensation						
	Bonus ⁴	477	477	477	1,102	477	1,140
	Long-term variable compensation						
	Stock Awards 2020 (Vesting period: 2019–23)	606	0	1,574	–	–	–
	Stock Awards 2019 (Vesting period: 2018–22)	–	–	–	1,166	–	–
	Stock Awards 2016 (Vesting period: 2015–19)	–	–	–	–	2,092	–
	Stock Awards 2015 (Vesting period: 2014–18)	–	–	–	–	–	2,478
	Stock Awards 2014 (Vesting period: 2014–18) ⁵	–	–	–	–	–	2,463
	Bonus Awards 2014 (Waiting period: 2014–18)	–	–	–	–	–	58
Other	–	–	–	–	–	–	
Total non-performance/performance-based compensation		2,000	1,395	2,969	4,120	3,509	7,969
Pension service cost ⁶		601	601	257	611	601	611
Total compensation (Code)		2,601	1,996	3,667	4,731	4,110	8,580

Compensation according to applicable accounting standards

Performance-based compensation	Short-term variable compensation Bonus (payout amount)	477	1,140
Total compensation (HGB)		2,000	4,158

- 1** Pro-rated compensation for the period from October 1, 2019, to February 29, 2020, due to early termination of appointment and employment contract. To settle her claims for the period from the termination date of February 29, 2020, to the regular end of her appointment and employment contract on October 31, 2020, a severance payment in the gross amount of €2,369,353, which was due and payable on the termination date of February 29, 2020, was agreed with Lisa Davis. In addition, Lisa Davis will receive a special contribution to the BSAV of €411,264, which will be credited to her pension account in January 2021. Additional pension service costs of €395,141 were recognized accordingly in fiscal 2020. Fringe benefits granted to Lisa Davis for the period from March 1, 2020, to October 31, 2020, for payments in connection with the early termination of her appointment and employment contract amounted to €684,245, including contractually agreed tax and currency adjustment.
- 2** Lisa Davis's compensation was paid out in Germany in euros. It has been agreed that any tax liability that arises due to tax rates that are higher in Germany than in the U. S. will be reimbursed. In addition, a currency adjustment payment was granted for base salary in calendar years 2018 and 2019 as well as for the Bonus for fiscal years 2018 and 2019. Furthermore, Lisa Davis was granted a currency adjustment payment for base salary in calendar year 2020 as well as for the Bonus for fiscal year 2020 up to the termination date of February 29, 2020.
- 3** The fringe benefits reported under "Benefits received" (fiscal 2020) include fringe benefits of €22,288 received in October 2019 that were, however, granted already in September 2019 (fiscal 2019).
- 4** In the termination agreement, Lisa Davis was granted an amount of €476,962 for the period from October 1, 2019, until the termination date on February 29, 2020, as compensation for her entitlement to a pro-rata Bonus for fiscal 2020. Accordingly, the floor and cap applicable to the Bonus did not apply. The amount of €476,962 is therefore reported in the section "Benefits granted" in column "2020" and also in columns "2020 (Min)" and "2020 (Max)."
- 5** The amount reported under "Benefits received" includes €2,236,573 from the settlement of Siemens Stock Awards that were granted to Lisa Davis in fiscal 2014 as compensation for the forfeiture of entitlements granted by her previous employer.
- 6** Maximum compensation includes the contribution to the Siemens Defined Contribution Pension Plan (BSAV) instead of the pension service cost, see column "2020 (Max)."

		Benefits granted				Benefits received	
		2020	2020 (Min)	2020 (Max)	2019	2020	2019
(Amounts in thousands of €)							
Non-performance-based compensation	Base salary	1,102	1,102	1,102	1,102	1,102	1,102
	Fringe benefits	45	45	83	45	45	45
	Total	1,147	1,147	1,184	1,147	1,147	1,147
Performance-based compensation	Short-term variable compensation						
	Bonus	1,102	0	2,203	1,102	947	1,213
	Long-term variable compensation						
	Stock Awards 2020 (Vesting period: 2019–23)	1,453	0	3,777	–	–	–
	Stock Awards 2019 (Vesting period: 2018–22)	–	–	–	1,166	–	–
	Stock Awards 2016 (Vesting period: 2015–19)	–	–	–	–	2,092	–
	Stock Awards 2015 (Vesting period: 2014–18)	–	–	–	–	–	2,478
	Stock Awards 2014 (Vesting period: 2014–18)	–	–	–	–	–	1,358
	Bonus Awards 2014 (Waiting period: 2014–18)	–	–	–	–	–	483
Other	–	–	–	–	–	–	
Total non-performance/performance-based compensation		3,702	1,147	7,164	3,415	4,186	6,679
Pension service cost ¹		611	611	617	618	611	618
Total compensation (Code)		4,313	1,758	7,781	4,033	4,797	7,297
Compensation according to applicable accounting standards							
Performance-based compensation	Short-term variable compensation Bonus (payout amount)	947			1,213		
Total compensation (HGB)		3,548			3,526		

¹ Maximum compensation includes the contribution to the Siemens Defined Contribution Pension Plan (BSAV) instead of the pension service cost, see column "2020 (Max)."

Janina Kugel

Appointed: February 2015; Left: January 2020

(Amounts in thousands of €)		Benefits granted				Benefits received	
		2020	2020 (Min)	2020 (Max)	2019	2020	2019
Non-performance-based compensation	Base salary	367	367	367	1,102	367	1,102
	Fringe benefits	16	16	28	41	16	41
	Total	383	383	395	1,142	383	1,142
Performance-based compensation	Short-term variable compensation						
	Bonus	367	0	734	1,102	234	1,140
	Long-term variable compensation						
	Stock Awards 2020 (Vesting period: 2019–23)	484	0	1,259	–	–	–
	Stock Awards 2019 (Vesting period: 2018–22)	–	–	–	1,166	–	–
	Stock Awards 2016 (Vesting period: 2015–19)	–	–	–	–	2,014	–
	Stock Awards 2015 (Vesting period: 2014–18) ¹	–	–	–	–	–	1,652
	Stock Awards 2014 (Vesting period: 2014–18)	–	–	–	–	–	–
	Bonus Awards 2014 (Waiting period: 2014–18)	–	–	–	–	–	–
Other ¹	–	–	–	–	–	258	
Total non-performance/performance-based compensation		1,235	383	2,388	3,410	2,631	4,192
Pension service cost ²		603	603	206	584	603	584
Total compensation (Code)		1,838	986	2,594	3,994	3,235	4,777

Compensation according to applicable accounting standards

Performance-based compensation	Short-term variable compensation Bonus (payout amount)	234	1,140
Total compensation (HGB)		1,102	3,448

¹ Janina Kugel was appointed to the Managing Board, effective February 1, 2015. The value of Siemens Phantom Stock Awards granted to Janina Kugel upon her appointment for fiscal 2015 on a pro-rata basis and settled in November 2018 following the expiration of the four-year vesting period is reported under "Stock Awards 2015 (Vesting period 2014–18)." Furthermore, Janina Kugel was entitled to Siemens Stock Awards from the 2014 and 2015 tranches acquired when she was an employee of Siemens AG, before she became a member of the Managing Board. These Stock Awards were also settled in November 2018, and their value is reported under "Other" (see "Benefits received," fiscal 2019).

² Maximum compensation includes the contribution to the Siemens Defined Contribution Pension Plan (BSAV) instead of the pension service cost, see column "2020 (Max)."

		Benefits granted				Benefits received	
		2020	2020 (Min)	2020 (Max)	2019	2020	2019
Cedrik Neike ¹							
Appointed: April 2017							
(Amounts in thousands of €)							
Non-performance-based compensation	Base salary	1,102	1,102	1,102	1,102	1,102	1,102
	Fringe benefits	36	36	83	17	36	17
	Total	1,138	1,138	1,184	1,118	1,138	1,118
Performance-based compensation	Short-term variable compensation						
	Bonus	1,102	0	2,203	1,102	879	1,213
	Long-term variable compensation						
	Stock Awards 2020 (Vesting period: 2019–23)	1,453	0	3,777	–	–	–
	Stock Awards 2019 (Vesting period: 2018–22)	–	–	–	1,166	–	–
	Stock Awards 2016 (Vesting period: 2015–19)	–	–	–	–	–	–
	Stock Awards 2015 (Vesting period: 2014–18)	–	–	–	–	–	–
	Stock Awards 2014 (Vesting period: 2014–18)	–	–	–	–	–	–
	Bonus Awards 2014 (Waiting period: 2014–18)	–	–	–	–	–	–
Other	–	–	–	–	–	–	
Total non-performance/performance-based compensation		3,693	1,138	7,164	3,386	2,017	2,331
Pension service cost ²		621	621	617	568	621	568
Total compensation (Code)		4,314	1,759	7,781	3,954	2,638	2,899
Compensation according to applicable accounting standards							
Performance-based compensation	Short-term variable compensation Bonus (payout amount)	879		1,213			
Total compensation (HGB)		3,471		3,497			

¹ In addition to his role as a member of the Managing Board of Siemens AG, Cedrik Neike served as Executive Chairman of the Board of Directors of Siemens Ltd. China until March 31, 2019. Of the fixed compensation and payout amount for short-term variable compensation reported in section "Benefits received" (fiscal 2019), an amount of €262,260 was granted and paid by Siemens Ltd. China and deducted from the compensation for his Managing Board activities at Siemens AG. Of the long-term variable compensation and fringe benefits reported in section "Benefits granted" (fiscal 2019), amounts of €131,359 and €10,842, respectively, were granted and paid by Siemens Ltd. China.

² Maximum compensation includes the contribution to the Siemens Defined Contribution Pension Plan (BSAV) instead of the pension service cost, see column "2020 (Max)."

Michael Sen¹

Appointed: April 2017; Left: March 2020

(Amounts in thousands of €)		Benefits granted				Benefits received	
		2020	2020 (Min)	2020 (Max)	2019	2020	2019
Non-performance-based compensation	Base salary	551	551	551	1,102	551	1,102
	Fringe benefits	16	16	41	170	16	170
	Total	567	567	592	1,272	567	1,272
Performance-based compensation	Short-term variable compensation						
	Bonus	551	0	1,102	1,102	301	1,176
	Long-term variable compensation						
	Stock Awards 2020 (Vesting period: 2019–23)	727	0	1,889	–	–	–
	Stock Awards 2019 (Vesting period: 2018–22)	–	–	–	1,457	–	–
	Stock Awards 2016 (Vesting period: 2015–19)	–	–	–	–	–	–
	Stock Awards 2015 (Vesting period: 2014–18)	–	–	–	–	–	–
	Stock Awards 2014 (Vesting period: 2014–18)	–	–	–	–	–	–
	Bonus Awards 2014 (Waiting period: 2014–18)	–	–	–	–	–	–
Other	–	–	–	–	–	–	
Total non-performance/performance-based compensation		1,844	567	3,582	3,831	868	2,448
Pension service cost ²		618	618	308	562	618	562
Total compensation (Code)		2,463	1,185	3,891	4,393	1,487	3,010

Compensation according to applicable accounting standards

Performance-based compensation	Short-term variable compensation Bonus (payout amount)	301	1,176
Total compensation (HGB)		1,595	3,906

¹ Pro-rated compensation for the period from October 1, 2019, to March 31, 2020, due to early termination of appointment. His employment relationship will remain unaffected until the end of the day on March 31, 2021. In addition to the compensation as a Managing Board member reported in the table above, Michael Sen received the following compensation for the period from April 1, 2020, until September 30, 2020 (fiscal 2020): base salary of €550,800, fringe benefits of €20,750, BSAV contribution of €308,448, Bonus of €550,800 and Stock Awards of €629,500. Furthermore, Michael Sen has been granted the following compensation for the period from October 1, 2020, until the early termination of his employment contract on March 31, 2021 (fiscal 2021): base salary of €550,800, fringe benefits in the maximum amount of €24,357.50, BSAV contribution of €308,448, Bonus of €550,800 and Stock Awards of €629,500. In accordance with the terms of his contract, the Bonus for fiscal 2020 and fiscal 2021 will be paid out entirely in cash. In accordance with the terms of his contract and the guidelines for the 2020 and 2021 tranche, the Stock Awards will be settled and transferred after the expiration of the vesting period in November 2023 and November 2024, respectively, on the basis of the actual degree of target attainment. To settle his claims for the period from the termination date of March 31, 2021, until the regular end of his appointment and employment contract on March 31, 2022, a severance payment in the gross amount of €3,544,427, which will be due and payable on the termination date of March 31, 2021, was agreed with Michael Sen. In addition, Michael Sen will receive a special contribution to the BSAV in the amount of €616,896, which will be credited to his pension account in January 2022.

² Maximum compensation includes the contribution to the Siemens Defined Contribution Pension Plan (BSAV) instead of the pension service cost, see column "2020 (Max)."

		Benefits granted				Benefits received	
		2020	2020 (Min)	2020 (Max)	2019	2020	2019
(Amounts in thousands of €)							
Non-performance-based compensation	Base salary	1,102	1,102	1,102	1,102	1,102	1,102
	Fringe benefits	81	81	83	69	81	69
	Total	1,183	1,183	1,184	1,171	1,183	1,171
Performance-based compensation	Short-term variable compensation						
	Bonus	1,102	0	2,203	1,102	812	1,250
	Long-term variable compensation						
	Stock Awards 2020 (Vesting period: 2019–23)	1,782	0	4,632	–	–	–
	Stock Awards 2019 (Vesting period: 2018–22)	–	–	–	1,457	–	–
	Stock Awards 2016 (Vesting period: 2015–19)	–	–	–	–	2,092	–
	Stock Awards 2015 (Vesting period: 2014–18)	–	–	–	–	–	2,478
	Stock Awards 2014 (Vesting period: 2014–18)	–	–	–	–	–	1,358
	Bonus Awards 2014 (Waiting period: 2014–18)	–	–	–	–	–	483
Other	–	–	–	–	–	–	
Total non-performance/performance-based compensation		4,067	1,183	8,019	3,730	4,087	6,740
Pension service cost ¹		601	601	617	586	601	586
Total compensation (Code)		4,668	1,784	8,636	4,315	4,688	7,325
Compensation according to applicable accounting standards							
Performance-based compensation	Short-term variable compensation Bonus (payout amount)	812			1,250		
Total compensation (HGB)		3,777			3,878		

¹ Maximum compensation includes the contribution to the Siemens Defined Contribution Pension Plan (BSAV) instead of the pension service cost, see column "2020 (Max)."

A.10.1.3 Additional disclosures on stock-based compensation instruments in fiscal 2020

The following table shows changes in the balance of the Stock Awards held by Managing Board members in

fiscal 2020. The table also includes the expenses for each individual Managing Board member arising from stock-based compensation recognized in accordance with IFRS in fiscal 2020 and fiscal 2019.

	Balance at beginning of fiscal 2020	Granted during fiscal year ¹		Vested and settled during fiscal year	Forfeited during fiscal year	Balance at the end of fiscal 2020 ²	Expenses for stock-based compensation (in €)	
	Forfeitable Stock Awards grants	Forfeitable Stock Awards grants (TSR)	Forfeitable Stock Awards grants (ESG)	Stock Awards grants	Stock Awards grants	Forfeitable Stock Awards grants	Fiscal 2020	Fiscal 2019
Managing Board members in office as of September 30, 2020								
Joe Kaeser	128,045	42,021	10,505	28,043	0	152,528	4,196,318	1,231,410
Dr. Roland Busch	64,316	26,622	6,656	14,286	0	83,308	1,180,201	606,684
Klaus Helmrich	64,316	21,027	5,257	14,286	0	76,314	1,099,367	606,940
Cedrik Neike ³	44,007	21,027	5,257	0	0	70,291	1,255,741	557,575
Prof. Dr. Ralf P. Thomas	71,019	25,787	6,447	14,286	0	88,967	1,247,806	679,797
Total	371,703	136,484	34,122	70,901	0	471,408	8,979,433	3,682,407
Former members of the Managing Board								
Lisa Davis	64,316	8,761	2,190	14,286	0	60,981	2,109,885	605,764
Janina Kugel	63,294	7,009	1,752	13,757	0	58,298	2,006,764	578,552
Michael Sen ⁴	55,912	10,514	2,628	0	0	69,054	4,641,135	716,334
Total	183,522	26,284	6,570	28,043	0	188,333	8,757,785	1,900,651

¹ The resulting fair value at grant date in fiscal 2020 per granted Stock Award (TSR) was – on the basis of 200% target attainment – €44.42 and per granted Stock Award (ESG) €98.80.

² The figures take into account the Stock Awards granted in November 2019 for fiscal 2020. The provisional target attainment for the portion of the 2020 Stock Awards tranche that is dependent on the Siemens internal ESG/Sustainability index (weighting 20%) is 92%. According to IFRS, this target attainment results in a reduction of the number of Stock Awards, which has been accounted for in the recognition of expenses. As the provisional target attainment does not provide for any information about the final target attainment or the number of Stock Awards to be transferred after the expiration of the vesting period, the reduction is not reported in the table above. Rather, emphasis is placed on the transparent reporting of the stock-based commitments for the individual members of the Managing Board. At the end of the vesting period, a final number of shares to be transferred is determined based on actual target attainment, taking into account the maximum amount for the Stock Awards.

³ The reported figures include the Stock Awards granted to Cedrik Neike for his position as Executive Chairman of the Board of Directors of Siemens Ltd. China.

⁴ The number of Stock Awards granted to Michael Sen during fiscal 2020 includes only the portion of Stock Awards attributable to his membership on the Managing Board. The value reported under "Expenses for stock-based compensation (in €) fiscal 2020" includes, however, the full expenses recognized for Michael Sen in the past fiscal year.

The spin-off of Siemens Energy in fiscal 2020 led to adjustments in the stock-based compensation grants agreed upon until then (2017 to 2020 tranches of the Stock Awards). To counteract an expected dilution from the spin-off, Managing Board members – like all other entitled employees – will receive an additional cash payment based on the spin-off ratio of 2:1 and the price of the Siemens Energy share on the date when their stock-based compensation grants become due. A total expense of €775,882, which is already included in the expense for stock-based compensation (see the preceding table), was recognized for these stock grants in the past fiscal year.

In fiscal 2020, a gain from stock-based compensation for former Managing Board member Prof. Dr. Siegfried Russwurm amounting to €54,084 was recognized in accordance with IFRS. The gain was due to the reversal of accrued provisions, which were recognized as income. These provisions exceeded the payout for the 2016 Stock Awards tranche received in fiscal 2020 and exceeded the provisions required for the portion of the 2017 tranche to be settled in cash. Beyond this, a gain of €1,630 was recognized for the additional cash payment for the 2017 tranche due to the spin-off of Siemens Energy. The settlement of Stock Awards for former Managing Board members via the transfer of Siemens shares takes place, as a rule, after the expiration of the relevant vesting period.

A.10.1.4 Outlook for target-setting in fiscal 2021

On September 23, 2020, the Supervisory Board of Siemens AG approved the following performance criteria for the short-term variable compensation (Bonus) for fiscal 2021:

- for "Siemens Group," the performance criterion "profit," measured in terms of basic earnings per share (EPS)
- for "Managing Board portfolio," the performance criterion "profitability/capital efficiency," measured in terms of return on capital employed (ROCE).

In addition, the Supervisory Board has set from two to four individual targets for each member of the Managing Board.

The Supervisory Board also approved the following performance criteria for the 2021 Stock Awards tranche (vesting period: November 2020 through November 2024):

- "long-term value creation," measured in terms of total shareholder return (TSR) relative to the MSCI World Industrials index and
- "sustainability," measured in terms of the Siemens ESG/Sustainability index and taking into account the following three equally weighted key performance indicators: CO₂ emissions (environmental), digital learning hours per employee (social) and Net Promoter Score (governance).

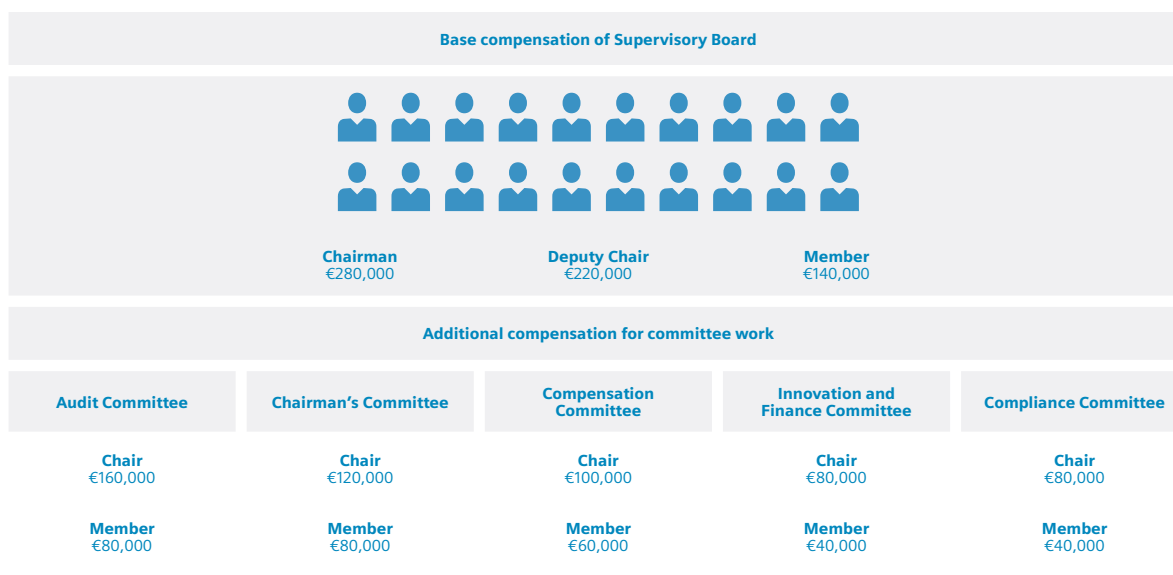
A.10.2 Compensation of Supervisory Board members

The current compensation policies for the Supervisory Board were authorized at the Annual Shareholders' Meeting on January 28, 2014, and have been in effect since fiscal 2014. Details are set out in Section 17 of the Articles of Association of Siemens AG. Supervisory Board compensation consists entirely of fixed compensation; it reflects the responsibilities and scope of the work of the Supervisory Board members. The Chairman and Deputy

Chairs of the Supervisory Board as well as the chairs and members of the Audit Committee, the Chairman's Committee, the Compensation Committee, the Compliance Committee and the Innovation and Finance Committee receive additional compensation.

Under the current rules, the members of the Supervisory Board receive an annual base compensation, and the members of the Supervisory Board committees receive additional compensation for their committee work.

Compensation of members of the Supervisory Board and its committees



Compensation for work on the Chairman's Committee counts toward compensation for work on the Compensation Committee. No additional compensation is paid for work on the Compliance Committee if a member of that committee is already entitled to compensation for work on the Audit Committee.

If a Supervisory Board member is absent from any Supervisory Board meetings, one-third of the aggregate compensation due to that member is reduced by the percentage of Supervisory Board meetings he or she does not attend in relation to the total number of Supervisory Board meetings held during the fiscal year. In the event

of changes in the composition of the Supervisory Board or its committees, compensation is paid on a pro-rata basis, rounding up to the next full month.

In addition, the members of the Supervisory Board are entitled to receive a fee of €1,500 for each meeting of the Supervisory Board and/or its committees they attend.

The members of the Supervisory Board are reimbursed for out-of-pocket expenses incurred in connection with their duties and for any value-added taxes to be paid on their compensation. For the performance of his duties, the Chairman of the Supervisory Board is also entitled to

an office with secretarial support and the use of a car service. No loans or advances from the Company are provided to members of the Supervisory Board.

Under Section 113 (3) of the German Stock Corporation Act (AktG) in the version amended by the German Act Implementing the Second Shareholders' Rights Directive (ARUG II), the annual shareholders' meeting of a listed company must resolve on compensation for the members of the supervisory board at least every four years. Such a resolution is planned for the Annual Shareholders' Meeting on February 3, 2021. The current provisions in Section 17 of Siemens' Articles of Association are to be

amended effective October 1, 2021, and replaced by simplified compensation arrangements.

In addition, at its meeting on September 23, 2020, the Supervisory Board decided to reintegrate the Compliance Committee into the Audit Committee. Effective October 1, 2020, the duties that had been transferred to the Compliance Committee were assumed again by the Audit Committee, and the Compliance Committee was thereby dissolved.

The compensation shown in the following table was determined for each Supervisory Board member for fiscal 2020 (individualized disclosure).

(Amounts in €)	2020				2019			
	Base compensation	Additional compensation for committee work	Meeting attendance fee	Total	Base compensation	Additional compensation for committee work	Meeting attendance fee	Total
Supervisory Board members in office as of September 30, 2020								
Jim Hagemann Snabe	280,000	280,000	72,000	632,000	280,000	280,000	52,500	612,500
Birgit Steinborn ¹	220,000	200,000	61,500	481,500	220,000	200,000	51,000	471,000
Werner Wenning	220,000	140,000	51,000	411,000	220,000	140,000	37,500	397,500
Dr. Werner Brandt	140,000	160,000	36,000	336,000	140,000	160,000	24,000	324,000
Michael Diekmann	140,000	60,000	22,500	222,500	140,000	60,000	15,000	215,000
Dr. Andrea Fehrmann ¹	140,000	–	18,000	158,000	140,000	–	9,000	149,000
Bettina Haller ¹	140,000	80,000	36,000	256,000	140,000	80,000	24,000	244,000
Harald Kern ¹	140,000	80,000	27,000	247,000	140,000	80,000	19,500	239,500
Jürgen Kerner ¹	140,000	200,000	61,500	401,500	140,000	200,000	51,000	391,000
Dr. Nicola Leibinger-Kammüller	131,515	75,152	34,500	241,167	140,000	80,000	25,500	245,500
Benoît Potier	135,758	–	21,000	156,758	132,222	–	9,000	141,222
Hagen Reimer ¹	140,000	–	18,000	158,000	105,000	–	4,500	109,500
Dr.-Ing. Dr.-Ing. E. h. Norbert Reithofer	135,758	38,788	19,500	194,045	132,222	37,778	12,000	182,000
Baroness Nemat Shafik (DBE, DPhil)	140,000	–	18,000	158,000	132,222	–	7,500	139,722
Dr. Nathalie von Siemens	140,000	40,000	21,000	201,000	140,000	40,000	13,500	193,500
Michael Sigmund	140,000	–	18,000	158,000	140,000	–	9,000	149,000
Dorothea Simon ¹	140,000	–	18,000	158,000	140,000	–	9,000	149,000
Matthias Zachert	140,000	80,000	36,000	256,000	140,000	80,000	24,000	244,000
Gunnar Zukunft ¹	140,000	–	18,000	158,000	140,000	–	9,000	149,000
Former members of the Supervisory Board								
Robert Kentsbock ^{1,2}	140,000	180,000	39,000	359,000	140,000	180,000	28,500	348,500
Total³	3,083,031	1,613,940	646,500	5,343,470	3,041,666	1,617,778	435,000	5,094,444

¹ These employee representatives on the Supervisory Board and the representatives of the trade unions on the Supervisory Board have declared their willingness to transfer their compensation to the Hans Boeckler Foundation, in accordance with the guidelines of the Confederation of German Trade Unions.

² Robert Kentsbock left the Supervisory Board on September 25, 2020, the effective date of the spin-off of Siemens' energy business.

³ Compared to the amounts reported in the 2019 Compensation Report, this amount does not include compensation totaling €51,167 for former Supervisory Board member Reinhard Hahn.

A.10.3 Other

The Company provides a group insurance policy for Supervisory and Managing Board members and certain other employees of the Siemens Group. The policy is taken out for one year at a time or renewed annually. It covers the personal liability of the insured individuals in cases of financial loss associated with their activities on behalf of the Company. The insurance policy for fiscal 2019 includes a deductible for the members of the Managing Board and the Supervisory Board that complies with the requirements of the German Stock Corporation Act and the Code in its version dated February 7, 2017. Due to the amended recommendations of the Code in its version dated December 16, 2019, the policy for fiscal 2021 no longer includes a deductible for the members of the Supervisory Board.