

SIEMENS

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Shareholder Counterproposals and Election Nominations

for the Annual Shareholders' Meeting 2014 of Siemens AG on January 28, 2014

Latest update: January 14, 2014

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 2014. 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.

Management's position, if any, on the shareholder proposals will also be made public on this website.

Voting and voting instructions in respect of shareholder proposals

If you wish to vote in favor of one or more shareholder proposals which simply reject the proposal of the Management, mark the appropriate box(es) of the Agenda item(s) in accordance with the proposal(s) of the shareholder motion(s), i.e. "NO" which are provided on the printed "Voting instruction and/or absentee voting form" in the Attendance Notification Form or on our Internet 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.

Mr. Roland Kirchner, Rodeberg, has submitted the following shareholder proposal:

A With regard to Agenda Item 7: To resolve on a by-election to the Supervisory Board

Counterproposal – Election for the member of the Supervisory Board to be elected by the Annual Shareholders' Meeting on January 28, 2014

Dear sirs and madams,

In accordance with Section 126 (1) of the German Stock Corporation Act (AktG), I in my capacity as a shareholder of your company (Shareholder Control Number [REDACTED]) propose that under Agenda Item 7 of the invitation to the Annual Shareholders' Meeting on January 28, 2014, the following person be elected as a member of the Supervisory Board instead of the Supervisory Board's nomination Jim Hagemann Snabe:

Mr. Roland Kirchner, Graduate in Business Economics, [REDACTED] 99976 Rodeberg, Germany.

The degrees he gained in Industrial Engineering and Business Economics from a university of applied sciences and his many years of professional experience qualify him for the position.

He is not a member of the Managing Board or Supervisory Board of any other company.

Please confirm receipt of this letter. I also ask you to make this nomination public in accordance with the regulations of the German Stock Corporation Act (AktG).

Kind regards

Roland Kirchner

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

B With regard to Agenda Item 11: To resolve on the adjustment of Supervisory Board compensation and related amendments to the Articles of Association

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

c/o Ernst Koether, Bäckerstr. 37, 81241 München, Tel.: 089/89670229, Fax: 03212/1239263, E-Mail: E.Koether@unsereAktien.de
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Annual Shareholders' Meeting 2014

Counterproposal to Agenda Item 11

„To resolve on the adjustment of Supervisory Board compensation and related amendments to the Articles of Association“

The Verein von Belegschaftsaktionären in der Siemens AG, e.V. proposes that the following resolution be adopted:

a) Section 17 of the Articles of Association shall be amended to read as follows:

“1. The members of the Supervisory Board shall receive a basic annual compensation of €100,000; the Chairman of the Supervisory Board shall receive a basic annual compensation of €200,000, and each Deputy Chairman of €150,000. For their services on the Supervisory Board committees, additional compensation shall be paid as follows:

- a) €100,000 to the Chairman of the Audit Committee and €50,000 to every other member of the Audit Committee;
- b) €100,000 to the Chairman of the Chairman's Committee and €50,000 to every other member of the Chairman's Committee;
- c) €100,000 to the Chairman of the Compensation Committee and €50,000 to every other member of the Compensation Committee; if the Supervisory Board member concerned is entitled to a compensation pursuant to subsection 1 (b) due to his or her services on the Chairman's Committee, his or her services on the Compensation Committee shall be paid only in the amount, if any, by which his or her compensation for services in the Chairman's Committee is exceeded;
- d) €80,000 to the Chairman of the Innovation and Finance Committee and €40,000 to every other member of the Innovation and Finance Committee;
- e) €80,000 to the Chairman of the Compliance Committee and €40,000 to every other member of the Compliance Committee; compensation pursuant to the present subsection 1 (e) shall not be granted if the Supervisory Board member concerned is entitled to a compensation pursuant to subsection 1 (a) due to his or her services on the Audit Committee.

2. In case there are changes on the Supervisory Board and/or its committees, the compensation shall be in proportion to the term of office, with parts of months being rounded up to full months. If a Supervisory Board member fails to attend a meeting of the Supervisory Board, one-third of the overall compensation pursuant to subsection 1 above shall be reduced by a percentage equal to the percentage of meetings the Supervisory Board member has not attended relative to the total number of meetings held in the fiscal year.
 3. The remuneration shall be payable after the close of the Annual Shareholders' Meeting at which the annual financial statements for the fiscal year just ended are submitted or which resolves on the approval thereof.
 4. The Supervisory Board members shall be included in a D&O liability insurance for board members and certain employees of the Siemens Group maintained by the Company in the Company's interests that, where existing, will provide reasonable coverage against financial damages. The premiums for this insurance policy shall be paid by the Company.
Furthermore, the Company will reimburse the members of the Supervisory Board for expenses incurred and for sales taxes to be paid on their compensation."
- b) The amendment to the Articles of Association described in Agenda Item 11 a) shall replace the current regulations regarding the compensation of the members of the Supervisory Board upon becoming effective, and shall apply for the first time to the fiscal year that began on October 1, 2013.

Supporting information:

The compensation paid to members of the Supervisory Board is overall too high compared with the average pay for employees of Siemens AG and so is not acceptable. The Verein von Belegschaftsaktionären in der Siemens AG therefore proposes reducing the amounts in items 1. and 1. a) to 1. c), compared with those proposed by Management.

The Verein von Belegschaftsaktionären in der Siemens AG also proposes abolishing attendance fees (item 4 in the proposal by Management). In addition to their services for meetings of the Supervisory Board, members are also compensated for their services on the committees. Any expenses incurred by members in connection with exercising their function on the Supervisory Board and the sales taxes to be paid on their compensation are reimbursed. It is therefore not apparent why attendance fees should be paid on top.

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

sgd. **Ernst Koether**
Chairman

sgd. **Birgit Grube**
Deputy Chairwoman

sgd. **Franz Weigert**
Deputy Chairman

Vorstand: Ernst Koether, Birgit Grube, Franz Weigert; Schatzmeister: Jürgen Schulz; Schriftführerin: Sigrid Mathies

The “Dachverband der Kritischen Aktionärinnen und Aktionäre e.V.” has submitted the following shareholder proposals:

Counterproposals concerning the Annual Shareholders’ Meeting of Siemens AG on January 28, 2014

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

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 information:

With its involvement in dam projects, the Managing Board of Siemens AG violates human rights, the UN Guiding Principles, conventions of the International Labor Organization (ILO), recommendations of the World Commission on Dams and the Group’s own corporate governance guidelines.

Belo Monte Dam in Brazil

According to the latest press reports, construction of the Belo Monte Dam (with an output of 11 GW, the third-largest in the world) on one of the Amazon’s major tributaries, the Xingu River, in the North Brazilian state of Pará is 34% complete, despite the fact that 20 lawsuits filed by the Federal Public Prosecutor in Brasília are still pending in the country’s courts (including the Supreme Court) and the legal position clearly indicates that the dam is illegal. The Brazilian government is attempting in this way to create a fait accompli. The repeated court orders for construction to be suspended are time and again quashed with reference to overriding national interests. The Supreme Court invokes the law from 1964 defining what is known as the “suspensão de segurança,” which allows constitutionally protected rights and principles to be suspended with reference to overriding national interests. This legal artifice dates back to the military dictatorship in Brazil (1964-1985).

The Siemens joint venture Voith Hydro supplies turbines and electromechanical equipment for the dam and so violates its own corporate governance guidelines. Siemens AG must establish processes that enable the group to remedy the human rights violations that it contributes to through its involvement in such projects. If Siemens is not able to put an end to these flagrant wrongdoings, the Group must withdraw from these projects and terminate the contracts.

Brazil ratified ILO Convention 169 on the protection of the rights of indigenous and tribal peoples in 2004 – and the ILO determined in March 2012 that ILO Convention 169 was not being complied with in the Belo Monte Dam project. The Belo Monte Dam project robs the inhabitants of the region around Altamira and along the large loop of the Xingu River of their means of subsistence. The Siemens Managing Board is deliberately turning a blind eye to the fact that the construction measures for the Belo Monte Dam contravene prevailing national and international law.

Agua Zarca hydroelectric dam in Honduras

Siemens is involved in supplying the turbines and other technical equipment to the Agua Zarca hydroelectric dam on the Gualcarque River in Honduras through the joint venture Voith Hydro GmbH. The project is firmly rejected by a large part of the indigenous Lenca population. Affected Lenca communities report that they have been prevented from accessing the river and that fertile land for their subsistence farming has been destroyed. A lawsuit alleging illegal occupation of indigenous community land against the Honduran operator DESA (Desarrollos Energéticos S.A.) has been pending since September 3, 2013 (http://rightsaction.org/sites/default/files/Rpt_131001_RioBlanco_Final.pdf).

There are credible indications that the consultations with the population prescribed in ILO Convention 169, which was signed by Honduras in 1994, were not conducted properly (<http://www.internationalrivers.org/node/8040>).

Instead, opponents of the project, who intensified their protests when construction commenced in 2013, have experienced threats, violent assaults and criminalization. Since May 17, 2013, police and military units have been stationed on grounds used by DESA in the community La Tejera. On July 15, 2013, Sergeant Kevin Jasser Sarabia shot the local indigenous Lenca leader Tomás Garcia without any prior warning during a demonstration in front of the gates of the grounds claimed by DESA and seriously wounded his 17-year-old son. A 15-year-old boy died on the same day in circumstances that are still unclear (cf. the statement by the Inter-American Commission on Human Rights: <http://www.oas.org/es/cidh/prensa/comunicados/2013/052.asp>).

Following these incidents, the Chinese company SINOHYDRO, which was also involved in constructing the dam, withdrew from the project. According to SINOHYDRO GROUP, the contract with DESA was terminated on August 24, 2013 (<http://business-humanrights.org/Categories/News?date=2013/11/25&page=2>).

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

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 information:

The departure of four members of the Managing Board within one fiscal year – President and Chief Executive Officer Peter Löscher and Peter Solmssen, Brigitte Ederer and Barbara Kux – is an unusual occurrence which raises many questions as regards the Supervisory Board's competence when it comes to recruiting executives.

The premature departure of managers means the group will incur avoidable financial charges totaling 31 million euros, which could have been prevented by careful personnel selection. Peter Löscher alone can look forward not only to a golden handshake of 15 million euros, but also a special contribution to his old-age pension of just over 2.2 million euros. Although Peter Löscher, who was recruited by Chairman of the Supervisory Board Gerhard Cromme in

2007, never really settled in at the Group, the Supervisory Board renewed his contract by a further six years in 2011.

General Counsel Solmssen, who left at the end of 2013, will receive a compensation payment of just under 7 million euros and pension entitlements of one million euros. His contract had likewise been renewed in 2011. Solmssen is responsible for the fact that Siemens concluded a partnership with the Russian nuclear power plant constructor Rosatom in 2009.

The former Head of Human Resources Brigitte Ederer, whose contract would have ended normally in 2015, will receive a golden handshake of 15.6 million euros plus a special contribution to her old-age pension of almost 900,000 euros.

The numerous incorrect strategic decisions taken by the Managing Board are ultimately the responsibility of the Supervisory Board of Siemens AG. It has failed in its duty to monitor and advise the Managing Board in the conduct of business.

The Supervisory Board is also jointly responsible for violations by Siemens AG against UN Guiding Principles, conventions of the International Labor Organization (ILO), the recommendations of the World Commission on Dams and its own corporate governance guidelines.

Cologne, January 13, 2014

sgd. Markus Dufner
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This version of the Shareholder Counterproposals and Election Nominations, 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: Gerhard Cromme

Managing Board: Joe Kaeser, Chairman, President and Chief Executive Officer

Members of the Managing Board: Roland Busch, Klaus Helmrich, Hermann Requardt, Siegfried Russwurm, Michael Süß, Ralf P. Thomas

Registered offices: Berlin and Munich, Germany

Commercial registries: Berlin Charlottenburg, HRB 12300, Munich, HRB 6684; WEEE-Reg.-No. DE 23691322

