

# Notice of Annual Shareholders' Meeting 2019

of Siemens AG on January 30, 2019

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**Siemens Aktiengesellschaft**

Berlin and Munich

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**Notice of Annual Shareholders'  
Meeting 2019**

Berlin and Munich,  
December 2018

To Our Shareholders:  
NOTICE IS HEREBY GIVEN

**that the Annual Shareholders' Meeting  
of Siemens Aktiengesellschaft  
(hereinafter "Siemens AG" or "Company")**

will be held on Wednesday, January 30, 2019  
at 10:00 a.m. CET, at the Olympiahalle of the  
Olympiapark, Coubertinplatz, 80809 Munich,  
Federal Republic of Germany, for the following  
purposes:

# Agenda

- 1. To receive and consider the adopted Annual Financial Statements of Siemens AG and the approved Consolidated Financial Statements, together with the Combined Management Report of Siemens AG and the Siemens Group as of September 30, 2018, as well as the Report of the Supervisory Board and the Corporate Governance Report for fiscal year 2018**

The materials referred to also include the Compensation Report and the Explanatory Report on the information required pursuant to Section 289a (1) and Section 315a (1) of the German Commercial Code (HGB). With the exception of the adopted Annual Financial Statements, they are part of the Annual Report 2018. The materials are available on our website at [www.siemens.com/agm](http://www.siemens.com/agm) and copies will be sent to shareholders upon request without undue delay and free of charge. In addition, they will be available at the Annual Shareholders' Meeting and will also be explained there in more detail.

The Supervisory Board has already approved the Annual Financial Statements and the Consolidated Financial Statements prepared by the Managing Board; the Annual Financial Statements are thus adopted. In accordance with the applicable legal provisions, no resolution on Agenda Item 1 is therefore proposed to be adopted.

- 2. To resolve on the appropriation of the net income of Siemens AG to pay a dividend**

The Supervisory Board and the Managing Board propose that the unappropriated net income of Siemens AG for the fiscal year ended September 30, 2018 amounting to €3,230,000,000.00 be appropriated as follows:

Distribution of a dividend of €3.80 on each share of no par value entitled to the dividend for fiscal year 2018:	<b>€3,069,821,936.40</b>
Amount carried forward:	<b>€160,178,063.60</b>

The proposal for appropriation of the net income reflects the 42,152,122 treasury shares that were held directly or indirectly by the Company at the time the Annual Financial Statements were prepared by the Managing Board and that are not entitled to a dividend pursuant to Section 71b of the German Stock Corporation Act (AktG). Should there be any change in the number of shares of no par value entitled to the dividend for fiscal year 2018 before the date of the Annual Shareholders' Meeting, the above proposal will be amended accordingly and presented at the Annual Shareholders' Meeting, with an unchanged dividend of €3.80 on each share of no par value entitled to the dividend for fiscal year 2018 as well as suitably amended amounts for the sum to be distributed and the carryforward.

In accordance with Section 58 (4) sentence 2 of the German Stock Corporation Act (AktG), the dividend is due on the third business day following the resolution by the Annual Shareholders' Meeting, i.e. on February 4, 2019.

### **3. To ratify the acts of the members of the Managing Board**

The Supervisory Board and the Managing Board propose that the acts of the members of the Managing Board in fiscal year 2018 be ratified for that period.

It is intended to let the Annual Shareholders' Meeting decide by separate ballot whether to ratify the acts of each individual member of the Managing Board.

### **4. To ratify the acts of the members of the Supervisory Board**

The Supervisory Board and the Managing Board propose that the acts of the members of the Supervisory Board in fiscal year 2018 be ratified for that period.

It is intended to let the Annual Shareholders' Meeting decide by separate ballot whether to ratify the acts of each individual member of the Supervisory Board.

### **5. To resolve on the appointment of independent auditors for the audit of the Annual Financial Statements and the Consolidated Financial Statements and for the review of the Half-year Financial Report**

On the basis of its Audit Committee's recommendation and preference, the Supervisory Board proposes that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, be appointed to serve as independent auditors of the Annual Financial Statements and the Consolidated Financial Statements for fiscal year 2019 and be appointed to serve as auditors for the review of the condensed Financial Statements and the Interim Management Report for the Siemens Group for the first half of fiscal year 2019.

The recommendation by the Audit Committee was preceded by a selection procedure organized in accordance with Article 16 of the EU Audit Regulation (Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC). Following that, the Audit Committee recommended to the Supervisory Board that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, and PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, be awarded the tendered audit engagement, giving the reasons for that recommendation, and stated a justified preference for Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart.

The Audit Committee also declared that its recommendation had not been improperly influenced by third parties and that no clause restricting its choice within the meaning of Article 16 (6) of the EU Audit Regulation had been imposed on it.

**6. To resolve on the creation of Authorized Capital 2019 against contributions in cash and/or contributions in kind with the option of excluding shareholders' subscription rights, and related amendments to the Articles of Association**

The Authorized Capital 2014 resolved on by the Annual Shareholders' Meeting on January 28, 2014, in Agenda Item 8 and provided for in Section 4 (5) of the Articles of Association expires on January 27, 2019. Therefore, the previous provision concerning the Authorized Capital 2014 contained in Section 4 (5) of the Articles of Association shall be deleted and new Authorized Capital 2019 against contributions in cash and/or in kind shall be created with the option of excluding shareholders' subscription rights to replace the previous, unused Authorized Capital 2014 and shall again have a volume of 20% of the capital stock.

The Supervisory Board and the Managing Board propose that the following resolution be approved and adopted:

- a) The Managing Board shall be authorized to increase the capital stock until January 29, 2024, with the approval of the Supervisory Board, by up to €510,000,000 nominal through the issuance of up to 170,000,000 shares of no par value registered in the name of the holders against contributions in cash and/or in kind. The authorization may also be used in installments. The new shares shall participate in profits from the beginning of the fiscal year in which they have been issued. To the extent permitted by law, the Managing Board, with the approval of the Supervisory Board, can stipulate in deviation from the above and Section 60 (2) of the German Stock Corporation Act (AktG) that the new shares shall participate in profits from the beginning of a fiscal year that has already ended and for which no resolution on appropriation of the net income has been adopted by the Annual Shareholders' Meeting at the time the shares are issued. The Managing Board shall be authorized to determine the further details of the capital increase and its implementation with the approval of the Supervisory Board.

The Managing Board shall furthermore be authorized to exclude the subscription right, with the approval of the Supervisory Board, in the event of capital increases against contributions in kind, particularly in connection with business combinations or the acquisition (including indirect acquisition) of companies, businesses, parts of companies, participations or other assets or claims for the acquisition of assets, including claims against the Company or any of its consolidated subsidiaries.

In the event of capital increases against contributions in cash, the new shares must generally be offered to the shareholders for subscription; they can also be assumed by credit institutions or enterprises within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with the obligation that they must be offered to the shareholders for subscription. However, the Managing

Board shall be authorized to exclude shareholders' subscription rights, with the approval of the Supervisory Board, in the event of capital increases against contributions in cash

- to the extent necessary for fractional amounts resulting from the subscription ratio,
- in order to grant holders/creditors of conversion or option rights on Siemens shares or of respective conversion or option obligations from bonds issued or guaranteed by Siemens AG or any of its consolidated subsidiaries subscription rights as compensation against effects of dilution to the extent to which they would be entitled upon exercising such conversion or option rights or fulfilling such conversion or option obligations,
- if the issue price of the new shares is not significantly lower than the stock market price of Siemens shares already listed. The part of the capital stock mathematically attributable to the shares issued against contributions in cash, with shareholders' subscription rights excluded in accordance with the provisions of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), must not exceed 10% of the capital stock. Applicable in this case is the capital stock at the time this authorization becomes effective or, if this amount is lower, at the time at which this authorization is used. This limit shall include shares issued or disposed of in direct or *mutatis mutandis* application of these provisions during the term of this authorization up to the time of it being used. Likewise included are shares that have been issued or granted or are to be issued or granted on the basis of a convertible bond or warrant bond issued during the term of this authorization, with shareholders' subscription rights excluded in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG).

b) The Authorized Capital 2014 resolved on by the Annual Shareholders' Meeting on January 28, 2014 in Agenda Item 8 and provided for in Section 4 (5) of the Articles of Association shall be deleted and Section 4 (5) of the Articles of Association amended to read as follows:

"5. The Managing Board is authorized to increase the capital stock until January 29, 2024, with the approval of the Supervisory Board, by up to €510,000,000 nominal through the issuance of up to 170,000,000 shares of no par value registered in the name of the holders against contributions in cash and/or in kind. The authorization may also be used in installments. The new shares shall participate in profits from the beginning of the fiscal year in which they have been issued. To the extent permitted by law, the Managing Board, with the approval of the Supervisory Board, can stipulate in deviation from the above and Section 60 (2) of the German Stock Corporation Act (AktG) that the new shares shall participate in profits from the beginning of a fiscal year that has

already ended and for which no resolution on appropriation of the net income has been adopted by the Annual Shareholders' Meeting at the time the shares are issued. The Managing Board shall be authorized to determine the further details of the capital increase and its implementation with the approval of the Supervisory Board (Authorized Capital 2019).

The Managing Board is furthermore authorized to exclude the subscription right, with the approval of the Supervisory Board, in the event of capital increases against contributions in kind, particularly in connection with business combinations or the acquisition (including indirect acquisition) of companies, businesses, parts of companies, participations or other assets or claims for the acquisition of assets, including claims against the Company or any of its consolidated subsidiaries.

In the event of capital increases against contributions in cash, the new shares must generally be offered to the shareholders for subscription; they can also be assumed by credit institutions or enterprises within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with the obligation that they must be offered to the shareholders for subscription. However, the Managing Board is authorized to exclude shareholders' subscription rights, with the approval of the Supervisory Board, in the event of capital increases against contributions in cash

- to the extent necessary for fractional amounts resulting from the subscription ratio,
- in order to grant holders/creditors of conversion or option rights on Siemens shares or of respective conversion or option obligations from bonds issued or guaranteed by Siemens AG or any of its consolidated subsidiaries subscription rights as compensation against effects of dilution to the extent to which they would be entitled upon exercising such conversion or option rights or fulfilling such conversion or option obligations,
- if the issue price of the new shares is not significantly lower than the stock market price of Siemens shares already listed. The part of the capital stock mathematically attributable to the shares issued against contributions in cash, with shareholders' subscription rights excluded in accordance with the provisions of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), must not exceed 10% of the capital stock. Applicable in this case is the capital stock at the time this authorization becomes effective or, if this amount is lower, at the time at which this authorization is used. This limit shall include shares issued or disposed of in direct or *mutatis mutandis* application of these provisions during the term of

this authorization up to the time of it being used. Likewise included are shares that have been issued or granted or are to be issued or granted on the basis of a convertible bond or warrant bond issued during the term of this authorization, with shareholders' subscription rights excluded in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG)."

- c) The Supervisory Board shall be authorized to amend Section 4 of the Articles of Association with regard to the respective utilization of the Authorized Capital 2019 as well as after the expiration of the term of authorization.

Against the background of the above-proposed authorization to increase the capital stock, the Managing Board has prepared a written report on the reasons for which it is to be authorized to exclude shareholders' subscription rights under certain circumstances. The report is reproduced after the Agenda and, from the time of giving Notice of Annual Shareholders' Meeting, is available on our website at [www.siemens.com/AGM](http://www.siemens.com/AGM). Upon request, every shareholder will be provided with a copy of it without undue delay and free of charge. The report will also be available at the Annual Shareholders' Meeting.

In addition, the Managing Board issues a commitment according to which it restricts capital increases from the Authorized Capital 2019 proposed under Agenda Item 6 and the Conditional Capital proposed under Agenda Item 7. This commitment is likewise reproduced after the Agenda.

**7. To resolve on granting a new authorization of the Managing Board to issue convertible bonds and/or warrant bonds and exclude shareholders' subscription rights, and on the creation of Conditional Capital 2019 and related amendments to the Articles of Association**

The authorization to issue convertible bonds and/or warrant bonds resolved on by the Annual Shareholders' Meeting on January 28, 2014 under Agenda Item 9 will expire on January 27, 2019. The authorization was not used and will not be used up to the end of its effective term, with the result that the corresponding Conditional Capital 2014 is no longer required. Therefore, the Managing Board shall again be authorized to issue convertible bonds and/or warrant bonds to the same extent, the Conditional Capital 2014 shall be canceled and new Conditional Capital 2019 shall be resolved. Together with the existing authorization to issue convertible bonds and/or warrant bonds resolved on by the Annual Shareholders' Meeting on January 27, 2015 under Agenda Item 10, the Company would thus still have a sufficiently large authorized volume overall.



The Supervisory Board and the Managing Board propose that the following resolution be approved and adopted:

a) Authorization to issue convertible bonds and/or warrant bonds and exclude shareholders' subscription rights

(1) General comments, limits to the amount, issue in exchange for contributions in cash or considerations in kind and by consolidated subsidiaries, time limit for the authorization

The Managing Board shall be authorized, once or several times, including simultaneously in different tranches, to issue subordinated or unsubordinated convertible bonds and/or warrant bonds in an aggregate principal amount of up to €15,000,000,000 and in this connection to grant and impose, respectively, conversion, exchange or option rights or conversion obligations on, at the time they are established, up to 80,000,000 shares of Siemens AG of no par value registered in the name of the holders ("Siemens shares"), representing a pro rata amount of up to €240,000,000 of the capital stock. Furthermore, the authorization shall include the option to assume the guarantee for convertible bonds and/or warrant bonds issued by consolidated subsidiaries of the Company and to make the statements and take the required actions necessary for successful issuance of bonds. The authorization shall also include the option of granting Siemens shares in the cases provided for in the terms and conditions of the bonds and/or the warrants (hereinafter referred to as "terms and conditions of the bonds").

The authorization shall cover all convertible bonds and/or warrant bonds subject to the statutory requirements contained in Section 221 of the German Stock Corporation Act (AktG). They may also stipulate exchange rights of the issuer or Siemens AG, in particular rights to replace the considerations originally owed under them by Siemens shares (including in the form of a tender right, substitution right or redemption option) and so establish the obligation to deliver Siemens shares or conversion or option rights or conversion or option obligations on Siemens shares when they are issued or subject to a separate declaration by the issuer or Siemens AG to exercise a conversion right or subject to other conditions (and any combination of the foregoing), in each case at the end of the term or at other points in time (including all possible arrangements envisaged in this resolution, hereinafter referred to as "bonds"). The bonds can be issued for financing purposes (raising debt capital or equity), but also for other purposes, such as to optimize the Company's capital structure.

The bonds may be issued in exchange for contributions in cash and/or considerations in kind, in particular a participation in other companies. Warrant bonds may be issued in exchange for considerations in kind to the extent that the terms and conditions of the

warrants provide for full payment in cash of the option price per Siemens share upon exercise. The principal amount or an issue price of bonds below the principal amount may also be chosen such that, at the time of issue, it corresponds to the pro rata amount of the capital stock represented by the shares to be issued in accordance with the terms and conditions of the bonds, i.e., it need not necessarily exceed such amount.

The authorization for the issue of bonds shall expire on January 29, 2024. If a bond stipulates an obligation to deliver Siemens shares or conversion or option rights or conversion or option obligations on Siemens shares only after a declaration by the issuers or Siemens AG to exercise an exchange right, the declaration in question must be issued by January 29, 2024.

## (2) Conversion/option price per share

In the case of warrant bonds, option rights shall be attached to each bond certificate, in particular in the form of one or more warrants, entitling and/or obliging the holder/creditor to subscribe to Siemens shares, subject to the terms and conditions of the bonds, or including a right of exchange of the issuer or Siemens AG.

In the case of convertible bonds, the holders/creditors of the convertible bonds shall be entitled and/or obliged to convert them into Siemens shares, subject to the terms and conditions of the bonds.

In all cases, the conversion ratio or the exchange or subscription ratio is obtained by dividing the principal amount or the lower issue price of a convertible bond, or if a warrant is exercised, the amount owed under its terms and conditions, by the conversion or option price stipulated for one Siemens share.

The conversion/option price per share applicable at the time of issue must not be less than 80% of the price of Siemens shares as quoted in Xetra trading (or a comparable successor system) in the case of bonds with exchange or subscription rights of the creditors which existed when they were issued. The calculation shall be based on the average closing price over the ten trading days prior to the date on which the Managing Board finally resolves to issue the bonds or on the Company's notice of acceptance following a public request for submission of subscription offers. If shareholders' subscription rights are not excluded, the price on the trading days during the subscription period can be used as the basis instead (with the exception of the days in the subscription period necessary to publish the conversion/option price on time in accordance with Section 186 (2) of the German Stock Corporation Act (AktG)). In the case of bonds with a conversion or option obligation or an exchange right of the issuer or

Siemens AG, the conversion or option price, or the reference price of the Siemens share used to determine the conversion/option price, may either at least equal the minimum price set out above or correspond to the average volume-weighted price of Siemens shares in Xetra trading (or a comparable successor system) on at least three trading days immediately prior to calculation of the conversion/option price as defined in more detail by the terms and conditions of the bonds, even if this average price and the applicable conversion/option price derived from it is below the minimum price (80%) set out above. Section 9 (1) and Section 199 (2) of the German Stock Corporation Act (AktG) shall remain unaffected.

(3) Dilution protection, adjustments and further possible arrangements

The authorization shall also include the option, subject to the terms and conditions of the bonds, to provide dilution protection and/or other adjustments under certain circumstances. Dilution protection or other adjustments may be provided for in particular if the Company changes its capital structure during the term of the bonds and/or warrants (e.g. through a capital increase, a capital decrease or a stock split), but also in connection with dividend payouts, the issue of additional convertible and/or warrant bonds, transformation measures, and in the case of other events affecting the value of the option or conversion rights that may occur during the term of the bonds and/or warrants (e.g. control gained by a third party). Dilution protection or other adjustments may be provided in particular by granting subscription rights, by adjustments of the conversion/option price as well as by amending or introducing cash components.

The Managing Board shall be authorized to determine the terms of issue and further terms and conditions of the bonds and/or warrants or to establish such terms and conditions by mutual agreement with the respective issuing consolidated subsidiary. In particular, the terms and conditions of the bonds may also provide for the following arrangements:

- whether and under what conditions, e.g. at the discretion of the issuer or Siemens AG, servicing from conditional capital (in particular from the new Conditional Capital 2019 to be created in connection with this authorization), from authorized capital that already exists or is to be created, from existing treasury shares, or treasury shares to be acquired, or instead of delivery of Siemens shares by paying the compensation for the value in cash or delivery of other securities that can be traded at a trading venue within the meaning of Section 2 (22) of the German Securities Trading Act (WpHG), may be provided for,

- whether the bonds or warrants are bearer or registered bonds or warrants,
- the number and features of the warrants (including those with different features) to be attached to each bond certificate and whether they are detachable when or after being issued,
- Interest and – an unlimited or different – term for the bonds or warrants,
- Features of the bond component, which can include in particular exchangeable, mandatory exchangeable or hybrid bonds,
- whether, in the case of warrant bonds, the option price can be paid in whole or in part by transfer of bond certificates (as payment),
- whether a bond provides an exchange right of the issuer or Siemens AG allowing to replace the original obligation owed under the bond, such as to deliver securities or pay a due cash amount, by Siemens shares,
- whether the conversion/option price(s) or the conversion/subscription or exchange ratios are to be determined when the bonds are issued or during the term of the bonds or warrants and how these prices/ratios are to be defined (in each case including any minimum and maximum prices and variable features or computation on the basis of future stock market prices),
- whether and how a conversion ratio should be rounded,
- whether an additional cash payment or a compensation in cash should be specified in the case of fractional amounts,
- in the case of mandatory conversions, the fulfillment of option obligations or tender rights, how details are to be determined regarding the exercise, fulfillment of obligations or rights, deadlines and determination of conversion or option prices,
- whether the bonds should be issued in euros or in the legal currency of an OECD country other than euros. For the purpose of determining the maximum aggregate principal amount of this authorization in the case of issues in foreign currencies, the principal amount of the bonds shall in each case be converted into euros on the day when the decision of the issue thereof is taken.

(4) Subscription right, authorization to exclude the subscription right

As a matter of principle, the bonds must be offered to the shareholders for subscription; they can also be issued to credit institutions or enterprises within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with the obligation that they must be offered to the shareholders for subscription. However, the Managing Board shall be authorized to exclude the subscription right with the approval of the Supervisory Board,

- provided that the bonds are issued in exchange for cash payment and the issue price of the bonds is not significantly lower than their theoretical market price computed in accordance with generally accepted actuarial methods. The part of the capital stock mathematically attributable to the shares to be issued or granted on the basis of bonds issued under this authorization, with shareholders' subscription rights excluded in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), must not exceed 10% of the capital stock. The capital stock at the time this authorization becomes effective or, if this amount is lower, at the time at which this authorization is used shall apply. When determining this limit, shares shall also be taken into account which, during the term of this authorization until its use, are issued or disposed of in direct or *mutatis mutandis* application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG). Likewise included are shares that have been issued or granted or are to be issued or granted on the basis of a convertible bond or warrant bond issued during the term of this authorization, with shareholders' subscription rights excluded in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG),
- if the bonds are issued in exchange for considerations in kind, in particular in the context of business combinations or for the purpose of acquiring (including indirectly acquiring) companies, businesses, parts of companies, participations or other assets or rights to acquire assets, including receivables against the Company or its consolidated subsidiaries,
- to the extent necessary for fractional amounts resulting from the subscription ratio,

- in order to grant holders/creditors of conversion or option rights on Siemens shares or of respective conversion or option obligations from bonds issued or guaranteed by Siemens AG or any of its consolidated subsidiaries subscription rights as compensation against effects of dilution to the extent to which they would be entitled upon exercising such conversion or option rights or fulfilling such conversion or option obligations.

b) Cancellation of the Conditional Capital 2014

The Conditional Capital 2014 resolved on by the Annual Shareholders' Meeting on January 28, 2014 under Agenda Item 9 and provided for in Section 4 (8) of the Articles of Association in the amount of €240,000,000 is canceled.

c) Creation of Conditional Capital 2019

In order to grant shares to holders/creditors of convertible bonds or warrant bonds issued under the authorization pursuant to Agenda Item 7 a) above, the capital stock shall be conditionally increased by up to €240,000,000 through the issuance of up to 80,000,000 shares of no par value registered in the names of the holders. The conditional capital increase shall be effected through the issuance of up to 80,000,000 shares of no par value registered in the names of the holders with entitlement to dividends as of the beginning of the fiscal year in which they are issued and only to the extent to which holders/creditors of convertible bonds or warrants under warrant bonds issued by January 29, 2024 by Siemens AG or any of its consolidated subsidiaries under the authorization of the Managing Board pursuant to Agenda Item 7 a) above exercise their conversion or option rights, fulfill their conversion or option obligations, or to the extent shares are tendered, and provided that no other forms of fulfillment of delivery are used. The new shares shall be issued at the conversion or option prices determined in each case in the terms and conditions of the bonds and/or the warrants in accordance with the above-mentioned authorization. The Managing Board shall be authorized, with the approval of the Supervisory Board, to determine the further details of the capital increase and its implementation (Conditional Capital 2019).

d) Amendments to the Articles of Association

Section 4 (8) of the Articles of Association shall be amended to read as follows:

"8. The capital stock is conditionally increased by up to €240,000,000. The conditional capital increase shall be effected through the issuance of up to 80,000,000 shares of no par value registered in

the names of the holders with entitlement to dividends as of the beginning of the fiscal year in which they are issued and only to the extent to which holders/creditors of convertible bonds or warrants under warrant bonds issued by January 29, 2024 by Siemens AG or any of its consolidated subsidiaries under the authorization of the Managing Board granted by the Annual Shareholders' Meeting of January 30, 2019 exercise their conversion or option rights, fulfill their conversion or option obligations, or to the extent shares are tendered, and provided that no other forms of fulfillment of delivery are used. The new shares shall be issued at the conversion or option prices determined in each case in the terms and conditions of the bonds and/or the warrants in accordance with the above-mentioned authorization. The Managing Board shall be authorized, with the approval of the Supervisory Board, to determine the further details of the capital increase and its implementation (Conditional Capital 2019)."

e) Authorization of the Supervisory Board to amend the Articles of Association

The Supervisory Board shall be authorized to amend Section 4 of the Articles of Association depending on the use of the Conditional Capital 2019. The same shall apply in the event that the authorization to issue convertible bonds or warrant bonds has not been used upon expiration of the effective term of the authorization and in the event that the Conditional Capital 2019 has not been utilized or has not been fully utilized after expiration of all conversion or option periods.

Against the background of the above-proposed authorization to issue convertible bonds and/or warrant bonds, the Managing Board has prepared a written report on the reasons for which it is to be authorized to exclude shareholders' subscription rights under certain circumstances. The report is reproduced after the Agenda and, from the time of giving Notice of Annual Shareholders' Meeting, is available on our website at [www.siemens.com/agm](http://www.siemens.com/agm). Upon request, every shareholder will be provided with a copy of it without undue delay and free of charge. The report will also be available at the Annual Shareholders' Meeting.

In addition, the Managing Board issues a commitment to restrict capital increases from the Authorized Capital 2019 proposed under Agenda Item 6 and the Conditional Capital proposed under Agenda Item 7. This commitment is likewise reproduced after the Agenda.

## 8. To resolve on the approval of a control and profit-and-loss transfer agreement between Siemens AG and a subsidiary

On November 26, 2018, Siemens AG and its wholly-owned, Munich-based subsidiary Kyros 58 GmbH (hereinafter referred to as the “Subsidiary”) concluded a Control and Profit-and-Loss Transfer Agreement.

The Supervisory Board and the Managing Board propose that the Control and Profit-and-Loss Transfer Agreement between Siemens AG (as the parent company) and Kyros 58 GmbH be approved.

The essential content of the Control and Profit-and-Loss Transfer Agreement is as follows:

- The Subsidiary shall subordinate management of its company to Siemens AG. Siemens AG shall accordingly have the right to give instructions to the Management of the Subsidiary on how the Subsidiary is to be managed (including its entire commercial sphere within the meaning of the Value-Added Tax Act (UStG)). The Management of the Subsidiary shall be obliged to obey the instructions.
- The Subsidiary undertakes to transfer its entire profits to Siemens AG in accordance with the provisions of Section 301 of the German Stock Corporation Act (AktG), as amended from time to time.
- With the consent of Siemens AG, the Subsidiary may appropriate amounts from the net income to other retained earnings pursuant to Section 272 (3) of the German Commercial Code (HGB) insofar as this is permitted under commercial law and economically justified based on reasonable business judgment. The formation of statutory reserves is permitted. Upon request by Siemens AG, amounts appropriated to other retained earnings pursuant to Section 272 (3) of the German Commercial Code (HGB) during the term of the agreement shall be released and used to compensate a net loss or be transferred as profits. The transfer of capital reserves and retained earnings existing prior to the date of the Agreement shall be excluded.
- Upon request by Siemens AG, profits shall be transferred in advance during the year, if and to the extent this is legally permissible.
- If the Agreement does not end prior to the expiration of the Subsidiary’s fiscal year, the entitlement to the transfer of profits shall arise at the end of the Subsidiary’s fiscal year and shall be due taking that date as value date. The obligation to transfer profits shall apply retroactively as of the beginning of the Subsidiary’s fiscal year in which the Agreement becomes effective by registration in the register of companies at the registered office of the Subsidiary.
- Siemens AG shall be obliged to assume the losses of the Subsidiary in accordance with the provisions of Section 302 of the German Stock Corporation Act (AktG), as amended from time to time.



- If the Agreement does not end prior to the expiration of the Subsidiary's fiscal year, the entitlement to the assumption of losses shall arise at the end of the Subsidiary's fiscal year and shall be due taking that date as value date. The obligation to assume losses shall apply retroactively as of the beginning of the Subsidiary's fiscal year in which the agreement becomes effective by registration in the register of companies at the registered office of the Subsidiary.
- The agreement becomes effective upon registration in the register of companies at the registered office of the Subsidiary.
- The agreement shall be concluded for an indefinite period of time. It may be terminated ordinarily upon three (3) months' notice prior to the end of the Subsidiary's fiscal year, but for the first time to the end of the Subsidiary's fiscal year that ends at least five (5) years after the beginning of the Subsidiary's fiscal year in which the Agreement became effective. In addition to the above notice period, Siemens AG can terminate the agreement ordinarily at any time upon two (2) weeks' prior notice once the minimum term specified in the above sentence has expired.
- The right to terminate the agreement for good cause without observing a notice period shall remain unaffected. Good cause shall exist in particular in the event of insolvency, merger, split-up or liquidation of Siemens AG or the Subsidiary; it shall also exist if Siemens AG disposes of or contributes shares and thus no longer directly holds all the shares in the Subsidiary, or an outside shareholder participates in the Subsidiary for the first time within the meaning of Section 307 of the German Stock Corporation Act (AktG) as a result of Siemens AG disposing of or contributing shares. In the event that shares are disposed of or contributed, Siemens AG may also terminate the agreement as of the date of conclusion of the promissory agreement relating to the disposal or contribution of the shares in the Subsidiary, effective the date of transfer of the shares or at an earlier date. Good cause shall also exist in the event of an initial public offering ("IPO") of the Subsidiary; in such a case, the agreement can also be terminated as of the date on which the prospectus is approved by the responsible authority, effective the date on which the IPO is completed (transfer of the shares to the investors) or at an earlier date.
- Notice of termination of the Agreement shall be given in writing.
- The interpretation of individual provisions of the Agreement shall be subject to Section 14 and Section 17 of the German Corporation Tax Act (KStG), as amended from time to time.

- The Agreement contains a severability clause. Should any provision of the Agreement be or become ineffective or unenforceable in whole or in part or should the Agreement contain a gap, this shall not affect the validity of the remaining provisions of the Agreement. In place of the ineffective or unenforceable provision, the parties shall agree on an effective or enforceable provision which in its economic effect comes as close as legally possible to that of the ineffective or unenforceable provision. In the event of a gap in the Agreement, the parties shall agree on a provision that would have been intended, in light of the object and purpose of the Agreement, had they considered the point on concluding the Agreement.
- If, under the terms of the Agreement, a declaration is to be made in writing, such a declaration shall be signed by the declaring party, signing his/her name in his/her own hand, and transmitted to the other party as an original. The written form may not be replaced by the electronic form.
- Place of performance and jurisdiction for the parties shall be Munich.

Siemens AG is the sole shareholder of the Subsidiary. No compensation payments or financial settlements pursuant to Section 304 and Section 305, respectively, of the German Stock Corporation Act (AktG) are to be made to outside shareholders.

From the time of giving Notice of Annual Shareholders' Meeting, the following materials are available on our website at [WWW.SIEMENS.COM/AGM](http://WWW.SIEMENS.COM/AGM):

- The Control and Profit-and-Loss Transfer Agreement between Siemens AG and Kyros 58 GmbH,
- The adopted Annual Financial Statements of Siemens AG and the approved Consolidated Financial Statements, together with the Combined Management Report of Siemens AG and the Siemens Group as of September 30, 2016,
- The adopted Annual Financial Statements of Siemens AG and the approved Consolidated Financial Statements, together with the Combined Management Report of Siemens AG and the Siemens Group as of September 30, 2017,
- The adopted Annual Financial Statements of Siemens AG and the approved Consolidated Financial Statements, together with the Combined Management Report of Siemens AG and the Siemens Group as of September 30, 2018,

- The adopted Annual Financial Statements of Kyros 58 GmbH as of September 30, 2018 (short fiscal year),
- The Joint Report of the Managing Board of Siemens AG and Management of Kyros 58 GmbH in accordance with Section 293a of the German Stock Corporation Act (AktG).

Upon request, every shareholder will be provided with a copy of these materials without undue delay and free of charge. The materials will also be available at the Annual Shareholders' Meeting of Siemens AG.

# Further information, details, and reports

## Report of the Managing Board on Agenda Item 6

It will be proposed at the Annual Shareholders' Meeting that Authorized Capital 2019 of a total of up to €510,000,000 be created through the issuance of up to 170,000,000 shares of no par value registered in the name of the holders. The new Authorized Capital 2019 shall be available for capital increases against contributions in cash and/or contributions in kind and can also be used in installments, although the total amount may not be exceeded. The new Authorized Capital 2019 is designed to replace the Authorized Capital 2014 that will expire on January 27, 2019, and has so far not been utilized by the Company. It shall enable the Company to act quickly and flexibly without the need to wait for the Annual Shareholders' Meeting or an extraordinary shareholders' meeting. If this new authorization were utilized to the full, the proposed amount of the new Authorized Capital 2019 of up to 170,000,000 new shares would result in a 20% increase in the current capital stock.

If the Authorized Capital 2019 is utilized, shareholders shall generally be entitled to subscription rights. In order to facilitate ease of handling, the new shares may also be assumed by credit institutions or enterprises within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with the obligation that they must be offered to the shareholders for subscription. In the cases referred to in the proposed authorization, however, the Managing Board shall also be authorized to exclude the subscription right with the approval of the Supervisory Board.

With the approval of the Supervisory Board, it shall be possible to exclude shareholders' subscription rights in full in the event of capital increases against contributions in kind, in order to again afford the Company the option of offering Siemens shares quickly and flexibly as consideration for claims arising from the preparation, implementation, application or processing of transactions involving contractual or statutory acquisitions or business combinations, without having to take recourse to the stock exchange. Siemens AG is faced with global competition and must be able at all times to act quickly and flexibly on the international and regional markets in the interests of its shareholders. This also includes the acquisition at short notice of companies, businesses, parts of companies, participations or other assets or claims for the acquisition of assets, including claims against the Company or any of its consolidated subsidiaries, in order to improve its competitive position. Siemens shares may serve as an appropriate or even necessary consideration for conserving liquidity or meeting sellers' expectations. The proposed exclusion of shareholders' subscription rights in the event of capital increases against contributions in kind takes account of this objective. The dilution caused by exclusion of the subscription right is offset by the fact that the business expansion through a strengthening of equity is financed by third parties and the existing shareholders – albeit with a lower percentage of ownership and proportion of voting rights than previously – share in the Company's growth that they would have otherwise had to fund themselves if a sub-

scription right had been granted. Because the Company is listed, every shareholder can in principle also increase his or her percentage of ownership by purchasing shares.

In the event of capital increases against contributions in cash, the Managing Board may exclude the subscription right, with the approval of the Supervisory Board, if the new shares are issued at a price that is not significantly lower than the stock market price of Siemens shares already listed. When determining the issue price, Management shall keep any possible markdown on the quoted stock market price as low as possible, taking into account current market conditions. This authorization enables the Company to leverage market opportunities quickly and flexibly and cover capital requirements at short notice. The Company should be in a position, for example, to issue new shares to one or more institutional investors or to enlarge its investor base, including what are known as anchor investors. By excluding the subscription right, it is possible to place the shares close to the stock market price, i.e. the discount normally associated with rights issues is eliminated. The part of the capital stock mathematically attributable to the shares issued under this kind of facilitated exclusion of subscription rights must not exceed 10% of the capital stock at the time the authorization becomes effective or, if this amount is lower, at the time at which the authorization is used. This meets the shareholders' interest in being protected against dilution of their percentage ownership in the Company. Furthermore, shareholders may in principle purchase shares on the market under comparable terms and conditions if they want to maintain their percentage of ownership. The 10% limit includes shares issued or disposed of in direct or *mutatis mutandis* application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) during the term of this authorization up to the time of it being used. Likewise included are shares that have been issued or granted or are to be issued or granted on the basis of a convertible bond or warrant bond issued during the term of this authorization, with facilitated exclusion of the subscription rights in accordance with these provisions.

The proposed authorization also provides that the Managing Board may exclude, with the approval of the Supervisory Board, shareholders' subscription rights with regard to fractional amounts. The reasonable and market-conforming exclusion of shareholders' subscription rights with regard to such fractional amounts, if any, is intended to allow the authorization to be used for round amounts and thus facilitate ease of handling. Due to the exclusion's restriction to fractional amounts, the potential dilutive effect is usually very low.

In addition, the subscription right can be excluded, with the approval of the Supervisory Board, in order to grant holders/creditors of conversion or option rights on Siemens shares or of respective conversion or option obligations from bonds issued or guaranteed by Siemens AG or any of its consolidated subsidiaries subscription rights as compensation against effects of dilution to the extent to which they would be entitled upon

exercising such conversion or option rights or fulfilling such conversion or option obligations. This enables a market-conforming means of dilution protection for the holders or creditors of these instruments. They are thereby treated as if they were already shareholders. In order to protect the bonds from dilution, shareholders' rights to subscribe for such shares must be excluded.

There are currently no specific plans to utilize the new Authorized Capital 2019. The Managing Board will carefully consider on a case-by-case basis whether utilization of the Authorized Capital 2019 would be in the interests of the Company and its shareholders. The Managing Board will report to the Annual Shareholders' Meeting on utilization of the Authorized Capital 2019.

## Report of the Managing Board on Agenda Item 7

An adequate capital structure and appropriate financing are essential prerequisites for the development of the Company. By issuing convertible bonds and/or warrant bonds, the Company is able to use attractive financing opportunities depending on the market situation and its financing necessities, for example in order to raise debt capital at favorable interest rates or to optimize its capital structure. Furthermore, the issue of convertible bonds and/or warrant bonds, potentially in addition to other instruments such as a capital increase, may serve to broaden the investor base, including what are known as anchor investors.

The authorization to issue convertible bonds and/or warrant bonds that was resolved on by the Annual Shareholders' Meeting on January 28, 2014 under Agenda Item 9 and has not been used will expire on January 27, 2019. Therefore, the Managing Board shall again be authorized to issue, also in exchange for considerations in kind, convertible bonds and/or warrant bonds, the Conditional Capital 2014 shall be canceled and new Conditional Capital 2019 shall be resolved. Together with the existing authorization to issue convertible bonds and/or warrant bonds resolved on by the Annual Shareholders' Meeting on January 27, 2015 under Agenda Item 10, the Company would thus again have a sufficiently large authorized volume overall.

The authorization being sought under Agenda Item 7 is designed for issuing bonds in a principal amount of up to €15,000,000,000 with conversion or option rights or obligations entitling or obliging the holders/creditors to subscribe to stock of Siemens AG. For this purpose, up to 80,000,000 new Siemens shares from the new Conditional Capital 2019 shall be provided for, representing a pro rata amount of up to €240,000,000 of the capital stock. Full utilization of the proposed authorization would enable the issue of bonds granting subscription rights or conversion rights for approx. up to 9.41% of the Company's current capital stock at the time they are established. The authorization shall expire on January 29, 2024.

The Company, possibly also through its consolidated subsidiaries, shall be entitled to raise funds through the issue of bonds in euros as well as in other legal currencies of OECD countries. The bonds may also stipulate the possibility of an obligation to exercise conversion and/or option rights or exchange rights by the issuer or Siemens AG, in particular rights to replace the considerations originally owed under them by Siemens shares (including in the form of a tender right, substitution right or redemption option). Furthermore, the terms and conditions may also – apart from servicing from conditional capital or from authorized capital – provide for the option of fulfilling the rights under the bonds by using treasury shares, by paying the compensation for the value in cash or by transferring other securities that can be traded.

Apart from convertible bonds and/or warrant bonds with subscription rights only for creditors or holders, mandatory exchangeable bonds (with an exchange right of the issuer or Siemens AG) are also envisaged. In addition, bonds shall also be enabled for which the issuer or Siemens AG can exercise an exchange right after the bond has been issued, through a declaration to the bondholders, as a result of which Siemens shares must be delivered in whole or part instead of the debt originally determined in the bond. The last-mentioned option enables the Company to respond to changes in general conditions between the issuance of such bonds and the end of their term flexibly and with little detriment to liquidity.

The conversion and/or option price must not be lower than a minimum issue price per share that is computed in accordance with the procedures described in detail above. The basis for the computation is in each case the market price of Siemens shares prevailing at the time of placement of the bonds; alternatively, in case of conversion or option obligations or an exchange right, the market price of Siemens shares prevailing at the time when the conversion or option price is calculated as defined in detail by the terms and conditions of the bonds. Without prejudice to Section 9 (1) and Section 199 (2) of the German Stock Corporation Act (AktG), the conversion or option price may be adjusted by virtue of a dilution protection or adjustment clause subject to a more precise definition of the terms and conditions of the bonds if the Company, for example, changes its capital structure during the term of the bonds or warrants (e.g. through a capital increase, a capital decrease or a stock split). Furthermore, dilution protection or other adjustments may be provided for in connection with dividend payouts, the issue of additional convertible and/or warrant bonds, transformation measures, and in the case of other events affecting the value of the option and/or conversion rights that may occur during the term of the bonds or warrants (e.g. control gained by third parties). Dilution protection or other adjustments may be provided particularly by granting subscription rights, by changing the conversion or option price, and by amending or introducing cash components.

As a matter of principle, shareholders shall have subscription rights with regard to this type of bond issue. In order to facilitate ease of handling, however, it is intended to provide for the option to make use of the possibility of issuing the bonds to credit institutions or enterprises within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with the obligation that they must be offered to shareholders for subscription. In the cases referred to in the authorization, however, the Managing Board shall also be authorized to exclude the subscription right with the approval of the Supervisory Board.

Pursuant to Section 221 (4) sentence 2 of the German Stock Corporation Act (AktG), the provisions of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) apply *mutatis mutandis* to the exclusion of subscription rights when convertible bonds or warrant bonds are issued. On the basis of the legal restriction in this connection that forms part of the authorization, the limit for the exclusion of subscription rights of up to 10% of the capital stock stipulated in the above provision is not exceeded. The part of the capital stock mathematically attributable to the shares to be issued or granted on the basis of bonds issued under this authorization must not exceed 10% of the capital stock at the time this authorization becomes effective or, if this amount is lower, at the time at which this authorization is used. When determining this limit, shares shall also be taken into account which, during the term of this authorization until its use, are issued or disposed of in direct or *mutatis mutandis* application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG). The same applies to shares which have been issued or granted or are to be issued or granted due to a convertible bond and/or warrant bond issued or granted during the term of this authorization based on the use of another authorization under exclusion of the subscription right in accordance with these provisions.

Placements that exclude shareholders' subscription rights provide a platform for the Company to take advantage of favorable situations on the capital market at short notice and may thus achieve a significantly higher inflow of funds than in the case of issues retaining subscription rights. Moreover, the terms and conditions that can be achieved (in particular the conversion/option price per share and the option premium obtained or to be paid and, in the case of foreign currencies, the exchange rate) can be estimated far more reliably over a very short term and thus attractive terms and conditions can also be achieved more reliably. If issues provide for the retention of subscription rights, uncertainty about the utilization of such rights would put a successful placement at risk or at least burden it with additional expenses and far longer lead times, during which market conditions may change. Terms and conditions that are favorable for the Company and that reflect market conditions can be achieved only if the Company is not bound by these terms for an excessively long offering period. Otherwise a substantial discount would be required in



order to ensure the attractiveness of the terms and conditions and thus the success of the issue over the entire offering period. Moreover, if foreign currencies are included, the effects of exchange rate fluctuations on the issue can be mitigated if the subscription rights are excluded and the offering period is appropriately reduced. Finally, especially bonds in foreign currency or with more than one embedded derivative may be instruments that are suitable or interesting only for specialized groups of investors.

To ensure that the interests of shareholders are safeguarded, bonds are issued at a price that is not significantly lower than the theoretical market price computed in accordance with generally accepted actuarial methods in the case of subscription rights or subscription obligations that were already established when the bonds were issued. In determining the price and taking into account the then current capital market situation, the Managing Board will keep the discount on that market price as small as possible, thus reducing the financial value of a subscription right in respect of the bonds to near zero. As a result, existing shareholders will not suffer a material economic disadvantage following the exclusion of their subscription rights. In addition, to protect themselves against any negative dilutive effects, they have the opportunity to maintain their percentage equity ownership interests in the Company's capital stock by purchasing the necessary shares on the stock exchange as close as possible to the time of determination of the terms of issue of the bonds.

Furthermore, the shareholders' subscription right can also be excluded if the bonds are issued in exchange for considerations in kind. Among other things, this is intended to enable the Managing Board to also use the bonds as an acquisition currency to acquire such considerations in kind against transfer of such financing instruments, in each case on an opportunistic basis in connection with business combinations or for the purpose of acquiring (including indirectly acquiring) companies, businesses, parts of companies, participations or other assets or rights to acquire assets, including receivables against the Company or its consolidated subsidiaries. Business expansions realized by way of acquisition of companies or participations in companies normally require quick decisions. The proposed authorization enables the Managing Board to react in a quick and flexible manner to advantageous offers or other opportunities arising on national or international markets and to seize business expansion opportunities by acquiring companies or participations in companies against the issuance of bonds in the interest of the Company and its shareholders. The Managing Board will carefully review in each case whether it should use the authorization to issue bonds under exclusion of shareholders' subscription rights where actual opportunities for the acquisition of assets, in particular companies or participations in companies, arise. The Managing Board will not exclude the shareholders' subscription rights unless this would be in best interests of the Company and its shareholders.

The remaining proposed instances of exclusion of shareholders' subscription rights are designed to facilitate the process of bond issue. The exclusion in the case of fractional amounts is a reasonable and market-conforming means for achieving a practical subscription ratio. Due to the restriction to fractional amounts, the potential dilutive effect is also usually very low. The exclusion of shareholders' subscription rights for the benefit of holders/creditors of outstanding bonds is in line with common market practice and may be advantageous if the conversion or option price of the already outstanding bonds, which are commonly equipped with an anti-dilution mechanism, does not have to be reduced. The proposed exclusions of the subscription right are therefore in the interests of the Company and its shareholders.

The Conditional Capital 2019 is required in order to be able to fulfill conversion and/or option rights or conversion or option obligations or tender rights with respect to Siemens shares attached to bonds, unless other forms of fulfillment are used to ensure delivery.

There are currently no concrete plans to make use of the authorization to issue convertible bonds and/or warrant bonds. The Managing Board will carefully consider on a case-by-case basis whether use of the authorization would be in the interests of the Company and its shareholders. The Managing Board will inform the Annual Shareholders' Meeting of the use of the authorization.

## Commitment by the Managing Board on Agenda Items 6 and 7

Under Agenda Items 6 and 7, it is proposed to the Annual Shareholders' Meeting that new Authorized Capital be created and that a new authorization to issue convertible bonds and/or warrant bonds, including the corresponding Conditional Capital 2019, be granted. An authorization to exclude shareholders' subscription rights is provided for in both proposals. For the most important case in practice – the facilitated exclusion of subscription rights against contributions in cash (stipulated by law in Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG)), the proposals contain provisions on the inclusion of shares that ensure that a maximum limit of 10% of the capital stock is adhered to, even if use of the facilitated exclusion of subscription rights is made under different authorizations in direct or *mutatis mutandis* application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG).

In addition, the Managing Board also issues the following commitment: We will not increase the capital stock of the Company from the proposed Authorized Capital 2019 and the proposed Conditional Capital 2019 by a total of more than 10% of the current capital stock, to the extent that capital increases with shareholders' subscription rights excluded are made from the Authorized Capital 2019 against contributions in cash or in kind or to service convertible bonds and/or warrant bonds issued under the authorization proposed in Agenda Item 7 with shareholders' subscription rights excluded. This commitment comes into force when the resolutions proposed under Agenda Items 6 and 7 become effective. It ends no later than midnight (CET) on January 29, 2024. It shall end prematurely if a future Annual Shareholders' Meeting resolves a new authorization to exclude shareholders' subscription rights and, in connection with the proposal to the Annual Shareholders' Meeting, the Managing Board submits a new arrangement superseding this commitment.

## Total number of shares and voting rights

At the time of giving Notice of the Annual Shareholders' Meeting, the Company's capital stock amounts to 850,000,000 shares of no par value, with each share entitling to one vote. The total number of voting rights thus amounts to 850,000,000. Of these 850,000,000 shares, at the time the Annual Financial Statements were prepared by the Managing Board, 42,152,122 shares were held as treasury shares from which the Company derives no rights.

## Prerequisites for attending the Annual Shareholders' Meeting and for exercising the voting rights

### Notification of attendance

Only those shareholders are entitled to attend and vote at the Annual Shareholders' Meeting who are recorded as shareholders of the Company in the Company's share register and who have submitted timely notification of attendance at the Annual Shareholders' Meeting. The notification of attendance must be received by the Company no later than midnight (CET) on Wednesday, January 23, 2019.

Shareholders who are registered in the Company's share register may submit their notification of attendance in text form in the German or English language to Siemens AG at the following address:

Siemens Hauptversammlung 2019  
c/o ADEUS Aktienregister-Service-GmbH  
20636 Hamburg, Germany  
Telefax: +49 (0) 89/2070-37951  
E-mail: hv-service.siemens@adeus.de

or by using the password-protected Internet Service for the Annual Shareholders' Meeting electronically via the Internet at

 [WWW.SIEMENS.COM/AGM-SERVICE](http://WWW.SIEMENS.COM/AGM-SERVICE)

You can obtain online access by entering your Shareholder Control Number and your related Personal Identification Number (PIN), both of which are contained in the materials sent to you. Instead of their PIN, shareholders who have registered for electronic delivery of invitations to Shareholders' Meetings with an Access Password selected by them must use this Access Password. Further information on the attendance notification procedure is provided on the Attendance Notification Form (which may also be used to assign a proxy and vote by absentee voting) sent to you together with the Notice of Annual Shareholders' Meeting, as well as at the above-mentioned website. After timely notification of your attendance, you may use our Internet Service to change your admission ticket order, absentee voting, proxy authorization and voting instructions until the end of the general debate on the day of the Annual Shareholders' Meeting. Special conditions

apply to the use of our Internet Service for notification of attendance from credit institutions, shareholders' associations as well as persons, institutions and companies of equal status pursuant to Section 135 (8) or Section 135 (10) in connection with Section 125 (5) of the German Stock Corporation Act (AktG). Detailed information can be found on the above-mentioned website.

Credit institutions, shareholders' associations as well as persons, institutions and companies of equal status pursuant to Section 135 (8) or Section 135 (10) in connection with Section 125 (5) of the German Stock Corporation Act (AktG) are not entitled to vote such shares not owned by them, but recorded under their name in the Company's share register (commonly referred to as nominee or "street name" registration), unless they have the shareholder's authority.

Holders of American Depositary Receipts (ADRs) may obtain further information through Deutsche Bank Trust Company Americas, c/o AST & Trust Co, 6201 15<sup>th</sup> Avenue, Brooklyn, NY 11219, USA (phone: +1 866 706 8374, e-mail: DB@astfinancial.com).

#### **Free disposability of shares**

Shareholders may dispose of their shares even after having registered for attendance at the Annual Shareholders' Meeting. The right to attend and vote is based on the shareholding evidenced by entry in the Company's share register as of the date of the Annual Shareholders' Meeting. Applications for registration in the Company's share register received by the Company from January 24, 2019 through January 30, 2019, i.e. after the end of the closing date of the notification period, will be processed and considered only with effect after the Annual Shareholders' Meeting on January 30, 2019. The technical record date is therefore the end of January 23, 2019.

### **Proxy voting procedure**

Shareholders who are registered in the Company's share register are entitled to appoint a proxy representative – such as a credit institution, a shareholders' association or another third party – and to delegate to this representative their authority to vote their shares at the Annual Shareholders' Meeting. Here again, timely notification of attendance must be given (see "Notification of attendance" above).

A proxy authorization, its revocation and evidence of proxy authorization vis-à-vis the Company must be provided in text form or via the above-mentioned Internet Service for the Annual Shareholders' Meeting if neither a credit institution nor a shareholders' association nor persons, institutions or companies of equal status pursuant to Section 135 (8) or Section 135 (10) in connection with Section 125 (5) of the German Stock Corporation Act (AktG) are authorized. Please use preferably the Attendance Notification

Form sent to you together with the Notice of Annual Shareholders' Meeting and send it to the above-mentioned address. Credit institutions, shareholders' associations as well as persons, institutions and companies of equal status pursuant to Section 135 (8) or Section 135 (10) in connection with Section 125 (5) of the German Stock Corporation Act (AktG) may stipulate different requirements with regard to their own appointment as proxies.

As a service, we offer our shareholders this year, as in the past, the option of delegating, to employees of the Company, their authority to vote their shares at the Annual Shareholders' Meeting in accordance with their voting instructions. Again, the required authorization may be given at the above-mentioned Internet Service for the Annual Shareholders' Meeting or by returning the form sent to you. Please note that these proxy representatives can only vote your shares on agenda items on which you have given voting instructions. The representatives will not accept any instructions for requests to speak, to ask questions or submit proposals or to raise objections to resolutions of the Annual Shareholders' Meeting.

Further details are provided on the Attendance Notification Form sent to you together with the Notice of Annual Shareholders' Meeting and at the above-mentioned website.

## Absentee voting procedure

Shareholders registered in the Company's share register are entitled to submit their votes by way of absentee voting (voting by mail), even without attending the Annual Shareholders' Meeting. Only those shareholders of record are entitled to vote by absentee voting whose notification of attendance at the Annual Shareholders' Meeting (see "Notification of attendance" above) has been given in a timely manner. Authorized credit institutions, shareholders' associations as well as persons, institutions and companies of equal status pursuant to Section 135 (8) or Section 135 (10) in connection with Section 125 (5) of the German Stock Corporation Act (AktG) may also take advantage of absentee voting.

Absentee voting shall be in writing or by using electronic communication. Please use preferably the Attendance Notification Form sent to you together with the Notice of Annual Shareholders' Meeting and send it to the above-mentioned address or use the above-mentioned Internet Service for the Annual Shareholders' Meeting.

Further details are provided on the Attendance Notification Form sent to you together with the Notice of Annual Shareholders' Meeting and at the above-mentioned website.

## Details on using the Internet Service for casting votes by proxy or by absentee voting

After timely notification of your attendance, you may use our Internet Service to change your proxy authorization and voting instructions and your voting by mail until the end of the general debate on the day of the Annual Shareholders' Meeting. Special conditions apply to the use of our Internet Service for notification of attendance from credit institutions, shareholders' associations as well as persons, institutions and companies of equal status pursuant to Section 135 (8) or Section 135 (10) in connection with Section 125 (5) of the German Stock Corporation Act (AktG). Detailed information can be found on the above-mentioned website.

When using our Internet Service for the Annual Shareholders' Meeting, please note that you cannot give any voting instructions or cast absentee votes with regard to any votes on possible procedural motions or counter-proposals or election nominations or other proposals, insofar as these were not made available or published prior to the Annual Shareholders' Meeting in accordance with statutory provisions or are only put forward during the Annual Shareholders' Meeting. Likewise, no requests to speak, questions, proposals and objections to resolutions of the Annual Shareholders' Meeting can be accepted via the Internet Service for the Annual Shareholders' Meeting.

Further details are provided on the Attendance Notification Form sent to you together with the Notice of Annual Shareholders' Meeting and at the above-mentioned website.

## Inquiries, proposals, election nominations, and information requests

**(information on shareholders' rights pursuant to Section 122 (2), Section 126 (1), Section 127, Section 131 (1), Section 293g (3) of the German Stock Corporation Act (AktG))**

### **Requests for additions to the agenda pursuant to Section 122 (2) of the German Stock Corporation Act (AktG)**

Shareholders whose combined shares amount to at least one-twentieth of the capital stock or a proportionate ownership of at least €500,000 (the latter equivalent to 166,667 shares) may request that items be placed on the agenda and be published.

Persons submitting a request must prove that they have held the shares for at least 90 days before the date the request is received and that they hold the shares until the Managing Board decides on the request, with Section 70 of the German Stock Corporation Act (AktG) being applicable when calculating the time for which shares have been held. The day on which the request is received shall not be counted. Any move from a

Sunday, Saturday or public holiday to a preceding or subsequent business day shall not be possible. Sections 187 to 193 of the German Civil Code (BGB) shall not be applied *mutatis mutandis*.

Each new item must be accompanied by supporting information or a formal resolution proposal. The request must be submitted in writing to the Managing Board of Siemens AG and be received by the Company no later than midnight (CET) on December 30, 2018. Please use the following address to submit your respective requests:

Managing Board of Siemens AG  
Werner-von-Siemens-Str. 1  
80333 Munich, Germany.

Unless made public at the same time as the Notice of Annual Shareholders' Meeting, requests for additions to the agenda that are required to be published are published without undue delay upon receipt in the German Federal Gazette (Bundesanzeiger). In addition, such requests are published on the Internet at [www.siemens.com/AGM](http://www.siemens.com/AGM) and communicated to the shareholders.

### **Counterproposals and election nominations pursuant to Section 126 (1) and Section 127 of the German Stock Corporation Act (AktG)**

In addition, shareholders may submit to the Company counterproposals to Managing and/or Supervisory Board proposals relating to specific agenda items and make election nominations for Supervisory Board members or independent auditors. All counterproposals (along with supporting information) and election nominations must be sent to:

Siemens Aktiengesellschaft  
Governance & Markets  
Investor Relations (GM IR)  
Werner-von-Siemens-Str. 1, G4.23  
80333 Munich, Germany  
Telefax: +49 (0) 89/636-1332474

or e-mailed to:

hv2019@siemens.com

Counterproposals and election nominations by shareholders to be made available, including the shareholder's name and any supporting information to be made available, will be posted on the Internet at [www.siemens.com/AGM](http://www.siemens.com/AGM) without undue delay upon their receipt, if applicable along with the content to be added in accordance with Section 127 sentence 4 of the German Stock Corporation Act (AktG). All counterproposals and election nominations relating to items on the Agenda that are received at the above-mentioned address by midnight (CET) on January 15, 2019 will be considered. Management's position, if any, on the counterproposals and election nominations will also be available at the above-mentioned website.



### **Right to obtain information pursuant to Section 131 (1) and Section 293 g (3) of the German Stock Corporation Act (AktG)**

Every shareholder or shareholder representative present at the Annual Shareholders' Meeting may request from the Managing Board information regarding the Company's affairs, the Company's legal and business relations with affiliated companies, and the position of the Group and any companies included in the Consolidated Financial Statements, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. Moreover, under Section 293 g (3) of the German Stock Corporation Act (AktG), with regard to Agenda Item 8 any shareholder shall, upon request, also be given information at the Annual Shareholders' Meeting relating to all affairs of Kyros 58 GmbH that are material in the context of concluding the Control and Profit-and-Loss Transfer Agreement.

### **Additional explanations**

Additional explanations regarding shareholders' rights pursuant to Section 122 (2), Section 126 (1), Section 127, Section 131 (1) and Section 293 g (3) of the German Stock Corporation Act (AktG) can be found on the Company's website at [WWW.SIEMENS.COM/AGM](http://WWW.SIEMENS.COM/AGM).

### **Live transmission of the Annual Shareholders' Meeting**

As determined by the Chairman of the Meeting, the entire Annual Shareholders' Meeting on January 30, 2019 will be webcast live for shareholders of Siemens AG over the Internet starting at 10:00 a.m. CET ([WWW.SIEMENS.COM/AGM](http://WWW.SIEMENS.COM/AGM)). Shareholders can obtain online access by entering their Shareholder Control Number and their related Personal Identification Number (PIN) specified in the materials sent to them. Instead of their PIN, shareholders who have registered for electronic delivery of invitations to Shareholders' Meetings with an Access Password selected by them must use this Access Password.

Furthermore, the speeches of the Chairman of the Supervisory Board and of the President and CEO may also be followed by other interested parties live over the Internet ([WWW.SIEMENS.COM/AGM](http://WWW.SIEMENS.COM/AGM)). A replay of the speeches of the Chairman of the Supervisory Board and of the President and CEO, but not of the entire Annual Shareholders' Meeting, will be available after the Annual Shareholders' Meeting at the above Internet address.

The live transmission of the Annual Shareholders' Meeting does not allow for a participation in the Annual Shareholders' Meeting within the meaning of Section 118 (1) sentence 2 of the German Stock Corporation Act (AktG).

## Website where information pursuant to Section 124a of the German Stock Corporation Act (AktG) is available

The Notice of Annual Shareholders' Meeting, together with the information and explanations required by law, is also available on our website at [www.siemens.com/AGM](https://www.siemens.com/AGM), where the information pursuant to Section 124a of the German Stock Corporation Act (AktG) can also be found.

The voting results will be posted at the same website after the Annual Shareholders' Meeting.

**By order of the Managing Board  
Siemens Aktiengesellschaft**

This version of the Notice of Annual Shareholders' Meeting prepared for the convenience of English speaking readers is a translation of the German original. For purposes of interpretation, the German text shall be authoritative and final.

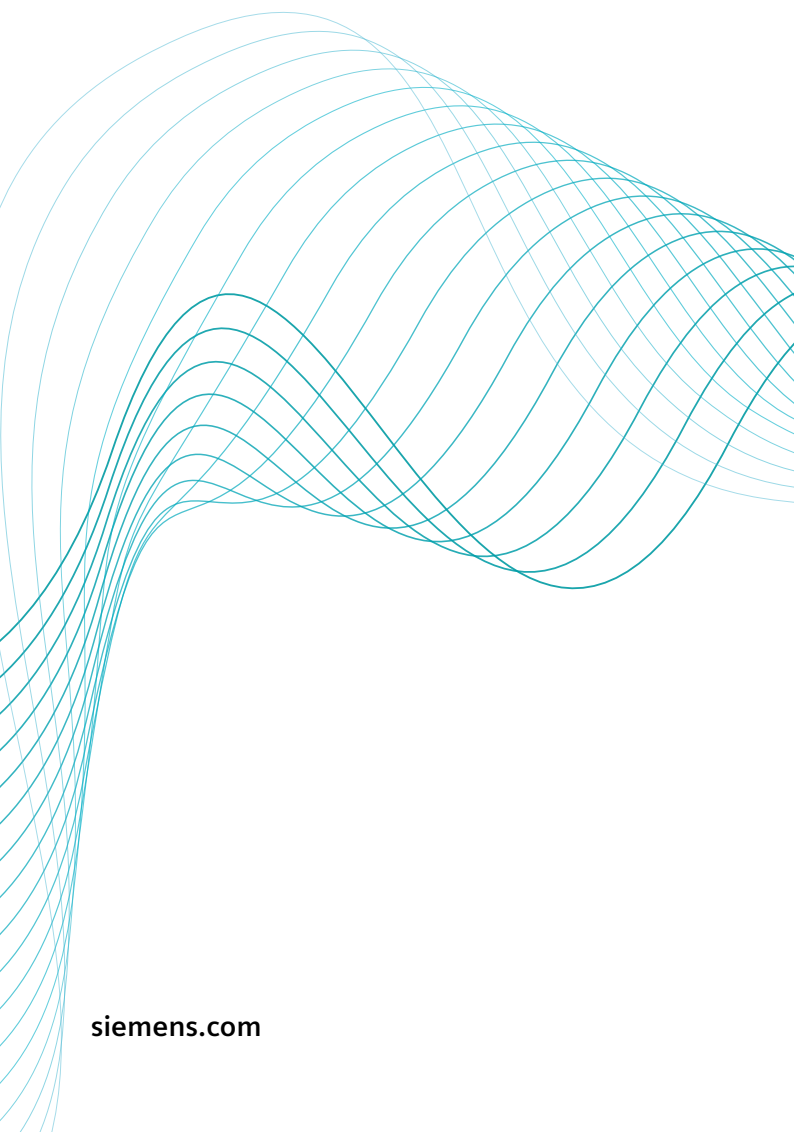
## **Siemens Aktiengesellschaft**

Chairman of the Supervisory Board: Jim Hagemann Snabe

Managing Board: Joe Kaeser, President and Chief Executive Officer · Members of the Managing Board: Roland Busch, Lisa Davis, Klaus Helmrich, Janina Kugel, Cedrik Neike, Michael Sen, Ralf P. Thomas

Registered offices: Berlin and Munich, Germany

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



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