Annual Shareholders’ Meeting 2021

Joe Kaeser
Report to shareholders
A company in transformation – What matters most!
Vision 2020+
Ready for the future

Focus
Putting focus ahead of scale effects

Transformation
Anticipating markets and trends

Ultimate value creation
Leading in all businesses and shaping the transformation

Fostering Ownership Culture and sharpening the company's focus
Vision 2020+
Ready for the future

Value

Focus
Putting focus ahead of scale effects

Transformation
Anticipating markets and trends

Ultimate value creation
Leading in all businesses and shaping the transformation

Fostering Ownership Culture and sharpening the company’s focus
From Shareholder Value to Stakeholder Value

Opportunities
Employees

Customer Growth

Shareholder Return on investment

Society Environmental, Social, Governance

SIEMENS
Customer Growth

Opportunities
Employees

Shareholder
Return on investment

Society
Environmental, Social, Governance

SIEMENS
Customer satisfaction
Net Promoter Score

NPS scale ranges from -100% bis +100%
Innovation
R&D spending in millions of €

+35%

3,419
2013

4,601
2020
Growth
Adjusted revenue in billions of €

- Siemens AG
- Siemens Energy

Adjusted revenue in billions of € for Siemens AG and Siemens Energy from 1990 to 2020.
Growth creates jobs and opportunities

Number of employees in thousands

- **367** employees in 2013
- **386** employees in 2020
- **+19** new employees from 2013 to 2020
- **+9** New Siemens AG employees
- **+10** Siemens Energy employees

- **About 245,000** employees are Siemens shareholders*
- **220,000** new hires from 2015 to 2020
- **100 million €** for Fund for the Future focused on structural change
- **More than 300 million €** invested annually in employee training and education

* As of September 30, 2020 (including SHS and SE)
**Employee satisfaction is a valuable asset**

*Siemens Global Employee Survey*

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Change</th>
<th>Quote</th>
</tr>
</thead>
<tbody>
<tr>
<td>47%</td>
<td>+17 Ppt</td>
<td>“I would recommend Siemens to a friend as a good place to work.”</td>
</tr>
<tr>
<td>76%</td>
<td>+14 Ppt</td>
<td>“I believe that I have a positive future at Siemens.”</td>
</tr>
<tr>
<td>81%</td>
<td>+10 Ppt</td>
<td>“In my environment, everyone is committed to finding the best solutions for our internal and external customers.”</td>
</tr>
<tr>
<td>86%</td>
<td>+8 Ppt</td>
<td>“Regardless of gender, ethnicity, age, sexual orientation or disability people can succeed at every level of the company.”</td>
</tr>
</tbody>
</table>
Shareholder Return on investment

Opportunities
Employees

Customer Growth

Society Environmental, Social, Governance

SIEMENS
Siemens’ share outperforms DAX
Total shareholder return – from July 25, 2013, to January 25, 2021

<table>
<thead>
<tr>
<th></th>
<th>Siemens</th>
<th>DAX</th>
<th>Traditional Competitor</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2017</td>
<td>+136%</td>
<td>+64%</td>
<td>-43%</td>
</tr>
<tr>
<td>Previous high</td>
<td>120.07 €*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All-time high</td>
<td>132.80 €*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 2013</td>
<td>70.87 €</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Adjusted to reflect Siemens Energy spin off, historical price adjustment factor is 0.90
Dividends reinvested
Source: Refinitiv; closing prices
Profitability
EBITDA margin vs. competitors

Average margin of competitors
New Siemens AG¹

Delta ~70bps
Delta ~250bps
Delta ~410bps

2011 2012 2013
Profitability
EBITDA margin vs. competitors

Average margin of competitors

New Siemens AG

2011 Δ~70bps
2012 Δ~250bps
2013 Δ~10bps
2014 Δ~130bps
2015 Δ~210bps
2016 Δ~100bps
**Profitability**

EBITDA margin vs. competitors

- **New Siemens AG\(^1\)**
  - **17.7%\(^2\)**

- **Average margin of competitors**: 15.4%\(^2\)

---

### 20% Reference Line

- **2011**: Δ~70 bps
- **2012**: Δ~250 bps
- **2013**: Δ~410 bps
- **2014**: Δ~130 bps
- **2015**: Δ~210 bps
- **2016**: Δ~100 bps
- **2017**: Δ~120 bps
- **2018**: Δ~40 bps
- **2019**: Δ~60 bps
- **2020**: Δ~80 bps

---

**Organizational structure as of April 1, 2020**

---

1 Industrial Businesses
2 Q4 2020
Robust performance in the crisis
Fiscal year 2020

New orders in billions of €
-7%*  
FY 2019: 64.7 €  
FY 2020: 60.0 €

Revenue in billions of €
-2%*  
FY 2019: 58.5 €  
FY 2020: 57.1 €

Book-to-bill
> 1

* Comparable, i.e. adjusted for portfolio and currency effects
Robust performance in the crisis
Fiscal year 2020

Adjusted EBITA margin
Industrial Business

-10 bps

14.4%
14.3%
FY 2019
FY 2020

Basic earnings per share

-22%

6.41 €
5.00 €
FY 2019
FY 2020

SIEMENS
Robust dividend even in the crisis

Dividend per share

FY 14: 3.30 €
FY 15: 3.50 €
FY 16: 3.60 €
FY 17: 3.70 €
FY 18: 3.80 €
FY 19: 3.90 €
FY 20: 3.50 €

Payout ratio

FY 14: 50%
FY 15: 38%
FY 16: 52%
FY 17: 49%
FY 18: 53%
FY 19: 61%
FY 20: 70%
Reliable execution
Annual forecasts met
Crisis management is the responsibility of leaders

Priorities
• The health and safety of employees
• Business continuity

Effective crisis management is global and local
• Coordination is centralized
• Implementation is decentralized
Transformation leads to new share price highs
Share price development from June 30, 2020, to January 25, 2021

January 2021
All-time high
+40%

Siemens Energy
+49%

Siemens
+35%

DAX
+10%

July 9
Extraordinary AGM, decision to spin off Siemens Energy

September 28
Siemens Energy spin-off
+9%
Opportunities
Employees

Customer Growth

Shareholder Return on investment

Society
Environmental, Social, Governance

SIEMENS
Environmental
Social Governance
Our contribution to environmental protection

671 million tons of CO₂ emissions avoided thanks to Siemens and Siemens Energy
Our contribution to environmental protection

2030

54%

or sooner Siemens will be CO$_2$ neutral

reduction in CO$_2$ emissions since FY 2014
15 million euros provided for aid projects by Caring Hands
200,000,000 €

One-time COVID-19 bonus of up to 1,000 € per employee
## Solidarity in times of crisis – with the future in mind

Change vs. previous fiscal year

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>4.3 billion €</td>
<td>-17%</td>
</tr>
<tr>
<td>Dividend</td>
<td>3.50 €</td>
<td>-10%</td>
</tr>
<tr>
<td>Managing Board compensation</td>
<td>26.5 million €</td>
<td>-20%</td>
</tr>
<tr>
<td>R&amp;D intensity*</td>
<td>8.1%</td>
<td>+/- 0 Ppt</td>
</tr>
<tr>
<td>Number of employees*</td>
<td>293,000</td>
<td>-1%</td>
</tr>
</tbody>
</table>

* Continuing operations
Most admired industrial company five years in a row

**SIEMENS**

<table>
<thead>
<tr>
<th>Year</th>
<th>Rank</th>
<th>Competitor</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>#1</td>
<td>Siemens</td>
</tr>
<tr>
<td>2017</td>
<td>#1</td>
<td>No. 1</td>
</tr>
<tr>
<td>2018</td>
<td>#1</td>
<td>No. 2</td>
</tr>
<tr>
<td>2019</td>
<td>#1</td>
<td>No. 3</td>
</tr>
<tr>
<td>2020</td>
<td>1</td>
<td>Siemens</td>
</tr>
</tbody>
</table>

No. 1 competitor: 22

No. 2 competitor: 27

No. 3 competitor: 72
Governance

Environmental
Social

Governance
Siemens in the headlines 2006

Bandenkriminalität bei Siemens

250 Fahnder durchsuchen Siemens Objekte

200 Millionen Schwarzgeld bei Siemens

Hunderte Beamte durchsuchen Siemens

Siemens-Skandal alarmiert US-Börsenaufsicht

Siemens scandals claim scalp of chairman

110 Siemens employees tell all

Siemens-Skandal: Schaden zehn mal höher als angenommen
responsibility
Our path forward
Inclusive Capitalism
Ultimate value creation
Leading in all businesses and shaping the transformation

Transformation
Anticipating markets and trends

The + never ends
Annual Shareholders’ Meeting 2021

Joe Kaeser
Report to shareholders