

# **SIEMENS**

This edition of our Bylaws for the Supervisory Board, prepared for the convenience of English-speaking readers, is a translation of the German original. In the event of any conflict the German version shall prevail.

## **Bylaws**

for the Supervisory Board  
of Siemens Aktiengesellschaft

Version valid as of February 4, 2021

## § 1

1. The Supervisory Board shall have 20 members, ten elected by the Shareholders' Meeting and ten elected in accordance with the provisions of the German Codetermination Act (MitbestG).
2. The Supervisory Board has to be composed in such a way that its members, as a group, have the knowledge, skills and experience required for the Supervisory Board to perform its duties properly and are, as a group, familiar with the sector in which the company operates. The legal requirements relating to the gender quota shall be fulfilled separately by the shareholder representatives and the employee representatives. The Supervisory Board shall specify concrete objectives regarding its composition, taking into account the recommendations of the German Corporate Governance Code and shall prepare a profile of skills and expertise as well as a diversity concept for the entire Board.
3. The members of the Supervisory Board are obligated to promote the interests of the company. In making decisions, they may not be guided by personal interests nor may they exploit for their own advantage business opportunities offered to the company. Pursuant to § 111a paragraph 2 sentence 2 of the German Stock Corporation Act (AktG), the company has established an internal process that applies to related party transactions.
4. The members of the Supervisory Board shall disclose all conflicts of interest to the Chairman of the Supervisory Board without delay. The Chairman of the Supervisory Board shall disclose all of his or her conflicts of interest to the Chairman's Committee of the Supervisory Board. Members of the Supervisory Board with material and not merely temporary conflicts of interest shall leave the Supervisory Board.
5. As a rule, only persons who are not older than 70 years of age shall be nominated to be elected as members of the Supervisory Board. Nominations shall take into account the regular limit of three full terms of office for the length of membership to the Supervisory Board.
6. A Supervisory Board member whose professional activity significantly changes compared with that at the time of his election shall discuss the possible termination of his mandate with the Chairman of the Supervisory Board.
7. No loans from the company are provided to members of the Supervisory Board.
8. The Supervisory Board regularly reviews the efficiency of its operations.
9. The Bylaws for the Supervisory Board shall be published.

## **§ 2**

1. The Supervisory Board shall hold a constituent meeting immediately following the ordinary Shareholders' Meeting at which it is elected. At this meeting, for which no special invitation will be issued, the Supervisory Board shall, in accordance with the German Codetermination Act (MitbestG), elect a Chairman and a First Deputy Chairman from among its members. It shall also elect a Second Deputy Chairman.
2. The Chairman shall coordinate the work of the Supervisory Board.
3. A Deputy Chairman shall have the same rights as the Chairman in all cases in which he or she represents the Chairman in the latter's absence. The First Deputy Chairman, who is elected in accordance with the German Codetermination Act (MitbestG), shall be the first to represent the Chairman.
4. The Deputy Chairmen shall not have a deciding vote.

## **§ 3**

1. The Supervisory Board shall orient itself on the recommendations and suggestions of the German Corporate Governance Code.
2. The Supervisory Board shall see to it that rules governing the behavior of the company's Managing Board members and employees (Business Conduct Guidelines) are in force. The members of the Supervisory Board shall comply with the current versions of these rules where applicable.
3. The members of the Supervisory Board may not disclose, in particular, the information contained in the confidential reports they receive or the contents of confidential discussions. They shall also ensure that any employees appointed to support them likewise comply with this rule.

## **§ 4**

1. Pursuant to § 90 of the German Stock Corporation Act (AktG), the Managing Board shall inform the Supervisory Board regularly, promptly, comprehensively and, as a rule, in text form, concerning all company-related issues regarding strategy, planning, business development, risks, risk management and compliance. The Managing Board shall discuss the status of strategy implementation with the Supervisory Board at regular intervals and explain deviations of the course of business from the plans and targets set.
2. Taking the results of the preliminary review by the Audit Committee as a basis, the Supervisory Board shall review the annual financial statements of Siemens AG, the consolidated financial statements of the Siemens Group, the combined management report of Siemens AG and the Siemens Group and the proposal for the appropriation of net income. The independent auditors

shall participate in the Supervisory Board review of these documents and report on the key results of their audit. The Supervisory Board must approve the annual financial statements of Siemens AG, the consolidated financial statements of the Siemens Group, the Managing Board's proposal for the appropriation of net income and the Report of the Supervisory Board to the Shareholders' Meeting.

3. The following shall require Supervisory Board approval:
  - a) annual planning for the company, including financial and investment planning and the resulting anticipated personnel developments at the company;
  - b) the acquisition, disposal and reorganization of companies, interests in companies and parts of companies as well as the establishment of Equity Investments, when the individual market value or – failing this – the individual book value of these transactions equals or exceeds the amount of €300 million. When the individual market value or – failing this – the individual book value does not equal the amount of €600 million, the approval of the Innovation and Finance Committee – rather than that of the Supervisory Board – is required.
  - c) financial measures, when the individual value of these measures equals or exceeds the amount of €300 million (exceptions: day-to-day financial transactions for managing liquidity and other financial risks like currency, interest and, where appropriate, share-related risks, and the repurchase of debt instruments in accordance with the conditions of issuance). When the individual value does not equal the amount of €600 million, the approval of the Innovation and Finance Committee – rather than that of the Supervisory Board – is required.
  - d) fixed asset investments, when the individual value of these investments equals or exceeds the amount of €300 million. When the individual value does not equal the amount of €600 million, the approval of the Innovation and Finance Committee – rather than that of the Supervisory Board – is required.
  - e) cutbacks or closures in existing business fields, when the revenue generated by the affected business comprised 4 percent of the Group's total revenue in the last full fiscal year.
4. As soon as a member of the Managing Board of Siemens AG who is responsible for an Equity Investment is informed by the executive management of that Equity Investment of a measure that is planned at the Equity Investment and is of the kind specified in paragraph 3, he or she shall, within the given legal framework, inform the Supervisory Board or its Innovation and Finance Committee if the company holds a majority stake in the Equity Investment.

## § 5

1. The Supervisory Board may delegate any of its rights and duties to one of its committees insofar as this is legally permissible. The committees shall be responsible for performing the duties assigned to them and defined in greater detail by Supervisory Board decisions or in Bylaws approved by the Supervisory Board. The Chairmen of the committees shall provide the Supervisory Board with regular reports on the activities of the committees.
2. The Chairman's Committee of the Supervisory Board shall be comprised of the Chairman and Deputy Chairmen of the Supervisory Board as well as one further employee representative to be elected by the Supervisory Board. It shall be responsible for performing the duties assigned to it in the Bylaws for the Chairman's Committee – in particular, for making recommendations on the appointment and dismissal of Managing Board members, for handling the Managing Board's contracts of employment, and for dealing with corporate governance issues as well as for granting approval pursuant to § 111b of the German Stock Corporation Act (AktG) for the company's related party transactions.
3. The Supervisory Board shall establish a Compensation Committee comprising the Chairman of the Supervisory Board, the First Deputy Chairman, who is elected in accordance with the German Codetermination Act (MitbestG), as well as two of the Supervisory Board's shareholder representatives and two of the Supervisory Board's employee representatives. The Chairman of the Compensation Committee shall be elected by the members of the Committee from among their number. The Compensation Committee shall prepare the proposals for decisions by the Supervisory Board's plenary meetings regarding the system of Managing Board compensation, including the implementation of this system in the Managing Board contracts, the definition of the targets for variable Managing Board compensation, the determination and review of the appropriateness of the total compensation of individual Managing Board members and the approval of the annual Compensation Report. In addition, the Compensation Committee shall prepare the regular review by the Supervisory Board's plenary meetings of the system of Managing Board compensation. To perform its duties, the Compensation Committee may, if it so decides, call in auditors, legal specialists and other external or internal consultants – in particular, compensation experts. When external compensation experts are engaged, their independence of the Managing Board and of the enterprise is to be ensured. The Chairman of the Compensation Committee may permit these individuals to attend committee meetings. The costs for consulting with the above-mentioned persons shall be borne by the company. The Compensation Committee shall regularly assess its efficiency, whereby this efficiency review may be included in the efficiency review referred to in Section 1, paragraph 8.

4. The Supervisory Board shall establish an Audit Committee comprising the Chairman of the Supervisory Board, three of the Supervisory Board's shareholder representatives and four of the Supervisory Board's employee representatives. The Audit Committee must include at least one independent member of the Supervisory Board who has knowledge and experience in the application of accounting principles or the auditing of financial statements. The members of the Audit Committee must, as a group, be familiar with the sector in which the company operates. The Chairman of the Audit Committee shall be elected by the members of the Committee from among their number.
5. A committee – comprising the Chairman of the Supervisory Board, the First Deputy Chairman (who is elected in accordance with the German Codetermination Act (MitbestG)), one member to be elected by the Supervisory Board's shareholder representatives and one member to be elected by the Supervisory Board's employee representatives – shall be established to make recommendations to the Supervisory Board on the appointment or dismissal of Managing Board members in such cases as are described in § 31 (3) and § 31 (5) of the German Codetermination Act (MitbestG). This committee shall be established immediately following the election of the Chairman of the Supervisory Board and the First Deputy Chairman, who is elected in accordance with the German Codetermination Act (MitbestG).
6. The Supervisory Board shall establish an Innovation and Finance Committee comprising the Chairman of the Supervisory Board, three of the Supervisory Board's shareholder representatives and four of the Supervisory Board's employee representatives. The Chairman of the Supervisory Board shall head the Innovation and Finance Committee. In particular, the Innovation and Finance Committee shall – based on the company's overall strategy, which is the subject of the discussions on strategy in the Supervisory Board – discuss the innovation strategy of the company and prepare discussions and resolutions of the Supervisory Board on questions relating to the financial situation and structure of the company including the annual planning (budget) as well as to fixed asset investments and financial measures. In addition, pursuant to Section 4, paragraph 3 lit. b), c) and d), the approval of the Innovation and Finance Committee, rather than that of the Supervisory Board, is required for transactions and measures for which approval is required but whose value does not equal the amount of €600 million.
7. The Supervisory Board shall establish a Nominating Committee comprising the Chairman and three further members to be elected by the shareholder representatives of the Supervisory Board from among their number. The Chairman of the Supervisory Board shall head the Nominating Committee. The Nominating Committee shall make recommendations to the Supervisory Board on suitable candidates for election as shareholder representatives of the Supervisory Board by the Shareholders' Meeting. In preparing these recommendations, the objectives specified by the Supervisory Board regarding its composition and the approved diversity concept - in particular, including independence and diversity - are to be appropriately taken into account as well as the required knowledge, abilities and professional

experience of the proposed candidates while simultaneously aiming at fulfilling the profile of skills and expertise for the entire Board. Attention shall be paid to an appropriate participation of women and men in accordance with Section 1, paragraph 2 as well as to ensuring that the members of the Supervisory Board are, as a group, familiar with the sector in which the company operates.

8. In all other respects, the provisions of the Bylaws for the Supervisory Board regarding the convening, form and recording of meetings and decisions and regarding quorums and voting procedures shall apply analogously to the proceedings of all Supervisory Board committees. However, at least three committee members – in committees with more than six members at least half of the members who have to belong to the committee – must vote on a resolution in order for it to be adopted.

## **§ 6**

1. The meetings of the Supervisory Board shall be convened at least two weeks in advance by the Chairman of the Supervisory Board or – if he or she is unable to do so – by a Deputy Chairman. In urgent cases, this period may be reduced. Even in urgent cases, there shall be at least three days between the notice of a meeting and the day named for such meeting.
2. Notice of meetings may be given in writing, by telephone, by telefax or any other customary means of communication (e.g. by e-mail). They shall specify the time and place of the meeting and include a detailed agenda. As a rule, the members of the Supervisory Board are to have received the relevant documents and proposed resolutions no later than five days prior to the meeting.

## **§ 7**

1. Meetings of the Supervisory Board shall be chaired by the Chairman of the Supervisory Board or, in his or her absence, by a Deputy Chairman.
2. A quorum of the Supervisory Board shall be one half of the total members of the Supervisory Board which it is required to comprise. Decisions may be made on matters not included on the original meeting agenda only if no members of the Supervisory Board object.

## **§ 8**

1. Supervisory Board members who are unable to attend a meeting of the Supervisory Board may authorize other members who will be present at the meeting to submit absentee ballots on their behalf. Members voting by absentee ballot shall be counted as present for purposes of a quorum (see Section 7, paragraph 2). A ballot by common means of communication (e.g. by fax or e-mail) shall also be valid as a written absentee ballot.
2. If a proposal is made regarding an item on the agenda less than three working days prior to a meeting of the Supervisory Board or if a proposal regarding an item on the agenda is amended less than three working days prior to a meeting of the Supervisory Board in such a way that the submission of an absentee ballot regarding that item requires prior knowledge of the proposal or amendment, absent members shall be permitted to submit absentee ballots after the meeting. For this purpose, the Chairman of the Supervisory Board or, in his or her absence, a Deputy Chairman shall notify absent members in writing, by telefax or any other customary means of communication (e.g. by e-mail) of the proposal or amendment at issue and specify a period of at least one week within which they must submit their absentee ballots.
3. All votes cast via absentee ballots which have been received within the period of time specified shall be included in the final count. Voting on a resolution shall be completed only when all absentee ballots have been received or when the period specified for their submission has elapsed.

## **§ 9**

1. To be adopted, resolutions shall require a majority of all votes cast, unless otherwise stipulated by law. The Chairman of the Supervisory Board shall have the deciding vote when the Supervisory Board is unable to reach a decision in two separate rounds of voting. This regulation also applies to him for voting in the committees.
2. Meetings conducted and resolutions adopted in writing, by telephone, telefax or any other customary means of communication (e.g. by e-mail) or the participation of individual Supervisory Board members in meetings or resolutions using customary means of communication shall be permitted if the Chairman of the Supervisory Board so decides on a case-by-case basis and if preceded by reasonable notice.
3. Minutes shall be taken of all meetings of the Supervisory Board. These minutes shall be signed by the chairman of the meeting and by the individual who has been appointed by the Chairman of the Supervisory Board to take them.



## **§ 10**

1. As a rule, the members of the Managing Board shall attend the meetings of the Supervisory Board unless the Chairman of the Supervisory Board determines otherwise in a particular case. The Supervisory Board shall meet regularly without the Managing Board in attendance.
2. To perform its duties, the Supervisory Board may call in auditors, legal counsels and other external or internal consultants, if it so decides. The Chairman of the Supervisory Board may permit these individuals or any respondents to attend its meetings. The Chairman is to give the members of the Supervisory Board the opportunity to express any concerns. The costs for consulting with the above-mentioned persons shall be borne by the company.

## **§ 11**

1. The issuance and receipt of any declarations required to implement the decisions of the Supervisory Board shall be handled on behalf of the Supervisory Board by the Chairman of the Supervisory Board, or if he or she is unable to do so, by a Deputy Chairman.
2. Any other Supervisory Board documents and announcements shall be signed by the Chairman of the Supervisory Board or, if he or she is unable to do so, by a Deputy Chairman. The Chairman shall also conduct all correspondence on behalf of the Supervisory Board.
3. The Chairman of the Supervisory Board may discuss Supervisory Board-related issues with investors. He or she informs the Supervisory Board or its committees about these discussions.

## **§ 12**

1. Former members of the Supervisory Board shall no longer be involved in the business operations of the company once they have left the Supervisory Board. They shall refrain from exercising any influence over the business operations of the company and from any public statements regarding such operations. The obligation on current members of Siemens' decision-making bodies and senior managers to ensure that they do not disclose confidential information and company secrets shall also apply to any communication with former members of the Managing Board and Supervisory Board, and former senior managers.
2. Where former members of the Supervisory Board hold positions on Supervisory Boards or similar positions in other companies, or positions in academic, social, cultural, professional or other organizations, they shall not occupy these positions on behalf of the company. The company shall not be responsible for any expenses and obligations arising in connection with the fulfillment of such roles.

3. Notwithstanding paragraph 2, an agreement can be made on a case-by-case basis for a member of the Supervisory Board - once he/she has resigned from the Supervisory Board - to take up or continue certain positions on behalf of and in the interests of the company if there is a particular benefit for the company in the case concerned. Any such agreement must be made in writing and requires the approval of the Chairman's Committee of the Supervisory Board.
4. If an agreement is in place in accordance with paragraph 3, the former Supervisory Board member involved shall be entitled to a reimbursement of expenses incurred in connection with the fulfillment of the role concerned and to any necessary and reasonable support from the company. The agreement may also include provision for appropriate compensation.