Report of the Managing Board to the Annual Shareholders' Meeting on Agenda Item 8 in accordance with Section 186 (4) sentence 2 in conjunction with Section 71 (1) no. 8 of the German Stock Corporation Act (AktG)

The Company is again seeking authorization from this year's Annual Shareholders' Meeting to acquire and use treasury shares pursuant to Section 71 (1) no. 8 of the German Stock Corporation Act (AktG). Against this background, the Managing Board and the Supervisory Board propose under Agenda Item 8 to cancel the existing authorization to acquire and use treasury shares and to grant a new authorization to acquire and use treasury shares.

To this end, the Managing Board submits a written report pursuant to Section 186 (4) sentence 2 of the German Stock Corporation Act (AktG) in conjunction with Section 71 (1) no. 8 of the German Stock Corporation Act (AktG), which will be available on the internet at ➔ ***siemens-healthineers.com/asm*** as of the date notice of the Annual Shareholders' Meeting has been given and is published as follows:

The Company shall be able to acquire shares over a period of five years in an amount of up to 10% of the capital stock and thus make use of the legal framework for such authorizations. The repurchase of treasury shares may be effected as an acquisition on the stock exchange, through a public share repurchase offer made by the Company itself or any of its affiliated companies, or by third parties acting on behalf of the Company or any of its affiliated companies. Shares can also be acquired on the stock exchange as part of a structured repurchase program, which a credit institution or an enterprise operating under Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or Section 53b (7) of the German Banking Act (KWG) or a consortium of such credit institutions or enterprises is commissioned to conduct.

If the number of shares of Siemens Healthineers AG ("Siemens Healthineers Shares") tendered or offered for purchase exceeds the total volume of shares that the Company intends to acquire, the shareholders' tender right may be excluded to the extent that, instead of in proportion to their percentage of ownership, the repurchase will be in proportion to the Siemens Healthineers Shares tendered or offered by each shareholder in order to facilitate the allocation process. The preferential treatment of small lots of up to 150 tendered or offered shares per shareholder and rounding according to commercial principles may also be used to facilitate the allocation process.

The authorization also includes the use or sale of treasury shares as described in greater detail below, in particular to the extent that it involves an exclusion of the shareholders' subscription rights.

Pursuant to the authorization proposed under Agenda Item 8 lit. d) no. 2), acquired treasury shares may be used in connection with share-based compensation programs and/or employee share programs. The Siemens Healthineers Group promotes an ownership culture within the enterprise and enables employees and managers, where possible worldwide, to participate in the Company and its development by means of share programs and share-based compensation. This participation is also desired by legislators and therefore is facilitated in several ways. The issue of shares to employees of Siemens Healthineers AG or its affiliated companies and to board members of its affiliated companies is intended to enhance the identification of these persons with the Siemens Healthineers Group. Their longterm affiliation with the enterprise is to be reinforced and they are to be enabled to participate as shareholders in the Company's long-term development. The aim, in the best interest of the Company and its shareholders, is to strengthen the understanding and willingness to accept greater, especially economic, co-responsibility. The issue of shares also makes it possible to create schemes with longterm incentive effects in which both positive and negative developments can be reflected. For example, this enables the grant of shares with a lockup period or vesting period or salesdeferring inducements to have not just a bonus effect, but, in the case of negative developments, also a malus effect, and therefore shall serve as an incentive to focus on a sustainable increase in the Company's value.

The targets described above are currently being pursued in the Siemens Healthineers Group using a variety of models for share-based compensation and employee share programs.

Under what is termed a Share Matching Plan, eligible managers and employees of Siemens Healthineers AG and its affiliated companies that participate in the plan have the opportunity, every year in which a new plan tranche is issued, to invest a certain portion of their compensation in the acquisition of Siemens Healthineers Shares at market price. After a vesting period of around three years, plan participants receive one additional free Siemens Healthineers Share ("matching share") for every three Siemens Healthineers Shares acquired and continuously held under the Share Matching Plan, provided they are employed with Siemens Healthineers AG, any of its subsidiaries or, only for as long as the Siemens Healthineers Group is a fully consolidated part of the Siemens Group, with a company of the Siemens Group without interruption until the end of the vesting period.

In addition, eligible managers and employees in Germany have the opportunity to acquire shares with the purchase funded in equal parts through their own investment and a company contribution in accordance with the applicable tax privileges. Shares that are acquired or held in this way on preferential terms also entitle the holders to receive matching shares under the same conditions as under the Share Matching Plan.

Eligible managers and employees of Siemens Healthineers AG and of its affiliated companies are currently awarded Siemens Healthineers Shares also without previous own investment subject to a vesting period. The shares are transferred when the vesting period ends ("Siemens Healthineers Stock Awards"). As a matter of principle, the vesting periods are several years in length. However, an annual pro rata transfer of equal parts of a total number of awarded shares over a term of several years can also be provided for. Specific categories of Siemens Healthineers Stock Awards are also partly linked to performance targets. In this context, targets related to sustainability are being considered in addition to targets related to the increase in company value and the performance of the stock exchange price of the Siemens Healthineers Shares as compared to two peer sector indices.

It is also intended to provide for the possibility to transfer acquired treasury shares to eligible employees of Siemens Healthineers AG and of its affiliated companies without any investment of their own to allow for participation in the Company's success after successful fiscal years or to reward them for their long service.

The issue of shares under the abovementioned share programs may also be made to third parties (such as credit institutions or enterprises operating under Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or Section 53b (7) of the German Banking Act (KWG)) who cede the beneficial ownership and/or the economic benefits from the shares to the program participants. The use of the authorization proposed under Agenda Item 8 lit. d) no. 2) is not intended to be restricted to the abovementioned share-based compensation and employee share programs. The shares included under this authorization are also to be available in cases in which, to the benefit of employees of Siemens Healthineers AG or its affiliated companies or board members of its affiliated companies, new share-based compensation programs and employee share programs, including programs limited to individual companies, are introduced or when existing share-based compensation programs and employee share programs are extended or adjusted.

If this authorization is used, the total number of shares issued and the preferential treatment granted to the beneficiaries as a result of the shares being granted at a reduced price or without any own investment should be in reasonable relation to the Company's situation and the anticipated advantages for the Company. The issue of the shares can be tied to other conditions, such as vesting periods, lockup periods, achievement of specific targets or continued employment within the Group.

The objectives described in detail above, i.e., identification with the Company, affiliation with the Company and acceptance of entrepreneurial co-responsibility, are in the interest of the Company and its shareholders. Transferring existing or newly repurchased treasury shares instead of making use of available authorized capital, if any, may be an economically viable alternative, as it avoids the effort associated with a capital increase and the listing of new shares. The exclusion of shareholders' subscription rights required for this use is thus generally in the interest of the Company and its shareholders.

Furthermore, the authorization proposed under Agenda Item 8 lit. e) is also intended to enable the Company to use repurchased treasury shares to service obligations or rights to acquire Siemens Healthineers Shares that have been or will be agreed with members of the Managing Board of Siemens Healthineers AG in the context of the provisions on Managing Board compensation. Also for these purposes, the exclusion of shareholders' subscription rights is required. In this way, variable compensation components can be granted which provide an incentive for sustainable management over the long term, for example by a part of the variable compensation, instead of being paid in cash, being awarded in the form of shares subject to a certain lockup period or stock awards that are subject to a vesting period. In addition, such share-based compensation components can be linked to specific performance targets, such as the development of the price of Siemens Healthineers Shares relative to comparable sector indices or other targets related to increasing company value or sustainability.

By transferring shares subject to a lockup period or awarding stock awards with a vesting period or granting other share-based compensation instruments to members of the Managing Board, a part of their compensation can be deferred, thereby increasing their loyalty to the Company, since the Managing Board will participate in a sustainable increase in the Company's value and can dispose of the compensation components only after the vesting period has expired. The minimum vesting period for such compensation instruments should be around four years. Since disposal of such shares is not permitted before the end of the vesting period, the members of the Managing Board will participate in the positive as well as negative developments in the stock exchange price during the vesting period. As a consequence, the members of the Managing Board may, in addition to the bonus effect, also experience a malus effect.

The details regarding the compensation of the members of the Managing Board are determined by the Supervisory Board. These include rules concerning further conditions, such as vesting periods, lockup periods, achievement of specific targets, the forfeiture and nonforfeiture of stock awards, as well as rules concerning the treatment of stock awards and shares subject to a lockup period in special cases, such as in the case of retirement, disability or death, or prematurely leaving the Company, where, for example, a cash settlement or removal of the lockup period or vesting period may be provided. The comprehensive system of compensation for the members of the Managing Board adopted by the Supervisory Board with effect from October 1, 2020 was approved by the Annual Shareholders' Meeting on February 12, 2021.

The decision on the design of the instrument to be used and the method of servicing is determined by the Supervisory Board with regard to shares used in the context of Managing Board compensation, and by the Managing Board with regard to all other shares. In reaching their decisions, these Boards will focus solely on promoting the interests of the Company and the shareholders.

Pursuant to the authorization proposed under Agenda Item 8 lit. d) no. 3), the Managing Board is also to be authorized, with the approval of the Supervisory Board, to offer and transfer treasury shares against contributions in kind and thereby to use them as a consideration in connection with mergers or as a consideration for the acquisition (including indirect acquisition) of companies, establishments, parts of companies, participations or other assets or claims for the acquisition of assets, including amounts receivable from the Company or its affiliates. The proposed authorization is designed to enhance the competitive edge in the quest of Siemens Healthineers AG for interesting acquisition targets and to give the Company the necessary freedom to exploit opportunities to acquire such assets quickly, flexibly and with little detriment to liquidity by using treasury shares. The proposed exclusion of shareholders' subscription rights takes account of this objective. The decision whether and to what extent treasury shares or shares issued under authorized capital will be used as an acquisition currency is made by the Managing Board, which will base such decision solely on the interest of the Company and the shareholders. When determining the valuation ratios, the Managing Board will ensure that the interests of shareholders are adequately safeguarded, taking into account the stock exchange price of Siemens Healthineers Shares. However, no schematic link to a stock exchange price is provided for in this context, in particular to ensure that fluctuations in the stock exchange price cannot jeopardize negotiation results reached. There are currently no specific plans to make use of this authorization.

Furthermore, the authorization proposed under Agenda Item 8 lit. d) no. 4) is designed to enable, with the approval of the Supervisory Board, the sale of acquired treasury shares (with exclusion of shareholders' subscription rights) also against payment in cash, e.g., to one or more institutional investors or to tap into new investor groups. The sale is subject to the condition that the sales price is not significantly lower than the stock exchange price of a Siemens Healthineers Share. The possibility of selling repurchased treasury shares against payment in cash with exclusion of shareholders' subscription rights serves the interest of the Company to obtain the best price possible on the sale of the treasury shares. By excluding shareholders' subscription rights, it is possible to place the shares close to the stock exchange price, i.e., the discount normally associated with rights issues is eliminated. Compared to selling the shares on the stock exchange over a lengthy period of time, this approach results in an immediate inflow of funds and avoids the uncertainties of future stock exchange developments in relation to the total purchase price that is obtained. It enables the Company to quickly, flexibly and cost-effectively exploit opportunities that arise in the context of prevailing stock exchange conditions.

In addition, the authorization proposed under Agenda Item 8 lit. d) no. 5) is also intended to enable the Company to use treasury shares to service or secure obligations or rights to acquire Siemens Healthineers Shares arising particularly from or in connection with convertible bonds or warrant bonds of the Company or its group companies. In its decision whether to use treasury shares or to issue new shares when servicing these obligations or rights, the Managing Board will duly consider the interests of the shareholders. The same applies to the question of the – also possibly exclusive – serviceability of convertible bonds or warrant bonds using treasury shares. The exclusion of shareholders' subscription rights is a prerequisite in all such cases. This also applies if a customary market form of dilution protection is granted to the extent that holders/creditors of conversion or option rights or conversion or option obligations on shares of the Company are granted subscription rights to shares in the event of rights issued by the Company in the amount in which they would be entitled to such rights upon exercising these rights or fulfilling these obligations.

The notional pro rata amount of the capital stock attributable to the authorizations under Agenda Item 8 lit. d) nos. 4) and 5) must not, in aggregate, exceed 10% of the capital stock existing at the time the resolution is adopted or – if this amount is lower – at the time at which the authorizations are used. By using the stock exchange price as a basis when setting the sales price, due consideration is given to the principle of protecting shareholders from dilution and the shareholders' interests in terms of assets and voting rights are appropriately safeguarded. The management will endeavor, taking into account the market conditions prevailing at the time, to ensure that any discount on the stock exchange price is as low as possible. The shareholders are generally able to maintain their proportionate shareholdings by acquiring Siemens Healthineers Shares via the stock exchange on nearly the same terms while the Company is provided with more leeway for action which will benefit all shareholders. The proposed authorization ensures that the number of treasury shares used pursuant to Agenda Item 8 lit. d) nos. 4) and 5) with simplified exclusion of subscription rights in analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) together with other shares that were issued or sold in direct or analogous application of that provision during the term of this acquisition authorization until the point in time of its use will not exceed the limit of 10% of the capital stock, neither at the point in time at which the Annual Shareholders' Meeting adopts the resolution nor at the point in time the authorization is used. Furthermore, shares must be included that are to be issued or sold on the basis of a convertible bond or warrant bond issued during the term of this authorization, with subscription rights excluded in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG). There are currently no specific plans to make use of this authorization.

Furthermore, pursuant to the authorization proposed under Agenda Item 8 lit. g), it is also intended that, in the event of a sale of treasury shares by a public offer to all shareholders, the subscription rights for fractional amounts can be excluded in order to facilitate the process. Further, the Managing Board is authorized to exclude subscription rights in order to grant holders/creditors of conversion or option rights in respect of shares of the Company or corresponding conversion or option obligations subscription rights as compensation against effects of dilution in the amount in which they would be entitled to such rights upon exercising these rights or after fulfilling these obligations.

Finally, pursuant to the authorization proposed under Agenda Item 8 lit. d) no. 1) the Company is to be entitled to cancel treasury shares without requiring an additional resolution by the Annual Shareholders' Meeting. Such cancellations may also be carried out without a capital reduction, with the result that the pro rata amount of the other no-par value shares in the Company's capital stock is increased. In this case, the Managing Board is authorized to adjust the number of shares of no-par value specified in the Articles of Association.

Munich, November 23, 2021

Siemens Healthineers AG
The Managing Board