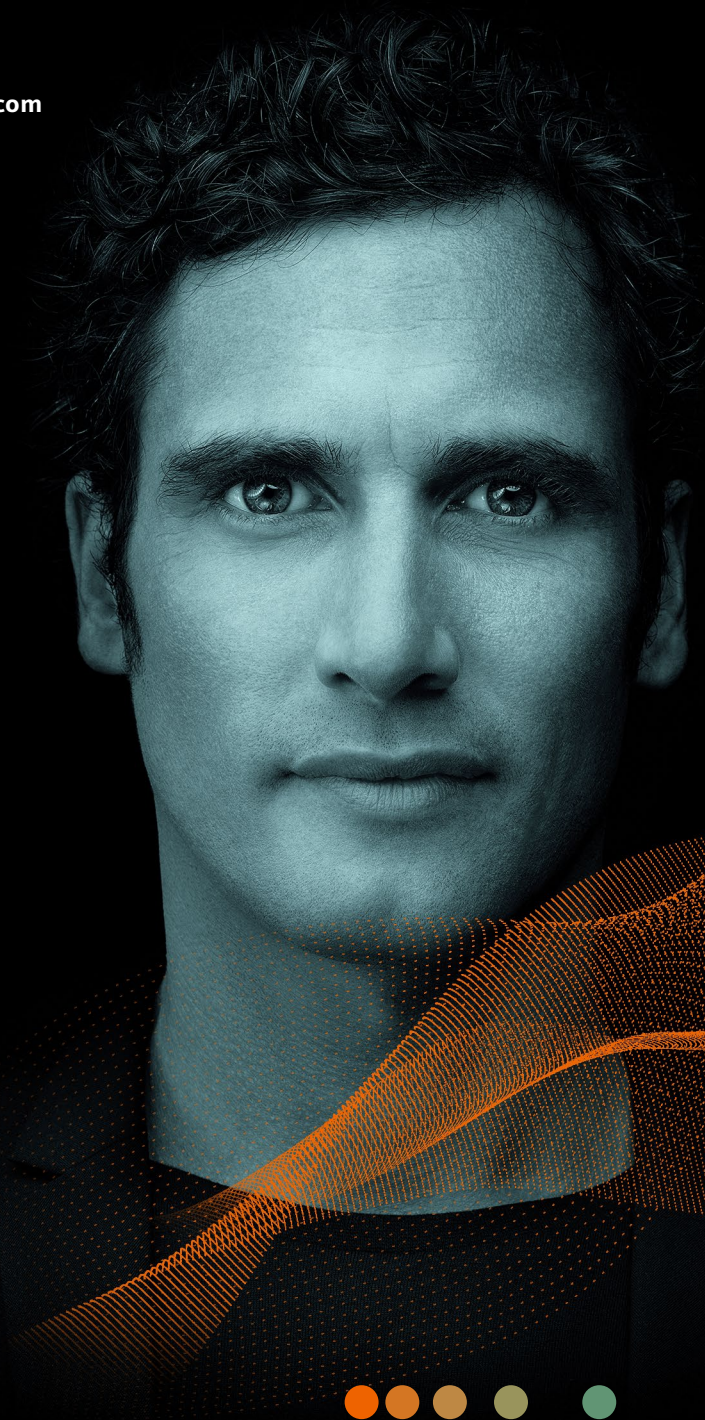


Compensation report 2022

[siemens-healthineers.com](https://www.siemens-healthineers.com)



Compensation Report of Siemens Healthineers AG for Fiscal Year 2022

This Compensation Report describes the compensation awarded and due to each current and former member of the Managing Board and Supervisory Board of Siemens Healthineers AG (hereinafter: Siemens Healthineers or the Company) in fiscal year 2022 in the period from October 1, 2021, through September 30, 2022. The report gives a detailed and personalized account of the structure and amount of the different components of Managing Board and Supervisory Board compensation. The Compensation Report has been prepared jointly by the Managing Board and Supervisory Board; it complies with the requirements of the German Stock Corporation Act (Aktiengesetz, AktG) (section 162 of the AktG) and meets the recommendations of the German Corporate Governance Code (GCGC). Clear, comprehensible, and transparent reporting is of great importance to both the Managing Board and the Supervisory Board. That is why Siemens Healthineers AG, for the second time, is presenting a Compensation Report that complies with new requirements and has undergone a material audit by the independent auditors above and beyond the legal requirements of section 162 (3) of the AktG. This Compensation Report will be submitted to the Annual Shareholders' Meeting for approval on February 15, 2023.

A detailed description of the compensation systems for the members of the Managing Board and Supervisory Board of Siemens Healthineers AG can be found on the website → www.siemens-healthineers.com/investor-relations/corporate-governance.

This document is an English language translation of the German document. In case of discrepancies, the German language document is the sole authoritative and universally valid version.

Munich, November 25, 2022

Prof. Dr. Ralf P. Thomas
Chairman of the Supervisory Board

Dr. Bernhard Montag
Chief Executive Officer

Dr. Jochen Schmitz
Chief Finance Officer

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Compensation of the members of the Managing Board of Siemens Healthineers AG

The compensation described below for the members of the Managing Board of Siemens Healthineers AG (hereinafter: Managing Board members) for fiscal year 2022 is based on the compensation system applicable since October 1, 2020, which was developed pursuant to section 87a (1) of the AktG and approved with a majority of 98.91 % by the Annual Shareholders' Meeting on February 12, 2021. Pursuant to section 120a (1) sentence 1 of the AktG, the Annual Shareholders' Meeting of a listed company resolves to approve the compensation system for the Managing Board members presented by the Supervisory Board each time there is a material amendment to the compensation system, but at least every four years, i.e., at the latest at the 2025 Annual Shareholders' Meeting. The compensation system applied to all active Managing Board members in fiscal year 2022. A full description of the compensation system for Managing Board members is accessible to the public at → www.siemens-healthineers.com/investor-relations/corporate-governance/managing-board-compensation.

Major developments in fiscal year 2022

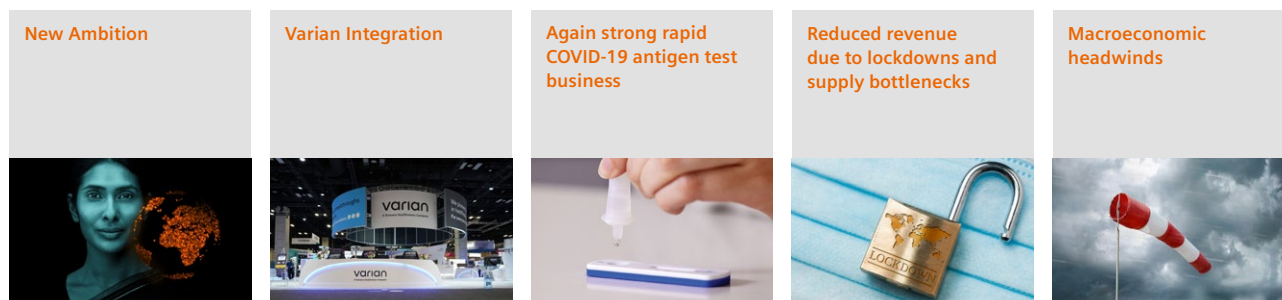
Despite additional challenges in the overall economic environment, the Managing Board and our employees helped ensure that we largely achieved the targets set for fiscal 2022. Disruptions in supply chains and pandemic-related lockdowns in China meant that there were some shifts in revenue to subsequent quarters. On a comparable basis, the Company increased its revenue by 5.9 % compared to the very good prior year. That figure was impacted positively by the rise in revenue from the rapid COVID-19 antigen tests to almost €1,550 million, following around €1,080 million in the prior year. Profitability was adversely affected year-over-year, mainly by cost increases, particularly in procurement and logistics, as well as by the lockdowns in China and negative currency effects. Adjusted basic earnings per share (adjusted basic EPS) increased by 13 % year-over-year to €2.29 (2021: €2.03). That was mainly attributable to the first-time inclusion of Varian's earnings contributions for a full fiscal year and the higher contributions from the sale of rapid COVID-19 antigen tests, which all in all more than offset the higher procurement and logistics costs and the negative effects from the lockdowns in China.

The performance of Siemens Healthineers' share reflects – like the whole stock market – the challenging economic environment prevailing at present. The share's closing price of €44.28 at the end of the fiscal year was around 21 % below the prior-year level (2021: €56.18).

Against the backdrop of macroeconomic challenges, the Company succeeded in pressing ahead with the merger with Varian Medical Systems, Inc. (hereinafter: Varian) and significantly increased Varian's revenue compared to the previous year. With the transformative merger between Siemens Healthineers and Varian, the Company completed the second phase in the Siemens Healthineers Strategy 2025, the so-called "Upgrading" phase, sooner than originally planned and started into the third phase ("New Ambition") at the start of fiscal year 2022. As part of our joint future, the company culture was further developed, and the newly defined company purpose "We pioneer breakthroughs in healthcare. For everyone. Everywhere!" and the newly defined company values "Listen first", "Win together", "Learn passionately", "Step boldly", and "Own it" were created.

We also concluded long-term strategic value partnerships, for example with the University of Miami Health System, Oulu University Hospital, and Penta Hospital International, with the aim of improving healthcare in Miami, Finland, and Slovakia. These new partnerships go beyond medical technology management and the provision of digital solutions to include innovation development, training programs, and consulting services for improving workflows.

Major developments in fiscal year 2022



Strategy and Managing Board compensation

As a global leader in medical technology, Siemens Healthineers wants to contribute to mastering global healthcare challenges by providing innovative products and services. To this end, the Managing Board has defined the Siemens Healthineers Strategy 2025 to secure competitiveness and the Company's market leadership beyond 2025. In fiscal 2022, the Company initiated New Ambition, the third phase of the Siemens Healthineers Strategy 2025. Following the successful merger with Varian, New Ambition is a growth strategy that builds on the Upgrading phase and focuses on five growth vectors for fiscal years 2022 to 2025: "Access to Care", "China Healthcare", "Networked Care & Digitally Enabled Services", "Cardiovascular & Neurovascular Care", and "Comprehensive Cancer Care". The basis for focusing on these growth areas are the strengths of Siemens Healthineers: "patient twinning", "precision therapy" as well as "digitalization, data, and artificial intelligence". Backed by this expertise, Siemens Healthineers wants to help to further improve healthcare, combat the most dangerous diseases, support efficient workflows and improve access to healthcare globally. At the same time, the Company aims to be successful in its core markets and tap into new growth markets. The goal of the New Ambition phase is to generate an acceleration in comparable sales growth of 6% to 8% p.a. for fiscal years 2022 to 2025 by winning further market share and tapping new markets. The increase in adjusted basic earnings in the same period is to be between 12% to 15% p.a. based on comprehensive growth in margins.

The compensation system for the Managing Board shall incentivize the implementation of the Company strategy as well as the value-creating, long-term development of the Company while at the same time avoiding disproportionate risks. To this end, it shall provide the right incentives for increasing earnings – measured in terms of adjusted basic EPS (without major currency and portfolio effects) – and comparable revenue growth as well as other relevant strategic topics aimed at the Company's sustainable development.

Compensation in fiscal year 2022

Since the Managing Board compensation is closely linked to the Company's success, the performance achieved in this fiscal year is directly reflected in the compensation of the Managing Board members. In accordance with the strong pay-for-performance principle anchored in the compensation system, extraordinary performance should be adequately rewarded and falling short of targets should lead to a noticeable reduction in compensation. The geopolitical and macroeconomic headwinds, as well as the effects of the COVID-19 lockdowns, had a negative impact on business developments in all segments, with the exception of the rapid antigen test business in Diagnostics, with the result that the original targets of the short-term variable compensation could not be fully met. The contributions from the rapid COVID-19 antigen tests, which were significantly higher than originally expected, had a limited impact on target achievement for fiscal 2022 and therefore made only a limited positive contribution to the key targets of comparable revenue growth and adjusted basic EPS (without major currency and portfolio effects).

Moreover, efforts undertaken in terms of environmental, social, and governance aspects were still included in a number of sustainability targets for both short-term and long-term variable compensation. Due to the additional focus on sustainability, Managing Board compensation is even more closely aligned with the interests of shareholders and stakeholders.

Change in the composition of the Managing Board and Supervisory Board

Elisabeth Staudinger-Leibrecht was appointed as a further Managing Board member effective December 1, 2021. Elisabeth Staudinger-Leibrecht has been with Siemens since 1998 and has held international management positions in Germany and the Asia-Pacific region in areas ranging from procurement to strategic planning, marketing, and production, and as head of a business unit. Most recently, Elisabeth Staudinger-Leibrecht was in charge of Siemens Healthineers' business in the Asia-Pacific region, where she actively shaped the global strategy and business culture of Siemens Healthineers. Her particular interest in, and commitment to, using digitization to make healthcare more accessible, affordable, and available to as many people as possible means she is an excellent appointment in the view of the Supervisory Board. On the Managing Board, Elisabeth Staudinger-Leibrecht is responsible for the Asia region, global customer service and, with Technology Excellence, the global unit for company-wide technology management, the manufacture of shared components and software developments.

Dr. Christoph Zindel left the Managing Board by mutual agreement effective March 31, 2022.

There was no change in the composition of the Supervisory Board in fiscal 2022.

Summary of Managing Board compensation in fiscal year 2022

Compensation of Managing Board members consists of fixed and variable compensation components. Fixed compensation, which is non-performance-based, comprises the base salary, fringe benefits, and pension benefit commitments. The performance-based and, therefore, variable compensation comprises the short-term variable compensation (bonus) and the long-term variable compensation (Siemens Healthineers Stock Awards). Malus and clawback provisions are in place for the variable compensation. Moreover, the annual total compensation of Managing Board members is limited to a maximum compensation.

In addition, the Share Ownership Guidelines form an integral supplemental part of the compensation system. They require the Managing Board members during their membership on the Board to permanently hold a specified multiple of their average annual base salary paid over the last four years in Siemens Healthineers shares and to purchase additional shares in the event that the value of their shares falls below the specified amount for which documentation has to be provided. Compliance with the Share Ownership Guidelines was reviewed for the first time during the fiscal year in March 2022, namely for Dr. Bernhard Montag and Dr. Jochen Schmitz.

Moreover, the Managing Board compensation system is complemented by appropriate, market-related commitments in connection with the start and end of Board membership.

The following graphic provides an overview of the key components of the Managing Board compensation system, the underlying targets including their relevance to the strategy, as well as their specific structure in fiscal year 2022. In the case of appointment or resignation from the Managing Board during the fiscal year, the compensation is stated accordingly on a pro rata temporis basis.

Fixed compensation components

	Base salary	Fringe benefits	Pension benefit commitment
Strategy linkage	<ul style="list-style-type: none"> Ensures an appropriate basic income to gain and retain the loyalty of qualified Managing Board members while avoiding inappropriate risk exposure Reflects the role, experience, and area of responsibility on the Managing Board as well as market conditions 	<ul style="list-style-type: none"> Awarding of market-related fringe benefits and (partial) assumption of costs that are directly related to and boost Managing Board work 	<ul style="list-style-type: none"> Building up and securing adequate post-employment benefits as part of a competitive compensation
Structure in the compensation system	<ul style="list-style-type: none"> Fixed contractually agreed compensation paid in 12 monthly installments 	<ul style="list-style-type: none"> Contractual commitment to (some of the) assumed costs and non-cash benefits and awarding of other fringe benefits, such as <ul style="list-style-type: none"> Expenses for the provision of a company car Contributions to insurance costs Regular preventive medical checkups Housing and relocation costs Tax advisory expenses 	<ul style="list-style-type: none"> In principle, annual addition of a fixed amount to the Siemens Healthineers contribution-based Siemens pension scheme (Siemens Healthineers BSAV) or, in special exceptional circumstances, provision of a fixed amount that can be used at the member's own discretion Commitment at the beginning of the fiscal year Credit or payout in January of the subsequent fiscal year Entitlement to benefits under the Siemens Healthineers BSAV upon reaching the age of 65, or earlier upon request Payout of Siemens Healthineers BSAV generally in 12 annual installments; other payment options are possible on request
Application for 2022	<ul style="list-style-type: none"> The annual base salary was paid in monthly installments 	<ul style="list-style-type: none"> Assumption of costs of non-cash and fringe benefits depending on benefits enjoyed 	<ul style="list-style-type: none"> Annual contribution to the Siemens Healthineers BSAV for Chief Executive Officer Dr. Bernhard Montag and Managing Board members Dr. Jochen Schmitz, Elisabeth Staudinger-Leibrecht, and Dr. Christoph Zindel For Darleen Caron, an annual fixed amount which can be used at her own discretion Credit or payout in January 2023

Variable compensation components

	Short-term variable compensation (bonus)	Long-term variable compensation (Siemens Healthineers Stock Awards)
Strategy linkage	<ul style="list-style-type: none"> Provides an incentive to meet (financial and non-financial) company targets for the respective fiscal year Takes account of the contribution made to implementing the Company strategy and therefore the continuous and sustainable development of the Company as well as the specific individual challenges of each Managing Board member 	<ul style="list-style-type: none"> Provides an incentive to increase the Company's performance relative to competitors on a long-term and sustainable basis Links the interests of the Managing Board members to those of shareholders and stakeholders by promoting attractive and sustainable value creation as well as long-term sustainability targets
Structure in the compensation system	<ul style="list-style-type: none"> Plan type: Annual bonus based on a target amount Performance corridor: 0% to 200% of the target amount Performance criteria: <ul style="list-style-type: none"> 2/3 Company performance (2–3 equally weighted KPIs) 1/3 individual performance (2–4 equally weighted KPIs) Performance corridor per KPI: 0% to 200% Payout: In cash in the subsequent fiscal year Annual target amount corresponds to around 40% of the variable compensation 	<ul style="list-style-type: none"> Plan type: Performance Share Plan Performance corridor: 0% to 200% of the target amount (cap on number of shares) and 300% of the target amount (absolute payout cap) Performance criteria: <ul style="list-style-type: none"> 80% total shareholder return (TSR) relative to the two equally weighted indices, <i>MSCI World Health Care</i> and <i>MSCI Europe Health Care Equipment & Services</i> 20% sustainability, measured on the basis of 2–3 environmental, social, and governance (ESG) KPIs Performance corridor per KPI: 0% to 200% Vesting period: 4 years Payout: Generally in the form of shares Annual target amount corresponds to around 60% of the variable compensation
Application for 2022	<ul style="list-style-type: none"> Performance criteria: <ul style="list-style-type: none"> 1/3 adjusted basic earnings per share (without major currency and portfolio effects) in the past fiscal year 1/3 comparable revenue growth 1/3 four individual targets for each Managing Board member 	<ul style="list-style-type: none"> 2022 tranche of Siemens Healthineers Stock Awards Allocation date: November 8, 2021 Performance criteria: <ul style="list-style-type: none"> 80% total shareholder return (TSR) relative to the two equally weighted indices, <i>MSCI World Health Care</i> and <i>MSCI Europe Health Care Equipment & Services</i> 20% sustainability, measured against three equally weighted ESG KPIs: <ol style="list-style-type: none"> Access to healthcare Reduction of carbon emissions Improvement of gender balance Elisabeth Staudinger-Leibrecht receives phantom stock awards (Phantom Siemens Healthineers Stock Awards), as she was appointed to the Managing Board after the allocation date. For these Phantom Siemens Healthineers Stock Awards, a cash settlement will be made at the end of the regular vesting period instead of transferring Siemens Healthineers shares. In all other respects, the rules for Siemens Healthineers Stock Awards apply accordingly.

Further key components of the compensation system

	Maximum compensation	Share Ownership Guidelines	Malus and clawback
Strategy linkage	<ul style="list-style-type: none"> Prevents inappropriately high payouts 	<ul style="list-style-type: none"> Strengthens the shareholder culture and encourages Managing Board members to identify with the Company Promotes alignment of Managing Board and shareholder interests and incentivizes sustainable value creation for the Company 	<ul style="list-style-type: none"> Reinforces incentives to meet material obligations and compliance requirements by avoiding inappropriate behavior and inappropriate risks
Structure in the compensation system	<ul style="list-style-type: none"> The maximum compensation per year is capped at: <ul style="list-style-type: none"> Chief Executive Officer: €9,700,000 Ordinary Managing Board member: €6,100,000 	<ul style="list-style-type: none"> Managing Board members are obligated to permanently hold Siemens Healthineers shares worth a multiple of their average annual base salary during the past four years prior to the verification date: <ul style="list-style-type: none"> Chief Executive Officer: 250 % Managing Board member: 200 % 4-year build-up phase, afterwards annual reviews Verification date: March of each year If the value of the shares held falls below the amount that must be proven to be held, due to a decline in the share price, the Managing Board member must acquire additional shares on their own initiative 	<ul style="list-style-type: none"> In the event of serious breaches of duty or violation of compliance rules during the performance period and/or in the event of a willful or grossly negligent breach of the duty of care, the Supervisory Board has the right to reduce in whole or in parts (down to zero if necessary) and/or claw back variable compensation (bonus and/or Siemens Healthineers Stock Awards) If compensation is clawed back, Managing Board members have to repay the appropriate net amount
Application for 2022	<ul style="list-style-type: none"> The maximum compensation for fiscal year 2022 is capped at: <ul style="list-style-type: none"> Chief Executive Officer: €9,700,000 Ordinary Managing Board member: €6,100,000 	<ul style="list-style-type: none"> First compliance review took place in March 2022 for Dr. Bernhard Montag and Dr. Jochen Schmitz Fulfilled by all the Managing Board members obligated to provide verification 	<ul style="list-style-type: none"> Not applied in fiscal year 2022

Further key components of the compensation system

	Commitment in the event of the start of employment	Commitment in the event of the termination of employment	Offsetting of compensation for secondary activities
Strategy linkage	<ul style="list-style-type: none"> Reimbursement of compensation forfeited at the previous employer to attract qualified Managing Board members and ensure competitive compensation 	<ul style="list-style-type: none"> Establishment of an upper limit for termination benefits in the event of a premature termination of the Managing Board activities to avoid inappropriately high severance payments 	<ul style="list-style-type: none"> Offsetting of compensation for secondary activities to ensure that neither the time spent nor the compensation received for the secondary activities conflicts with the duties for Siemens Healthineers AG
Structure in the compensation system	<ul style="list-style-type: none"> If compensation from a previous employer is forfeited due to the transfer to Siemens Healthineers AG (e.g., long-term variable compensation or pension benefits), the Supervisory Board can promise compensation in the form of (normally Phantom) Siemens Healthineers Stock Awards, pension commitments under the Siemens Healthineers BSAV, or cash payments 	<ul style="list-style-type: none"> Termination by mutual agreement: severance payment limited to remaining term of the service agreement, up to a maximum of two years of annual compensation (severance payment cap); payable in the month of departure Premature termination upon the Managing Board member's request/serious cause for the Company to terminate: no severance payment is paid and outstanding Siemens Healthineers Stock Awards allocated are forfeited without replacement 	<ul style="list-style-type: none"> Compensation for an intra-group supervisory board membership is set off against the Managing Board compensation For external supervisory board memberships, the Supervisory Board will take a case-by-case decision at its duty-bound discretion as to whether and to what extent compensation is to be set off (max. 2 external appointments)
Application for 2022	<ul style="list-style-type: none"> Not applied in fiscal year 2022 	<ul style="list-style-type: none"> Dr. Christoph Zindel received a compensation payment of €1.44 million as part of his premature departure from the Managing Board. 	<ul style="list-style-type: none"> Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. The corresponding legal relationship is governed by a separate contract between Elisabeth Staudinger-Leibrecht and Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate.

In exceptional cases, the Supervisory Board of Siemens Healthineers AG (hereinafter: Supervisory Board) may temporarily deviate from single components of the compensation system for Managing Board members if this is in the interest of the Company's long-term well-being. This option was not exercised in fiscal year 2022.

Determination of compensation for fiscal year 2022

Target compensation and compensation structure

In accordance with the compensation system, at the beginning of the fiscal year, the Supervisory Board, on the recommendation of the Chairperson's Committee of the Supervisory Board, specified the target compensation for each Managing Board member for fiscal year 2022, as shown in the table below. In doing so, it ensured that the total target compensation is commensurate with the responsibilities and performance of the respective Managing Board member. In addition, the Supervisory Board took particular account of the financial situation, market environment, success, and future prospects of the Company and paid special attention to ensuring that the total target compensation is in line with the market.

The compensation of the Managing Board of Siemens Healthineers AG consists of fixed and variable compensation components. Total target compensation represents an intended amount of compensation that will apply if all predefined targets are met and is thereby meant to provide incentives for strong company performance as well as collective and individual performance. Since most of the compensation is variable, failure to meet the pre-defined targets will lead to a significant reduction in total compensation. If these targets are, however, overachieved, the compensation may be increased, although this is capped at the contractually agreed maximum compensation. The proportion of long-term variable compensation exceeds the of short-term variable compensation. The proportion of total variable compensation in the total target compensation will be higher than the proportion of fixed compensation. As a result, the compensation of the Managing Board is aligned with the long-term sustainable development of the Company.

In fiscal year 2022, the total target compensation consisted of the following components:

Total target compensation for the Managing Board in fiscal year 2022

Fixed compensation	Base salary	Siemens Healthineers Stock Awards will always account for the majority of the total variable compensation.
	Fringe benefits	
	Pension benefit commitment	
Variable compensation	Bonus	
	Siemens Healthineers Stock Awards	

In defining the absolute amount of target compensation as well as its structure, the Supervisory Board took into account each Managing Board member's function and therefore also the different requirements of the respective Managing Board function accordingly. In this context, in accordance with the requirements of the German Stock Corporation Act and recommendations of the GCGC, it ensured that the variable compensation exceeds the fixed compensation and predominantly has a long-term focus. Consequently, the long-term variable compensation always exceeds the short-term variable compensation, thereby putting the focus on the long-term and sustainable development of Siemens Healthineers without disregarding the annual operational targets. The ratio between fixed and variable compensation components and their respective relative share of total compensation are not defined exactly and may vary due to functional differentiation.

The Supervisory Board has differentiated the compensation of the Managing Board members on the basis of their individual functions. The amount of total target compensation was differentiated for the function of Chief Executive Officer (Dr. Bernhard Montag) and Chief Financial Officer (Dr. Jochen Schmitz) in all compensation components.

As Elisabeth Staudinger-Leibrecht was appointed to the Managing Board effective December 1, 2021, and therefore during the course of the fiscal year, her compensation has been on a pro rata temporis basis. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary Managing Board member.

Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. The corresponding legal relationship is governed by a separate contract between Elisabeth Staudinger-Leibrecht and Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd.

China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. Consequently, 70% of the annual base salary, the bonus, and the Siemens Healthineers Stock Awards are granted and defrayed in Germany, and the remaining 30% in China. The fringe benefits reported comprise fringe benefits that have been granted and defrayed in Germany as well as in China. The pension benefit commitment is granted and defrayed in full in Germany.

The table below shows the contractually agreed target compensation and the compensation structure as percentages of total target compensation for fiscal year 2022. The compensation structure shown for the target compensation granted in fiscal year 2022 is in accordance with the compensation structure specified in the applicable compensation system pursuant to section 87a (1) no. 3 of the AktG.

Target compensation of the Managing Board members (amounts in tsd. € or in % of total target compensation)										
			Fixed compensation				Variable compensation			
Current Managing Board members			Base Salary	Fringe benefits	Pension benefit commitment ¹	Total	Bonus for the fiscal year	Siemens Healthineers Stock Awards Tranche 2022	Total	Total target compensation
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	2022	target	1,380	22	630	2,032	1,200	2,420	3,620	5,652
		target (in %)	25%	0%	11%	36%	21%	43%	64%	100%
	2021	target	1,380	23	494	1,897	980	1,640	2,620	4,517
		target (in %)	31%	0%	11%	42%	22%	36%	58%	100%
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	2022	target	860	16	394	1,270	640	1,000	1,640	2,910
		target (in %)	30%	1%	13%	44%	22%	34%	56%	100%
	2021	target	860	20	342	1,222	640	1,000	1,640	2,862
		target (in %)	30%	1%	12%	43%	22%	35%	57%	100%
Darleen Caron Chief Human Resources Officer since February 1, 2021	2022	target	735	29	320	1,084	525	840	1,365	2,449
		target (in %)	30%	1%	13%	44%	22%	34%	56%	100%
	2021	target	490	69	213	772	350	560	910	1,682
		target (in %)	29%	4%	13%	46%	21%	33%	54%	100%
Elisabeth Staudinger-Leibrecht ² Managing Board Member since December 1, 2021	2022	target	490	212	–	702	350	560	910	1,612
		target (in %)	30%	13%	–	43%	22%	35%	57%	100%
	2021	target	–	–	–	–	–	–	–	–
		target (in %)	–	–	–	–	–	–	–	–
Managing Board members leaving during the fiscal year										
Dr. Christoph Zindel ³ Managing Board Member from October 1, 2019 to March 31, 2022	2022	target	368	7	337	712	263	420	683	1,394
		target (in %)	26%	1%	24%	51%	19%	30%	49%	100%
	2021	target	735	17	267	1,018	525	840	1,365	2,383
		target (in %)	31%	1%	11%	43%	22%	35%	57%	100%

¹ Corresponds to the service cost in accordance with IFRS of the Siemens Healthineers BSAV or, for Darleen Caron, the fixed cash amount which can be used at her own discretion. Darleen Caron does not participate in the Siemens Healthineers BSAV and instead receives a fixed cash amount to use at her own discretion. Since Elisabeth Staudinger-Leibrecht was appointed to Managing Board during the fiscal year, no service cost in accordance with IFRS has been recognized for her.

² Pro rata compensation for the period from December 1, 2021, to September 30, 2022. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary member of the Managing Board. Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. The corresponding legal relationship is governed by a separate contract between Elisabeth Staudinger-Leibrecht and Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. Consequently, 70% of the annual base salary, the bonus, and the Siemens Healthineers Stock Awards are granted and defrayed in Germany, and the remaining 30% in China. The fringe benefits reported comprise fringe benefits that have been granted and defrayed in Germany as well as in China. The pension benefit commitment is granted and defrayed in full in Germany.

³ Pro rata compensation for the period from October 1, 2021, up to and including March 31, 2022.

Appropriateness of Managing Board compensation

In accordance with the compensation system, the Supervisory Board conducts a regular review to establish whether the Managing Board compensation is in line with the market, which is always done on the basis of a horizontal and vertical comparison.

The horizontal assessment of whether the compensation is appropriate is conducted on the basis of a comparison with the DAX 40 companies. In addition, as part of the vertical assessment of the Managing Board compensation, the Supervisory Board takes account of the development of the Managing Board compensation as compared with the compensation of senior management (senior leaders as defined in section 5 (3) of the German Works Constitution Act [Betriebsverfassungsgesetz, BetrVG]), non-senior management (non-tariff employees), and the overall workforce of companies affiliated with Siemens Healthineers AG (hereinafter: Siemens Healthineers Group) in Germany as a whole in order to base the analysis on a benchmark group that is as broad as possible beyond Siemens Healthineers AG. In addition to the status quo analysis, the vertical comparison also takes the development of compensation ratios over time into account.

The assessment of the appropriateness of Managing Board compensation conducted as part of inclusion in the DAX 40 index revealed that the compensation of the Managing Board members in office on October 1, 2021, was below market in some cases. As a result of the appropriateness assessment, the compensation of the Chief Executive Officer was raised to a market-related level effective October 1, 2021.

While the 40 DAX companies are used to assess the appropriateness of the compensation, the relative performance measurement within the long-term variable compensation is measured on the basis of the two indices: *MSCI World Health Care* and *MSCI Europe Health Care Equipment & Services*. These two indices have been selected to best represent the key markets, competitors, and areas of operation of Siemens Healthineers. The *MSCI World Health Care* index includes a large number of companies across the entire healthcare and medical technology sector and covers the globally relevant markets, including in particular the U.S.A. and Asia. The *MSCI Europe Health Care Equipment & Services* index takes into account in particular the field of medical technology devices and related services and emphasizes the importance of the European region at the same time.

Maximum compensation

In addition to limiting the respective variable compensation components (bonus and Siemens Healthineers Stock Awards), the Supervisory Board has embedded an annual maximum compensation in the compensation system pursuant to section 87a (1) sentence 2 no. 1 of the AktG which covers all fixed and variable compensation components. The maximum compensation for the respective Managing Board member corresponds to the maximum numerical cap and therefore to the highest possible actual payout that can be received for the relevant fiscal year. As a consequence, the final value of compensation paid for a particular fiscal year can only be determined once the Siemens Healthineers Stock Awards tranche conditionally allocated for the fiscal year has vested. For fiscal year 2022, the final review will be conducted when the 2022 tranche of the Siemens Healthineers Stock Awards is transferred at the end of the vesting period in November 2025. If the specified maximum compensation has been exceeded, a number of Siemens Healthineers Stock Awards corresponding to the amount by which the maximum is exceeded will be forfeited without replacement.

The maximum compensation applicable for fiscal year 2022 is €9,700,000 for the Chief Executive Officer and €6,100,000 for ordinary Managing Board members. Compliance with the maximum compensation for fiscal year 2022 will be reported in the Compensation Report for fiscal year 2026.

Maximum compensation (Caps on variable compensation and maximum compensation)

Compensation element	Cap
Short-term variable compensation (bonus)	200% of the target amount
Long-term variable compensation (Siemens Healthineers Stock Awards)	200% of the target amount (cap on number of shares ¹) and/or 300% of the target amount (absolute payout cap ²)
Maximum compensation	Chief Executive Officer: €9,700,000 Ordinary Managing Board member: €6,100,000

¹ The final number of Siemens Healthineers Stock Awards can be up to a maximum of 200% of the originally conditionally allocated Siemens Healthineers Stock Awards.

² The actual amount, defined as the final number of Siemens Healthineers shares, multiplied by the Xetra closing price of Siemens Healthineers shares at the end of the vesting period, must not exceed 300% of the original target amount.

Variable compensation in fiscal year 2022

Variable compensation accounts for a large portion of the total compensation of Managing Board members. It has the following two components: (1) short-term variable compensation (bonus) and (2) long-term variable compensation (Siemens Healthineers Stock Awards). They are linked to the performance of the Managing Board and intended to incentivize the implementation of the Company strategy as well as the value-creating, long-term development of the Company, while at the same time avoiding disproportionate risks.

The performance criteria and key performance indicators (KPIs) applied in fiscal year 2022 for measuring performance within the framework of variable compensation are in line with the Company's strategy, have been derived from the Company's strategic objectives and operational performance indicators, and are consistent with the relevant compensation system. Essentially, the performance criteria measure core strategic topics of significance and, in accordance with Siemens Healthineers' social responsibility, also include sustainability as a performance criterion.

An overview of the performance criteria and KPIs relevant for fiscal year 2022 as well as a presentation of how they foster the Company's long-term development are shown in the table below:

Variable compensation in fiscal year 2022

	Performance criterion	KPI	Bonus	Siemens Healthineers Stock Awards	Strategy linkage
Financial targets	Earnings	Adjusted basic earnings per share (without major currency and portfolio effects) ¹	✓		Adjusted basic earnings per share present the adjusted net income attributable to the shareholders of Siemens Healthineers AG and incentivize sustainable profitability, in particular by focusing on profitable growth. This KPI reflects the Company's holistic performance, which makes it an essential key performance indicator of Siemens Healthineers. For the purpose of measuring compensation, adjustments are also made for major currency and major portfolio effects against budget.
	Revenue growth	Comparable revenue growth ²	✓		A core element of our strategy is to further accelerate profitable growth. Growth is to be achieved both by strengthening the existing Core Business and sharpening its strategic focus on adjacent growth areas.
	Long-term value creation	Total shareholder return (TSR)		✓	Total shareholder return relative to the two equally weighted indices, <i>MSCI World Health Care</i> and <i>MSCI Europe Health Care Equipment & Services</i> , reflects the overall value creation for our shareholders in the form of share price increases and dividends earned. Siemens Healthineers AG wants to be an attractive capital investment for its investors and therefore incentivize above-average capital market performance. For this reason, total shareholder return is a benchmark for the sustainable increase in company value.
Non-financial targets	Implementation of the Company strategy	Various individual targets	✓		The individual targets focus primarily on short- and medium-term measures to implement the company strategy in order to ensure the Company's long-term development. They enable a focus on the strategic and operational challenges relevant for the fiscal year for each Managing Board member, depending on their respective responsibility. In fiscal year 2022, the individual targets were aimed at the operational aspects of implementing the Company strategy, in particular the business development, implementation of portfolio measures, and the implementation of important strategic targets.
		Various individual targets	✓		Sustainable actions are an integral part of our strategy and ensure the future viability of the Company from a social and economic perspective. To support the Company's sustainable development, Siemens Healthineers also sets sustainability targets; in fiscal year 2022 they related in particular to employee satisfaction and succession planning.
	Sustainability	ESG KPIs		✓	Social responsibility is a key element of our business activity; it is an integral part of our main internal processes. For this reason, the ESG KPIs take the impact of our business activities on social and environmental matters into account. As a global leader in medical technology, our innovative products and services help to address some of the most challenging issues worldwide: 1. enhancing quality of life by creating better access to healthcare 2. fostering a healthy environment by reducing carbon emissions, and 3. promoting diversity and integration by improving the gender balance.

¹ Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, in particular amortization, depreciation, and other effects from IFRS 3 purchase price allocation adjustments, transaction, integration, retention, and carve-out costs, and gains and losses from divestments as well as severance charges, net after tax. Accordingly, this includes the adjustment of material valuation effects on deferred taxes, which arise from changes in tax law and are associated with the above adjustment items. For the purpose of measuring compensation, adjustments are also made for major currency and major portfolio effects against budget. The contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €0.13.

² Comparable revenue growth shows the development of the adjusted revenue, net of currency translation effects, which are beyond the control of Siemens Healthineers, and portfolio effects, which involve business activities that are either new to our business or no longer a part of it. In this context, the revenue of Siemens Healthineers corresponds to the consolidated revenue as reported in the consolidated statement of income, adjusted for additional effects from the remeasurement of contract liabilities under IFRS 3 purchase price allocations. The contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €500 million.

The Supervisory Board is responsible for ensuring that the targets set for the variable compensation are demanding and ambitious. If the targets are not met, variable compensation can be as low as zero and therefore be canceled altogether. If the targets are significantly overachieved, target achievement is capped at 200% for short-term variable compensation and 300% for long-term variable compensation.

Short-term variable compensation (bonus)

The short-term variable compensation (bonus) rewards the contribution toward the operational implementation of the Company strategy made in the fiscal year and thus to the Company's long-term development. In this context, the bonus takes account of the Company's financial performance in the past fiscal year (company performance) and the specific individual challenges of each Managing Board member (individual performance). Company performance is measured exclusively on the basis of financial KPIs. Individual performance is always measured using non-financial, qualitative performance criteria.

Two-thirds of the bonus is based on the Company's financial performance and one-third on the Managing Board member's individual performance.

- **Company performance** takes account of the Managing Board's overall responsibility and measures the performance of Siemens Healthineers as a whole. The main focus here is on the short-term measures for the operational implementation of the Company strategy, including in particular boosting earnings performance and promoting the Company's growth.
- **Individual performance** enables a differentiation to be made depending on the respective responsibility and the specific strategic and operational challenges of each Managing Board member. By setting two to four individual targets for each Managing Board member, the Supervisory Board sets incentives for strategically relevant topics aimed at the sustainable development of the Company. The individual targets are based in particular on the operational aspects of implementing the Company's strategy, for example, the implementation of major "Merger and Acquisitions" projects or continuous business development, as well as on sustainability aspects, such as employee and customer satisfaction.

Depending on the strategic focus applicable for the fiscal year and the responsibilities of the individual Managing Board members, the Supervisory Board sets performance criteria and ambitious operational targets (KPIs) on an annual basis.

In fiscal year 2022, the bonus was structured as follows:

Structure of the bonus			
Target amount in EUR	X Target achievement (0–200%)		
	Company performance (each 0–200%)		Individual performance (0–200%)
	Weight: 1/3	Weight: 1/3	Weight: 1/3
	Adjusted basic earnings per share (without major currency and portfolio effects) ¹	+ Comparable revenue growth ²	+ Four individual targets for each Managing Board member
	= Payout amount in EUR (Cap: 200 % of the target amount)		

¹ Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, in particular amortization, depreciation, and other effects from IFRS 3 purchase price allocation adjustments, transaction, integration, retention, and carve-out costs, and gains and losses from divestments as well as severance charges, net after tax. Accordingly, this includes the adjustment of material valuation effects on deferred taxes, which arise from changes in tax law and are associated with the above adjustment items. For the purpose of measuring compensation, adjustments are also made for major currency and major portfolio effects against budget. The contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €0.13.

² Comparable revenue growth shows the development of the adjusted revenue, net of currency translation effects, which are beyond the control of Siemens Healthineers, and portfolio effects, which involve business activities that are either new to our business or no longer a part of it. In this context, the revenue of Siemens Healthineers corresponds to the consolidated revenue as reported in the consolidated statement of income, adjusted for additional effects from the remeasurement of contract liabilities under IFRS 3 purchase price allocations. The contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €500 million.

Company performance

For fiscal year 2022, the Supervisory Board has defined two equally weighted performance criteria for measuring the company performance for all Managing Board members: "earnings", measured on the basis of adjusted basic earnings per share (without major currency and portfolio effects) and "revenue growth", measured on the basis of comparable revenue growth. Target achievement for each KPI can be between 0% and 200%.

The Supervisory Board uses the adjusted basic earnings per share because it is a key financial performance indicator of Siemens Healthineers, which reflects the Company's holistic performance and is used to manage performance at the company level. It presents the adjusted net income attributable to the shareholders and incentivizes sustainable profitability. Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, in particular amortization, depreciation, and other effects from IFRS 3 purchase price allocation adjustments, transaction, integration, retention, and carve-out costs, and gains and losses from divestments as well as severance charges, net after tax. For the purpose of measuring compensation, adjustments are also made for major currency and major portfolio effects against budget. In fiscal year 2022, the contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €0.13.

Another core element of the Siemens Healthineers strategy is accelerated profitable growth. Growth is to be achieved both by strengthening its existing core business and sharpening its strategic focus on adjacent growth areas. For this reason, the Supervisory Board uses comparable revenue growth as an additional KPI to manage and monitor growth in adjusted revenue of the segments and of Siemens Healthineers as a whole. Comparable revenue growth shows the development of the adjusted revenue, net of currency translation effects, which are beyond the control of Siemens Healthineers, and portfolio effects, which involve business activities that are either new to our business or no longer a part of it. In this context, the revenue of Siemens Healthineers corresponds to the consolidated revenue as reported in the consolidated statement of income, adjusted for additional effects from the remeasurement of contract liabilities under IFRS 3 purchase price allocations. In fiscal year 2022, the contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €500 million.

Individual performance

For fiscal year 2022, the Supervisory Board defined four equally weighted individual targets for each Managing Board member, selected from the performance criteria of “sustainability” and “implementation of the Company strategy”. Target achievement can be between 0% and 200%. In fiscal year 2022, they are aimed in particular at the integration of Varian, launch and implementation of the New Ambition strategy, continued enhancement of business, and improving corporate governance processes and sustainability. In setting the targets for fiscal year 2022, the Supervisory Board has defined the common targets of “launch and implementation of the New Ambition project” and “integration of Varian and its business performance” for the Managing Board members to take into account not only the individual responsibility of the Managing Board members but also their shared responsibility in tackling these targets. The individual targets set for each Managing Board member are listed in the table below:

Individual targets fiscal year 2022			
Current Managing Board members	KPI	Specific Target	Target achievement
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	Implementation of major projects	Introduction and Implementation of “New Ambition Project”	135 %
	Implementation of portfolio measures	Successful integration of Varian & performance of Varian business	
	Business development	Further development of Laboratory Diagnostics	
	Governance	Improvement of the Corporate Governance process with all relevant stakeholders	
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	Implementation of major projects	Introduction and Implementation of “New Ambition Project”	130 %
	Implementation of portfolio measures	Successful integration of Varian & performance of Varian business	
	Business development	Further development of Laboratory Diagnostics	
	Sustainability	Establishment of a reliable reporting framework for sustainability	
Darleen Caron Chief Human Resources Officer since February 1, 2021	Implementation of major projects	Introduction and Implementation of “New Ambition Project”	130 %
	Implementation of portfolio measures	Successful integration of Varian & performance of Varian business	
	Implementation of other strategic targets	Drive main strategic projects in HR according to project plan	
	Employee Engagement	Maintain the industry benchmark range of the employee engagement index	
Elisabeth Staudinger-Leibrecht Managing Board Member since December 1, 2021	Implementation of major projects	Introduction and Implementation of “New Ambition Project”	125 %
	Implementation of portfolio measures	Successful integration of Varian & performance of Varian business	
	Governance	Improvement of the Corporate Governance process with a special focus on Compliance in China	
	Succession Planning	Identification of Executive Potentials incl. external potentials	
Managing Board members leaving during the fiscal year			
Dr. Christoph Zindel Managing Board Member from October 1, 2019 to March 31, 2022	Implementation of major projects	Introduction and Implementation of “New Ambition Project”	100 %
	Implementation of other strategic targets	Ensure a smooth transition	
	Sustainability	Drive the sustainability initiative and promote the corresponding external communication	
	Governance	Improvement of the Corporate Governance process with all relevant stakeholders	

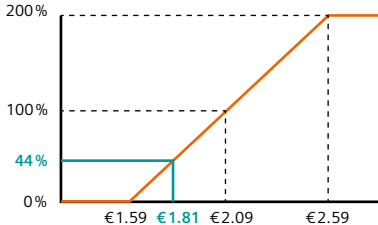
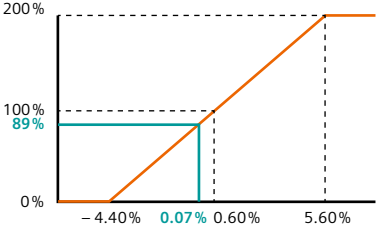
Determination of the target achievement

Target achievement for the financial KPIs and individual targets is determined by the Supervisory Board on the recommendation of the Chairperson's Committee and combined into a weighted average after the end of the fiscal year. In this process, target achievement for the financial KPIs is determined based on the performance corridors defined at the beginning of the fiscal year. For the individual targets, the Supervisory Board specifies a level of target achievement for each Managing Board member. To this end, the Supervisory Board obtains a presentation on the target achievement from the departments, based on which it makes a decision on the target achievement of each Managing Board member after careful consideration following the recommendation of the Chairperson's Committee of the Supervisory Board. The percentage of weighted target achievement, multiplied by the individual target amount, produces the amount to be paid out for the fiscal year that just ended. The bonus to be paid out is capped at 200 % of the target amount; it is paid in cash together with the regular compensation at the end of February of the following fiscal year at the latest.

Bonus

Target amount in tsd. EUR				
Current Managing Board members:				Managing Board members leaving during the fiscal year:
Dr. Bernhard Montag €1,200	Dr. Jochen Schmitz €640	Darleen Caron €525	Elisabeth Staudinger-Leibrecht ¹ €350	Dr. Christoph Zindel ² €263

X

Company performance		Individual performance
Weight: 1/3	Weight: 1/3	Weight: 1/3
Adjusted basic earnings per share (without major currency and portfolio effects) ³ Target achievement in %  Adjusted basic earnings per share (without major currency and portfolio effects) in € Target achievement: 44 %	Comparable revenue growth⁴ Target achievement in %  Comparable revenue growth in % Target achievement: 89 %	Individual targets (For details see table "Individual targets for fiscal year 2022") Current Managing Board members: <ul style="list-style-type: none"> • Dr. Bernhard Montag 135 % • Dr. Jochen Schmitz 130 % • Darleen Caron 130 % • Elisabeth Staudinger-Leibrecht 125 % Managing Board members leaving during the fiscal year: <ul style="list-style-type: none"> • Dr. Christoph Zindel 100 % Target achievement: 100 % – 135 %

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Payout amount in tsd. EUR				
Current Managing Board members:				Managing Board members leaving during the fiscal year:
Dr. Bernhard Montag €1,074	Dr. Jochen Schmitz €562	Darleen Caron €461	Elisabeth Staudinger-Leibrecht ¹ €301	Dr. Christoph Zindel ² €204

¹ Pro rata compensation for the period from December 1, 2021, to September 30, 2022. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary Managing Board member. Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. The corresponding legal relationship is governed by a separate contract between Elisabeth Staudinger-Leibrecht and Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. Consequently, 70 % of the bonus are granted and defrayed in Germany and the remaining 30 % in China.

² Pro rata compensation for the period from October 1, 2021, up to and including March 31, 2022.

³ Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, in particular amortization, depreciation, and other effects from IFRS 3 purchase price allocation adjustments, transaction, integration, retention, and carve-out costs, and gains and losses from divestments as well as severance charges, net after tax. Accordingly, this includes the adjustment of material valuation effects on deferred taxes, which arise from changes in tax law and are associated with the above adjustment items. For the purpose of measuring compensation, adjustments are also made for major currency and major portfolio effects against budget. The contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €0.13.

⁴ Comparable revenue growth shows the development of the adjusted revenue, net of currency translation effects, which are beyond the control of Siemens Healthineers, and portfolio effects, which involve business activities that are either new to our business or no longer a part of it. In this context, the revenue of Siemens Healthineers corresponds to the consolidated revenue as reported in the consolidated statement of income, adjusted for additional effects from the remeasurement of contract liabilities under IFRS 3 purchase price allocations. The contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €500 million.

The table below provides a detailed summary of the KPIs relevant for determining the bonus for fiscal year 2022, their performance corridors, as well as the respective target achievement and the resulting overall target achievement, including the corresponding payout amounts.

Bonus of the current Managing Board members and Managing Board members leaving during the fiscal year						
KPI	Weight	Performance Corridor			Target achievement	
		Min (± 0 %)	Target (± 100 %)	Max (± 200 %)	Actual value	in %
Adjusted basic earnings per share (without major currency and portfolio effects) ¹	1/3	€ 1.59	€ 2.09	€ 2.59	€ 1.81	44 %
Comparable revenue growth ²	1/3	-4.40 %	0.60 %	5.60 %	0.07 %	89 %
Individual targets Dr. Bernhard Montag						135 %
Individual targets Dr. Jochen Schmitz						130 %
Individual targets Darleen Caron	1/3	For details see table "Individual targets fiscal year 2022"				130 %
Individual targets Elisabeth Staudinger-Leibrecht ³						125 %
Individual targets Dr. Christoph Zindel ⁴						100 %

(Amounts in tsd. € or in % of the target amount)	Performance Corridor			Actual compensation	
	Min (± 0 %)	Target (± 100 %)	Max (± 200 %)	Overall target achievement	Payout amount
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	0	1,200	2,400	89 %	1,074
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	0	640	1,280	88 %	562
Darleen Caron Chief Human Resources Officer since February 1, 2021	0	525	1,050	88 %	461
Elisabeth Staudinger-Leibrecht ³ Managing Board Member since December 1, 2021	0	350	700	86 %	301
Dr. Christoph Zindel ⁴ Managing Board Member from October 1, 2019 to March 31, 2022	0	263	525	78 %	204

¹ Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, in particular amortization, depreciation, and other effects from IFRS 3 purchase price allocation adjustments, transaction, integration, retention, and carve-out costs, and gains and losses from divestments as well as severance charges, net after tax. Accordingly, this includes the adjustment of material valuation effects on deferred taxes, which arise from changes in tax law and are associated with the above adjustment items. For the purpose of measuring compensation, adjustments are also made for major currency and major portfolio effects against budget. The contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €0.13.

² Comparable revenue growth shows the development of the adjusted revenue, net of currency translation effects, which are beyond the control of Siemens Healthineers, and portfolio effects, which involve business activities that are either new to our business or no longer a part of it. In this context, the revenue of Siemens Healthineers corresponds to the consolidated revenue as reported in the consolidated statement of income, adjusted for additional effects from the remeasurement of contract liabilities under IFRS 3 purchase price allocations. The contribution from the rapid COVID-19 antigen test business was limited in its impact on the target achievement to €500 million.

³ Pro rata compensation for the period from December 1, 2021, to September 30, 2022. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary Managing Board member. Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. The corresponding legal relationship is governed by a separate contract between Elisabeth Staudinger-Leibrecht and Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. Consequently, 70 % of the bonus are granted and defrayed in Germany and the remaining 30 % in China.

⁴ Pro rata compensation for the period from October 1, 2021, up to and including March 31, 2022.

Outlook: targets in the short-term variable compensation (bonus) in fiscal year 2023

In November 2022, the Supervisory Board specified adjusted basic earnings per share (without major currency and portfolio effects) and comparable revenue growth as the KPIs for the Company's financial performance in fiscal year 2023. To further strengthen the concept of sustainability in Managing Board compensation, it also decided that at least one-third of the individual targets should be sustainability targets from fiscal year 2023 and onwards. For fiscal year 2023, the Supervisory Board has adopted three individual performance targets for each Managing Board member; one of these is a sustainability target. As in the current fiscal year, two-thirds of the bonus is again determined by the Company's financial performance and one-third by individual performance. Performance criteria measuring individual performance, however, are disclosed and explained from an ex-post perspective just like the specific targets set for the financial KPIs to avoid communicating internal strategic considerations of relevance to the competition from an ex-ante perspective.

Long-term variable compensation (Siemens Healthineers Stock Awards)

The long-term variable compensation (Siemens Healthineers Stock Awards) is intended to reward the Company's long-term success compared with the competition as well as the long-term development of Siemens Healthineers' share price and thus the attractive, sustainable return for shareholders. The return is expressed specifically in the form of dividend payments and share price development. Sustainable business conduct is another important strategic point of reference for Siemens Healthineers. This is why selected sustainability targets are also part of Siemens Healthineers Stock Awards, proving the social responsibility of Siemens Healthineers. Siemens Healthineers Stock Awards incentivize the Managing Board members to commit themselves to the Company's long-term development, promote sustainable growth, and generate lasting value creation.

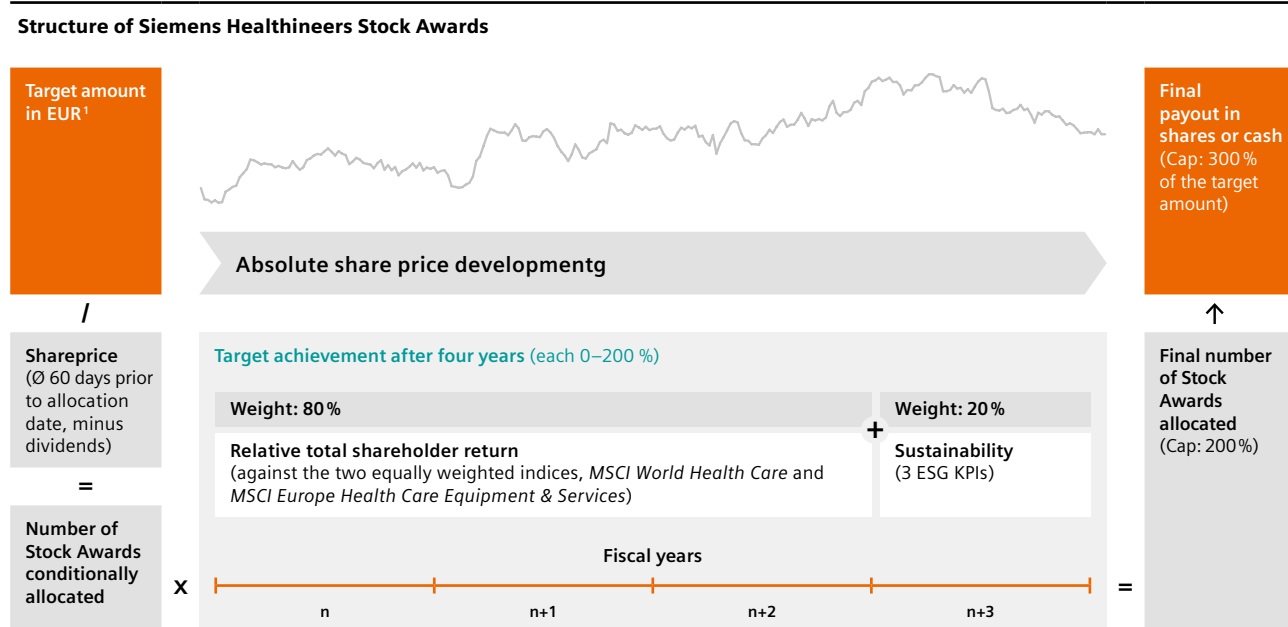
At the beginning of a fiscal year, the Managing Board members are conditionally allocated forfeitable Siemens Healthineers Stock Awards. A Siemens Healthineers Stock Award is the right to receive one share of Siemens Healthineers AG – subject to achieving predefined targets – after the end of a period of around four years (vesting period). The vesting period for the 2022 tranche of Siemens Healthineers Stock Awards started on November 8, 2021, and will end at the end of the day of publication of the preliminary fiscal year results in the fourth calendar year after the allocation date.

At the beginning of each fiscal year, the Supervisory Board specifies for each Managing Board member a target amount in euro based on a target achievement of 100%. This individual target amount is then divided by the arithmetic mean of the Xetra closing prices of Siemens Healthineers shares over the last 60 stock exchange trading days immediately prior to the start of the vesting period, less the discounted estimated dividends, ("allocation price"), which results in the number of conditionally allocated Siemens Healthineers Stock Awards. The conditional allocation is initially made based on the assumption of 200% target achievement (maximum allocation). Upon allocation of Siemens Healthineers Stock Awards, a vesting period of around four years begins, after which Siemens Healthineers shares will be transferred, depending on the target achievement of the KPIs. The Managing Board members are not entitled to dividends during the corresponding vesting period.

Since Elisabeth Staudinger-Leibrecht was appointed to the Managing Board during the fiscal year effective December 1, 2021, and therefore after the allocation date, the target amount was determined on a pro rata temporis basis and an appropriate number of Phantom Siemens Healthineers Stock Awards was allocated conditionally. For these Phantom Siemens Healthineers Stock Awards, a cash settlement will be made at the end of the regular vesting period instead of transferring Siemens Healthineers shares. In all other respects, the rules for Siemens Healthineers Stock Awards apply accordingly. Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. Of the target amount disclosed here (corresponding to 100% target achievement), 70% is granted in Germany and 30% in China.

A total of 80% of Siemens Healthineers Stock Awards is based on "long-term value creation", measured in terms of the **total shareholder return** (TSR) of Siemens Healthineers AG relative to the two equally weighted indices, *MSCI World Health Care* and *MSCI Europe Health Care Equipment & Services*, and 20% is based on "**sustainability**," measured in terms of two to three equally weighted targets tracking the performance of Siemens Healthineers AG in the environmental, social and governance (ESG) categories. The Supervisory Board defines the specific ESG KPIs and their targets at the beginning of the fiscal year. The specific KPI targets are disclosed and explained ex-post to avoid communicating internal strategic considerations of relevance to the competition in advance.

The structure of the 2022 tranche of Siemens Healthineers Stock Awards is as follows:



¹ The conditional allocation is initially made based on the assumption of a 200% target achievement. For illustrative purposes and to make the system of Siemens Healthineers Stock Awards easier to understand, the target amount is used here in relation to 100% target achievement.

Relative total shareholder return (TSR)

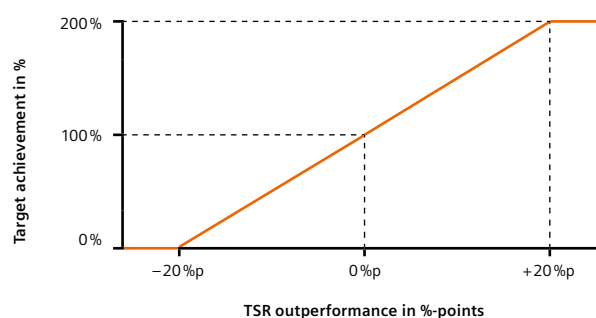
Relative total shareholder return (TSR) is a benchmark for the sustainable increase in company value. Siemens Healthineers seeks to remain an attractive capital investment for its investors and therefore incentivize above-average capital market performance. For this reason, a large portion of Siemens Healthineers Stock Awards is based on relative total shareholder return, which reflects the changes in the value of Siemens Healthineers as a whole during the vesting period of around four years, tracking both absolute share price development and the dividends earned during the period.

Relative total shareholder return is measured and determined in each case separately as compared to the two reference indices: the *MSCI World Health Care* (or a comparable successor index) and the *MSCI Europe HealthCare Equipment & Services* (or a comparable successor index). These two indices have been selected to best represent the key markets, competitors, and areas of operation of Siemens Healthineers. The *MSCI World Health Care* index includes a large number of companies across the entire healthcare and medical technology sector and covers the globally relevant markets, including in particular the U.S.A. and Asia. The *MSCI Europe Health Care Equipment & Services* index takes into account in particular the field of medical technology devices and related services and emphasizes the importance of the European region at the same time. Siemens Healthineers is included in both reference indices.

Target achievement is calculated by comparing the TSR performance of Siemens Healthineers shares during the vesting period of around four years to the respective reference index. To this end, the difference between the TSR performance of Siemens Healthineers and the TSR performance of the respective reference index is calculated (outperformance).

Linear target achievement curve of TSR outperformance

- If the difference is 0 percentage points – i.e., performance is the same as that of the index – the level of target achievement is 100%.
- If the difference is –20 percentage points or greater (underperformance), the level of target achievement is 0%.
- If the difference is +20 percentage points or greater (outperformance), the level of target achievement is 200% (cap).
- If the change in TSR is between 20 percentage points better and 20 percentage points worse than the reference index, the target achievement levels are interpolated on a linear basis.



Sustainability

Sustainable actions are an integral part of Siemens Healthineers' strategy and ensure its future viability from a social and economic perspective. As a global leader in medical technology, Siemens Healthineers strives to help master some of the most challenging global issues through its innovative products and services. For this reason, the sustainability target takes into account the impact its business activities have on social and environmental issues; it is measured on the basis of two to three equally weighted ESG KPIs. Target achievement for each of the ESG KPIs can be between 0% and 200%.

At the beginning of the fiscal year, based on the Siemens Healthineers sustainability strategy, the Supervisory Board specified the following three equally weighted ESG KPIs for the 2022 tranche of Siemens Healthineers Stock Awards applicable to all Managing Board members for measuring performance against the sustainability target:

1. **Access to healthcare**, measured in terms of volume growth of installed devices in underserved countries
2. **Reduction in carbon emissions**, measured in terms of kilotons of CO₂e emitted, and
3. **Improvement of gender balance**, measured in terms of the share of females among senior management.

Determination of the total target achievement

At the end of the vesting period of around four years, the Supervisory Board determines the specific target achievement against the KPIs and combines the results into a weighted average. As part of that, the target achievement for each of these KPIs – relative TSR and the three ESG KPIs – can have a value between 0% and 200% (cap). This means that the final number of Siemens Healthineers Stock Awards can likewise be between 0% and 200% of Siemens Healthineers Stock Awards originally allocated conditionally (cap on the number of shares). The final number of Siemens Healthineers Stock Awards is calculated based on the percentage of weighted target achievement multiplied by the number of Siemens Healthineers Stock Awards conditionally allocated at the beginning of the vesting period. Siemens Healthineers Stock Awards are allocated on the basis of 200% target achievement. If the target achievement is below 200%, a number of Siemens Healthineers Stock Awards proportionate to the shortfall from the target is forfeited without replacement.

For the final number of Siemens Healthineers Stock Awards at the end of the vesting period, one share of Siemens Healthineers AG will then be transferred to the Managing Board members, at no cost to them, for each Siemens Healthineers Stock Award they hold. Here, the actual amount, defined as the final number of Siemens Healthineers shares multiplied by the Xetra closing price of Siemens Healthineers shares at the end of the vesting period, must not exceed 300% of the original target amount (absolute payout cap). If the actual amount is higher, the corresponding number of Stock Awards is forfeited without replacement.

Siemens Healthineers Stock Awards allocated in fiscal year 2022

The table below shows Siemens Healthineers Stock Awards allocated in fiscal year 2022; they are contractually guaranteed to Managing Board members but will only be transferred after the end of the four-year vesting period in November 2025, subject to achievement of the KPIs specified as targets for fiscal year 2022. The table includes the target amounts, maximum allocation amounts, and the maximum number of Siemens Healthineers Stock Awards allocated, as well as the fair value at the allocation date of Siemens Healthineers Stock Awards for the individual Managing Board members.

The Supervisory Board specified November 8, 2021, as the allocation date for the 2022 tranche of Siemens Healthineers Stock Awards for the Managing Board members. For Elisabeth Staudinger-Leibrecht, the allocation date is December 1, 2021, as she was appointed to the Managing Board during the year with effect from December 1, 2021, and thus after the allocation date. The allocation price relevant for the 2022 tranche was €54.17, which is equal to the arithmetic mean of the Xetra closing prices of Siemens Healthineers shares over the last 60 stock exchange trading days immediately prior to the beginning of the vesting period, less the discounted estimated dividends.

Overview of Siemens Healthineers Stock Awards conditionally allocated in fiscal year 2022 – 2022 tranche

Current Managing Board members	Target amount in tsd. € (corresponds to 100% target achievement)	Maximum allocation amount in tsd. € (corresponds to 200% target achievement)	Allocation price in €	Maximum number of Siemens Healthineers Stock Awards (corresponds to 200% target achievement)	Fair value at allocation date in tsd. €
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	2,420	4,840	54.17	89,348	3,596
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	1,000	2,000	54.17	36,921	1,486
Darleen Caron Chief Human Resources Officer since February 1, 2021	840	1,680	54.17	31,013	1,248
Elisabeth Staudinger-Leibrecht¹ Managing Board Member since December 1, 2021	560	1,120	54.17	20,676	832
Managing Board members leaving during the fiscal year					
Dr. Christoph Zindel² Managing Board Member from October 1, 2019 to March 31, 2022	420	840	54.17	15,507	624
Total	5,240	10,480		193,465	7,785

¹ Since Elisabeth Staudinger-Leibrecht was appointed to the Managing Board during the fiscal year effective December 1, 2021, and therefore after the allocation date, her target amount was determined on a pro rata temporis basis and an appropriate number of Phantom Siemens Healthineers Stock Awards was allocated conditionally. For these Phantom Siemens Healthineers Stock Awards, a cash settlement will be made at the end of the vesting period instead of transferring Siemens Healthineers shares. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary Managing Board member. Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. The corresponding legal relationship is governed by a separate contract between Elisabeth Staudinger-Leibrecht and Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. Of the target amount disclosed here (corresponding to 100% target achievement), 70% are granted and defrayed in Germany and 30% in China.

² Pro rata compensation for the period from October 1, 2021, up to and including March 31, 2022.

Determination of the target achievement – 2018 tranche of the Siemens Healthineers Stock Awards

The first transfer of Siemens Healthineers Stock Awards from the 2018 tranche was made on November 11, 2021. The Siemens Healthineers Stock Awards of the 2018 tranche were linked to the relative total shareholder return of Siemens Healthineers compared to twelve relevant competitors during the approximately four-year vesting period from May 4, 2018 to November 11, 2021. The target achievement of the 2018 tranche of Siemens Healthineers Stock Awards was 57.05%.

2018 tranche of the Siemens Healthineers Stock Awards

Target amount in tsd. EUR	Dr. Bernhard Montag €998	Dr. Jochen Schmitz €685																											
/																													
Allocation price: €30.19																													
=																													
Number of Stock Awards conditionally allocated:	Dr. Bernhard Montag 33,042	Dr. Jochen Schmitz 22,581																											
X																													
Target achievement after four years (each 0–200%)																													
Relative total shareholder return against 12 relevant competitors																													
<table><tr><td>Danaher Corp.</td><td>89.11%</td><td rowspan="12"><div><div></div><div>3. Quartile 52.93%</div><div>Median 26.80%</div><div>1. Quartile 20.84%</div></div></td></tr><tr><td>Thermo Fisher Scientific</td><td>71.62%</td></tr><tr><td>Abbot Laboratories</td><td>58.94%</td></tr><tr><td>Hologic Inc.</td><td>46.93%</td></tr><tr><td>Stryker Corp.</td><td>32.21%</td></tr><tr><td>Medtronic plc</td><td>30.10%</td></tr><tr><td>Siemens Healthineers</td><td>24.24%</td></tr><tr><td>Qiagen N.V.</td><td>23.50%</td></tr><tr><td>Smith & Nephew plc</td><td>22.01%</td></tr><tr><td>Kon. Philips Electronics N.V.</td><td>21.08%</td></tr><tr><td>Boston Scientific Corp.</td><td>20.59%</td></tr><tr><td>Varian Medical Systems¹</td><td>8.69%</td></tr><tr><td>Becton, Dickinson and Company</td><td>8.28%</td></tr></table>			Danaher Corp.	89.11%	<div><div></div><div>3. Quartile 52.93%</div><div>Median 26.80%</div><div>1. Quartile 20.84%</div></div>	Thermo Fisher Scientific	71.62%	Abbot Laboratories	58.94%	Hologic Inc.	46.93%	Stryker Corp.	32.21%	Medtronic plc	30.10%	Siemens Healthineers	24.24%	Qiagen N.V.	23.50%	Smith & Nephew plc	22.01%	Kon. Philips Electronics N.V.	21.08%	Boston Scientific Corp.	20.59%	Varian Medical Systems ¹	8.69%	Becton, Dickinson and Company	8.28%
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<div><div><div>Target achievement in %</div><div>20.84 % (1. Quartile) 24.24 % (Median) 26.80 % (3. Quartile)</div><div>57.05 %</div><div>Relative total shareholder return against 12 relevant competitors</div></div></div>																													
Target achievement: 57,05%																													
=																													
Final number of Stock Awards allocated: (Cap: 200%)	Dr. Bernhard Montag 18,850	Dr. Jochen Schmitz 12,940																											
↓																													
Final payout in shares or cash ² (Value at transfer date in tsd. EUR)	Dr. Bernhard Montag €1,137	Dr. Jochen Schmitz €777																											

¹ Due to the merger with Varian, the performance measurement of Varian Medical Systems ends on August 2, 2020.

² Corresponds to the value on the date of transfer on November 11, 2021. The Siemens Healthineers Stock Awards settled by share transfer were valued at the German low price of the Siemens Healthineers share on November 5, 2021, in the amount of €60.06. The Phantom Siemens Healthineers Stock Awards of Dr. Bernhard Montag were valued at the Xetra closing price of the Siemens Healthineers share on November 5, 2021, amounting to €61.04.

The table below once again provides a summary of the key parameters for the 2018 tranche of Siemens Healthineers Stock Awards. As part of the transfer of Siemens Healthineers Stock Awards from the 2018 tranche, compliance with the total maximum compensation applicable for fiscal year 2018 was also reviewed. The applicable total maximum compensation was not exceeded for any member of the Managing Board.

Overview of the 2018 tranche of Siemens Healthineers Stock Awards

Current Managing Board members	Target amount in tsd. € (based on 100% target achievement)	Allocation price in € May 4, 2018	Number of Stock Awards conditionally allocated	Target achievement	Final number of Stock Awards allocated	Value in tsd. € at transfer date ² Nov. 11, 2021
Dr. Bernhard Montag¹ Chief Executive Officer since March 1, 2018	998	30.19	33,042	57.05 %	18,850	1,137
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	685	30.19	22,681	57.05 %	12,940	777

¹ The number of conditionally allocated Stock Awards (final number of Stock Awards allocated) for Dr. Bernhard Montag contains 9,391 (5,357) Phantom Siemens Healthineers Stock Awards. A cash settlement was made for these Phantom Siemens Healthineers Stock Awards instead of a transfer of the shares. In all other respects, the rules for Siemens Healthineers Stock Awards applied accordingly.

² The Siemens Healthineers Stock Awards settled by share transfer were valued at the German low price of the Siemens Healthineers share on November 5, 2021, in the amount of €60.06. The Phantom Siemens Healthineers Stock Awards of Dr. Bernhard Montag were valued at the Xetra closing price of the Siemens Healthineers share on November 5, 2021, amounting to €61.04.

Performance of Siemens Healthineers Stock Awards in fiscal year 2022

The table below shows the performance of the portfolio of Siemens Healthineers Stock Awards held by Managing Board members in fiscal year 2022.

Development of Siemens Healthineers Stock Awards in fiscal year 2022 (amounts in number of shares)¹

Current Managing Board members	Balance at beginning of fiscal year 2022	during the fiscal year			Balance at end of fiscal year 2022
		Conditionally allocated ²	Vested and settled	Other changes ^{3,4}	
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	264,208	89,348	13,493	19,549	320,514
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	175,897	36,921	12,940	9,741	190,137
Darleen Caron Chief Human Resources Officer since February 1, 2021	33,634	31,013	–	–	64,647
Elisabeth Staudinger-Leibrecht⁵ Managing Board Member since December 1, 2021	0	20,676	–	–	20,676
Managing Board members leaving during the fiscal year					
Dr. Christoph Zindel⁶ Managing Board Member from October 1, 2019 to March 31, 2022	79,246	15,507	–	–	94,753
Total	552,985	193,465	26,433	29,290	690,727

¹ For the 2019–2022 tranches, the maximum allocation of 200% of the target amount as of the allocation dates in November is taken into consideration. For the 2018 tranche, an allocation of 100% is assumed since target achievements exceeding 100% are paid out in cash. For this reason, the portfolios held at the beginning of the fiscal year by Dr. Bernhard Montag contained 231,166 (33,042) and by Dr. Jochen Schmitz 153,216 (22,681) Siemens Healthineers Stock Awards, which had been conditionally allocated for a target achievement of 200% (respectively 100%). The 33,042 Stock Awards for Dr. Bernhard Montag contain 9,391 Phantom Stock Awards, which were conditionally allocated to him in November 2017 and for which a cash settlement was made instead of transfer of the shares when they were due for transfer on November 11, 2021. In all other respects, the rules for Siemens Healthineers Stock Awards applied accordingly.

The disclosed numbers also contain Phantom Siemens Healthineers Stock Awards. The balance at the beginning of the fiscal year held by Dr. Bernhard Montag contains 9,391 Phantom Siemens Healthineers Stock Awards and that held by Darleen Caron at the beginning of the fiscal year contains 33,634 Phantom Siemens Healthineers Stock Awards. The balance at the end of the fiscal year held by Dr. Darleen Caron contains 33,634 Phantom Siemens Healthineers Stock Awards and held by Elisabeth Staudinger-Leibrecht at the end of the fiscal year contains 20,676 Phantom Siemens Healthineers Stock Awards. The balance at the end of the fiscal year held by Dr. Bernhard Montag no longer contains any Phantom Siemens Healthineers Stock Awards.

² The number of conditionally allocated Siemens Healthineers Stock Awards corresponds to the maximum allocation of 200% of the target amount. At the end of the vesting period, the final number of Siemens Healthineers Stock Awards is determined on the basis of the actual target achievement, taking the maximum compensation into account; if target achievement is below 200%, a corresponding number of Siemens Healthineers Stock Awards is forfeited without replacement.

³ The target achievement for the Siemens Healthineers Stock Awards from the 2018 tranche that became due in fiscal year 2022 was 57.05%. As per the plan rules, a number of Siemens Healthineers Stock Awards from the 2018 tranche proportionate to the shortfall from the target and allocated on the basis of a target achievement of 100% was therefore forfeited without replacement.

⁴ The number disclosed for Dr. Bernhard Montag contains the payout of 5,357 Phantom Siemens Healthineers Stock Awards and the forfeit of 10,158 Siemens Healthineers Stock Awards and 4,034 Phantom Siemens Healthineers Stock Awards that were forfeited without replacement due to a target achievement of less than 100%.

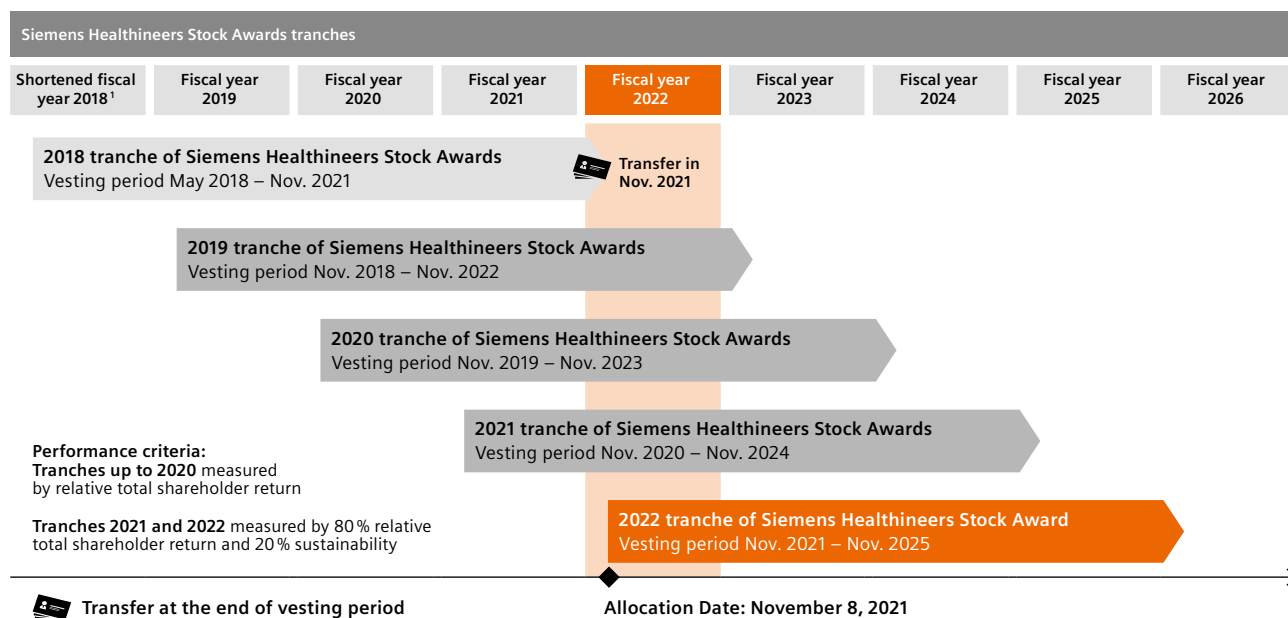
⁵ Since Elisabeth Staudinger-Leibrecht was appointed to the Managing Board during the fiscal year effective December 1, 2021, and therefore after the allocation date, her target amount was determined on a pro rata temporis basis and an appropriate number of Phantom Siemens Healthineers Stock Awards was allocated conditionally. For these Phantom Siemens Healthineers Stock Awards, a cash settlement will be made at the end of the vesting period instead of transferring Siemens Healthineers shares. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary Managing Board member. Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. Of the numbers disclosed here, 70% are granted and defrayed in Germany and 30% in China.

⁶ Pro rata compensation for the period from October 1, 2021, up to and including March 31, 2022.

Vesting periods of the Siemens Healthineers Stock Awards tranches

The vesting period of Siemens Healthineers Stock Awards tranches is around four years (with the exception of the 2018 tranche of Siemens Healthineers Stock Awards; its period was reduced slightly to reflect the shortened fiscal year 2018). Up to and including fiscal year 2020, the final number of Siemens Healthineers Stock Awards is measured based on the total shareholder return relative to 12 competitors. A total of 80 % of the tranches conditionally allocated in fiscal years 2021 and 2022 is measured based on **total shareholder return** relative to the two equally weighted indices, *MSCI World Health Care* and *MSCI Europe Health Care Equipment & Services*, and 20 % is based on **sustainability**, measured in terms of three ESG targets.

Vesting periods of Siemens Healthineers Stock Awards tranches



¹ Due to the IPO, fiscal year 2018 was a shortened fiscal year, from March 1, 2018 to September 30, 2018.

Outlook: Targets set for long-term variable compensation (Siemens Healthineers Stock Awards) in fiscal year 2023

To further strengthen the concept of sustainability in Managing Board compensation, the Supervisory Board decided that at least one-third of the individual targets are to be sustainability targets and that the proportion accounted for by sustainability targets in the long-term variable compensation will be increased from 20 % to 25 % from fiscal year 2023 onwards. The proportion accounted for by long-term value creation is accordingly reduced to 75 %.

In November 2022, the Supervisory Board resolved the following performance criteria and KPIs for the 2023 tranche of Siemens Healthineers Stock Awards:

- “Long-term value creation”, measured based on total shareholder return (TSR) relative to the two equally weighted indices: *MSCI World Health Care* and *MSCI Europe Health Care Equipment & Services* (each weighted at 37.5%)
- “Sustainability”, measured based on the following three equally weighted ESG KPIs (total weighting of 25%):
 1. **Access to healthcare**, measured in terms of volume growth of installed devices in underserved countries
 2. **Reduction in carbon emissions**, measured in terms of kilotons of CO₂e emitted, and
 3. **Improvement of gender balance**, measured in terms of the share of females among senior management.

Malus and clawback provisions

Malus and clawback provisions are in place for variable compensation which, in the event of serious breaches of duty or violation of compliance rules during the performance period and/or in the event of a willful or grossly negligent breach of the duty of care of a diligent and conscientious business manager pursuant to section 93 (1) of the AktG by the Managing Board member and/or if the variable compensation was unduly paid out on the basis of incorrect data, allow the variable compensation (bonus and/or Siemens Healthineers Stock Awards) to be reduced in whole or in parts (down to zero if necessary) and/or clawed back by the Supervisory Board. If compensation is clawed back, Managing Board members have to repay the appropriate net amount.

In fiscal year 2022, the Supervisory Board did not exercise the option to reduce or claw back variable compensation.

Share Ownership Guidelines

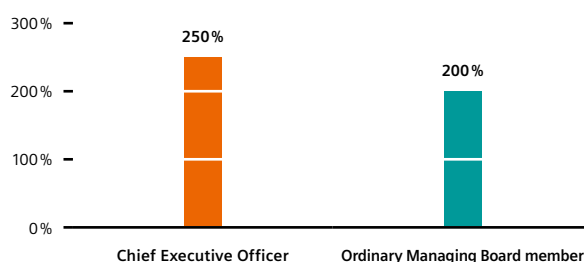
The Share Ownership Guidelines form an integral part of the compensation system for the Managing Board in promoting the further alignment of the Managing Board and shareholder interests and strengthening the Company's sustainable, long-term development. They require Managing Board members, during their term of office, to permanently hold Siemens Healthineers shares worth a multiple of their average annual base salary during the past four years – for the Chief Executive Officer, this multiple is 250%, and for the ordinary Managing Board members, this multiple is 200%.

Each Managing Board member must prove that he or she is complying with this requirement after a build-up phase of approximately four years after their appointment and every year thereafter. If, for example, due to a fall in the price of Siemens Healthineers Shares, the value of the shares held falls below the minimum amount that must be proven to be held, the Managing Board member must acquire additional shares.

Different dates apply for the individual Managing Board members to prove that they comply with the Share Ownership Guidelines, depending on the date of their appointment. The first verification date was March 2022 for Dr. Bernhard Montag and Dr. Jochen Schmitz. Darleen Caron and Elisabeth Staudinger-Leibrecht are still in the build-up phase.

The table below shows the current status of the Share Ownership Guidelines. All Managing Board members required to verify compliance held the required number of Siemens Healthineers shares on the verification date.

Share Ownership Target
 based on an annual base salary



Compliance with the Share Ownership Guidelines in March 2022

Current Managing Board members	First verification date	Target (in % of base salary) ¹	Verified (in % of base salary) ^{1,2}		Status
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	March 2022	250%	322%	<div><div style="width: 322%;">322%</div><div style="width: 250%;">250%</div></div>	Fulfilled
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	March 2022	200%	338%	<div><div style="width: 338%;">338%</div><div style="width: 200%;">200%</div></div>	Fulfilled
Darleen Caron Chief Human Resources Officer since February 1, 2021	March 2025	200%	–	<div><div style="width: 200%;">200%</div></div>	In progress
Elisabeth Staudinger-Leibrecht Managing Board Member since December 1, 2021	March 2026	200%	–	<div><div style="width: 200%;">200%</div></div>	In progress
Managing Board members leaving during the fiscal year					
Dr. Christoph Zindel ³ Managing Board Member from October 1, 2019 to March 31, 2022	–	200%	–		–

¹ The average base salary during the four years preceding the respective verification date is authoritative in determining the amount of shares required to comply with the verification obligation.

² On March 11, 2022 (verification date).

³ Since he has left the Managing Board, he is no longer obligated to comply with the Share Ownership Guidelines.

Pension benefit commitment

In principle, the Managing Board members participate in the Siemens Healthineers contribution-based Siemens pension scheme (Siemens Healthineers BSAV). Under this plan, Managing Board members receive contributions that are credited to their pension accounts. The Supervisory Board reviews the appropriateness of the contribution every year and determines the amount of the contribution to the Siemens Healthineers BSAV as a fixed amount in euros. Darleen Caron receives a fixed cash amount that can be used at her own discretion, instead of a Siemens Healthineers BSAV contribution.

For fiscal year 2022, the Managing Board members were promised contributions under the Siemens Healthineers BSAV totaling €1.4 million (2021: €1.31 million) based on the resolution by the Supervisory Board in October 2021.

The service cost recognized in accordance with IFRS in fiscal year 2022 for Managing Board members' entitlements under the Siemens Healthineers BSAV that arose in fiscal year 2022 amounted to €1.36 million (2021: €1.10 million).

The Siemens Healthineers BSAV contributions are added to their respective pension accounts in January of the subsequent fiscal year. Until the beneficiary's date of retirement, their pension account is credited with an annual interest payment (guaranteed interest) on January 1 of each year. The interest rate is currently 0.25%. The summary below shows details of the individual contributions (additions) as well as the defined benefit obligations for pension commitments for fiscal years 2021 and 2022.

Siemens Healthineers BSAV commitment of the Managing Board members (amounts in tsd. €)

	Contribution in		Pension expensed (Service Cost) in accordance with IFRS for		Defined benefit obligations for all pension commitments on Sept. 30.	
	2022	2021	2022	2021	2022	2021
Current Managing Board members						
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	650	600	630	494	4,090	4,671
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	385	385	394	342	2,845	3,404
Darleen Caron¹ Chief Human Resources Officer since February 1, 2021	0	0	0	0	0	0
Elisabeth Staudinger-Leibrecht² Managing Board Member since December 1, 2021	213	–	–	–	590	–
Managing Board members leaving during the fiscal year						
Dr. Christoph Zindel³ Managing Board Member from October 1, 2019 to March 31, 2022	160	320	337	267	941	1,238
Total	1,408	1,305	1,361	1,103	8,466	9,313

¹ Instead of a contribution to the Siemens Healthineers BSAV, Darleen Caron receives a fixed cash amount of €320,000 that can be used at her own discretion. This amount at her own discretion will be paid in January 2023; it is disclosed under "Pension benefit commitment" in the table "Compensation awarded and due pursuant to section 162 of the AktG." The Supervisory Board based its determination of the amount on the level of contributions to the Siemens Healthineers BSAV of the other ordinary Managing Board members.

² Pro rata compensation for the period from December 1, 2021, to September 30, 2022. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary Managing Board member. Since Elisabeth Staudinger-Leibrecht was appointed to Managing Board during the fiscal year, no service cost in accordance with IFRS has been recognized for her.

³ Pro rata compensation for the period from October 1, 2021, up to and including March 31, 2022.

Compensation awarded and due in fiscal years 2022 and 2021

The table below shows the compensation awarded and due to the Managing Board members in office in fiscal year 2022 pursuant to section 162 (1) sentence 1 of the AktG. The table therefore includes all amounts actually paid to individual Managing Board members ("compensation awarded") and/or all amounts of compensation that have become legally due but have not yet been paid out ("compensation due") in the reporting period.

Awarded and due compensation of the Managing Board members of Siemens Healthineers pursuant to section 162 of the AktG (amounts in tsd. € or in % of total compensation incl. Siemens Healthineers BSAV)											
Current Managing Board members	Year		Fixed compensation			Variable compensation			Awarded & due total compensation (pursuant to section 162 of the AktG)	Siemens Healthineers BSAV ²	Total compensation (incl. Siemens Healthineers BSAV)
			Base Salary	Fringe benefits	Pension benefit commitment (amount at own discretion)	Bonus for the fiscal year	Siemens Healthineers Stock Awards ¹	Other compensation			
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	2022	in tsd. €	1,380	22	0	1,074	1,137	720	4,333	630	4,963
		in %	28%	0%	0%	22%	23%	14%		13%	100%
	2021	in tsd. €	1,380	23	0	1,731	0	860	3,994	494	4,489
		in %	31 %	1 %	0 %	38 %	0 %	19 %		11 %	100 %
Dr. Jochen Schmitz Chief Finance Officer since March 1, 2018	2022	in tsd. €	860	16	0	562	777	492	2,707	394	3,101
		in %	28%	1%	0%	18%	25%	16%		12%	100%
	2021	in tsd. €	860	20	0	1,152	0	581	2,614	342	2,955
		in %	29%	1%	0%	39%	0%	20%		11%	100%
Darleen Caron Chief Human Resources Officer since February 1, 2021	2022	in tsd. €	735	29	320	461	0	0	1,545	0	1,545
		in %	47%	2%	21%	30%	0%	0%		0%	100%
	2021	in tsd. €	490	69	213	595	0	0	1,367	0	1,367
		in %	36%	5%	16%	43%	0%	0%		0%	100%
Elisabeth Staudinger-Leibrecht ³ Managing Board Member since December 1, 2021	2022	in tsd. €	490	212	0	301	0	0	1,003	–	1,003
		in %	49%	21%	0%	30%	0%	0%		–	100%
	2021	in tsd. €	–	–	–	–	–	–	–	–	–
		in %	–	–	–	–	–	–		–	–
Managing Board members leaving during the fiscal year											
Dr. Christoph Zindel ⁴ Managing Board Member from October 1, 2019 to March 31, 2022	2022	in tsd. €	368	7	0	204	0	1,437	2,016	337	2,353
		in %	16%	0%	0%	9%	0%	61%		14%	100%
	2021	in tsd. €	735	17	0	858	0	0	1,609	267	1,876
		in %	39%	1%	0%	46%	0%	0%		14%	100%

¹ The first transfer of Siemens Healthineers Stock Awards was made in fiscal year 2022.

² In addition to the total compensation awarded and due pursuant to section 162 of the AktG, the table includes the service cost of the Siemens Healthineers BSAV for Dr. Bernhard Montag, Dr. Jochen Schmitz, as well as Dr. Christoph Zindel. Since Elisabeth Staudinger-Leibrecht was appointed to Managing Board during the fiscal year, no service cost in accordance with IFRS has been recognized for her.

³ Pro rata compensation for the period from December 1, 2021, to September 30, 2022. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary Managing Board member. Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. The corresponding legal relationship is governed by a separate contract between Elisabeth Staudinger-Leibrecht and Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. 70% of the amounts for the annual base salary, the bonus, and the Siemens Healthineers Stock Awards shown here are granted and defrayed in Germany, and the remaining 30% in China. The fringe benefits reported comprise fringe benefits that have been granted and defrayed in Germany as well as in China. The pension benefit commitment is granted and defrayed in full in Germany. The fringe benefits in China are higher than in Germany and include, for example, a company car with driver, housing costs, and school fees.

⁴ Pro rata compensation for the period from October 1, 2021, up to and including March 31, 2022. Pursuant to his resignation from the Managing Board, Dr. Christoph Zindel receives a severance payment of €1.28 million and a special contribution to the Siemens Healthineers BSAV amounting to €160,000 to settle and discharge his contractual claims. These amounts are contained under "Other compensation".

The amounts shown for the short-term variable compensation (bonus) correspond to the bonus payments for the fiscal year since the underlying services had been rendered in full by the end of the fiscal year on September 30, 2022, and the bonus had therefore been earned in full (performance period: October 2021 through September 2022, payment: February 2023). The bonus for fiscal year 2022 is therefore considered to be compensation due. This allows for clear, transparent reporting and establishes the link between compensation and company performance during the fiscal year (pursuant to section 162 (1) sentence 1 of the AktG, pay-for-performance).

The amounts shown for the long-term variable compensation (Siemens Healthineers Stock Awards) reflect the payments made in the fiscal year. The first transfer of Siemens Healthineers Stock Awards from the 2018 tranche was made on November 11, 2021.

As part of the IPO in 2018, the then Managing Board members received a one-time IPO incentive with a vesting period of three years, divided into two tranches. The first half of the IPO incentive was allocated directly upon completion of the IPO in 2018, and the second half followed one year later. The first tranche (2018 tranche) vested in the course of fiscal year 2021 and the second tranche (2019 tranche) vested in the course of fiscal year 2022; they are reported under "Other compensation".

Pursuant to his resignation from the Managing Board, Dr. Christoph Zindel receives a severance payment of €1.28 million and a special contribution to the Siemens Healthineers BSAV amounting to €160,000 to settle and discharge his contractual claims. These amounts are likewise shown under "Other compensation".

Section 162 (1) sentence 1 of the AktG requires disclosure of not only the amount of compensation, but also the relative proportions of total compensation attributable to all fixed and variable compensation components. The relative proportions disclosed here refer to the compensation components awarded and due in the respective fiscal year pursuant to section 162 (1) sentence 1 of the AktG, taking actual target achievement into consideration. In contrast, the relative proportions of the individual compensation components disclosed in the chapter entitled "Target compensation and compensation structure" pursuant to section 87a (1) no. 3 of the AktG refer to the total target compensation for 100% target achievement and exclude any special compensation (such as the IPO incentive) for fiscal years 2021 and 2022. For this reason, the relative proportions of compensation awarded and due disclosed here may differ from those of the target compensation. Moreover, the IPO incentive is not included in the target compensation since it represents one-time compensation from fiscal year 2018. The first transfer of Siemens Healthineers Stock Awards was made in fiscal year 2022. That means no figures are available for the prior year. As a result, the relative proportions of the other compensation components have shifted accordingly.

Compensation of former Managing Board members in fiscal years 2022 and 2021

In fiscal year 2022, a payment totaling €815 thousand was made to former Managing Board members. This comes from the transfer of Siemens Healthineers Stock Awards from the 2018 tranche.

The table below shows the compensation awarded to former Managing Board members pursuant to section 162 (1) sentence 1 of the AktG.

Awarded and due compensation of the Managing Board members of Siemens Healthineers pursuant to section 162 of the AktG
(amounts in tsd. € or in % of total compensation incl. Siemens Healthineers BSAV)

Former Managing Board members	Year		Fixed compensation		Variable compensation		Awarded & due total compensation (pursuant to section 162 of the AktG)	Siemens Healthineers BSAV (Pension)	Total compensation (incl. Siemens Healthineers BSAV)
			Fringe Benefits		Siemens Healthineers Stock Awards ¹	Other compensation			
Michael Reitermann Managing Board Member from March 1, 2018 to September 30, 2019	2022	in tsd. €	0		815	0	815	0	815
		in %	0%		100%	0%		0%	100%
	2021	in tsd. €	20		0	0	20	0	20
		in %	100%		0%	0%		0%	100%

¹ The first transfer of Siemens Healthineers Stock Awards was made in fiscal year 2022.


Compensation of the members of the Supervisory Board of Siemens Healthineers AG

Compensation system of the Supervisory Board

The currently applicable compensation arrangements for the Supervisory Board are defined in section 12 of the Articles of Association of Siemens Healthineers AG. They are based on a resolution of the extraordinary Shareholders' Meeting on February 19, 2018; they were amended by the Annual Shareholders' Meeting on February 12, 2020, only with regard to the compensation of the Related-Party Transactions Committee, which had been newly established at the time. The compensation of the Supervisory Board members, including the system on which this compensation is based, was confirmed pursuant to section 113 (3) of the AktG by way of a resolution of the Annual Shareholders' Meeting on February 12, 2021, which was passed with a majority of 99.37 % of the valid votes cast. The resolved compensation system is accessible to the public at → www.siemens-healthineers.com/investor-relations/corporate-governance/supervisory-board-compensation. The provisions set out in the Articles of Association can be accessed at → [siemens-healthineers.com/investor-relations/corporate-governance/bylaws](https://www.siemens-healthineers.com/investor-relations/corporate-governance/bylaws).

In accordance with the rules applicable to fiscal year 2022, members of the Supervisory Board receive annual fixed base compensation, and the members of the committees of the Supervisory Board receive additional compensation for their work on the respective committees:

Compensation of the members of the Supervisory Board and its Committees

Base compensation for Supervisory Board				
				
Chair €220,000		Member €110,000		
Additional compensation for Committee work				
Audit Committee	Innovation and Finance Committee	Chairperson's Committee	Related-Party Transactions Committee	
Chair €80,000	Chair €60,000	Chair €40,000	Chair €20,000	
Member €40,000	Member €30,000	Member €20,000	Member €10,000	

Supervisory Board members who did not serve as a member or chair of the Supervisory Board or of a committee for the full (12-month) fiscal year receive prorated compensation, rounded up to full months.

If a Supervisory Board member fails to attend a Supervisory Board meeting, one-third of the total compensation entitlement described above is reduced by a percentage equal to the percentage of the meetings that the Supervisory Board member did not attend relative to the total number of Supervisory Board meetings held in the fiscal year. Compensation is payable to members of the Related-Party Transactions Committee only in fiscal years in which the committee convenes at least once or adopts at least one resolution.

In addition to the above, the members receive €1,500 for each attendance at meetings of the Supervisory Board or its committees. Siemens Healthineers reimburses all Supervisory Board members for their expenses and the value-added tax levied on their salaries.

No loans or advances from the Company are provided to Supervisory Board members.

The structure of Supervisory Board compensation, which almost exclusively comprises fixed compensation, strengthens the independence of the Supervisory Board and serves as a counterweight to the structure of Managing Board compensation, which is primarily variable and aligned with the growth strategy of Siemens Healthineers.

Supervisory Board compensation in fiscal years 2022 and 2021

The table below shows the compensation of Supervisory Board members in fiscal years 2022 and 2021 pursuant to section 162 (1) sentence 1 of the AktG. Accordingly, the Supervisory Board compensation for fiscal year 2022 is regarded as compensation due, while the compensation for fiscal year 2021 is regarded as compensation awarded.

Awarded and due compensation of the Supervisory Board members of Siemens Healthineers pursuant to section 162 of the AktG (amounts in tsd. € or in % of total compensation)						
Current Supervisory Board members			Base compensation	Additional compensation for committee work	Meeting attendance fee	Total compensation
Prof. Dr. Ralf P. Thomas ^{1,2}	2022	in €	0	0	0	0
		in %	–	–	–	–
	2021	in €	0	0	0	0
		in %	–	–	–	–
Dr. Norbert Gaus ²	2022	in €	110,000	50,000	33,000	193,000
		in %	57%	26%	17%	100%
	2021	in €	110,000	50,000	31,500	191,500
		in %	57%	26%	17%	100%
Dr. Roland Busch ^{1,2}	2022	in €	0	0	0	0
		in %	–	–	–	–
	2021	in €	0	0	0	0
		in %	–	–	–	–
Dr. Marion Helmes	2022	in €	110,000	80,000	19,500	209,500
		in %	53%	38%	9%	100%
	2021	in €	110,000	63,333	21,000	194,333
		in %	57%	32%	11%	100%
Dr. Andreas C. Hoffmann ²	2022	in €	110,000	60,000	36,000	206,000
		in %	54%	29%	17%	100%
	2021	in €	110,000	110,000	36,000	256,000
		in %	43%	43%	14%	100%
Dr. Philipp Rösler	2022	in €	110,000	–	10,500	120,500
		in %	91%	–	9%	100%
	2021	in €	110,000	–	10,500	120,500
		in %	91%	–	9%	100%
Peer M. Schatz	2022	in €	110,000	30,000	16,500	156,500
		in %	70%	19%	11%	100%
	2021	in €	64,167	17,500	7,500	89,167
		in %	72%	20%	8%	100%
Dr. Nathalie von Siemens	2022	in €	104,762	–	9,000	113,762
		in %	92%	–	8%	100%
	2021	in €	110,000	–	10,500	120,500
		in %	91%	–	9%	100%
Dr. Gregory Sorensen	2022	in €	110,000	30,000	16,500	156,500
		in %	70%	19%	11%	100%
	2021	in €	110,000	30,000	16,500	156,500
		in %	70%	19%	11%	100%
Karl-Heinz Streibich	2022	in €	110,000	30,000	16,500	156,500
		in %	70%	19%	11%	100%
	2021	in €	110,000	40,000	18,000	168,000
		in %	65%	24%	11%	100%

¹ In their capacity as Managing Board members of Siemens AG, Dr. Roland Busch and Prof. Ralf P. Thomas have waived compensation for their Supervisory Board membership at Siemens Healthineers.

² In their capacity as members of governing bodies or employees of Siemens AG, Dr. Roland Busch, Dr. Norbert Gaus, Dr. Andreas C. Hoffmann, and Prof. Dr. Ralf P. Thomas receive compensation for their governing body membership or employment at Siemens AG.

Multiyear overview: Information on the development of Managing Board and Supervisory Board compensation in relation to the compensation of the overall workforce and the Company's earnings performance

The overview below shows, pursuant to section 162 (1) sentence 2 no. 2 of the AktG, the relative development of the compensation awarded and due to Managing Board and Supervisory Board members in the respective fiscal years compared with the average compensation of employees in Germany on a full-time equivalent basis as well as selected key earnings indicators for the Siemens Healthineers Group. The indicators used correspond to the KPIs relevant for corporate management control, which also form the basis for the KPIs relevant for Managing Board and management compensation (pay-for-performance).

According to the information presented in the tables "Awarded and due compensation of the Managing Board members of Siemens Healthineers pursuant to section 162 of the AktG" (Managing Board) and "Awarded and due compensation of the Supervisory Board members of Siemens Healthineers pursuant to section 162 of the AktG" (Supervisory Board), the compensation for Managing Board and Supervisory Board members included represents the total compensation awarded and due in the fiscal year within the meaning of section 162 (1) sentence 1 of the AktG.

The Company's earnings performance is presented on the basis of the comparable revenue growth and adjusted basic earnings per share. As essential key performance indicators of the Company, these KPIs also form the basis of the financial targets in the short-term variable compensation of the Managing Board and thus to a significant extent also determine the amount of Managing Board compensation.

The presentation of the average compensation of employees on a full-time equivalent basis is based on the total workforce of the Siemens Healthineers Group in Germany.

The compensation actually awarded and due to the Managing Board members and to employees may vary from year to year, depending on the actual bonus payout in a given year and on the target achievement of the Siemens Healthineers Stock Awards in a given year, as well as the current share price.

The positive Company earnings performance in fiscal year 2021 is reflected in the increase in the average compensation of employees and of the Managing Board members. The above-average increase in Managing Board compensation in fiscal year 2021 is primarily due to the larger proportion of variable compensation in total compensation. In addition, the transfer of the first tranche of the IPO incentive in fiscal year 2021 resulted in the higher total compensation of the Managing Board members. In fiscal year 2022, the geopolitical and macroeconomic headwinds, as well as the effects from COVID-19 lockdowns, had a negative impact on business developments in all segments, with the exception of rapid antigen test business in Diagnostics, with the result that the targets of the short-term variable compensation (bonus) could not be fully met. This was also reflected in the decrease of the average compensation of employee in fiscal 2022. The increase in Managing Board compensation in fiscal year 2022 is mainly

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Multiyear overview: Information on the development of Managing Board and Supervisory Board compensation in relation to the compensation of the overall workforce and the Company's earnings performance

attributable to the first vesting of the Siemens Healthineers Stock Awards (2018 tranche). In addition, the transfer of the second tranche of the IPO incentive in fiscal year 2022 resulted in a higher total compensation of the Managing Board members. The vesting of Siemens Healthineers Stock Awards was already reflected in the average compensation of employees in previous years and therefore did not play a decisive role.

Comparative overview – Managing Board and Supervisory Board compensation compared to the employee compensation and Company performance

(Compensation amounts in tsd. € or change in %)	2019	Change in %	2020	Change in %	2021	Change in %	2022
Company performance							
Adjusted basic earnings per share ¹ (in €)	1.70	– 5 %	1.61	26 %	2.03	13 %	2.29
Comparable revenue growth ² (in %)	5.8 %	n/a	– 0.2 %	n/a	19.3 %	– 69 %	5.9 %
Net income according to HGB (in million €)	1,034	10 %	1,135	19 %	1,353	– 15 %	1,156
Workforce compensation							
Workforce of the Siemens Healthineers Group in Germany ³	99	– 2 %	97	7 %	104	– 2 %	102
Managing board compensation							
Current Managing Board members							
Dr. Bernhard Montag (Chief Executive Officer since March 1, 2018)	1,907	– 23 %	1,475	171 %	3,994	8 %	4,333
Dr. Jochen Schmitz (Chief Finance Officer since March 1, 2018)	1,334	– 24 %	1,016	157 %	2,614	4 %	2,707
Darleen Caron (Chief Human Resources Officer since February 1, 2021)	–	n/a	–	n/a	1,367	13 %	1,545
Elisabeth Staudinger-Leibrecht (Managing Board Member since December 1, 2021) ⁴	–	n/a	–	n/a	–	n/a	1,003
Managing Board members leaving during the fiscal year							
Dr. Christoph Zindel (Managing Board Member from October 1, 2019 to March 31, 2022) ⁵	–	n/a	784	105 %	1,609	25 %	2,016
Former Managing Board Members							
Michael Reitermann (Managing Board Member from March 1, 2018 to September 30, 2019) ⁶	881	– 96 %	37	– 47 %	20	3,991 %	815
Supervisory board compensation							
Current Supervisory Board members							
Prof. Dr. Ralf P. Thomas ^{7,8}	0	n/a	0	n/a	0	n/a	0
Dr. Norbert Gaus ⁸	193	2 %	196	– 2 %	192	1 %	193
Dr. Roland Busch ^{7,8}	0	n/a	0	n/a	0	n/a	0
Dr. Marion Helmes	171	8 %	184	5 %	194	8 %	210
Dr. Andreas C. Hoffmann ⁸	202	21 %	245	4 %	256	– 20 %	206
Dr. Philipp Rösler	124	– 2 %	122	– 1 %	121	0 %	121
Peer M. Schatz (since March 23, 2021)	–	n/a	–	n/a	89	76 %	157
Dr. Nathalie von Siemens	118	3 %	122	– 1 %	121	– 6 %	114
Dr. Gregory Sorensen	163	– 5 %	155	1 %	157	0 %	157
Karl-Heinz Streibich	148	10 %	163	3 %	168	– 7 %	157
Former Supervisory Board members							
Michael Sen ⁷ (until February 12, 2020)	0	n/a	0	n/a	0	n/a	–

¹ Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, in particular amortization, depreciation, and other effects from IFRS 3 purchase price allocation adjustments, transaction, integration, retention, and carve-out costs, and gains and losses from divestments as well as severance charges, net after tax. Accordingly, this includes the adjustment of material valuation effects on deferred taxes, which arise from changes in tax law and are associated with the above adjustment items. Deviating definition of the adjusted basic earnings per share for fiscal year 2019: Adjusted basic earnings per share are defined as basic earnings per share, adjusted for amortization of intangible assets acquired in business combinations, severance charges, and acquisition-related transaction costs, net after tax. There is comparability in the fiscal year 2019 definition and the definition from fiscal year 2020 onwards, as the change in definition does not have a material impact on the earnings figures in fiscal year 2019.

² Comparable revenue growth shows the development of the adjusted revenue, net of currency translation effects, which are beyond the control of Siemens Healthineers, and portfolio effects, which involve business activities that are either new to our business or no longer a part of it. In this context, the revenue of Siemens Healthineers corresponds to the consolidated revenue as reported in the consolidated statement of income, adjusted for additional effects from the remeasurement of contract liabilities under IFRS 3 purchase price allocations.

³ The disclosed employee compensation includes Varian as of fiscal year 2022.

⁴ Pro rata compensation for the period from December 1, 2021, to September 30, 2022. In addition, the Supervisory Board decided to raise her compensation in two stages to the level of an ordinary Managing Board member. Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. The corresponding legal relationship is governed by a separate contract between Elisabeth Staudinger-Leibrecht and Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. The compensation shown here comprises all compensation granted to her in Germany and China.

⁵ Pro rata compensation for the period from October 1, 2021, up to and including March 31, 2022. The amount reported contains a severance payment of €1.28 million and a special contribution to the Siemens Healthineers BSAV amounting to €160,000 which Dr. Christoph Zindel receives pursuant to his resignation from the Managing Board in order to settle and discharge his contractual claims.

⁶ Strong increase in compensation from 2021 to 2022 due to the first vesting of Siemens Healthineers Stock Awards in fiscal 2022.

⁷ In their capacity as Managing Board members of Siemens AG, Dr. Roland Busch, Michael Sen, and Prof. Ralf P. Thomas have waived compensation for their Supervisory Board membership at Siemens Healthineers.

⁸ In their capacity as members of governing bodies or employees of Siemens AG, Dr. Roland Busch, Dr. Norbert Gaus, Dr. Andreas C. Hoffmann, and Prof. Dr. Ralf P. Thomas receive compensation for their governing body membership or employment at Siemens AG.

Other

Siemens AG provides a group insurance policy for the Supervisory Board and Managing Board members of Siemens AG and certain other board members and employees of the Siemens Group, including Siemens Healthineers AG and its subsidiaries. The policy is taken out for one year at a time or renewed annually. The related costs are charged by Siemens to Siemens Healthineers. The insurance covers the personal liability of the insured persons in cases of financial loss associated with their activities on behalf of the Siemens Group. The insurance policy for fiscal year 2022 includes a deductible for the members of the Managing Board that complies with the provisions of the German Stock Corporation Act. As of fiscal year 2021, the insurance policy no longer includes a deductible for Supervisory Board members.

Independent auditor's report

To Siemens Healthineers AG, Munich

We have audited the attached Compensation Report of Siemens Healthineers AG, Munich, prepared to comply with Sec. 162 AktG ["Aktiengesetz": German Stock Corporation Act] for the fiscal year from October 1, 2021 to September 30, 2022 and the related disclosures. We have not audited the content of the disclosures regarding appropriateness and marketability of the compensation in chapter "Appropriateness of Managing Board compensation" and in the third paragraph of chapter "Summary of Managing Board compensation in fiscal year 2022", that go beyond the scope of Sec. 162 AktG.

Responsibilities of management and the Supervisory Board

Management and the Supervisory Board of Siemens Healthineers AG are responsible for the preparation of the Compensation Report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, management and the Supervisory Board are responsible for such internal control as they determine is necessary to enable the preparation of a Compensation Report and the related disclosures that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on this Compensation Report and the related disclosures based on our audit. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Compensation Report and the related disclosures are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the Compensation Report and the related disclosures. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Compensation Report and the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the Compensation Report and the related disclosures in order to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the Compensation Report and the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the Compensation Report for the fiscal year from October 1, 2021 to September 30, 2022 and the related disclosures comply, in all material respects, with the financial reporting provisions of Sec. 162 AktG. Our opinion on the Compensation Report does not cover the content of the abovementioned disclosures of the Compensation Report that go beyond the scope of Sec. 162 AktG.

Other matter – formal audit of the Compensation Report

The audit of the content of the Compensation Report described in this auditor's report comprises the formal audit of the Compensation Report required by Sec. 162 (3) AktG and the issue of a report on this audit. As we are issuing an unqualified opinion on the audit of the content of the Compensation Report, this also includes the opinion that the disclosures pursuant to Sec. 162 (1) and (2) AktG are made in the Compensation Report in all material respects.

Limitation of liability

The "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" as issued by the IDW on January 1, 2017, are applicable to this engagement and also govern our responsibility and liability to third parties in the context of this engagement → www.de.ey.com/general-engagement-terms.

Munich, November 25, 2022

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Keller
Wirtschaftsprüfer
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Dr. Eisele
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