

# Compensation report 2023

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# Compensation Report of Siemens Healthineers AG for Fiscal Year 2023

This Compensation Report describes the compensation granted and owed 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 2023 in the period from October 1, 2022 to September 30, 2023. The report gives a detailed and personalized account of the structure and amount of the different components of the 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 third time, is presenting a Compensation Report that complies with the new requirements and has undergone a material audit by the independent auditors above and beyond the legal requirements of Section 162 (3) AktG. This Compensation Report will be submitted to the Annual Shareholders' Meeting for approval on April 18, 2024.

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](https://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 24, 2023

Prof. Dr. Ralf P. Thomas  
Supervisory Board Chairperson

Dr. Bernhard Montag  
Chief Executive Officer

Darleen Caron  
CHRO & Managing Board Member

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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 2023 is based on the compensation system applicable since October 1, 2020, which was developed pursuant to Section 87a (1) 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 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 2023. 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](https://www.siemens-healthineers.com/investor-relations/corporate-governance/managing-board-compensation).

## Major developments in fiscal year 2023

Despite the phase-out of sales of rapid antigen tests and continuing challenges in the overall economic environment, the Managing Board and our employees helped ensure that we achieved the targets set for fiscal year 2023.

On a comparable basis, revenue rose by 1.2% from the very good prior-year figure. Excluding sales of rapid COVID-19 antigen tests, which were phased out in the fourth quarter, leading to a substantial revenue drop in the Diagnostics segment, Siemens Healthineers generated outstanding comparable revenue growth of 8.3%, driven by double-digit growth in the Varian and Imaging segments. The transformation program in the Diagnostics segment, which was announced in November 2022 and has been underway since then, is focused on optimizing the product portfolio and the segment's global line-up, along with other organizational and functional enhancements.

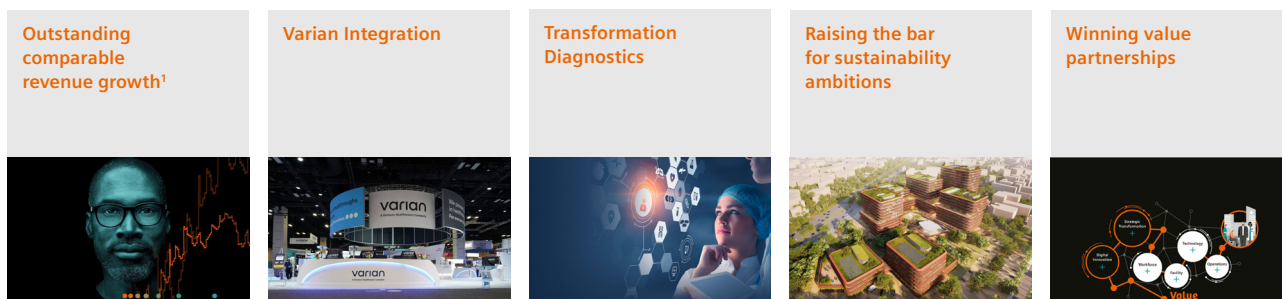
Adjusted basic earnings per share (adjusted basic EPS) decreased year-over-year to €2.02 (2022: €2.29). The closing price of the Siemens Healthineers share at the end of the fiscal year was €48.00, that being approximately 8.4% higher than the price at the end of the prior year (2022: €44.28).

The Company also continued to expand its long-term partnerships in fiscal year 2023. Examples include the strategic partnerships with the non-profit healthcare providers Atrium Health and SSM Health in the United States. And a new strategic partnership was begun with Unilabs, the globally active European provider of diagnostics solutions.

Moreover, Siemens Healthineers continually invested in its infrastructure and in its employees. The Company laid the cornerstone for its campus in Bengaluru (India) in 2023. Up to 5,000 employees will conduct research and development and manufacture products on this campus in the future. In building this innovative campus, particular emphasis was placed on sustainability as a reflection of the heightened ambitions of Siemens Healthineers in this area. A modern training and education center and a new innovation center were opened at the Erlangen site in fiscal year 2023. The new innovation center in Erlangen is the latest addition to the network of innovation centers in Shanghai (China), Bengaluru (India), and Princeton (USA).

Moreover, the Company stepped up and placed a greater emphasis on its sustainability endeavors in fiscal year 2023. To embed the idea of sustainability idea even more deeply into the Company's corporate culture, it was explicitly added to the Company's mission statement: "We pioneer breakthroughs in healthcare. For everyone. Everywhere. Sustainably."

### Major developments in fiscal year 2023



<sup>1</sup> Excluding rapid COVID-19 antigen tests

### 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, Siemens Healthineers has defined certain strategic initiatives to ensure its competitiveness beyond the year 2025. As reported in the Annual Report 2022, the Company has successfully completed the first two phases – "Reinforcing" and "Upgrading" – of the Siemens Healthineers Strategy 2025. Among other steps taken in these two phases, the Company ventured into adjacent markets through the transformational merger of Siemens Healthineers and Varian. At the same time, the Company expanded its core business activities and strengthened its role as a holistic partner to customers. Siemens Healthineers completed the first half of the third phase, "New Ambition," in fiscal year 2023. In the second half of the New Ambition phase, Siemens Healthineers will strive to generate comparable revenue growth (excluding rapid COVID-19 antigen tests) of 6% to 8% p.a. (per annum) and increase adjusted basic earnings per share from 12% to 15% p.a. in fiscal years 2024 and 2025.

The compensation system for the Managing Board is designed 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. To this end, it should provide the right incentives for increasing earnings – measured in terms of compensation-relevant adjusted basic EPS and compensation-relevant comparable revenue growth, as well as other relevant strategic topics aimed at the Company's sustainable development.

Pursuant to Section 120a (1) sentence 1 AktG, the compensation system for Managing Board members must be presented again to the shareholders for approval at the latest in the regular Annual Shareholders' Meeting 2025. In preparation for this meeting, the Company plans to review the current compensation system in fiscal year 2024.

### Compensation in fiscal year 2023

Since 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 Managing Board and employees of the Company successfully achieved the targets for the short-term variable compensation component in fiscal year 2023.

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. Accordingly, the Supervisory Board stipulated that at least 1/3 of the individual targets for short-term variable compensation for fiscal year 2023 must be sustainability targets and increased the share of sustainability targets for the long-term variable compensation for fiscal year 2023 from 20% to 25%. The "long-term increase in company value" now represents 75% of variable compensation.

## Change in the composition of the Managing Board and Supervisory Board

There was no change in the composition of the Managing Board in fiscal year 2023. At the meeting on August 1, 2023, the Supervisory Board renewed the appointment of Darleen Caron ahead of time to the end of September 2027.

The following changes occurred in the composition of the Supervisory Board in fiscal year 2023.

The terms of office of all Supervisory Board members with Dr. Roland Busch and Peer M. Schatz ended at the close of the Annual Shareholders' Meeting on February 15, 2023. In the new elections, Prof. Dr. Ralf P. Thomas, Sarena Lin, Dr. Nathalie von Siemens, and Dow R. Wilson were elected for five years and Veronika Bienert, Dr. Marion Helmes, Dr. Peter Körte, and Karl-Heinz Streibich were elected for three years.

The terms of office of the former Supervisory Board members Dr. Norbert Gaus, Dr. Andreas C. Hoffmann, Dr. Philipp Rösler, and Dr. Gregory Sorensen ended at the close of the Annual Shareholders' Meeting on February 15, 2023.

## Summary of Managing Board compensation in fiscal year 2023

The 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. Furthermore, the total annual compensation of Managing Board members is capped in accordance with Section 87a (1) sentence 2 no. 1 AktG.

In addition, the Share Ownership Guidelines form an integral supplemental part of the compensation system. They require Managing Board members, during their term of office, to permanently hold Siemens Healthineers shares worth a certain defined multiple of their average annual base salary during the past four years; this multiple is 250% for the Chief Executive Officer and 200% for the ordinary Managing Board members. If this target is not met, Managing Board members will be required to purchase new shares in the quantity needed to meet the target. Compliance with the Share Ownership Guidelines during the fiscal year by Dr. Bernhard Montag and Dr. Jochen Schmitz was reviewed for the second time in March 2023. Elisabeth Staudinger-Leibrecht and Darleen Caron are still in the build-up phase.

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

The graphic below 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 2023.

## Fixed compensation components

	Base salary	Fringe benefits	Pension benefit commitment
Strategy linkage	<ul style="list-style-type: none"> <li>Ensures an appropriate basic income to gain and retain the loyalty of qualified Managing Board members while avoiding inappropriate risk exposure</li> <li>Reflects the role, experience, and area of responsibility on the Managing Board as well as market conditions</li> </ul>	<ul style="list-style-type: none"> <li>Awarding of market-related fringe benefits and (partial) assumption of costs that are directly related to and boost Managing Board work</li> </ul>	<ul style="list-style-type: none"> <li>Building up and securing adequate post-employment benefits as part of a competitive compensation</li> </ul>
Structure in the compensation system	<ul style="list-style-type: none"> <li>Fixed contractually agreed compensation paid in 12 monthly installments</li> </ul>	<ul style="list-style-type: none"> <li>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"> <li>Expenses for the provision of a company car</li> <li>Contributions to insurance costs</li> <li>Regular preventive medical checkups</li> <li>Housing and relocation costs</li> <li>Tax advisory expenses</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>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</li> <li>Commitment at the beginning of the fiscal year</li> <li>Credit or payout in January of the subsequent fiscal year</li> <li>Entitlement to benefits under the Siemens Healthineers BSAV upon reaching the age of 65, or earlier upon request</li> <li>Payout of Siemens Healthineers BSAV generally in 12 annual installments; other payment options are possible on request</li> </ul>
Application for 2023	<ul style="list-style-type: none"> <li>The annual base salary was paid in monthly installments</li> </ul>	<ul style="list-style-type: none"> <li>Assumption of costs of non-cash and fringe benefits depending on benefits enjoyed</li> </ul>	<ul style="list-style-type: none"> <li>Annual contribution to the Siemens Healthineers BSAV for Chief Executive Officer Dr. Bernhard Montag and Managing Board members Dr. Jochen Schmitz, Elisabeth Staudinger-Leibrecht</li> <li>For Darleen Caron, an annual fixed amount which can be used at her own discretion</li> <li>Credit or payout in January 2024</li> </ul>

## Variable compensation components

	Short-term variable compensation (bonus)	Long-term variable compensation (Siemens Healthineers Stock Awards)
Strategy linkage	<ul style="list-style-type: none"> <li>Provides an incentive to meet (financial and non-financial) company targets for the respective fiscal year</li> <li>Takes account of the contribution made to               <ul style="list-style-type: none"> <li>implementing the Company strategy and therefore the continuous and sustainable development of the Company as well as</li> <li>the specific individual challenges of each Managing Board member</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Provides an incentive to increase the Company's performance relative to competitors on a long-term and sustainable basis</li> <li>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</li> </ul>
Structure in the compensation system	<ul style="list-style-type: none"> <li>Plan type: Annual bonus based on a target amount</li> <li>Performance corridor: 0% to 200% of the target amount</li> <li>Performance criteria:               <ul style="list-style-type: none"> <li>2/3 Company performance (2–3 equally weighted KPIs)</li> <li>1/3 individual performance (2–4 equally weighted KPIs),                   <ul style="list-style-type: none"> <li>at least one-third of the individual targets must be assigned to the performance criterion "sustainability" from the fiscal year 2023 onwards</li> </ul> </li> <li>Performance corridor per KPI: 0% to 200%</li> </ul> </li> <li>Payout: In cash in the subsequent fiscal year</li> </ul>	<ul style="list-style-type: none"> <li>Plan type: Performance Share Plan</li> <li>Performance corridor: 0% to 200% of the target amount (cap on number of shares) and 300% of the target amount (absolute payout cap)</li> <li>Performance criteria:               <ul style="list-style-type: none"> <li>75% (as of FY 2023, before 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 &amp; Services</i></li> <li>25% (as of FY2023, before 20%) sustainability, measured on the basis of 2–3 environmental, social, and governance (ESG) KPIs</li> <li>Performance corridor per KPI: 0% to 200%</li> </ul> </li> <li>Vesting period: 4 years; Payout: Generally in the form of shares</li> <li>Siemens Healthineers Stock Awards will always account for at least 60%</li> </ul>
Application for 2023	<ul style="list-style-type: none"> <li>Performance criteria:               <ul style="list-style-type: none"> <li>1/3 adjusted basic earnings per share (Incentive relevant) in the past fiscal year</li> <li>1/3 comparable revenue growth (Incentive relevant)</li> <li>1/3 three individual targets for each Managing Board member, thereof one sustainability target</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>2023 tranche of Siemens Healthineers Stock Awards</li> <li>Allocation date: November 11, 2022</li> <li>Performance criteria:               <ul style="list-style-type: none"> <li>75% total shareholder return (TSR) relative to the two equally weighted indices, <i>MSCI World Health Care</i> and <i>MSCI Europe Health Care Equipment &amp; Services</i></li> <li>25% sustainability, measured against three equally weighted ESG KPIs:                   <ol style="list-style-type: none"> <li>Access to healthcare</li> <li>Reduction of carbon emissions</li> <li>Improvement of gender balance</li> </ol> </li> </ul> </li> </ul>

## Further key components of the compensation system

	Maximum compensation	Share Ownership Guidelines	Malus and clawback
Strategy linkage	<ul style="list-style-type: none"> <li>Prevents inappropriately high payouts</li> </ul>	<ul style="list-style-type: none"> <li>Strengthens the shareholder culture and encourages Managing Board members to identify with the Company</li> <li>Promotes alignment of Managing Board and shareholder interests and incentivizes sustainable value creation for the Company</li> </ul>	<ul style="list-style-type: none"> <li>Reinforces incentives to meet material obligations and compliance requirements by avoiding inappropriate behavior and inappropriate risks</li> </ul>
Structure in the compensation system	<ul style="list-style-type: none"> <li>The maximum compensation per year is capped at: <ul style="list-style-type: none"> <li>Chief Executive Officer: €9,700,000</li> <li>Ordinary Managing Board member: €6,100,000</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>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"> <li>Chief Executive Officer: 250%</li> <li>Managing Board member: 200%</li> </ul> </li> <li>4-year build-up phase, afterwards annual reviews</li> <li>Verification date: March of each year</li> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>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)</li> <li>If compensation is clawed back, Managing Board members have to repay the appropriate net amount</li> </ul>
Application for 2023	<ul style="list-style-type: none"> <li>The maximum compensation for fiscal year 2023 is capped at: <ul style="list-style-type: none"> <li>Chief Executive Officer: €9,700,000</li> <li>Ordinary Managing Board member: €6,100,000</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The compliance review for fiscal year 2023 took place in March 2023 for Dr. Bernhard Montag and Dr. Jochen Schmitz</li> <li>Fulfilled by all the Managing Board members obligated to provide verification</li> </ul>	<ul style="list-style-type: none"> <li>Not applied in fiscal year 2023</li> </ul>

## 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"> <li>Reimbursement of compensation forfeited at the previous employer to attract qualified Managing Board members and ensure competitive compensation</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>
Structure in the compensation system	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>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</li> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Compensation for an intra-group supervisory board membership is set off against the Managing Board compensation</li> <li>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)</li> </ul>
Application for 2023	<ul style="list-style-type: none"> <li>Not applied in fiscal year 2023</li> </ul>	<ul style="list-style-type: none"> <li>Not applied in fiscal year 2023</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>

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 welfare. This option was not exercised in fiscal year 2023.

## Determination of compensation for fiscal year 2023

### Target compensation and compensation structure

In accordance with the compensation system, at the beginning of the fiscal year, the Supervisory Board, at the recommendation of the Executive Committee of the Supervisory Board, specified the target compensation for each Managing Board member for fiscal year 2023, 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 predefined 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 a contractually agreed and legally required maximum compensation. The proportion of long-term variable compensation exceeds that of short-term variable compensation. The proportion of total variable compensation in the total target compensation is higher than the proportion of fixed compensation. As a result, the compensation of the Managing Board is aligned with the Company's long-term, sustainable development.

In fiscal year 2023, the total target compensation consisted of the following components:

#### Total target compensation for the Managing Board in fiscal year 2023

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 appropriately took into account each Managing Board member's function and therefore also the different requirements of the respective Managing Board function. 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 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 based on 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.

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 paid in Germany and the remaining 30% in China. The fringe benefits presented above comprise fringe benefits that have been granted and paid both in Germany and in China. The pension benefit commitment is granted and paid in full in Germany. On the occasion of her first-time appointment, the Supervisory

Board decided to raise the compensation of Elisabeth Staudinger-Leibrecht in two steps to the level of an ordinary Managing Board member. The second step of the increase took effect as of October 1, 2022 and was therefore in effect for the full fiscal year 2023.

The table below shows the contractually agreed target compensation and the compensation structure as percentages of total target compensation for fiscal year 2023. The compensation structure shown for the target compensation granted in fiscal year 2023 is in line with the compensation structure specified in the applicable compensation system pursuant to Section 87a (1) no. 3 AktG.

**Target compensation of the Managing Board members** (Figures in k€ or in % of total target compensation)

Current Managing Board members			Fixed compensation				Variable compensation			Total target compensation
			Base Salary	Fringe benefits	Pension benefit commitment <sup>1</sup>	Sum	Bonus for the fiscal year	Siemens Healthineers Stock Awards Tranche 2023	Sum	
Dr. Bernhard Montag Chief Executive Officer since March 1, 2018	2023	target	1,380	14	553	1,947	1,200	2,570	3,770	5,717
		target (in %)	24%	0%	10%	34%	21%	45%	66%	100%
	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%
Dr. Jochen Schmitz Chief Financial Officer since March 1, 2018	2023	target	860	16	347	1,223	640	1,075	1,715	2,938
		target (in %)	29%	1%	11%	41%	22%	37%	59%	100%
	2022	target	860	16	394	1,270	640	1,000	1,640	2,910
		target (in %)	30%	1%	13%	44%	22%	34%	56%	100%
Darleen Caron Chief Human Resources Officer since February 1, 2021	2023	target	735	81	320	1,136	525	903	1,428	2,564
		target (in %)	29%	3%	12%	44%	21%	35%	56%	100%
	2022	target	735	29	320	1,084	525	840	1,365	2,449
		target (in %)	30%	1%	13%	44%	22%	34%	56%	100%
Elisabeth Staudinger-Leibrecht <sup>2</sup> Managing Board Member since December 1, 2021	2023	target	735	209	101	1,045	525	903	1,428	2,473
		target (in %)	30%	8%	4%	42%	21%	37%	58%	100%
	2022	target	490	212	0	702	350	560	910	1,612
		target (in %)	30%	13%	0%	43%	22%	35%	57%	100%

<sup>1</sup> Corresponds to the service cost per IFRS of the Siemens Healthineers Defined Contribution Benefit Plan (BSAV); for Darleen Caron, it corresponds to the fixed cash amount which can be used at her own discretion. Darleen Caron does not participate in the Siemens Healthineers Defined Contribution Benefit Plan and instead receives a fixed cash amount to use at her own discretion. Since Elisabeth Staudinger-Leibrecht was appointed to the Managing Board in the course of fiscal year 2022, no service cost per IFRS was recognized on her account in fiscal year 2022.

<sup>2</sup> In fiscal year 2022, Elisabeth Staudinger-Leibrecht received pro-rated compensation for the period from December 1, 2021 to September 30, 2022. In addition, the Supervisory Board decided to raise her compensation in two steps to the level of an ordinary Managing Board member. This increase took effect as of October 1, 2022. 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 paid in Germany and the remaining 30% in China. The fringe benefits presented above comprise fringe benefits that have been granted and paid both in Germany and in China. The pension benefit commitment is granted and paid in full in Germany.

## Appropriateness of Managing Board compensation

In accordance with the compensation system, the Supervisory Board conducts a regular review to determine whether the Managing Board compensation is in line with the market, this being done based on a horizontal and vertical comparison.

The horizontal assessment of whether the compensation is appropriate is conducted based on 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 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 (exempt employees), and the other staff of companies affiliated with Siemens Healthineers AG (hereinafter: Siemens Healthineers Group) in Germany, as a whole 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 most recent assessment of the appropriateness of Managing Board compensation revealed that the compensation of the Managing Board members was below market in some cases. As a result of the appropriateness assessment, the compensation of Managing Board members was raised by a modest amount, effective October 1, 2022. Long-term variable compensation was raised with the aim of tying variable compensation more closely to sustainable development, promoting sustainable growth, and generating lasting value creation. Besides increasing the share of long-term variable compensation, the weighting of ESG indicators was increased to underscore the strategic importance of sustainability within the corporate strategy and therefore also in Managing Board compensation. All other compensation elements remained unchanged.

Whereas the 40 DAX companies are applied to assess the appropriateness of the compensation, the relative performance measurement within the long-term variable compensation is measured based on 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 activity of Siemens Healthineers. The *MSCI World Health Care* index includes a large number of companies across the entire health-care and medical technology sector and covers the globally relevant markets and, in particular, includes the United States and Asia. The *MSCI Europe Health Care Equipment & Services* index particularly covers the sector of medical technology devices and related services while also emphasizing the importance of the European region.

## Maximum compensation

In addition to limiting the individual variable compensation components (bonus and Siemens Healthineers Stock Awards), the Supervisory Board has established an annual maximum compensation limit covering all fixed and variable compensation components pursuant to Section 87a (1) sentence 2 no. 1 AktG. The maximum compensation for each Managing Board member is the maximum amount and therefore the highest possible actual payout that can be received for the given fiscal year. As a consequence, the final value of compensation paid for a particular fiscal year can only be determined after the conditionally allocated tranche of Siemens Healthineers Stock Awards for the given fiscal year has been vested. For fiscal year 2023, the final review will be conducted when the 2023 tranche of the Siemens Healthineers Stock Awards is transferred at the end of the vesting period in November 2026. If the specified maximum compensation has been exceeded, a number of Siemens Healthineers Stock Awards corresponding to the amount by which the maximum amount is exceeded will be forfeited without replacement.

The maximum compensation applicable for fiscal year 2023 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 2023 will be reported in the Compensation Report for fiscal year 2027.

### 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 <sup>1</sup> ) and/or 300% of the target amount (absolute payout cap <sup>2</sup> )
Maximum compensation	Chief Executive Officer: €9,700,000 Ordinary Managing Board member: €6,100,000

<sup>1</sup> The final number of Siemens Healthineers Stock Awards can be as high as 200% of the originally conditionally allocated Siemens Healthineers Stock Awards.

<sup>2</sup> 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 2023

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 are intended to incentivize the implementation of the corporate 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 2023 for measuring performance within the framework of variable compensation are in line with the corporate strategy, have been derived from the Company's strategic objectives and operational performance indicators, and are consistent with the applicable compensation system. Essentially, the performance criteria measure core strategic topics of significance and also include sustainability as a performance criterion, as an expression of the corporate social responsibility of Siemens Healthineers.

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 2023**

	Performance criterion	KPI	Bonus	Siemens Healthineers Stock Awards	Strategy linkage
Financial targets	Earnings	Adjusted basic earnings per share (Incentive relevant) <sup>1</sup>	✓		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.
	Revenue growth	Comparable revenue growth (Incentive relevant) <sup>2</sup>	✓		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 &amp; 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 2023, the individual targets were aimed at the implementation of the Company strategy, in particular the implementation of major projects and business development, as well as optimization and efficiency improvements.
		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 2023 they related in particular to the implementation of the next level of ambition for Sustainability and an extended reporting.
	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. Access to healthcare, as measured by growth in installed devices in underserved countries. 2. reduction of CO <sub>2</sub> e emissions, measured in terms of CO <sub>2</sub> e kilotons emitted and 3. improve gender balance as measured by the proportion of women in senior management.

<sup>1</sup> Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, particularly amortization, depreciation, and other effects from the purchase price allocation adjustment according to IFRS 3, as well as transaction costs, integration costs, retention costs, and carve-out costs, gains and losses from divestments, and severance charges, after taxes. Therefore, it is also adjusted for material valuation effects resulting from changes in tax law and affecting deferred taxes, which are related to the above adjustment items. For purposes of compensation measurement, the budget figures for the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

<sup>2</sup> Comparable revenue growth shows the development of adjusted revenue, net of currency translation effects beyond our control, as well as the portfolio effects arising from business activities that are either new to our business or no longer a part of it. For purposes of compensation measurement, the budget values of the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

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 made to the operational implementation of the business strategy in the given fiscal year and thus to the Company's long-term development. To this end, 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 on the basis of non-financial, qualitative performance criteria.

Two-thirds of the bonus are 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 taken for the operational implementation of the corporate strategy, particularly including measures to strengthen profitability and promote the Company's growth.
- **Individual performance** allows for differentiation according to the responsibilities 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, including for example the implementation of major "Merger and Acquisitions" projects and continuous business development, as well as sustainability aspects such as employee and customer satisfaction. Beginning with fiscal year 2023, at least 1/3 of the individual targets must be aligned with sustainability goals.

Depending on the strategic focus applicable in the given 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 2023, 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 (Incentive relevant) <sup>1</sup>	+ Comparable revenue growth (Incentive relevant) <sup>2</sup>	+ Three individual targets for each Managing Board member at least 1/3 assigned to the performance criterion "sustainability"
				= Payout amount in EUR (Cap: 200 % of the target amount)

<sup>1</sup> Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, particularly amortization, depreciation, and other effects from the purchase price allocation adjustment according to IFRS 3, as well as transaction costs, integration costs, retention costs, and carve-out costs, gains and losses from divestments, and severance charges, after taxes. Therefore, it is also adjusted for material valuation effects resulting from changes in tax law and affecting deferred taxes, which are related to the above adjustment items. For purposes of compensation measurement, the budget figures for the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

<sup>2</sup> Comparable revenue growth shows the development of adjusted revenue, net of currency translation effects beyond our control, as well as the portfolio effects arising from business activities that are either new to our business or no longer a part of it. For purposes of compensation measurement, the budget values of the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

## Company performance

For fiscal year 2023, the Supervisory Board has defined two equally weighted performance criteria for measuring the company performance for all Managing Board members: "earnings" measured based on the compensation-relevant adjusted basic earnings per share, and "revenue growth" measured based on comparable revenue growth. The target achievement level for both KPIs can be anywhere between 0% and 200%.

The Supervisory Board applied the adjusted basic earnings per share because it is a key financial performance indicator of Siemens Healthineers that reflects the Company's holistic performance and is used to manage performance at the company level. It represents 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, particularly amortization, depreciation, and other effects from the purchase price allocation adjustment according to IFRS 3, as well as transaction costs, integration costs, retention costs, and carve-out costs, gains and losses from divestments, and severance charges, after taxes. Therefore, it is also adjusted for material valuation effects resulting from changes in tax

law and affecting deferred taxes, which are related to the above adjustment items. For purposes of compensation measurement, the budget figures for the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures, the total effect of which was EUR 0.10. The effect from antigen test sales was EUR 0.05 and currency effects came to EUR 0.20.

Another core element of the Siemens Healthineers strategy is accelerated profitable growth. Growth is to be achieved both by strengthening the established core business and sharpening the strategic focus on adjacent growth areas. For this reason, the Supervisory Board applies comparable revenue growth as an additional KPI to manage and monitor the adjusted revenue growth of the segments and of Siemens Healthineers as a whole. Comparable revenue growth shows the development of adjusted revenue, net of currency translation effects beyond the control of Siemens Healthineers, as well as the portfolio effects arising from business activities that are either new to our business or no longer a part of it. For purposes of compensation measurement, the budget figures for the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

### Individual performance

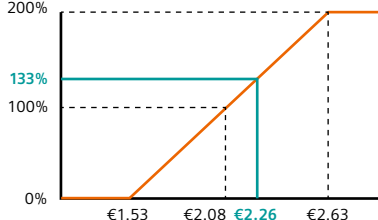
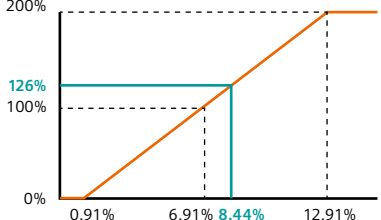
For fiscal year 2023, the Supervisory Board defined three equally weighted individual targets for each Managing Board member, consisting of the performance criteria of "sustainability" and "implementation of the corporate strategy". The target achievement level can be anywhere between 0% and 200%. In fiscal year 2023, they are aimed particularly at the integration of Varian, the introduction and implementation of the New Ambition strategy, continuous business development, optimization and efficiency enhancement, and sustainability. The individual targets set for each Managing Board member are listed in the table below:

<b>Individual targets fiscal year 2023</b>			
<b>Current Managing Board members</b>	<b>KPI</b>	<b>Specific Target</b>	<b>Target achievement</b>
<b>Dr. Bernhard Montag</b> Chief Executive Officer since March 1, 2018	Implementation of major projects	Execute "New Ambition Strategy" & continue integration of Varian	100%
	Business development	Review and reposition critical investment cases/businesses	
	Implementation of other sustainability targets	Articulate and start implementation of the next level of ambition for sustainability	
<b>Dr. Jochen Schmitz</b> Chief Financial Officer since March 1, 2018	Implementation of major projects	Execute "New Ambition Strategy" & continue integration of Varian	110%
	Optimization/Efficiency improvement	Measures to achieve price excellence, productivity and mitigate cost increases	
	Implementation of other sustainability targets	Establish and execute a reliable framework for extended sustainability reporting	
<b>Darleen Caron</b> Chief Human Resources Officer since February 1, 2021	Implementation of other strategic targets	Driving the "New Ambition" culture and implementing key projects in the field of Human Resources	110%
	Optimization/Efficiency improvement	Revision of the site structure ("real estate footprint") with special consideration of new forms of work "Healthineers Way of Working".	
	Implementation of other sustainability targets	Articulate and start implementation of the next level of ambition for sustainability	
<b>Elisabeth Staudinger-Leibrecht</b> Managing Board Member since December 1, 2021	Implementation of other strategic targets	Define and execute a stringent resilience strategy to mitigate macro-economic and geo-political challenges	100%
	Business development	Evaluate and drive strategic transformation of Customer Services and increase customer satisfaction	
	Implementation of other sustainability targets	Drive execution of "Access to care" growth vector with a special focus on expanding profitable growth	

## Determination of the target achievement

A Compensation Committee of the Supervisory Board was established by way of an amendment of the Supervisory Board's bylaws on February 15, 2023. Target achievement for the financial KPIs and individual targets is determined by the Supervisory Board on the recommendation of the Supervisory Board's Compensation 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 on the basis of 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, on the basis of which it makes a decision on the target achievement of each Managing Board member after careful consideration following the recommendation of the Compensation Committee of the Supervisory Board. The percentage of weighted target achievement, multiplied by the individual target amount, yields the amount to be paid out for the fiscal year 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 kEUR			
Current Managing Board members:			
Dr. Bernhard Montag €1,200	Dr. Jochen Schmitz €640	Darleen Caron €525	Elisabeth Staudinger-Leibrecht¹ €525
X			
Target achievement			
Company performance		Individual performance	
Weight: 1/3	Weight: 1/3	Weight: 1/3	
Adjusted basic earnings per share (Incentive relevant)²	Comparable revenue growth (Incentive relevant)³	Individual targets	
		(For details see table "Individual targets for fiscal year 2023")	
Target achievement in %	Target achievement in %	Current Managing Board members:	
		<ul style="list-style-type: none"><li>• Dr. Bernhard Montag 100%</li><li>• Dr. Jochen Schmitz 110%</li><li>• Darleen Caron 110%</li><li>• Elisabeth Staudinger-Leibrecht 100%</li></ul>	
Adjusted basic earnings per share (Incentive relevant) in €	Comparable revenue growth (Incentive relevant) in %		
Target achievement: 132.73%	Target achievement: 125.50%	Target achievement: 100% – 110%	
=			
Payout amount in kEUR			
Current Managing Board members:			
Dr. Bernhard Montag €1,433	Dr. Jochen Schmitz €786	Darleen Caron €644	Elisabeth Staudinger-Leibrecht¹ €627

<sup>1</sup> 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 is granted and paid in Germany and the remaining 30% in China.

<sup>2</sup> Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, particularly amortization, depreciation, and other effects from the purchase price allocation adjustment according to IFRS 3, as well as transaction costs, integration costs, retention costs, and carve-out costs, gains and losses from divestments, and severance charges, after taxes. Therefore, it is also adjusted for material valuation effects resulting from changes in tax law and affecting deferred taxes, which are related to the above adjustment items. For purposes of compensation measurement, the budget figures for the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

<sup>3</sup> Comparable revenue growth shows the development of adjusted revenue, net of currency translation effects beyond our control, as well as the portfolio effects arising from business activities that are either new to our business or no longer a part of it. For purposes of compensation measurement, the budget values of the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

The table below provides a detailed summary of the KPIs relevant for the bonus for fiscal year 2023, the KPI performance corridors, the respective target achievement level and the resulting overall target achievement level, including the corresponding payout amounts.

<b>Bonus of the current Managing Board members</b>						
KPI	Weight	Performance Corridor			Target achievement	
		Min (± 0%)	Target (± 100%)	Max (± 200%)	Actual value	in %
Adjusted basic earnings per share (Incentive relevant) <sup>1</sup>	1/3	€1.53	€2.08	€2.63	€2.26	133%
Comparable revenue growth (Incentive relevant) <sup>2</sup>	1/3	0.91%	6.91%	12.91%	8.44%	126%
Individual targets <b>Dr. Bernhard Montag</b>						100%
Individual targets <b>Dr. Jochen Schmitz</b>	1/3	For details see table "Individual targets fiscal year 2023"				110%
Individual targets <b>Darleen Caron</b>						110%
Individual targets <b>Elisabeth Staudinger-Leibrecht</b> <sup>3</sup>						100%

(Figures in k€ or in % of the target amount)	Compensation Corridor			Actual compensation	
	Min (± 0%)	Target (± 100%)	Max (± 200%)	Overall target achievement	Payout amount
<b>Dr. Bernhard Montag</b> Chief Executive Officer since March 1, 2018	0	1,200	2,400	119%	1,433
<b>Dr. Jochen Schmitz</b> Chief Financial Officer since March 1, 2018	0	640	1,280	123%	786
<b>Darleen Caron</b> Chief Human Resources Officer since February 1, 2021	0	525	1,050	123%	644
<b>Elisabeth Staudinger-Leibrecht</b> <sup>3</sup> Managing Board Member since December 1, 2021	0	525	1,050	119%	627

<sup>1</sup> Adjusted basic earnings per share are defined as basic earnings per share, adjusted for expenses for mergers, acquisitions, disposals, and other portfolio-related measures, particularly amortization, depreciation, and other effects from the purchase price allocation adjustment according to IFRS 3, as well as transaction costs, integration costs, retention costs, and carve-out costs, gains and losses from divestments, and severance charges, after taxes. Therefore, it is also adjusted for material valuation effects resulting from changes in tax law and affecting deferred taxes, which are related to the above adjustment items. For purposes of compensation measurement, the budget figures for the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

<sup>2</sup> Comparable revenue growth shows the development of adjusted revenue, net of currency translation effects beyond our control, as well as the portfolio effects arising from business activities that are either new to our business or no longer a part of it. For purposes of compensation measurement, the budget values of the contributions from sales of rapid COVID-19 antigen tests, significant currency and portfolio effects, and significant revenue and cost effects arising from transformation programs and strategic repositioning programs are also adjusted. In fiscal year 2023, such adjustments were made to account for the effects arising from the transformation of the Diagnostics segment and the repositioning of the endovascular robotics solution, which were not already reflected in the budget figures.

<sup>3</sup> 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 is granted and paid in Germany and the remaining 30% in China.

## Outlook: Targets in the short-term variable compensation (bonus) in fiscal year 2024

For fiscal year 2024, the Supervisory Board again defined in November 2023 as the key performance indicators for financial performance "Adjusted basic earnings per share" (based on the definition in effect as of fiscal year 2024 (see Section "A.2 Financial performance system" of the Annual Report 2023 of Siemens Healthineers), additionally adjusted for non-compensation-relevant effects, i.e., significant currency and portfolio effects, effects arising from the discontinuation of antigen test sales, and significant revenue and cost effects from transformation programs and strategic repositioning programs compared to budget) and "Comparable revenue growth" (excluding currency translation and portfolio effects and adjusted for effects arising from the remeasurement of contract liabilities as part of the purchase price allocation according to IFRS 3 and significant revenue and cost effects from transformation programs and strategic repositioning programs compared to budget). For fiscal year 2024, 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 disclosing competition-relevant strategic plans ex-ante.

## 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 to the competition and the long-term development of the Siemens Healthineers share price as an 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 as an expression of the corporate 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.

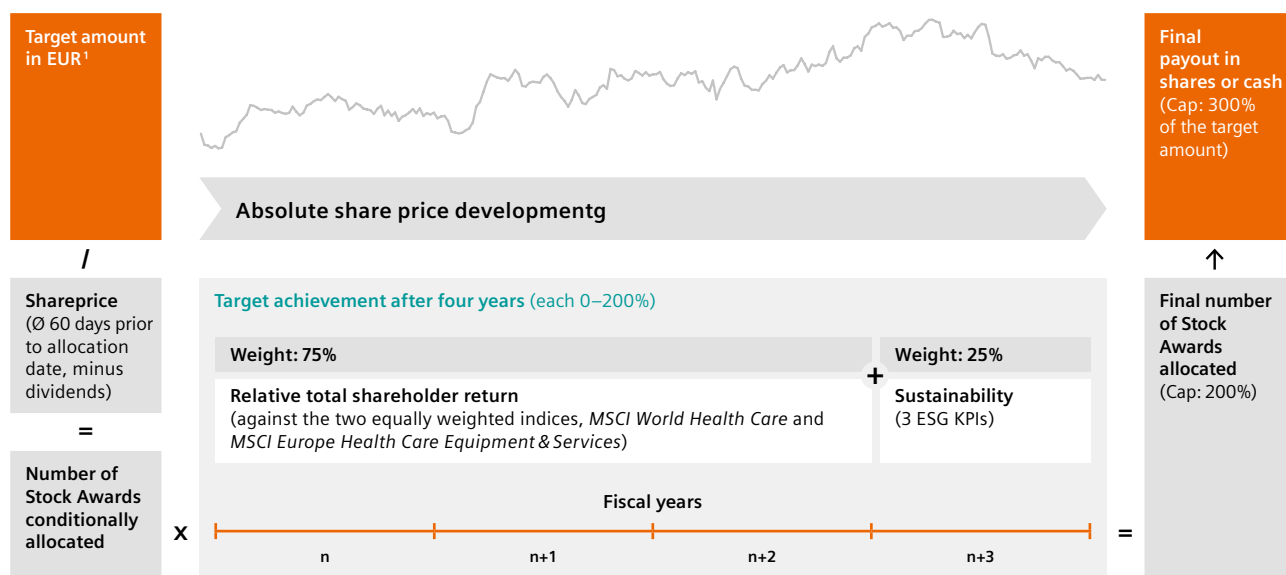
Non-vested Siemens Healthineers Stock Awards are conditionally allocated to the Managing Board members at the beginning of a fiscal year. A single Siemens Healthineers Stock Award conveys the right to receive one share of Siemens Healthineers AG – subject to the achievement of predefined targets – after the end of a period of around four years (vesting period). The vesting period for the 2023 tranche of the Siemens Healthineers Stock Awards began on November 11, 2022 and will end at the close 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 euros 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, minus the discounted estimated dividends (“allocation price”), which yields the number of conditionally allocated Siemens Healthineers Stock Awards. The conditional allocation is initially based on the assumption of 200% target achievement (maximum allocation). Upon the allocation of Siemens Healthineers Stock Awards, a vesting period of around four years begins, after which the Siemens Healthineers shares will be transferred, depending on the target achievement of the KPIs. Managing Board members are not entitled to dividends during the vesting period.

The Supervisory Board decided to strengthen the focus on sustainability in Managing Board compensation as of fiscal year 2023 to align Managing Board compensation even more closely with the interests of shareholders and stakeholders. As of fiscal year 2023, 75% (previously 80%) of Siemens Healthineers Stock Awards are based on the “long-term increase in company value” measured on the basis of the **relative total shareholder return** (TSR) of Siemens Healthineers AG compared to the two equally weighted indices *MSCI World Health Care* and *MSCI Europe Health Care Equipment & Services*, and 25% (previously 20%) are based on “**sustainability**,” measured on the basis 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 disclosing competition-relevant strategic plans.

The 2023 tranche of Siemens Healthineers Stock Awards is structured as follows:

#### Structure of Siemens Healthineers Stock Awards



<sup>1</sup> The conditional allocation is initially based on the assumption of 200% target achievement. For illustrative purposes and to make the Siemens Healthineers Stock Awards system 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 be an attractive investment for its investors and it therefore incentivizes above-average capital market performance. For this reason, a large share 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.

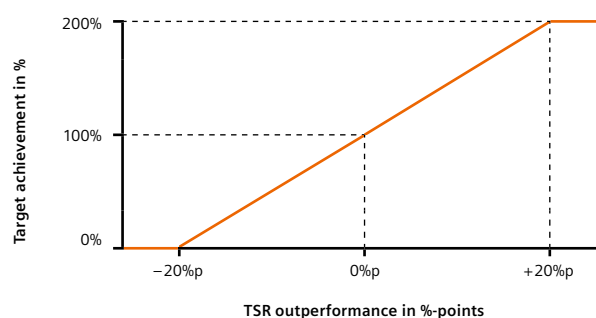
Relative total shareholder return is measured and determined in each case separately in comparison with the two reference indices: the *MSCI World Health Care* (or a comparable successor index) and the *MSCI Europe Health Care Equipment & Services* (or a comparable successor index). These two indices have been selected to best represent the key markets, competitors, and areas of activity 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, particularly including the United States and Asia. The *MSCI Europe Health Care Equipment & Services* index particularly covers the sector of medical technology devices and related services while also emphasizing the importance of the European region. Siemens Healthineers is included in both reference indices.

Target achievement is calculated by comparing the TSR performance of the Siemens Healthineers share 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).

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### 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 difference is in a range of +/- 20 percentage points, the target achievement levels are interpolated on a linear basis.




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## Sustainability

Sustainable action is an integral part of Siemens Healthineers' strategy, ensuring 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 with its innovative products and services. The purpose of the sustainability targets is to positively influence social and environmental concerns and support sustainable corporate governance to the benefit of employees. For this reason, the sustainability target takes account of 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. The target achievement level for each one of the ESG KPIs can be between 0% and 200%. To elevate the importance of sustainability in Managing Board compensation, the Supervisory Board decided to increase the weighting of the sustainability targets within the long-term variable compensation from 20% to 25% as of fiscal year 2023.

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 2023 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 of CO<sub>2</sub>e emissions**, measured in terms of kilotons of CO<sub>2</sub>e 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. Target achievement for each one of these KPIs – relative TSR and two to 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 on the basis of 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 corresponding to the amount by which the target is missed will be 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. However, 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, may not exceed 300% of the original target amount (absolute payout cap). If the actual amount is higher, the corresponding number of Stock Awards will be forfeited without replacement.

## Siemens Healthineers Stock Awards allocated in fiscal year 2023

The table below shows the Siemens Healthineers Stock Awards allocated in fiscal year 2023; they are contractually guaranteed to Managing Board members, but will only be transferred after the end of the four-year vesting period in November 2026, subject to achievement of the KPIs specified as targets for fiscal year 2023. The table includes the target amounts, maximum allocation amounts, and 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 set November 11, 2022 as the allocation date for the 2023 tranche of Siemens Healthineers Stock Awards for the Managing Board members. The relevant allocation price for the 2023 tranche was €41.79, 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 preceding the beginning of the vesting period, less the discounted estimated dividends.

### Overview of Siemens Healthineers Stock Awards conditionally allocated in fiscal year 2023 – 2023 tranche

Current Managing Board members	Target amount in k€ (corresponds to 100% target achievement)	Maximum allocation amount in k€ (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 k€
<b>Dr. Bernhard Montag</b> Chief Executive Officer since March 1, 2018	2,570	5,140 /	41.79 =	122,996	3,340
<b>Dr. Jochen Schmitz</b> Chief Financial Officer since March 1, 2018	1,075	2,150 /	41.79 =	51,448	1,397
<b>Darleen Caron</b> Chief Human Resources Officer since February 1, 2021	903	1,806 /	41.79 =	43,216	1,174
<b>Elisabeth Staudinger-Leibrecht<sup>1</sup></b> Managing Board Member since December 1, 2021	903	1,806 /	41.79 =	43,216	1,174

<sup>1</sup> 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% is granted and paid in Germany and 30% in China.

## Determination of the target achievement – 2019 tranche of the Siemens Healthineers Stock Awards

The transfer of Siemens Healthineers Stock Awards from the 2019 tranche was made on November 10, 2022. The Siemens Healthineers Stock Awards of the 2019 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 November 9, 2018 to November 10, 2022. The target achievement for the 2019 tranche of Siemens Healthineers Stock Awards was 183.87%.

### 2019 tranche of the Siemens Healthineers Stock Awards

Target amount in kEUR	Dr. Bernhard Montag €1,200	Dr. Jochen Schmitz €840																														
/																																
Allocation price: €35.29																																
=																																
Number of Stock Awards conditionally allocated:	Dr. Bernhard Montag 34,004	Dr. Jochen Schmitz 23,803																														
X																																
Target achievement after four years (each 0–200%)																																
Relative total shareholder return against 12 relevant competitors																																
<table><tr><td>Danaher Corp.</td><td>86.70%</td><td rowspan="5">3. Quartile 43.03%</td></tr><tr><td>Thermo Fisher Scientific</td><td>78.55%</td></tr><tr><td>Abbot Laboratories</td><td>44.85%</td></tr><tr><td>Hologic Inc.</td><td>41.21%</td></tr><tr><td>Siemens Healthineers</td><td>39.50%</td></tr><tr><td>Qiagen N.V.</td><td>29.40%</td><td rowspan="2">Median 21.15%</td></tr><tr><td>Stryker Corp.</td><td>21.91%</td></tr><tr><td>Medtronic plc</td><td>20.38%</td><td rowspan="5">1. Quartile 2.93%</td></tr><tr><td>Becton, Dickinson and Company</td><td>6.34%</td></tr><tr><td>Kon. Philips Electronics N.V.</td><td>4.51%</td></tr><tr><td>Boston Scientific Corp.</td><td>1.36%</td></tr><tr><td>Varian Medical Systems<sup>1</sup></td><td>1.15%</td></tr><tr><td>Smith &amp; Nephew plc</td><td>– 6.49%</td><td></td></tr></table>			Danaher Corp.	86.70%	3. Quartile 43.03%	Thermo Fisher Scientific	78.55%	Abbot Laboratories	44.85%	Hologic Inc.	41.21%	Siemens Healthineers	39.50%	Qiagen N.V.	29.40%	Median 21.15%	Stryker Corp.	21.91%	Medtronic plc	20.38%	1. Quartile 2.93%	Becton, Dickinson and Company	6.34%	Kon. Philips Electronics N.V.	4.51%	Boston Scientific Corp.	1.36%	Varian Medical Systems <sup>1</sup>	1.15%	Smith & Nephew plc	– 6.49%	
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Target achievement: 183.87%																																
=																																
Final number of Stock Awards allocated: (Cap: 200%)	Dr. Bernhard Montag 62,524	Dr. Jochen Schmitz 43,767																														
↓																																
Final payout in shares or cash <sup>2</sup> (Value at transfer date in kEUR)	Dr. Bernhard Montag €2,972	Dr. Jochen Schmitz €2,080																														

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

<sup>2</sup> Corresponds to the value on the date of transfer on November 10, 2022. The Siemens Healthineers Stock Awards settled by share transfer were valued at the Germany low of the Siemens Healthineers share on November 10, 2022 in the amount of €47.53.

A summary of the key parameters for the 2019 tranche of the Siemens Healthineers Stock Awards is presented again in the table below. Compliance with the maximum total compensation limits applicable in fiscal year 2019 was also reviewed on the occasion of the transfer of Siemens Healthineers Stock Awards from the 2019 tranche. The applicable maximum total compensation was not exceeded for any member of the Managing Board.

#### Overview of the 2019 tranche of Siemens Healthineers Stock Awards

Current Managing Board members	Target amount in k€ (based on 100% target achievement)	Allocation price in € Nov. 9, 2018	Number of Stock Awards conditionally allocated	Target achievement	Final number of Stock Awards allocated	Value in k€ at transfer date <sup>1</sup> Nov. 10, 2022
<b>Dr. Bernhard Montag</b> Chief Executive Officer since March 1, 2018	1,200 /	35.29 =	34,004 x	183.87% =	62,524 →	2,972
<b>Dr. Jochen Schmitz</b> Chief Financial Officer since March 1, 2018	840 /	35.29 =	23,803 x	183.87% =	43,767 →	2,080

<sup>1</sup> The Siemens Healthineers Stock Awards settled by share transfer were valued at the Germany low of the Siemens Healthineers share on November 10, 2022 in the amount of €47.53.

#### Performance of Siemens Healthineers Stock Awards in fiscal year 2023

The performance of the Siemens Healthineers Stock Awards held by Managing Board members in fiscal year 2023 is presented in the table below.

#### Development of Siemens Healthineers Stock Awards in fiscal year 2023 (Figures in number of shares)<sup>1</sup>

Current Managing Board members	Balance at beginning of fiscal year 2023	during the fiscal year			Balance at end of fiscal year 2023
		Conditionally allocated <sup>2</sup>	Vested and settled	Other changes <sup>3</sup>	
<b>Dr. Bernhard Montag</b> Chief Executive Officer since March 1, 2018	320,514 +	122,996 –	62,524 –	5,484 =	375,502
<b>Dr. Jochen Schmitz</b> Chief Financial Officer since March 1, 2018	190,137 +	51,448 –	43,767 –	3,839 =	193,979
<b>Darleen Caron</b> Chief Human Resources Officer since February 1, 2021	64,647 +	43,216 –	– –	– =	107,863
<b>Elisabeth Staudinger-Leibrecht<sup>4</sup></b> Managing Board Member since December 1, 2021	20,676 +	43,216 –	– –	– =	63,892
<b>Sum</b>	<b>595,974</b>	<b>260,876</b>	<b>106,291</b>	<b>9,323</b>	<b>741,236</b>

<sup>1</sup> The maximum allocation value of 200% of the target amount at the grant date in November is applied for the 2020-2023 tranches. The reported numbers also include Phantom Stock Awards. The holdings at the beginning and end of the fiscal year include 33,634 Phantom Stock Awards held by Darleen Caron and 20,676 Phantom Stock Awards held by Elisabeth Staudinger-Leibrecht.

<sup>2</sup> 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 the target achievement is below 200%, a corresponding number of Siemens Healthineers Stock Awards will be forfeited without replacement.

<sup>3</sup> The target achievement for the Siemens Healthineers Stock Awards from the 2019 tranche that became due in fiscal year 2023 was 183.87%. In accordance with the plan rules, a number of Siemens Healthineers Stock Awards from the 2019 tranche proportionate to the shortfall from the target and allocated based on a target achievement of 200% were therefore forfeited without replacement.

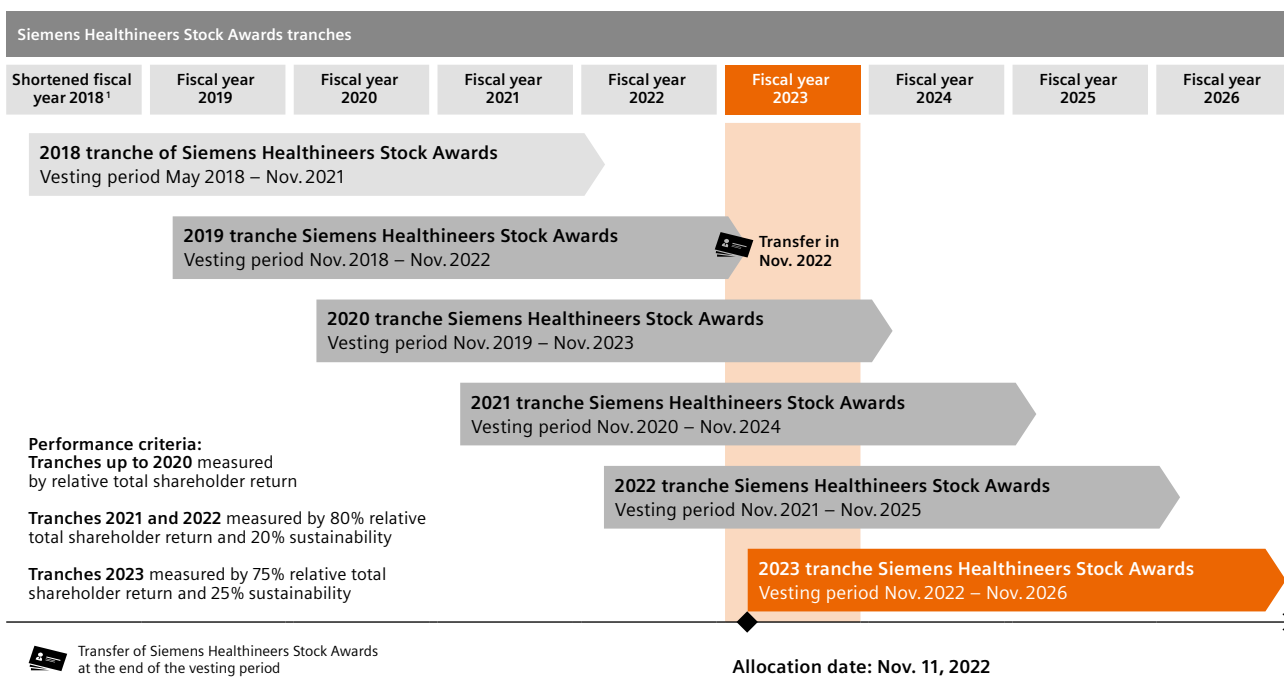
<sup>4</sup> Alongside her work on the Managing Board, Elisabeth Staudinger-Leibrecht is also Executive Chairwoman of the Board of Directors of Siemens Healthineers Ltd. China. Her compensation under the contract with Siemens Healthineers Ltd. China is fully set off against her Managing Board compensation and therefore disclosed in aggregate. Of the numbers disclosed here, 70% is granted in Germany and 30% in China.

#### Vesting periods of the Siemens Healthineers Stock Awards tranches

The vesting period for the Siemens Healthineers Stock Awards tranches is around 4 years. Up to and including fiscal year 2020, the final number of Siemens Healthineers Stock Awards is measured on the basis of the relative total shareholder return compared to 12 competitors<sup>1</sup>. A total of 80% of the tranche conditionally allocated in fiscal years 2021 and 2022 is measured on the basis of the relative total shareholder return compared to the two equally weighted indices, *MSCI World Health Care* and *MSCI Europe Health Care Equipment & Services*, and 20% is based on sustainability, measured on the basis of three ESG targets. As of fiscal year 2023, a total of 75% of conditionally allocated tranches is measured on the basis of the **relative total shareholder return** compared to the two equally weighted indices, *MSCI World Health Care* and *MSCI Europe Health Care Equipment & Services*, and 25% is based on **sustainability**, measured on the basis of three ESG targets.

<sup>1</sup> Until August 2020, the relative total shareholder return was measured by comparison to 12 competitors, including Varian. Varian has no longer been included among the group of competitors since the acquisition date (signing of contract documents) in August 2020.

## Vesting periods of Siemens Healthineers Stock Awards tranches



<sup>1</sup> 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 2024

Siemens Healthineers stepped up and placed a greater emphasis on its sustainability endeavors in fiscal year 2023. To embed the sustainability idea even more deeply into the Company's corporate culture, it was explicitly added to the Company's mission statement: "We pioneer breakthroughs in healthcare. For everyone. Everywhere. Sustainably." In fiscal year 2024, at least 1/3 of individual targets were defined as sustainability targets and the weighting of sustainability targets in long-term variable compensation was kept at 25%. Accordingly, the weighting of long-term increase in company value was 75%.

Also in the current year, the Supervisory Board defined performance criteria and KPIs for the 2024 tranche of Siemens Healthineers Stock Awards in November 2023. Because the performance criteria and key performance indicators applied in the previous year are still especially important for the Company, the Supervisory Board defined the same performance criteria and key performance indicators for the Siemens Healthineers Stock Awards Tranche 2024:

- "Long-term value creation", measured on the basis of relative total shareholder return (TSR) in comparison to the two equally weighted indices, *MSCI World Health Care* and *MSCI Europe Health Care Equipment & Services* (total weighting: 75%);
- "Sustainability", measured on the basis of the following three equally weighted ESG KPIs (total weighting: 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 CO<sub>2</sub>e 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 the variable compensation. These provisions enable the Supervisory Board

- if the Managing Board member committed grave breaches of duty or compliance violations during the assessment period, and/or
- if the Managing Board member failed to exercise the due care of a prudent and conscientious manager according to Section 93 (1) AktG by willful intent or gross negligence, and/or
- if the variable compensation was wrongly paid out on the basis of incorrect data

to reduce the variable compensation (bonus and/or Siemens Healthineers Stock Awards) in whole or in parts. If the variable compensation was wrongly paid out on the basis of erroneous data. If compensation is clawed back, Managing Board members will have to pay back the respective net amount.

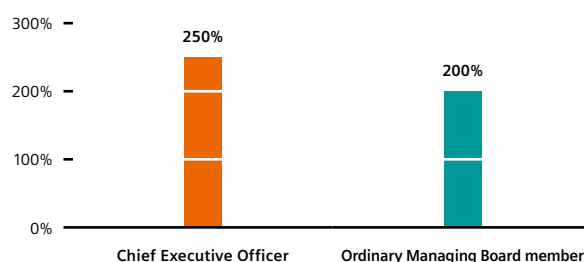
The Supervisory Board did not exercise the option to reduce or claw back variable compensation in fiscal year 2023.

## 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; this multiple is 250% for the Chief Executive Officer and 200% for the ordinary Managing Board members.

As a general rule, each Managing Board member must prove that he or she complies with this requirement after a build-up phase of approximately four years after their appointment and every year thereafter. The Supervisory Board may grant compensation in the form of Siemens Healthineers Stock Awards (normally Phantom Stock Awards) to newly appointed Managing Board members whose compensation benefits with a previous employer have been forfeited due to his or her move to Siemens Healthineers AG. These Stock Awards may be used to build up the shareholding subject to the verification requirement. If due to a fall in the price of Siemens Healthineers shares, for example, the value of the shares held falls below the minimum shareholding subject to the verification requirement, the Managing Board member must acquire additional shares.

**Share Ownership Target**  
based on an annual base salary



Different dates apply for the individual Managing Board members for proving that they comply with the Share Ownership Guidelines, depending on the date of their appointment. The latest review was performed in March 2023 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 subject to the verification requirement at least held the required number of Siemens Healthineers shares on the verification date.

### Compliance with the Share Ownership Guidelines in March 2023

Current Managing Board members	First verification date	Target (in % of base salary) <sup>1</sup>	Verified (in % of base salary) <sup>1,2</sup>		Status
<b>Dr. Bernhard Montag</b> Chief Executive Officer since March 1, 2018	March 2022	250%	393%	<div><div style="width: 393%;"></div></div> <div>250%</div>	Fulfilled
<b>Dr. Jochen Schmitz</b> Chief Financial Officer since March 1, 2018	March 2022	200%	289%	<div><div style="width: 289%;"></div></div> <div>200%</div>	Fulfilled
<b>Darleen Caron</b> Chief Human Resources Officer since February 1, 2021	March 2025	200%	–	<div><div style="width: 0%;"></div></div> <div>200%</div>	In progress
<b>Elisabeth Staudinger-Leibrecht</b> Managing Board Member since December 1, 2021	March 2026	200%	–	<div><div style="width: 0%;"></div></div> <div>200%</div>	In progress

<sup>1</sup> The average base salary during the four years preceding the respective verification date is determining for the amount of the verification obligation.

<sup>2</sup> As of March 10, 2023 (verification date).

## Pension benefit commitment

As a general rule, the Managing Board members participate in the Siemens Healthineers Defined Contribution Benefit Plan (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 2023, the Managing Board members were granted contributions under the Siemens Healthineers BSAV totaling €1.36 million (2022: €1.25 million) based on the resolution adopted by the Supervisory Board in November 2022.

The service cost recognized in accordance with IFRS in fiscal year 2023 for Managing Board members' entitlements under the Siemens Healthineers BSAV that arose in fiscal year 2023 amounted to €1.00 million (2022: €1.02 million).

The Siemens Healthineers BSAV contributions are added to their respective pension accounts in January of the subsequent fiscal year. Until the occurrence of the insured event, 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 2022 and 2023.

### Siemens Healthineers BSAV commitment or amount at free disposal of the Managing Board members (Figures in k€)

	Contribution		Pension expensed (Service Cost) in accordance with IFRS		Defined benefit obligations for all pension commitments on Sept. 30.	
	2023	2022	2023	2022	2023	2022
<b>Current Managing Board members</b>						
<b>Dr. Bernhard Montag</b> Chief Executive Officer since March 1, 2018	650	650	553	630	4,556	4,090
<b>Dr. Jochen Schmitz</b> Chief Financial Officer since March 1, 2018	385	385	347	394	3,161	2,845
<b>Darleen Caron<sup>1</sup></b> Chief Human Resources Officer since February 1, 2021	0	0	0	0	0	0
<b>Elisabeth Staudinger-Leibrecht<sup>2</sup></b> Managing Board Member since December 1, 2021	320	213	101	–	780	590
<b>Sum</b>	<b>1,355</b>	<b>1,248</b>	<b>1,001</b>	<b>1,024</b>	<b>8,497</b>	<b>7,525</b>

<sup>1</sup> Instead of a contribution to the Siemens Healthineers BSAV, Darleen Caron receives a fixed cash payment of €320,000 that can be used at her own discretion. This amount to be used at her own discretion will be paid in January 2024; it is disclosed under "Pension benefit commitment" in the table "Compensation awarded and due pursuant to Section 162 AktG." The Supervisory Board set this amount based on the amount of contributions granted under the Siemens Healthineers BSAV for the other ordinary Managing Board members.

<sup>2</sup> Because Elisabeth Staudinger-Leibrecht was appointed to the Managing Board in the course of fiscal year 2022, no service cost in accordance with IFRS was recognized on her account in this fiscal year. The amounts presented above include the pro-rated compensation for the period from December 1, 2021 to September 30, 2022.

## Compensation granted and owed in fiscal years 2023 and 2022

The table below shows the compensation granted and owed to the Managing Board members in office in fiscal year 2023 pursuant to Section 162 (1) sentence 1 AktG. The table therefore includes all amounts actually paid to individual Managing Board members ("compensation granted") and all amounts of compensation legally earned, but not yet paid out ("compensation owed") in the reporting period.

### **Awarded and due compensation of the Managing Board members of Siemens Healthineers pursuant to section 162 of the AktG** (Figures in k€ 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 <sup>1</sup>	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	Other compensation			
<b>Dr. Bernhard Montag</b> Chief Executive Officer since March 1, 2018	2023	in k€	1,380	14	0	1,433	2,972	0	<b>5,799</b>	553	<b>6,352</b>
		in %	22%	0%	0%	22%	47%	0%		9%	<b>100%</b>
	2022	in k€	1,380	22	0	1,074	1,137	720	4,333	630	4,963
		in %	28%	0%	0%	22%	23%	14%		13%	<b>100%</b>
<b>Dr. Jochen Schmitz</b> Chief Finance Officer since March 1, 2018	2023	in k€	860	16	0	786	2,080	0	<b>3,742</b>	347	<b>4,089</b>
		in %	21%	0%	0%	20%	51%	0%		8%	<b>100%</b>
	2022	in k€	860	16	0	562	777	492	2,707	394	3,101
		in %	28%	1%	0%	18%	25%	16%		12%	<b>100%</b>
<b>Darleen Caron</b> Chief Human Resources Officer since February 1, 2021	2023	in k€	735	81	320	644	0	0	<b>1,780</b>	0	<b>1,780</b>
		in %	41%	5%	18%	36%	0%	0%		0%	<b>100%</b>
	2022	in k€	735	29	320	461	0	0	1,545	0	1,545
		in %	47%	2%	21%	30%	0%	0%		0%	<b>100%</b>
<b>Elisabeth Staudinger-Leibrecht<sup>2</sup></b> Managing Board Member since December 1, 2021	2023	in k€	735	209	0	627	0	0	<b>1,571</b>	101	<b>1,672</b>
		in %	44%	12%	0%	38%	0%	0%		6%	<b>100%</b>
	2022	in k€	490	212	0	301	0	0	1,003	–	1,003
		in %	49%	21%	0%	30%	0%	0%		–	<b>100%</b>

<sup>1</sup> In addition to the total compensation granted and owed pursuant to Section 162 AktG, the table includes the service cost of the Siemens Healthineers BSAV for Dr. Bernhard Montag, Dr. Jochen Schmitz, and Elisabeth Staudinger-Leibrecht. Because Elisabeth Staudinger-Leibrecht was appointed to the Managing Board in the course of fiscal year 2022, no service cost in accordance with IFRS was recognized on her account in this fiscal year.

<sup>2</sup> In fiscal year 2022, Elisabeth Staudinger-Leibrecht received pro-rated compensation for the period from December 1, 2021 to September 30, 2022. The Supervisory Board had decided to raise her compensation in two steps to the level of an ordinary Managing Board member. This increase took effect as of October 1, 2022. 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 is granted and paid in Germany and the remaining 30% in China. The fringe benefits presented above comprise fringe benefits that have been granted and paid for both in Germany and in China. The pension benefit commitment is granted and paid in full in Germany. The fringe benefits in China are higher than in Germany and include, for example, a company car with a driver, housing costs, and school fees.

The amounts shown for the short-term variable compensation (bonus) correspond to the bonus payments for the fiscal year, given that the underlying services had been rendered in full at the end of the fiscal year on September 30, 2023, and the bonus had therefore been earned in full (performance period: October 2022 to September 2023, to be paid: no later than February 2024). The bonus for fiscal year 2023 is therefore considered to be compensation owed. 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 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 transfer of Siemens Healthineers Stock Awards from the 2019 tranche was done on November 10, 2022.

In the course of the IPO in 2018, the Managing Board members at that time 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 on 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. This latter tranche is reported under "Other compensation" for fiscal year 2022.

Section 162 (1) sentence 1 AktG requires disclosure of not only the amount of compensation but also the relative shares of total compensation attributable to all fixed and variable compensation components. The relative shares disclosed here refer to the compensation components granted and owed in the respective fiscal year pursuant to Section 162 (1) sentence 1 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 this reason, the relative shares of compensation granted and owed 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.

## Compensation of former Managing Board members in fiscal year 2023

Payments totaling €2,043 thousand were made to former Managing Board members in fiscal year 2023. These payments resulted from the transfer of Siemens Healthineers Stock Awards or subsequently payable, contractually agreed fringe benefits. The table below shows the compensation awarded to former Managing Board members pursuant to Section 162 (1) sentence 1 AktG.

### **Awarded and due compensation of the Managing Board members of Siemens Healthineers pursuant to section 162 of the AktG<sup>1</sup>** (Figures in k€ or in % of total compensation incl. Siemens Healthineers BSAV)

Former Managing Board members	Year	Fixed compensation		Variable compensation		Other compensation <sup>2</sup>	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					
<b>Michael Reitermann</b> Managing Board Member from March 1, 2018 to September 30, 2019	2023	in k€	6	2,080	0		2,086	0	2,086
		in %	0%	100%	0%			0%	100%
<b>Dr. Christoph Zindel</b> Managing Board Member from October 1, 2019 to March 31, 2022)	2023	in k€	1	0	- 44		- 43	0	- 43
		in %	n/a	n/a	n/a			n/a	n/a

<sup>1</sup> The table only shows compensation granted to former members after their departure from the Managing Board.

<sup>2</sup> Following his resignation from the Managing Board, Dr. Christoph Zindel received 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" in fiscal year 2022. The amount now deducted from the line item of "Other compensation" for Dr. Christoph Zindel in fiscal year 2023 represents a contractually agreed, pro-rated repayment of the severance payment by Dr. Christoph Zindel to the Company due to the crediting of a different acquisition of the same amount. Because the repayment exceeded the subsequently payable compensation granted and owed, the Company has opted not to show the percentage change from the prior year for Dr. Christoph Zindel.


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

## Compensation system of the Supervisory Board

The currently applicable compensation system for the Supervisory Board is defined in Article 12 of the Articles of Association of Siemens Healthineers AG. It is based on a resolution of the Special Shareholders' Meeting of February 19, 2018 and of the Annual Shareholders' Meeting of February 12, 2020. After careful review by the Managing Board and Supervisory Board and given the continually growing demands and complexity of the business activities of Siemens Healthineers AG, which also have the effect of increasing the responsibility and importance of the supervisory and advisory activities performed by the Supervisory Board, the compensation system for the Supervisory Board members in effect since 2018 and 2020, respectively, and confirmed in 2021 was found by the Company to be no longer appropriate and in line with the market. The work of the committees has likewise become more demanding and complex. The Strategy, Innovation and Sustainability Committee, which had been called the Innovation and Finance Committee until February 15, 2023, has additionally addressed sustainability issues since fiscal year 2023. Furthermore, two new committees were established, the Compensation Committee and the Nomination Committee. Accordingly, the adjustment of the compensation of the Supervisory Board members, including the system on which this compensation is based, was confirmed pursuant to Section 113 (3) AktG by way of a resolution of the Annual Shareholders' Meeting on February 15, 2023, which was passed with a majority of 99.93% of the valid votes cast. The change in Supervisory Board compensation took effect upon being entered in the Company's Commercial Register on March 8, 2023, with retroactive effect to the first day of the month of entry in the Commercial Register.

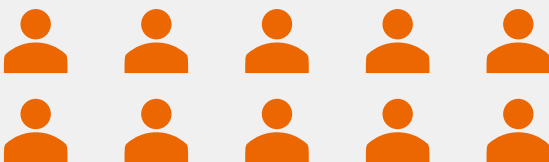
The adopted compensation system is accessible to the public at → [www.siemens-healthineers.com/investor-relations/corporate-governance/supervisory-board-compensation](http://www.siemens-healthineers.com/investor-relations/corporate-governance/supervisory-board-compensation). The provisions set out in the Articles of Association are available at → [www.siemens-healthineers.com/investor-relations/corporate-governance/bylaws](http://www.siemens-healthineers.com/investor-relations/corporate-governance/bylaws). In accordance with the rules applicable to fiscal year 2023, 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. The Chairperson and Deputy Chair of the Supervisory Board and the chairs of the committees receive additional compensation. Until it was changed, the change only taking effect upon being entered in the Company's Commercial Register on March 8, 2023, the Supervisory Board remuneration was as presented in the following graph:

### 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	

The amendments of Article 12 para. 1 and para. 4 of the Articles of Association took effect upon being entered into the Commercial Register of the Company on March 8, 2023. In particular, the amount of compensation was changed to be in line with market conditions and to include the new committees:

#### Compensation of the members of the Supervisory Board and its Committees

Base compensation for Supervisory Board					
					
Chair €250,000					
Deputy Chair €145,000					
Member €130,000					
Additional compensation for Committee work					
Audit Committee	Chairperson's Committee	Compensation Committee	Strategy, Innovation and Sustainability Committee	Related-Party Transactions Committee	Nomination Committee
Chair €120,000	Chair €70,000	Chair €70,000	Chair €70,000	Chair €20,000	Chair €30,000
Member €60,000	Member €35,000	Member €35,000	Member €35,000	Member €10,000	Member €15,000

Supervisory Board members who did not serve as a member of the Supervisory Board or a committee for the full (12-month) fiscal year or did not hold the chair position for the full term receive pro-rated 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. Only half the compensation of the Related-Party Transactions Committee and the Nomination Committee is payable for fiscal years in which the committees do not hold at least one meeting or adopt at least one resolution. Until March 2023, no compensation was payable in fiscal years in which the Related-Party Transactions Committee did not hold at least one meeting or adopt at least one resolution.

In addition, Supervisory Board members receive an attendance fee of €1,500 for each meeting of the Supervisory Board or its committees which they attend. Since March 2023, however, the attendance fee has been limited to €3,000 for multiple meetings held on a single day. Siemens Healthineers reimburses all Supervisory Board members for their expenses and for the value-added tax levied on their compensation.

No loans or advances are granted to Supervisory Board members by the Company.

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 long-term sustainable success of Siemens Healthineers.

## Supervisory Board compensation in fiscal years 2023 and 2022

The table below shows the compensation of Supervisory Board members in fiscal years 2023 and 2022 pursuant to Section 162 (1) sentence 1 AktG. Accordingly, the Supervisory Board compensation for fiscal year 2023 is regarded as compensation owed, while the compensation for fiscal year 2022 is regarded as compensation granted.

<b>Awarded and due compensation of the Supervisory Board members of Siemens Healthineers according to section 162 of the AktG</b> (Figures in € or in % of total compensation)						
Current Supervisory Board members			Base compensation	Additional compensation for committee work	Meeting attendance fee	Total compensation
<b>Prof. Dr. Ralf P. Thomas<sup>1,2</sup></b> (Chairman)	2023	in €	0	0	0	0
		in %	–	–	–	–
	2022	in €	0	0	0	0
		in %	–	–	–	–
<b>Dr. Norbert Gaus<sup>2</sup></b> (Vice Chair until February 15, 2023)	2023	in €	45,833	20,834	13,500	80,167
		in %	57%	26%	17%	100%
	2022	in €	110,000	50,000	33,000	193,000
		in %	57%	26%	17%	100%
<b>Karl-Heinz Streibich</b> (Vice Chair since February 15, 2023)	2023	in €	130,417	78,333	30,000	238,750
		in %	55%	33%	12%	100%
	2022	in €	110,000	30,000	16,500	156,500
		in %	70%	19%	11%	100%
<b>Veronika Bienert<sup>2</sup></b> (since February 15, 2023)	2023	in €	85,000	38,333	9,000	132,333
		in %	64%	29%	7%	100%
	2022	in €				
		in %				
<b>Dr. Roland Busch<sup>1,2</sup></b>	2023	in €	0	0	0	0
		in %	–	–	–	–
	2022	in €	0	0	0	0
		in %	–	–	–	–
<b>Dr. Marion Helmes</b>	2023	in €	121,667	109,166	18,000	248,833
		in %	49%	44%	7%	100%
	2022	in €	110,000	80,000	19,500	209,500
		in %	53%	38%	9%	100%
<b>Dr. Andreas C. Hoffmann<sup>2</sup></b> (until February 15, 2023)	2023	in €	45,833	25,000	15,000	85,833
		in %	54%	29%	17%	100%
	2022	in €	110,000	60,000	36,000	206,000
		in %	54%	29%	17%	100%
<b>Dr. Peter Körte<sup>2</sup></b> (since February 15, 2023)	2023	in €	85,000	45,000	21,000	151,000
		in %	56%	30%	14%	100%
	2022	in €				
		in %				
<b>Sarena Lin</b> (since February 15, 2023)	2023	in €	85,000	23,333	10,500	118,833
		in %	72%	19%	9%	100%
	2022	in €				
		in %				
<b>Dr. Philipp Rösler</b> (until February 15, 2023)	2023	in €	45,833	–	4,500	50,333
		in %	91%	–	9%	100%
	2022	in €	110,000	–	10,500	120,500
		in %	91%	–	9%	100%
<b>Peer M. Schatz</b>	2023	in €	121,667	82,500	25,500	229,667
		in %	53%	36%	11%	100%
	2022	in €	110,000	30,000	16,500	156,500
		in %	70%	19%	11%	100%
<b>Dr. Nathalie von Siemens</b>	2023	in €	121,667	22,083	18,000	161,750
		in %	75%	14%	11%	100%
	2022	in €	104,762	–	9,000	113,762
		in %	92%	–	8%	100%
<b>Dr. Gregory Sorensen</b> (until February 15, 2023)	2023	in €	45,833	12,500	7,500	65,833
		in %	70%	19%	11%	100%
	2022	in €	110,000	30,000	16,500	156,500
		in %	70%	19%	11%	100%
<b>Dow R. Wilson</b> (since February 15, 2023)	2023	in €	85,000	34,583	13,500	133,083
		in %	64%	26%	10%	100%
	2022	in €				
		in %				

<sup>1</sup> 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.

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

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

The following overview shows, pursuant to Section 162 (1) sentence 2 no. 2 AktG, the relative development of the compensation granted and owed 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 relevant KPIs for the Managing Board and management compensation (pay for performance).

According to the information presented in the tables "Compensation granted and owed to the Managing Board members of Siemens Healthineers pursuant to Section 162 AktG" (Managing Board) and "Compensation granted and owed to the Supervisory Board members of Siemens Healthineers pursuant to Section 162 AktG" (Supervisory Board), the compensation of Managing Board and Supervisory Board members included herein represents the total compensation granted and owed in the fiscal year within the meaning of Section 162 (1) sentence 1 AktG.

The Company's earnings performance is presented on the basis of comparable revenue growth and adjusted basic earnings per share. As essential key performance indicators of the Company, these KPIs also form the basis for the compensation-relevant 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.

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

(Compensation figures in k€ or change in %)	2019	Change in %	2020	Change in %	2021	Change in %	2022	Change in %	2023
<b>Company performance</b>									
Adjusted basic earnings per share <sup>1</sup> (in €)	1.70	– 5%	1.61	26%	2.03	13%	2.29	– 12%	<b>2.02</b>
Comparable revenue growth <sup>2</sup> (in %)	5.8%	n/a	– 0.2%	n/a	19.3%	– 69%	5.9%	– 80%	<b>1.20%</b>
Net income according to HGB (in million €)	1,034	10%	1,135	19%	1,353	– 15%	1,156	1%	<b>1,172</b>
<b>Workforce compensation</b>									
Workforce of the Siemens Healthineers Group in Germany <sup>3</sup>	99	– 2%	97	7%	104	– 2%	102	4%	<b>105</b>
<b>Managing board compensation</b>									
<b>Current Managing Board members</b>									
Dr. Bernhard Montag (Chief Executive Officer since March 1, 2018)	1,907	– 23%	1,475	171%	3,994	8%	4,333	34%	<b>5,799</b>
Dr. Jochen Schmitz (Chief Financial Officer since March 1, 2018)	1,334	– 24%	1,016	157%	2,614	4%	2,707	38%	<b>3,742</b>
Darleen Caron (Chief Human Resources Officer since February 1, 2021)	–	n/a	–	n/a	1,367	13%	1,545	15%	<b>1,780</b>
Elisabeth Staudinger-Leibrecht (Managing Board Member since December 1, 2021) <sup>4</sup>	–	n/a	–	n/a	–	n/a	1,003	57%	<b>1,571</b>
<b>Former Managing Board members</b>									
Michael Reitermann (Managing Board Member from March 1, 2018 to Sept. 30, 2019) <sup>5</sup>	881	– 96%	37	– 47%	20	3,991%	815	156%	<b>2,086</b>
Dr. Christoph Zindel (Managing Board Member from Oct. 1, 2019 to March 31, 2022) <sup>6</sup>	–	n/a	784	105%	1,609	25%	2,016	n/a	<b>– 43</b>
<b>Supervisory board compensation</b>									
<b>Acting Supervisory Board during fiscal year 2023</b>									
Prof. Dr. Ralf P. Thomas <sup>7,8</sup> (Chair)	0	n/a	0	n/a	0	n/a	0	n/a	<b>0</b>
Dr. Norbert Gaus <sup>8</sup> (Vice Chair until February 15, 2023)	193	2%	196	– 2%	192	1%	193	– 58%	<b>80</b>
Karl-Heinz Streibich (Vice Chair since February 15, 2023)	148	10%	163	3%	168	– 7%	157	53%	<b>239</b>
Veronika Bienert <sup>8</sup> (since February 15, 2023)	–	n/a	–	n/a	–	n/a	–	n/a	<b>132</b>
Dr. Roland Busch <sup>7,8</sup>	0	n/a	0	n/a	0	n/a	0	n/a	<b>0</b>
Dr. Marion Helmes	171	8%	184	5%	194	8%	210	19%	<b>249</b>
Dr. Andreas C. Hoffmann <sup>8</sup> (until February 15, 2023)	202	21%	245	4%	256	– 20%	206	– 58%	<b>86</b>
Dr. Peter Körte <sup>8</sup> (since February 15, 2023)	–	n/a	–	n/a	–	n/a	–	n/a	<b>151</b>
Sarena Lin (since February 15, 2023)	–	n/a	–	n/a	–	n/a	–	n/a	<b>119</b>
Dr. Philipp Rösler (until February 15, 2023)	124	– 2%	122	– 1%	121	0%	121	– 58%	<b>50</b>
Peer M. Schatz (since March 23, 2021)	–	n/a	–	n/a	89	76%	157	47%	<b>230</b>
Dr. Nathalie von Siemens	118	3%	122	– 1%	121	– 6%	114	42%	<b>162</b>
Dr. Gregory Sorensen (until February 15, 2023)	163	– 5%	155	1%	157	0%	157	– 58%	<b>66</b>
Dow R. Wilson (since February 15, 2023)	–	n/a	–	n/a	–	n/a	–	n/a	<b>133</b>
<b>Former Supervisory Board members</b>									
Michael Sen <sup>7</sup> (until February 12, 2020)	0	n/a	0	n/a	–	n/a	–	n/a	<b>–</b>

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> The reported employee compensation includes Varian as of fiscal year 2022.

<sup>4</sup> In fiscal year 2022, Elisabeth Staudinger-Leibrecht received pro-rated compensation for the period from December 1, 2021 to September 30, 2022. The Supervisory Board had decided to raise her compensation in two steps to the level of an ordinary Managing Board member. This increase took effect as of October 1, 2022. 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 in China.

<sup>5</sup> Strong increase in compensation from 2021 to 2022 due to the first-time transfer of Siemens Healthineers Stock Awards in fiscal year 2022.

<sup>6</sup> Pro-rated compensation for the period from October 1, 2021 to and including March 31, 2022. The amount presented above includes a severance payment of €1.28 million and a special contribution to the Siemens Healthineers BSAV amounting to €160,000, which Dr. Christoph Zindel received on the occasion of his resignation from the Managing Board to settle and discharge his contractual claims. In fiscal year 2023, Dr. Christoph Zindel made a contractually agreed, pro-rated repayment of the severance payment included in fiscal year 2022 to the Company due to the crediting of a different acquisition. Because the repayment exceeded the subsequently payable compensation granted and owed, the Company has opted not to show the percentage change from the prior year for Dr. Christoph Zindel.

<sup>7</sup> 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.

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

The compensation actually granted and owed to the Managing Board members and the employees may vary from year to year, depending on the actual bonus payout in a given year and the target achievement of the Siemens Healthineers Stock Awards in a given year, as well as the current share price. Because the total long-term variable compensation of Managing Board members represents at least 60% of variable compensation, an overview of the shares transferred in the respective fiscal years is presented below:

## Multi-year overview

Impact of share transfers on Managing Board compensation				
Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
No transfer of shares to Managing Board yet		Transfer of the first half of the Siemens Healthineers IPO Incentive Stock Awards  <b>&gt; Individual Target Achievement</b>	Transfer of the second half of the Siemens Healthineers IPO Incentive Stock Awards  <b>&gt; Individual Target Achievement</b>  Transfer of the Siemens Healthineers Stock Awards (2018 tranche)  <b>&gt; Target Achievement: 57.05%</b>	Transfer of the Siemens Healthineers Stock Awards (2019 tranche)  <b>&gt; Target Achievement: 183.87%</b>

The highly positive development of incentive-relevant comparable revenue growth and incentive-relevant adjusted basic earnings per share in 2023 is reflected in both employee compensation and Managing Board compensation. The average target achievement for short-term variable compensation was approximately 33 percentage points higher than in the prior year. In addition, the strong high target achievement for long-term variable compensation is reflected in the development of compensation granted to the Managing Board and the highest-level senior managers. Beginning in fiscal year 2023, the compensation of Elisabeth Staudinger-Leibrecht was raised, which led to a visible increase over the level of compensation granted in the prior year. This development resulted from a two-step increase in her compensation to the level of an ordinary Managing Board member, which has now been completed. Changes that occurred in the composition of the Supervisory Board in fiscal year 2023 led to negative changes compared to the prior year in some cases due to the fact that Supervisory Board members left the board at the close of the Annual Shareholders' Meeting on February 15, 2023 and received pro-rated compensation in fiscal year 2023.

The positive Company earnings performance in fiscal year 2021 is reflected in the increase in the average compensation of employees and Managing Board members. The above-average increase in Managing Board compensation in fiscal year 2021 is primarily due to the larger share 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 of the COVID-19 lockdowns, had a negative impact on business developments in all segments, with the exception of rapid antigen test sales in Diagnostics, with the result that the targets for the short-term variable compensation (bonus) could not be fully met. This was also reflected in the decrease in the average compensation of employees in fiscal year 2022. The increase in Managing Board compensation in fiscal year 2022 is mainly due to the first-time transfer of Siemens Healthineers Stock Awards (2018 tranche), the transfer of the second tranche of the IPO incentive in fiscal year 2022 and the increase in Dr. Bernhard Montag's target bonus amount. The transfer 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.

## Other

Siemens AG maintains 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 and renewed annually. The pro-rated 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 2023 includes a deductible for the members of the Managing Board that complies with the provisions of the German Stock Corporation Act. 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 [“Aktengesetz”: German Stock Corporation Act] for the fiscal year from October 1, 2022 to September 30, 2023 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 2023”, 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 (i.e., fraudulent financial reporting and misappropriation of assets) 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, whether due to fraud or error.

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, 2022 to September 30, 2023 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](http://www.de.ey.com/general-engagement-terms).

Munich, November 24, 2023

Ernst & Young GmbH  
Wirtschaftsprüfungsgesellschaft

Keller	Dr. Eisele
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

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