SIEMENS energy

Shareholder counterproposals and election nominations

Annual Shareholders' Meeting
of Siemens Energy AG on February 26, 2024



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Latest update: February 12, 2024

The following contains all shareholder proposals to be made available (counterproposals and election nominations by shareholders as defined in Sections 126 and 127 of the German Stock Corporation Act (AktG)) concerning items on the Agenda of the Annual Shareholders' Meeting 2024, if applicable along with the content to be added in accordance with Section 127 sentence 4 AktG. In all cases, the shareholder proposals and supporting information reflect the views of the persons who submitted them. Assertions of fact and hyperlinks to third-party websites were also posted on the Internet unchanged and unchecked by us to the extent that they are required to be disclosed. Siemens Energy AG does not assume any responsibility for said content, nor does it endorse said websites and their content.

This document prepared for the convenience of English-speaking readers is a translation of the German original. For purposes of interpretation, the German text shall be authoritative and final.

Voting and voting instructions in respect of shareholder proposals

Shareholder proposals that must be made available in accordance with Section 126 or Section 127 AktG shall be – in accordance with Section 126 (4) AktG – deemed to have been submitted at the time they are made available.

You can vote in favor of shareholder proposals which simply reject the proposal of the Management by marking the appropriate box of the agenda item relating to such shareholder proposal, i.e. "NO", on the printed Attendance Notification Form or on our Internet Service at www.siemens-energy.com/agm-service. Such shareholder proposals are disclosed below **without capital letters**.

Shareholder proposals that do not only reject the Management proposal but also put forward a resolution differing in content are indicated below **with capital letters**. If shareholder proposals of this kind are to be voted on separately at the Shareholders' Meeting and you wish to give instructions to a proxy representative on how to exercise your voting rights or you wish to submit your vote by absentee voting, please tick the "FOR the proposal", "AGAINST the proposal" or "ABSTAIN" box as appropriate to the right of each capital letter under the heading "Shareholder counterproposals and election nominations" on the printed Attendance Notification Form or on our Internet Service. If you wish to vote on, or abstain from voting on, a shareholder proposal to which no capital letter has been preassigned on the printed Attendance Notification Form, please insert the appropriate capital letter in one of the empty boxes provided.

Mr. Horst Schilling, Rödental, has submitted the following shareholder proposal:

Counterproposal concerning the Annual Shareholders' Meeting of Siemens Energy AG.
Within the meaning of Sections 126 (1) and 127 of the German Stock Corporation Act (AktG) relating to the items on the agenda of the Annual Shareholders' Meeting of Siemens Energy AG on February 26, 2024.

With regard to Agenda Item 4 „To ratify the acts of the members of the Supervisory Board for the fiscal year 2023"

3. Type of Annual Shareholders' Meeting: Virtual Annual Shareholders' Meeting without the physical attendance of the shareholders or their representatives at the place of the meeting (except for the proxy representatives nominated by the Company)

Holding a "Virtual Annual Shareholders' Meeting without the physical attendance of shareholders reflects poorly on the shareholder culture".
Shareholders could understand the need for that during the pandemic, but it should really be a thing of the past in normal times.

Several large companies held digital Shareholders' Meetings in 2023: Munich Re (May 5, 2023), RWE (May 4, 2023), BASF (April 27, 2023), Mercedes Benz (May 3, 2023), Continental (April 27, 2023) and Bayer (April 28, 2023). Investors with shares in the companies in their portfolios and wanting to exercise their shareholder rights therefore had to demonstrate their "multitasking skills."
Hendrik Schmidt, Senior Investment Stewardship Specialist at the asset manager DWS, describes the concentration of Annual Shareholders' Meetings (AGM) as extremely detrimental to shareholder culture.
However, there is not only growing anger because of the concentration of Annual Shareholders' Meetings. In 2023, 28 of the 38 German companies listed on the DAX opted to hold a virtual Annual Shareholders' Meeting. As the Deutsche Schutzvereinigung für Wertpapierbesitz (DSW) found in its Annual Shareholders' Meetings Report 2023, the technology did not always work smoothly. The protectors of shareholder rights recorded numerous video and audio disruptions, which meant that some Annual Shareholders' Meetings ended up being very lengthy. For instance, the digital AGM of Convestro AG lasted around nine-and-a-half hours due to several interruptions. According to the DSW, virtual Annual Shareholders' Meetings have not led to several shareholders exercising their right to have a say. The number of participants has been declining since the start of the coronavirus measures. Unlike the large German stock corporations, most companies in the MDax and SDax did not hold their Annual Shareholders' Meetings virtually in 2023, but as usual as an in-person event.

A fear expressed by Janne Werning, Head of ESG Capital Markets & Stewardship at the fund management company Union Investment:
Once the coronavirus pandemic is over, the wheat will be separated from the chaff among companies. Shareholder-friendly companies would once again allow a "general debate with the physical attendance of shareholders". "The other companies will retreat to anemic, purely virtual formats where there is little potential for conflict."

Experts see this as a risk that the important role of shareholders as a corrective for the actions of the Executive Board and Supervisory Board is weakened.

Is holding a "Virtual Annual Shareholders' Meeting without the physical attendance of shareholders" an expression by the Executive Board and Supervisory Board of Siemens Energy AG of respect for shareholders? As Janne Werning, Head of ESG Capital Markets & Stewardship at the fund management company Union Investment, put it so aptly – I quote:
"The other companies will retreat to anemic, purely virtual formats where there is little potential for conflict."

Ratification of the acts of the members of the Supervisory Board is denied.
Rationale:
The Supervisory Board has the duty to oversee the Executive Board in the interests of the shareholders and the Company (Shareholder-friendly companies would once again allow a "general debate with the physical attendance of shareholders"). The Supervisory Board does not fulfil that duty.

With the virtual Annual Shareholders' Meeting without the physical attendance of shareholders, the Executive Board and Supervisory Board of Siemens Energy AG avoid embarrassing questions about the billions in costs caused by wind turbine defects.
The wind business bundled in the Spanish unit Siemens Gamesa cost the company a record loss of 4.6 billion Euros in the past fiscal year 2022/23 (as of 30 September). Gamesa is expected to post another loss of two billion Euro for the current 2023/24 fiscal year. For Siemens Energy, the wind turbine subsidiary Siemens Gamesa is becoming a bottomless pit. However, the Executive Board of Siemens Energy AG is not solely responsible for this, but also the Chairman of the Supervisory Board, Mr. Joe Kaeser, who was leading the spin-off of the energy business from Siemens AG.

I would argue that these problems would not have arisen if Mr. Michael Sen had been President and Chief Executive Officer. Mr. Christian Bruch, Chief Executive Officer of Siemens Energy, had said in an analyst call in 2023: "Too much has been swept under the carpet". The shareholders of Siemens Energy AG must therefore be fully informed about the costs incurred to date and those to be expected as a result of wind turbine defects.

I ask the shareholders of Siemens Energy AG, especially employee shareholders who are committed to sustainability and the long-term success of the Company, and above all the fund management companies DWS and Union Investment, to endorse the proposal in the interests of their customers.

On Thursday, July 7, 2022, the Bundestag adopted a draft law by the SPD, Bündnis 90/Die Grünen and FDP on virtual Annual Shareholders' Meetings of stock corporations (20/1738) with a broad majority of the coalition parties, the CDU/CSU and Die Linke.
Germany has a problem with a shortage of skilled workers - and there is also a shortage of skilled politicians.

I ask the governing bodies of the stock corporation (AG) to make my counterproposals I have submitted in due time available in accordance with Sections 126 and 127 et seq. of the German Stock Corporation Act (AktG).

Thank you.

sgd.

Shareholder
Horst Schilling

(Shareholder Control Number: [redacted])

The "Dachverband der Kritischen Aktionärinnen und Aktionäre e.V.", Cologne, has submitted the following shareholder proposals:

Counterproposals of the "Dachverband der Kritischen Aktionärinnen und Aktionäre" concerning the Annual Shareholders' Meeting of Siemens Energy AG on February 26, 2024

With regard to Agenda Item 3, "To ratify the acts of the members of the Executive Board for fiscal year 2023"

Regarding Agenda Item 3: To ratify the acts of the members of the Executive Board

The "Dachverband der Kritischen Aktionärinnen und Aktionäre" requests that the acts of the members of the Executive Board not be ratified.

Rationale:

The Executive Board impedes the energy transition unnecessarily and is not fulfilling its human rights due diligence obligation.

Siemens Gamesa: Problems jeopardize path toward a climate-neutral power supply

For years, the Executive Board has been unable to get to grips with the problems at the wind power unit Siemens Gamesa, in particular massive quality and productivity problems with some turbines. The resultant losses have even necessitated government aid in the form of guarantees running into the billions to ensure that the order backlog can be handled at all. That means not only that risks are socialized unnecessarily, but also that the already difficult task of expanding wind power – with the aim of quickly ending power generation from climate-damaging energy sources – is impeded. However, insufficient human rights due diligence has now also led to restrictions on government aid for Siemens Energy.

Wind farms in Western Sahara without consent: German government restricts support for Siemens Energy

For years we have criticized the wind farms of Siemens Gamesa respectively Siemens Energy in the territories of Western Sahara occupied by Morocco in contravention of international law. These have been built without the necessary consent of the Sahrawis and contribute to the illegal plundering of Western Sahara's resources. European courts have repeatedly issued clear rulings that the consent of the people of Western Sahara to economic activities must be obtained.

Among other things, the wind farms, which are also maintained by Siemens Gamesa, supply electricity to the phosphate mine in Western Sahara, which Moroccan state-owned companies are exploiting in violation of international law. By cooperating with the occupying power and with Nareva, a private company owned by the king of Morocco, Siemens Energy is supporting and stabilizing this exploitation of resources and occupation which contravenes international law and is accompanied by massive human rights violations.

So that the German government does not also contribute to this oppression, the Federal Ministry for Economic Affairs and Climate Action clarified in mid-November 2023 in response to a related interpellation from Ali Al-Dailami, a member of the German Bundestag:

> "In the course of further negotiations and in the context of structuring the guarantee modalities and conditions, we will ensure that the provision of avals from the credit line guaranteed by the Federal Government for projects in the Moroccan-occupied Western Sahara are excluded. […] The Federal Government does not support projects in the territory of the Western Sahara."
> (see https://www.bmwk.de/Redaktion/DE/Parlamentarische-Anfragen/2023/11/11-048.pdf?__blob=publicationFile&v=4)

Since Siemens Energy benefits from government aid, the Executive Board should also apply at least the same human rights standards as the German government and ensure that it is no longer involved in any exploitation in violation of international law.

Billions of investments in fossil gas projects are at odds with international climate targets

The more than 1 billion tons of CO_2e that will be emitted from using products sold by Siemens Energy in the last fiscal year alone (Scope 3 downstream) highlight the consequences of sticking to the fossil fuel business model, especially with gas turbines. The climate damage for which Siemens Energy is responsible is on a par with that of industrialized countries. By comparison, France and Germany together were responsible for the same amount of emissions last year. Although Siemens Energy has now set itself the goal of reducing Scope 3 downstream emissions by a meager 28 percent by 2030 compared to 2019 levels, this kicks tackling the actual challenges down the road into the distant future, especially as it is not clear in which increments further reductions are to be made after 2030.

Siemens Energy is far from being able to reconcile its own growth plans with effective climate protection. On the one hand, this is evidenced by the increase in upstream emissions in the manufacture of Siemens Energy products and from its services (Scope 3 upstream). On the other hand, Siemens Energy continues to make substantial investments worldwide in projects based on fossil gas, such as LNG terminals and gas-fired power plants. According to the Annual Report, revenue from electricity generation from fossil gaseous fuels totaled €4.43 billion in 2023. These investments are at odds with German, EU and global climate targets. By continuing to invest heavily in fossil fuels, the Executive Board of Siemens Energy is prioritizing short-term profits over effective climate protection and is making a significant contribution to the fact that fossil gas will be used far longer than absolutely necessary. Instead, the Executive Board should align the business strategy in the Gas Services Business Area with an emissions reduction path that is compatible with the 1.5-degree target and in doing so should not set store by climate-damaging and financially risky technologies such as blue hydrogen or CCS. After all, by not phasing out fossil gas, Siemens Energy is exacerbating the climate crisis.

With regard to Agenda Item 4, “To ratify the acts of the members of the Supervisory Board for fiscal year 2023”

Regarding Agenda Item 4: To ratify the acts of the members of the Supervisory Board

The “Dachverband der Kritischen Aktionärinnen und Aktionäre” requests that the acts of the members of the Supervisory Board not be ratified.

Rationale:

The Supervisory Board has not adequately fulfilled its oversight function with regard to the continuation of business with Russia’s nuclear energy corporation Rosatom.

No cooperation with war criminals: Siemens Energy must break off nuclear business with Rosatom immediately

Despite numerous reports about the involvement of Russia’s state atomic energy corporation Rosatom in the development of materiel and weapons systems and thus its embroilment in Russia’s war of aggression against Ukraine, Siemens Energy still wishes to fulfill existing contracts for Rosatom projects. Among other things, high-tech products such as I&C technology for the Paks II nuclear power plant in Hungary, which is currently under construction, are to be supplied.

Hungary is already dependent on Russia for its energy supply. The new nuclear power plant would dramatically aggravate this dependency. Siemens Energy should finally live up to its own responsibility and immediately stop all business with Rosatom and definitively rule out concluding new contracts – for example for new nuclear power plants – as well as for joint projects with Framatome.

Rosatom is directly involved in the forcible takeover of Europe’s largest nuclear power plant Zaporizhzhia in Ukraine. In Russia, the company is responsible for producing nuclear weapons. In addition, there are numerous reports that Rosatom is closely intertwined with Russia’s conventional arms industry and actively helps provide arms manufacturers with access to sanctioned goods.

Such a company cannot and must not be a business partner of Siemens Energy. Anyone who places greater value on abiding by contracts in such a case has lost all moral compass.

Siemens Energy AG
Chairman of the Supervisory Board: Joe Kaeser;
Executive Board: Christian Bruch, President and Chief Executive Officer; Karim Amin, Maria Ferraro, Tim Oliver Holt, Anne-Laure Parrical de Chammard, Vinod Philip;
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