A.10 Compensation Report

This report is based on the recommendations of the German Corporate Governance Code (Code) and the requirements of the German Commercial Code (*Handelsgesetzbuch*), the German Accounting Standards (*Deutsche Rechnungslegungsstandards*) and the International Financial Reporting Standards (IFRS).

A.10.1 Remuneration of Managing Board members

A.10.1.1 REMUNERATION SYSTEM

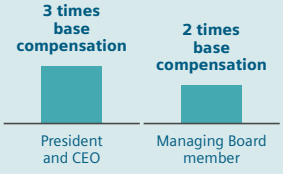
The remuneration system for Siemens' Managing Board is intended to provide an incentive for successful corporate management with an emphasis on sustainability. Managing Board members are expected to make a long-term commitment to and on behalf of the Company and may benefit from any sustained increase in the Company's value. For this reason, a substantial portion of their total remuneration is linked to the long-term performance of Siemens stock. Furthermore, their remuneration is to be commensurate with the Company's size and economic position. Exceptional achievements are to be rewarded adequately, while falling short of targets is to result in an appreciable reduction in remuneration. Their compensation is structured so as to be attractive in comparison to that of competitors, with a view to attracting outstanding managers to the Company and retaining them for the long term.

The Managing Board's remuneration system and remuneration levels are determined and regularly reviewed by the full Supervisory Board, based on proposals by the Compensation Committee. The Supervisory Board reviews remuneration levels annually to ensure that they are appropriate. In this process, the Company's economic situation, performance and future prospects as well as the tasks and performance of the individual Managing Board members are taken into account. In addition, the Supervisory Board considers the common level of remuneration in comparison with peer companies and with the compensation structure in place in other areas of the Company. It also takes due account of the relationship between the Managing Board's remuneration and that of senior management and staff, both overall and with regard to its development over time. For this purpose, the Supervisory Board has also determined how senior management and the relevant staff are to be differentiated. The remuneration system that has been in place for Managing Board members since fiscal 2015 was approved at the Annual Shareholders' Meeting on January 27, 2015. The components of compensation – base compensation, variable compensation (Bonus) and long-term stock-based compensation – are weighted equally, and each comprises about one-third of target compensation. The three target parameters of variable compensation (Bonus) are also weighted equally.

Remuneration system for Managing Board members

Share Ownership Guidelines

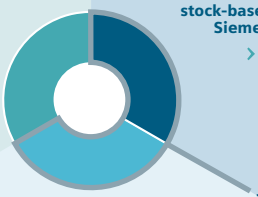
Requirement to hold Siemens stock as a multiple of base compensation throughout the term of office



Structure of target compensation

1/3 Base compensation

1/3 Long-term stock-based compensation Siemens Stock Awards
› Variability of target achievement: 0–200%



1/3 Variable compensation (Bonus)
› Variability of target achievement: 0–200% add. ± 20% adjustment

2/3 Performance-based compensation

Target parameter
› Performance of Siemens stock compared to five competitors

Restriction period
› Four years

Target parameters

1/3	ROCE	1/3	Earnings per share	1/3	Individual targets

Maximum amounts of compensation
(as a percentage of the respective target amount)

1 Plus fringe benefits and pension benefit commitments.

In fiscal 2018, the Managing Board's remuneration system had the following components:

Non-performance-based components

Base compensation

Base compensation is paid as a monthly salary. Since October 1, 2017, the base compensation of President and CEO Joe Kaeser has amounted to €2,161,500 per year. The base compensation of the other members of the Managing Board has been €1,080,000 per year.

Fringe benefits

Fringe benefits include the costs of non-monetary benefits and other perquisites, such as the provision of a company car, contributions toward the cost of insurance, the reimbursement of expenses for legal advice and tax advice, accommodation and moving expenses, including a gross-up provided by the company for any taxes due in this regard, currency adjustment payments and costs relating to preventive medical examinations.

Performance-based components

Variable compensation (Bonus)

Variable compensation (Bonus) is based on the Company's business performance in the past fiscal year. The Bonus depends on the achievement of three equally-weighted target parameters: return on capital employed, earnings per share and individual targets. To achieve a consistent target system Company-wide, corresponding targets – in addition to other targets – also apply to senior managers.

For 100% target achievement (target amount), the amount of the Bonus equals the amount of base compensation. The Bonus is subject to a ceiling (cap) of 200%. If targets are substantially missed, variable compensation may not be paid at all (0%). The Bonus is paid entirely in cash.

At its duty-bound discretion, the Supervisory Board may revise the amount resulting from target achievement downward or upward by as much as 20%; the adjusted amount of the Bonus paid can thus be as much as 240% of the target amount. Decisions to make adjustments may take factors such as the results of an employee survey or a customer satisfaction survey into account as well as the Company's economic situation. The revision option may also be exercised in recognition of Managing Board members' individual achievements.

Beginning in fiscal 2019, plans call for the Supervisory Board to review and, if appropriate, reduce bonus payout amounts in the event of a breach of duty or a violation of compliance regulations (clawback).

Long-term stock-based compensation

Long-term stock-based compensation consists of a grant of forfeitable stock commitments (Stock Awards) at the beginning of the fiscal year. In the event of 100% target achievement, the annual target amount for the monetary value of the Stock Awards grant is €2,233,000 for the President and CEO (effective October 1, 2017). For the other Managing Board members, it is €1,117,000. Since fiscal 2015, the Supervisory Board has had the option of increasing the target amount for each member of the Managing Board, on an individual basis, by as much as 75% for one fiscal year at a time. This option enables the Supervisory Board to take account of each Managing Board member's individual accomplishments and experience as well as the scope and demands of his or her function.

Beneficiaries receive one free share of Siemens stock per Stock Award after an approximately four-year restriction period and subject to target attainment. The value of the Siemens shares to be transferred for Stock Awards after the end of the restriction period depends on the price of the Siemens share at the time of transfer and on target attainment as defined by the underlying target system. If target attainment is above 100%, the members of the Managing Board will receive – in addition to the Siemens shares – a cash payment corresponding to the outperformance. If target attainment is less than 100%, a number of Stock Awards equivalent to the shortfall from the target will be forfeited without replacement. The total value of the Siemens shares and of the cash payment is subject to a ceiling of 300% of the relevant target amount. If this maximum amount is exceeded, the corresponding entitlement to Stock Awards will be forfeited without replacement. Beginning in fiscal 2019, plans call for target attainment above 100% to be compensated with a transfer of Siemens shares instead of the cash payment currently provided for.

Target attainment relating to long-term stock-based compensation is linked to the performance of Siemens stock compared to certain competitors. At the beginning of the fiscal year, the Supervisory Board decides on a target system (target value for 100% and target line) for the performance of Siemens stock relative to the stock of – at present – five competitors (ABB, Eaton, General Electric, Mitsubishi Heavy Industries and Schneider Electric). Changes in the share price are measured on the basis of a twelve-month reference period (compensation year) over three years (performance period), while Stock Awards are restricted for a period of four years. When this restriction period expires, the Supervisory Board determines how much better or worse Siemens' stock has performed relative to the stock of its competitors. This determination yields a target attainment of between 0% and 200% (cap).

If significant changes occur among the relevant competitors during the period under consideration, the Supervisory Board may take these changes into account, as appropriate, in determining the values for comparison and/or calculating the relevant stock prices of those competitors. In the event of extraordinary

unforeseen developments that impact the share price, the Supervisory Board may decide to reduce the number of granted Stock Awards retroactively, or it may decide that in lieu of a transfer of Siemens shares only a cash settlement in a defined and limited amount will be paid, or it may decide to postpone the transfer of Siemens shares arising from payable Stock Awards until the developments have ceased to impact the share price.

If a member of the Managing Board violates compliance regulations, the Supervisory Board is entitled at its duty-bound discretion to revoke without replacement all or some of the Stock Awards, depending on the gravity of the compliance violation (clawback).

If a Managing Board member's employment contract begins during the fiscal year, an equivalent number of Siemens Phantom Stock Awards will be granted instead of Stock Awards, and only a cash equivalent is given at the end of the restriction period. Beyond that, the same provisions agreed upon for Stock Awards apply.

With regard to the further terms of the Stock Awards, the same principles apply in general to the Managing Board and to senior managers. These principles are explained in more detail in → NOTE 26 in B.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

Variable compensation (Bonus) and long-term stock-based compensation

Remuneration component	Share of target compensation	Target parameter	Basis for assessment	Target achievement	Maximum amounts of compensation	Value at payout/transfer
Variable compensation (Bonus)	~ 33%	1/3 Return on capital employed (ROCE)	Annual basis	0 – 200% add. +/- 20% adjustment	240% of the respective target amount	Dependent on target achievement
		1/3 Earnings per share, basic EPS	Ø 3 years			
		1/3 Individual targets	Annual basis			
Long-term stock-based compensation	~ 34%	Performance of Siemens stock compared to 5 competitors	On the basis of a twelve-month reference period (compensation year), change in share price measured over the following 36 months (performance period)	0 – 200%	300% of the respective target amount	Dependent on – Target achievement – Stock price at transfer

Maximum amount for overall compensation

In addition to the maximum amounts for variable compensation and long-term stock-based compensation, a maximum amount for overall compensation has been defined. Since fiscal 2014, this amount cannot be more than 1.7 times higher than target compensation. Target compensation comprises base compensation, the target amount for variable compensation (Bonus) and the target amount for long-term stock-based compensation, excluding fringe benefits and pension benefit commitments. When fringe benefits and pension benefit commitments are included, the maximum amount of overall compensation for that year will increase accordingly.

Share Ownership Guidelines

The Siemens Share Ownership Guidelines are an integral part of the remuneration system for the Managing Board and senior executives. These guidelines require that – after a specified build-up phase – Managing Board members continuously hold Siemens shares worth a multiple of their base compensation – 300% for the President and CEO, 200% for the other members of the Managing Board – throughout their terms of office on the Managing Board. The decisive figure in this context is the average base compensation that a member of the Managing Board has received over the four years before the applicable date of proof of adherence. Hence, changes that have been made to base compensation in the meantime are included. Non-forfeitable stock commitments (Bonus Awards) which were granted until fiscal 2014 are taken into account in determining adherence to the Share Ownership Guidelines.

Adherence to these guidelines must be proven for the first time after a four-year build-up phase. Thereafter, it must be proven annually. If the value of a Managing Board member's accrued holdings falls below the required minimum due to fluctuations in Siemens' share price, he or she must acquire additional shares.

Pension benefit commitments

Like employees of Siemens AG, the members of the Managing Board are included in the Siemens Defined Contribution Benefit Plan (BSAV). Under the BSAV, Managing Board members receive contributions that are credited to their personal pension accounts. The amount of these annual contributions is based on a predetermined percentage related to their base compensation and the target amount of their Bonus. This percentage is decided upon annually by the Supervisory Board and was most recently set at 28%. In making its decision, the Supervisory Board takes

account of the intended level of provision for each individual and the length of time he or she has been a Managing Board member as well as the annual and long-term expense to the Company resulting from that provision. The non-forfeitability of pension benefit commitments is determined in compliance with the provisions of the German Company Pensions Act (*Betriebsrentengesetz*). Special contributions may be granted to Managing Board members on the basis of individual decisions by the Supervisory Board. If a member of the Managing Board earned a pension benefit entitlement from the Company before the BSAV was introduced, a portion of his or her contributions goes toward financing that prior commitment.

Managing Board members are eligible to receive benefits under the BSAV at the age of 60 or – in the case of benefit commitments made on or after January 1, 2012 – the age of 62. As a rule, the accrued pension benefit balance is paid out to Managing Board members in twelve annual installments. A Managing Board member or his or her surviving dependents may also request that his or her pension benefit balance will be paid out in fewer installments or as a lump sum, subject to the Company's consent. The accrued pension benefit balance may also be paid out as a pension. Furthermore, Managing Board members may choose a combination of lump sum payments, installment payments (two to twelve) and pension payments. If the pension option is chosen, a decision must be made as to whether the payout should include pensions for surviving dependents.

Due to Lisa Davis' tax status in the U.S., some of the details of her pension benefit commitment differ from the standard provisions, in particular, details regarding collateral.

Benefits from the retirement benefit system that was in place before the BSAV was established are normally granted as pension benefits with a surviving dependent's pension. Payout in installments or a lump-sum payment may – in this case, too – be chosen instead of pension payments.

Like other eligible employees of Siemens AG, Managing Board members who were employed by the Company on or before September 30, 1983, are entitled to receive transition payments for the first six months after retirement equal to the difference between their final base compensation and the retirement benefits payable under the corporate pension plan.

Commitments in connection with the termination of Managing Board membership

Managing Board employment contracts provide for a compensatory payment if membership on the Managing Board is terminated prematurely by mutual agreement and without serious cause. The amount of this payment must not exceed the value of two years' compensation and must compensate no more than the remaining term of the contract (severance cap). The amount of the compensatory payment is calculated on the basis of base compensation, together with the variable compensation and the long-term stock-based compensation actually received during the last fiscal year before termination. The compensatory payment is payable in the month when the member leaves the Managing Board. In addition, a one-time special contribution is made to the BSAV. The amount of this contribution is based on the BSAV contribution that the Managing Board member received in the previous year and on the remaining term of his or her appointment but is limited to not more than two years' contributions (cap). The aforementioned benefits are not paid if an amicable termination of the member's activity on the Managing Board is agreed upon at the member's request, or if there is serious cause for the Company to terminate the employment relationship.

In the event of a change of control that results in a substantial change in a Managing Board member's position – for example, due to a change in corporate strategy or a change in the Managing Board member's duties and responsibilities – the Managing Board member has the right to terminate his or her contract with the Company. A change of control exists if one shareholder or multiple shareholders acting in concert acquire a majority of the voting rights in Siemens AG and exercise a controlling influence, or if Siemens AG becomes a dependent enterprise as a result of entering into an intercompany agreement within the meaning of Section 291 of the German Stock Corporation Act (*Aktiengesetz*), or if Siemens AG is to be merged into an existing corporation or other entity. If this right of termination is exercised, the Managing Board member is entitled to a severance payment in the amount of not more than two years' compensation. The calculation of the annual compensation will include not only the base compensation and the target amount for the Bonus, but also the target amount for Stock Awards, in each case based on the most recent fiscal year completed prior to the termination of the member's contract. The stock-based components for which a firm commitment already exists will remain unaffected. There is no entitlement to a severance payment if the Managing Board member receives benefits from third parties in connection with a change of control. Moreover, there is no right to terminate if the change of control occurs within a period of twelve months prior to a Managing Board member's retirement.

Compensatory or severance payments also cover non-monetary benefits by including an amount equal to 5% of the total compensatory or severance amount. Compensatory or severance payments will be reduced by 10% as a lump-sum allowance for discounted values and for income earned elsewhere. However, this reduction will apply only to the portion of the compensatory or severance payment that was calculated without taking into account the first six months of the remaining term of the Managing Board member's employment contract.

Stock Awards that were granted as long-term stock-based compensation and for which the restriction period is still in effect will be forfeited without replacement if the employment contract is not extended after the end of an appointment period, either at the Managing Board member's request or because there is serious cause that would have entitled the Company to revoke the appointment or terminate the contract. However, once granted, Stock Awards are not forfeited if the employment contract is terminated by mutual agreement at the Company's request, or because of retirement, disability or death or in connection with a spin-off, the transfer of an operation, or a change of activity within the Group. In these cases, the Stock Awards will remain in effect upon termination of the employment contract and will be honored on expiration of the restriction period.

Secondary activities of Managing Board members

Members of the Managing Board may take on secondary activities – in particular, supervisory board positions outside the Company – only with the approval of the Chairman's Committee of the Supervisory Board. The holding of positions in Siemens companies is considered to be covered by the contractual Managing Board remuneration. As a rule, Managing Board members are obligated to waive any remuneration that may be due to them in connection with such positions. Should a waiver not be possible under the legal or tax regulations applicable to a Siemens company, the remuneration paid to a Managing Board member in connection with such a position will be set off against the remuneration due to him or her in connection with his or her Managing Board activities. Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises are listed in Section → C.4.1 in C.4 CORPORATE GOVERNANCE.

A.10.1.2 REMUNERATION OF MANAGING BOARD MEMBERS FOR FISCAL 2018

At the beginning of the fiscal year, the Supervisory Board set the target parameters return on capital employed (ROCE) and earnings per share (EPS) for the variable compensation (Bonus) for all members of the Managing Board, in each case on the basis of continuing and discontinued operations. The target values for the EPS component were defined on a multi-year basis. In defining the target for variable compensation, the Supervisory Board also defined individual targets so as to take fuller account of the individual performance of each Managing Board member. An internal review of the appropriateness of Managing Board compensation for fiscal 2018 has confirmed that the remuneration of the Managing Board resulting from target achievement for fiscal 2018 is to be considered appropriate. In light of this review and following a review of the achievement of the targets defined at the beginning of the fiscal year, the Supervisory Board has decided to define the amounts of variable compensation, stock-based compensation and pension benefit contributions as follows:

Variable compensation (Bonus)

The following targets were set and attained with respect to the target parameters for variable compensation (Bonus):

Target parameter	100% of target	Actual figure for FY 2018	Target achievement
Return on capital employed, ROCE[1]	11.00%	12.67%	155.67%
Earnings per share, basic EPS[1] (Ø 2016 – 2018)	€7.67	€7.10	62.00%
Individual targets	Focus topics 2018: Customer/Growth, Efficiency, Digitalization, Leadership	–	100 – 140%

1 Continuing and discontinued operations.

In fiscal 2018, Bonus-related target attainment by Managing Board members was between 105.89% and 119.23%. In its overall assessment, the Supervisory Board decided not to make any discretionary adjustments to the Bonus payout amounts.

Long-term stock-based compensation

Since beneficiaries are not entitled to receive dividends, the number of Stock Awards granted for fiscal 2018 was based on the closing price of Siemens stock in Xetra trading on the date of grant in November 2017, less the present value of dividends expected during the restriction period. The share price used to determine the number of Stock Awards was €100.01 (2017: €91.32).

Total compensation

On the basis of the Supervisory Board's decisions described above, Managing Board compensation for fiscal 2018 totaled €31.72 million (2017: €33.97 million), a decrease of 6.6%. Of this total amount, €21.93 million (2017: €20.73 million) was attributable to cash compensation and €9.79 million (2017: €13.24 million) to stock-based compensation.

The compensation presented on the following pages was granted to the members of the Managing Board for fiscal 2018 (individual disclosure).

Managing Board members serving as of September 30, 2018

(Amounts in thousands of €)

Non-performance-based components	Fixed compensation (base compensation)	
	Fringe benefits[1]	
	Total	
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (Bonus) – Target amount
	with long-term incentive effect, stock-based	**Multi-year variable compensation**[2, 3] Siemens Stock Awards[4] (restriction period: four years)
	Total[5]	
	Service Cost	
	Total compensation (Code)[6]	
Total compensation of all Managing Board members for fiscal 2018, in accordance with the applicable reporting standards, amounted to €31.72 million (2017: €33.97 million). In this context, the payout amount for one-year variable compensation (Bonus) presented below is used instead of the target value according to the Code. Service costs for pension benefits are not included.		
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (Bonus) – Payout amount
Total compensation		

Managing Board members serving as of September 30, 2018

(Amounts in thousands of €)

Non-performance-based components	Fixed compensation (base compensation)	
	Fringe benefits[1]	
	Total	
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (Bonus) – Target amount
	with long-term incentive effect, stock-based	**Multi-year variable compensation**[2, 3] Siemens Stock Awards[4] (restriction period: four years)
	Total[5]	
	Service Cost	
	Total compensation (Code)[6]	
Total compensation of all Managing Board members for fiscal 2018, in accordance with the applicable reporting standards, amounted to €31.72 million (2017: €33.97 million). In this context, the payout amount for one-year variable compensation (Bonus) presented below is used instead of the target value according to the Code. Service costs for pension benefits are not included.		
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (Bonus) – Payout amount
Total compensation		

1 Fringe benefits include the costs of non-monetary benefits and other perquisites, such as the provision of a company car, contributions toward the cost of insurance, the reimbursement of expenses for legal advice and tax advice, accommodation and moving expenses, including a gross-up provided by the company for any taxes due in this regard, currency adjustment payments and costs relating to preventive medical examinations.

2 The figures for individual maximums for multi-year variable compensation reflect the possible maximum value in accordance with the maximum amount agreed upon for fiscal 2018; that is, 300% of the applicable target amount.

3 The expenses recognized for stock-based compensation for members of the Managing Board in accordance with IFRS in fiscal 2018 and fiscal 2017 amounted to €13,573,256 and €19,031,892, respectively. The following amounts pertained to the members of the Managing Board in fiscal 2018: Joe Kaeser €3,474,486 (2017: €3,344,690), Dr. Roland Busch €1,785,096 (2017: €1,781,634), Lisa Davis €1,701,198 (2017: €1,301,296), Klaus Helmrich €1,785,401 (2017: €1,784,593), Janina Kugel €1,566,652 (2017: €1,278,363), Cedrik Neike €419,403 (2017: €2,978,584), Michael Sen €653,500 (2017: €135,659) and Prof. Dr. Ralf P. Thomas €1,855,216 (2017: €1,393,673). The corresponding expense, determined in the same way, for former Managing Board members was as follows: Brigitte Ederer €0 (2017: €218,614), Barbara Kux – €72,498 (2017: €218,614), Peter Löscher €0 (2017: €538,356), Prof. Dr. Hermann Requardt – €26,232 (2017: €32,566), Prof. Dr. Siegfried Russwurm €379,331 (2017: €3,303,141), Peter Y. Solmssen €74,155 (2017: €692,506), and Dr. Michael Süß – €22,452 (2017: €29,604). The payout of Stock Awards and Bonus Awards received in fiscal 2018 amounted to less than the accrued provisions. Provisions equal to the difference were reversed and recognized in the income statements, which led to a total gain of €526,667. Since no further provisions for outstanding tranches were accrued for former Managing Board members, the reversal led to a reported gain in connection with these former members.

4 The Stock Awards granted in fiscal 2018 are contingent upon attaining the prospective performance-based target for Siemens stock relative to five competitors. The monetary values relating to 100% target achievement were €10,052,107 (2017: €12,930,417). The amounts for individual Managing Board members were as follows: Joe Kaeser €2,233,023 (2017: €2,200,081), Dr. Roland Busch €1,117,012 (2017: €1,100,041), Lisa Davis €1,117,012 (2017: €1,100,041), Klaus Helmrich €1,117,012 (2017: €1,100,041), Janina Kugel €1,117,012 (2017: €1,055,020), Cedrike Neike €1,117,012 (2017: €3,700,065), Michael Sen €1,117,012 (2017: €1,025,067), Prof. Dr. Ralf P. Thomas €1,117,012 (2017: €1,100,041) and for former Managing Board member Prof. Dr. Siegfried Russwurm €0 (2017: €550,020).

5 Total maximum compensation for fiscal 2018 represents the contractual maximum amount for overall compensation, excluding fringe benefits and pension benefit commitments. At 1.7 times target compensation (base compensation, target amount for the Bonus and the target amount for long-term stock-based

	Joe Kaeser				Dr. Roland Busch				Lisa Davis[7]				Klaus Helmrich			
	President and CEO				Managing Board member				Managing Board member				Managing Board member			
	2017	2018	2018 (Min)	2018 (Max)	2017	2018	2018 (Min)	2018 (Max)	2017	2018	2018 (Min)	2018 (Max)	2017	2018	2018 (Min)	2018 (Max)
Fixed compensation	2,130	**2,162**	2,162	2,162	1,065	**1,080**	1,080	1,080	1,065	**1,080**	1,080	1,080	1,065	**1,080**	1,080	1,080
Fringe benefits	104	**115**	115	115	55	**55**	55	55	512	**401**	401	401	52	**44**	44	44
Total fixed compensation	2,234	**2,277**	2,277	2,277	1,120	**1,135**	1,135	1,135	1,577	**1,481**	1,481	1,481	1,117	**1,124**	1,124	1,124
One-year variable compensation	2,130	**2,162**	0	5,188	1,065	**1,080**	0	2,592	1,065	**1,080**	0	2,592	1,065	**1,080**	0	2,592
Multi-year variable compensation	2,096	**2,175**	0	6,699	1,048	**1,088**	0	3,351	1,048	**1,088**	0	3,351	1,048	**1,088**	0	3,351
Total variable compensation	6,460	**6,613**	2,277	11,145	3,233	**3,303**	1,135	5,571	3,690	**3,649**	1,481	5,571	3,230	**3,291**	1,124	5,571
Special pension benefit contribution	1,193	**1,207**	1,207	1,207	622	**593**	593	593	566	**581**	581	581	621	**593**	593	593
Total compensation	7,653	**7,820**	3,484	12,352	3,855	**3,896**	1,728	6,164	4,256	**4,230**	2,062	6,152	3,851	**3,884**	1,717	6,164
Service cost	2,639	**2,505**			1,284	**1,216**			1,248	**1,180**			1,284	**1,288**		
Pension benefit obligation	6,969	**6,956**			3,452	**3,439**			3,873	**3,749**			3,448	**3,499**		

	Janina Kugel				Cedrik Neike[8,9]				Michael Sen				Prof. Dr. Ralf P. Thomas			
	Managing Board member				Managing Board member				Managing Board member				CFO			
	2017	2018	2018 (Min)	2018 (Max)	2017	2018	2018 (Min)	2018 (Max)	2017	2018	2018 (Min)	2018 (Max)	2017	2018	2018 (Min)	2018 (Max)
Fixed compensation	1,011	**1,080**	1,080	1,080	533	**1,080**	1,080	1,080	533	**1,080**	1,080	1,080	1,065	**1,080**	1,080	1,080
Fringe benefits	40	**40**	40	40	15	**29**	29	29	115	**510**	510	510	69	**72**	72	72
Total fixed compensation	1,051	**1,120**	1,120	1,120	548	**1,109**	1,109	1,109	648	**1,590**	1,590	1,590	1,134	**1,152**	1,152	1,152
One-year variable compensation	1,011	**1,080**	0	2,592	533	**1,080**	0	2,592	533	**1,080**	0	2,592	1,065	**1,080**	0	2,592
Multi-year variable compensation	1,005	**1,088**	0	3,351	4,079	**1,088**	0	3,351	1,347	**1,088**	0	3,351	1,048	**1,088**	0	3,351
Total variable compensation	3,067	**3,288**	1,120	5,571	5,159	**3,277**	1,109	5,571	2,528	**3,757**	1,590	5,571	3,247	**3,319**	1,152	5,571
Special pension benefit contribution	593	**577**	577	577	1,214	**553**	553	553	703	**559**	559	559	622	**596**	596	596
Total compensation	3,659	**3,865**	1,697	6,148	6,373	**3,830**	1,662	6,124	3,231	**4,316**	2,148	6,130	3,869	**3,915**	1,747	6,167
Service cost	1,151	**1,144**			606	**1,144**			624	**1,252**			1,284	**1,216**		
Pension benefit obligation	3,207	**3,352**			5,233	**3,341**			2,619	**3,929**			3,466	**3,455**		

compensation), the maximum amount is less than the total of the individual contractual caps for performance-based components.

6 Total compensation reflects the respective fair value of stock-based compensation components on the grant date. On the basis of the respective monetary values of stock-based compensation components, total compensation amounted to €31,982,259 (2017: €33,657,370).

7 Lisa Davis' compensation is paid out in Germany in euros. It has been agreed that any tax liability that arises due to tax rates that are higher in Germany than in the U.S. will be reimbursed. For base compensation of calendar years 2016 and 2017, as well as for the Bonus for fiscal years 2016 and 2017, a currency-adjustment payment was granted.

8 To compensate for the forfeiture of stock at his previous employer, the Supervisory Board granted Cedrik Neike a one-time amount of €4,200,000 in fiscal 2017. Of this amount, 75% was awarded in the form of Siemens Phantom Stock Awards and the remaining 25% as a special pension benefit contribution. One half of the total amount of these granted Siemens Phantom Stock Awards fell due and was settled in September 2017. The other half fell due and was settled in September 2018. The value of these Siemens Phantom Stock Awards depended solely on the performance of Siemens stock. Because they were granted as compensation for the forfeiture of stock at Cedrik Neike's previous employer, these Siemens Phantom Stock Awards are not taken into account when determining target compensation and hence are not included in the individual minimum and maximum amounts specified.

9 In addition to his role as a member of the Managing Board of Siemens AG, Cedrik Neike serves as Executive Chairman of the Board of Directors of Siemens Ltd. China. Of the fixed compensation as well as the one-year (payout amount) and multi-year variable compensation reported here, an amount of €776,350 (2017: €359,769) was granted and paid by Siemens Ltd. China and set off against the remuneration for his Managing Board activities at Siemens AG. Of the fringe benefits reported here, an amount of €13,409 (2017: €7,778) was granted and paid by Siemens Ltd. China. In addition, it has been agreed that Siemens AG will offset, as a net amount, any personal tax burden that, due to Cedrik Neike's two employment relationships, exceeds the burden that he would incur if he paid tax solely on the benefits granted to him under his employment contract with Siemens AG in Germany. Siemens AG will also offset any burdens due to charges and contributions to social insurance or comparable statutory systems in China additional to those he incurs in Germany. To date, no such offset payments have been made.

Benefits received

The following table shows the benefits received for fiscal 2018 for fixed compensation, fringe benefits, one-year variable compensation (Bonus) and multi-year variable compensation – by reference year – as well as the expense of pension benefits.

In deviation from the multi-year variable compensation granted for fiscal 2018 and shown in the previous table, this table includes the actual figure for multi-year variable compensation granted in previous years and received in fiscal 2018.

Managing Board members serving as of September 30, 2018

(Amounts in thousands of €)

Non-performance-based components	Fixed compensation (base compensation)	
	Fringe benefits [1]	
	Total	
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (Bonus) – Payout amount [2]
	with long-term incentive effect, stock-based	**Multi-year variable compensation**
		Siemens Stock Awards (restriction period: 2013 – 2017) [3]
		Siemens Stock Awards (restriction period: 2012 – 2016) [4]
		Bonus Awards (waiting period: 2013 – 2017) [5]
		Bonus Awards (waiting period: 2012 – 2016) [5]
	Other [6]	
	Total	
	Service Cost	
	Total compensation (Code)	

Managing Board members serving as of September 30, 2018

(Amounts in thousands of €)

Non-performance-based components	Fixed compensation (base compensation)	
	Fringe benefits [1]	
	Total	
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (Bonus) – Payout amount [2]
	with long-term incentive effect, stock-based	**Multi-year variable compensation**
		Siemens Stock Awards (restriction period: 2013 – 2017) [3]
		Siemens Stock Awards (restriction period: 2012 – 2016) [4]
		Bonus Awards (waiting period: 2013 – 2017) [5]
		Bonus Awards (waiting period: 2012 – 2016) [5]
	Other [6]	
	Total	
	Service Cost	
	Total compensation (Code)	

1 Fringe benefits include the costs of non-monetary benefits and other perquisites, such as the provision of a company car, contributions toward the cost of insurance, the reimbursement of expenses for legal advice and tax advice, accommodation and moving expenses, including a gross-up provided by the company for any taxes due in this regard, currency adjustment payments and costs relating to preventive medical examinations.

2 The payout amount of the one-year variable compensation (Bonus) reported above represents the amount awarded for fiscal 2018, which will be paid out in January 2019.

3 For one half of the Siemens Stock Awards 2013, target attainment depended on the EPS for the last three fiscal years and amounted to 118%. For the other half, target attainment was linked to the performance of Siemens stock compared to defined competitors during the four-year restriction period. It amounted to 100%. As a result, the Siemens Stock Awards 2013 that had already been granted on the basis of 100% target attainment were settled in the form of cash compensation, in accordance with plan rules.

4 For one half of the Siemens Stock Awards 2012, target attainment depended on the EPS for the past three fiscal years and amounted to 154%. For the other half, target attainment was linked to the performance of Siemens stock compared to defined competitors during the four-year restriction period. It amounted to 87%. Of the Siemens Stock Awards 2012, which were granted on the basis of 100% target attainment, a number equivalent to the shortfall from that target expired without replacement, in accordance with plan rules.

5 One half of the Bonus for fiscal 2012 and fiscal 2013 was granted in the form of non-forfeitable awards of Siemens stock (Bonus Awards). After the expiration of the four-year waiting period in November 2016 and November 2017, respectively, the Bonus Awards were settled in the form of cash compensation.

6 For Joe Kaeser, Dr. Roland Busch, Klaus Helmrich and Prof. Dr. Ralf P. Thomas, "Other" includes, in fiscal 2017, the adjustment of the Siemens Stock Awards 2012 and Bonus Awards 2012 (transfer in November 2016) in accordance with Section 23 and Section 125 of the German Transformation Act (*Umwandlungsgesetz*) due to the spin-off of OSRAM.

7 To compensate for the forfeiture of stock at her previous employer, Janina Kugel was granted a special allocation of 3,999 Siemens Stock Awards in February 2014. This commitment arose out of an entitlement that Janina Kugel had acquired when she was an employee of Siemens AG before she became a member of the Managing Board. In February 2018, after expiration of the four-year restriction period, the Siemens Stock Awards were settled in the form of cash compensation. The value of these Siemens Stock Awards is included under "Other."

	Joe Kaeser		Dr. Roland Busch		Lisa Davis		Klaus Helmrich	
	President and CEO		Managing Board member		Managing Board member		Managing Board member	
	2018	2017	2018	2017	2018	2017	2018	2017
	2,162	2,130	1,080	1,065	1,080	1,065	1,080	1,065
	115	104	55	55	401	512	44	52
	2,277	2,234	1,135	1,120	1,481	1,577	1,124	1,117
	2,505	2,639	1,216	1,284	1,180	1,248	1,288	1,284
	3,609	4,570	2,205	2,949	0	0	2,196	3,052
	2,800	0	1,577	0	0	0	1,577	0
	0	3,542	0	2,024	0	0	0	2,024
	809	0	628	0	0	0	619	0
	0	1,028	0	925	0	0	0	1,028
	0	200	0	129	0	0	0	133
	8,391	9,643	4,556	5,482	2,661	2,825	4,608	5,586
	1,207	1,193	593	622	581	566	593	621
	9,597	10,835	5,149	6,104	3,242	3,391	5,201	6,207

	Janina Kugel[7, 8]		Cedrik Neike[9, 10]		Michael Sen		Prof. Dr. Ralf P. Thomas	
	Managing Board member		Managing Board member		Managing Board member		CFO	
	2018	2017	2018	2017	2018	2017	2018	2017
	1,080	1,011	1,080	533	1,080	533	1,080	1,065
	40	40	29	15	510	115	72	69
	1,120	1,051	1,109	548	1,590	648	1,152	1,134
	1,144	1,151	1,144	606	1,252	624	1,216	1,284
	0	0	0	0	0	0	775	891
	0	0	0	0	0	0	751	0
	0	0	0	0	0	0	0	891
	0	0	0	0	0	0	24	0
	0	0	0	0	0	0	0	0
	453	0	1,457	1,402	0	0	0	39
	2,718	2,202	3,710	2,556	2,841	1,272	3,143	3,347
	577	593	553	1,214	559	703	596	622
	3,295	2,795	4,263	3,770	3,400	1,975	3,738	3,969

8 At the beginning of fiscal 2018, Janina Kugel was also entitled to 2.501 matching shares from the Share Matching Program (see → NOTE 26 in B.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS). She had acquired this entitlement when she was an employee of Siemens AG before she became a member of the Managing Board. The entitlement fell due and was settled in February 2018. At the time of transfer, the shares had a value equivalent to €291.37.

9 To compensate for the forfeiture of stock at his previous employer, the Supervisory Board granted Cedrik Neike a one-time amount of €4,200,000 in fiscal 2017. Of this amount, 75% was awarded in the form of Siemens Phantom Stock Awards and the remaining 25% as a special pension benefit contribution. One half of the total amount of these granted Siemens Phantom Stock Awards fell due and was settled in September 2017. The other half fell due and was settled in September 2018. The value of these Siemens Phantom Stock Awards depended solely on the performance of Siemens stock and is included under "Other."

10 In addition to his role as a member of the Managing Board of Siemens AG, Cedrik Neike serves as Executive Chairman of the Board of Directors of Siemens Ltd. China. Of the fixed compensation and payout amount for one-year variable compensation (Bonus) reported here, an amount of €514,725 (2017: €222,802) was granted and paid by Siemens Ltd. China and set off against the remuneration for his Managing Board activities at Siemens AG. Of the fringe benefits reported here, an amount of €13,409 (2017: €7,778) was granted and paid by Siemens Ltd. China. In addition, it has been agreed that Siemens AG will offset, as a net amount, any personal tax burden that, due to Cedrik Neike's two employment relationships, exceeds the burden that he would incur if he paid tax solely on the benefits granted to him under his employment contract with Siemens AG in Germany. Siemens AG will also offset any burdens due to charges and contributions to social insurance or comparable statutory systems in China additional to those he incurs in Germany. To date, no such offset payments have been made.

Pension benefit commitments

For fiscal 2018, the members of the Managing Board were granted contributions under the BSAV totaling €5.4 million (2017: €5.0 million), based on a resolution of the Supervisory Board dated November 7, 2018. Of this amount, €0.03 million (2017: €0.06 million) related to the funding of pension commitments earned prior to transfer to the BSAV.

The contributions under the BSAV are added to the personal pension accounts each January, following the end of the fiscal year. Until a beneficiary's date of retirement, his or her pension account is credited with an annual interest payment (guaranteed interest) on January 1 of each year. The interest rate is currently 0.90%.

The following table shows individualized details of the contributions (allocations) under the BSAV for fiscal 2018 as well as the defined benefit obligations for pension commitments.

	Total contributions[1] for		Defined benefit obligation[2] for all pension commitments excluding deferred compensation[3]	
(Amounts in €)	2018	2017	2018	2017
Managing Board members serving as of September 30, 2018				
Joe Kaeser	**1,210,440**	1,192,800	**12,970,960**	11,195,488
Dr. Roland Busch	**604,800**	596,400	**5,121,226**	4,742,811
Lisa Davis[4]	**604,800**	596,400	**5,322,537**	4,532,350
Klaus Helmrich	**604,800**	596,400	**5,714,522**	5,007,306
Janina Kugel	**604,800**	566,160	**2,157,427**	1,628,418
Cedrik Neike	**604,800**	298,200	**1,757,258**	1,213,897
Michael Sen	**604,800**	298,200	**1,239,785**	703,169
Prof. Dr. Ralf P. Thomas	**604,800**	596,400	**5,235,121**	4,727,702
Total[5]	**5,444,040**	4,740,960	**39,518,836**	33,751,141

1 The expenses (service cost) recognized in accordance with IFRS in fiscal 2018 for Managing Board members' entitlements under the BSAV in fiscal 2018 amounted to €5,258,315 (2017: €6,754,665).

2 The defined benefit obligations reflect one-time special contributions to the BSAV for new appointments from outside the Company, amounting to €0 (2017: €1,525,000), therein Cedrik Neike €0 (2017: €1,050,000) and Michael Sen €0 (2017: €475,000).

3 Deferred compensation totals €4,115,237 (2017: €4,001,386), including €3,694,439 for Joe Kaeser (2017: €3,590,178), €362,606 for Klaus Helmrich (2017: €354,801) and €58,192 for Prof. Dr. Ralf P. Thomas (2017: €56,407).

4 In accordance with the provisions of the BSAV, benefits to be paid to Lisa Davis are not in any way secured or funded through the trust associated with the Company's BSAV plan or with any other trust. They represent only an unsecured, unfunded legal obligation on the part of the Company to pay such benefits in the future under certain conditions, and the payout will only be made from the Company's general assets.

5 Compared to the amounts presented in the 2017 Compensation Report, the total figure for 2017 does not include the contribution of €298,200 for Prof. Dr. Siegfried Russwurm, who left the Managing Board on March 31, 2017, nor does it include his defined benefit obligation of €6,317,937.

In fiscal 2018, former members of the Managing Board and their surviving dependents received emoluments within the meaning of Section 314 para. 1 No. 6 b of the German Commercial Code totaling €39.9 million (2017: €34.1 million). This figure includes the lump-sum payment of the pension benefit balance of the former Managing Board member Peter Löscher.

The defined benefit obligation (DBO) of all pension commitments to former members of the Managing Board and their surviving dependents as of September 30, 2018, amounted to €168.2 million (2017: €191.5 million). This figure is included in → NOTE 17 in B.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

Other

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

A.10.1.3 ADDITIONAL INFORMATION ON STOCK-BASED COMPENSATION INSTRUMENTS IN FISCAL 2018

Stock commitments

The following table shows the changes in the balance of the stock commitments held by Managing Board members in fiscal 2018:

	Balance at beginning of fiscal 2018		Granted during fiscal year[1]	Vested and settled during fiscal year[2]	Forfeited during fiscal year	Balance at end of fiscal 2018[3]	
(Amounts in number of units)	Non-forfeitable commitments of Bonus Awards	Forfeitable commitments of Stock Awards	Forfeitable commitments of Stock Awards	Commitments of Bonus Awards and Stock Awards	Commitments of Stock Awards	Non-forfeitable commitments of Bonus Awards	Forfeitable commitments of Stock Awards
Managing Board members serving as of September 30, 2018							
Joe Kaeser	**16,206**	**128,784**	22,328	30,833	0	**9,296**	**127,189**
Dr. Roland Busch	**10,942**	**67,749**	11,169	18,841	0	**5,578**	**65,441**
Lisa Davis	**576**	**65,307**	11,169	0	0	**576**	**76,476**
Klaus Helmrich	**10,111**	**67,749**	11,169	18,764	0	**4,824**	**65,441**
Janina Kugel	**0**	**40,965**	11,169	3,999	0	**0**	**48,135**
Cedrik Neike[4]	**0**	**19,099**	11,169	13,076[5]	0	**0**	**17,192**
Michael Sen	**0**	**11,225**	11,169	0	0	**0**	**22,394**
Prof. Dr. Ralf P. Thomas	**5,030**	**60,690**	11,169	6,624	0	**4,824**	**65,441**
Total	**42,865**	**461,568**	100,511	92,137	**0**	**25,098**	**487,709**

1 The fair value as of the grant date for fiscal 2018 was €97.39 per granted share.

2 For one half of the Siemens Stock Awards 2013, target attainment depended on the EPS value for the past three fiscal years and amounted to 118%. For the other half, target attainment was linked to the performance of Siemens stock compared to defined competitors during the four-year restriction period. It amounted to 100%. As a result, the Siemens Stock Awards 2013 that had already been granted on the basis of 100% target attainment were settled in the form of cash compensation, in accordance with plan rules.

3 Amounts also include Stock Awards granted in November 2017 for fiscal 2018. These amounts may further include Stock Awards received as compensation by the relevant Managing Board member before joining the Managing Board.

4 The amounts shown include the Stock Awards granted to Cedrik Neike by Siemens Ltd. China in his capacity as Executive Chairman of the Board of Directors of Siemens Ltd. China.

5 The amount includes the non-forfeitable Siemens Phantom Stock Awards that Cedrik Neike received to compensate for the forfeiture of stock at his previous employer. One half of the total amount of these granted Siemens Phantom Stock Awards fell due and was settled in September 2017. The other half fell due and was settled in September 2018. The value of these Siemens Phantom Stock Awards depended solely on the performance of Siemens stock.

Share Ownership Guidelines

The deadlines by which the individual Managing Board members must provide first-time proof of adherence to the Siemens Share Ownership Guidelines vary from member to member, depending on when he or she was appointed to the Managing Board. For Managing Board members in office on September 30, 2018, the following table shows the number of Siemens shares held as of the March 2018 deadline for proving adherence to the Share Ownership Guidelines. It also shows the number of shares to be held throughout their terms of office, with a view toward future deadlines.

	Obligations under Share Ownership Guidelines					
	Required			Proven		
	Percentage of base compensation[1]	Value[1] in €	Number of shares[2]	Percentage of base compensation[1]	Value[2] in €	Number of shares[3]
Managing Board members serving as of September 30, 2018, and required to show proof as of March 9, 2018						
Joe Kaeser	300%	6,014,156	51,106	348%	6,970,099	59,229
Dr. Roland Busch	200%	2,075,300	17,635	249%	2,584,183	21,959
Klaus Helmrich	200%	2,075,300	17,635	265%	2,745,716	23,332
Prof. Dr. Ralf P. Thomas	200%	2,075,300	17,635	239%	2,479,006	21,066
Total		**12,240,056**	**104,011**		**14,779,004**	**125,586**

1 The amount of the obligation is based on the average base compensation for the four years prior to the respective dates of proof.

2 Based on the average Xetra opening price of €117.68 for the fourth quarter of 2017 (October – December).

3 As of March 9, 2018 (date of proof), including Bonus Awards.

A.10.1.4 OUTLOOK FOR FISCAL 2019

Changes under Vision 2020+

Due to the strategic realignment of the Siemens Group under Vision 2020+, a comprehensive review of the compensation policy is being performed in view of all regulatory requirements. In addition, implementation of the European Shareholder Rights Directive can be expected to lead to further legal requirements. Plans call for submitting the compensation policy to the Annual Shareholders' Meeting for approval following implementation of these statutory provisions.

Transfer of the 2014 and 2015 Stock Awards tranches in November 2018

In November 2015, the target measurement period for Siemens Stock Awards was shortened by one year in order to be aligned with prevailing market practice. For the Managing Board, this change resulted in a one-time transfer of two tranches in November 2018 (for fiscal years 2014 and 2015).

A.10.2 Remuneration of Supervisory Board members

The current remuneration policies for the Supervisory Board were authorized at the Annual Shareholders' Meeting held on January 28, 2014 and have been in effect since fiscal 2014. Details are set out in Section 17 of the Articles of Association of Siemens AG. The remuneration of the Supervisory Board consists entirely of fixed compensation; it reflects the responsibilities and scope of the work of the Supervisory Board members. The Chairman and Deputy Chairmen of the Supervisory Board as well as the Chairmen and members of the Audit Committee, the Chairman's Committee, the Compensation Committee, the Compliance Committee and the Innovation and Finance Committee receive additional compensation.

Under current rules, the members of the Supervisory Board receive an annual base compensation of €140,000; the Chairman of the Supervisory Board receives a base compensation of €280,000, and each of the Deputy Chairmen receives €220,000.

The members of the Supervisory Board committees receive the following additional fixed compensation for their committee work: the Chairman of the Audit Committee receives €160,000, and each of the other members of the Committee receives €80,000; the Chairman of the Chairman's Committee receives €120,000, and each of the other members of the Committee receives €80,000; the Chairman of the Compensation Committee receives €100,000, and each of the other members of the Committee receives €60,000 (compensation for any work on the Chairman's Committee counts toward compensation for work on the Compensation Committee); the Chairman of the Innovation and Finance Committee receives €80,000, and each of the other members of the Committee receives €40,000; the Chairman of the Compliance Committee receives €80,000, and each of the other members of the Committee receives €40,000. However, no additional compensation is paid for work on the Compliance Committee if a member of that Committee is already entitled to compensation for work on the Audit Committee.

If a Supervisory Board member does not attend a meeting of the Supervisory Board, one-third of the aggregate compensation due to that member is reduced by the percentage of Supervisory Board meetings not attended by the member in relation to the total number of Supervisory Board meetings held during the fiscal year. In the event of changes in the composition of the Supervisory Board and/or its committees, compensation is paid on a pro rata basis, rounding up to the next full month.

In addition, the members of the Supervisory Board are entitled to receive a fee of €1,500 for each meeting of the Supervisory Board and its committees that they attend.

The members of the Supervisory Board are reimbursed for out-of-pocket expenses incurred in connection with their duties and for any value-added taxes to be paid on their remuneration. For the performance of his duties, the Chairman of the Supervisory Board is also entitled to an office with secretarial support and the use of a car service.

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

The compensation shown in the following table was determined for each of the members of the Supervisory Board for fiscal 2018 (individualized disclosure).

(Amounts in €)	2018 Base compensation	2018 Additional compensation for committee work	2018 Meeting attendance fee	2018 Total	2017 Base compensation	2017 Additional compensation for committee work	2017 Meeting attendance fee	2017 Total
Supervisory Board members serving as of September 30, 2018								
Jim Hagemann Snabe[1]	**245,000**	**240,000**	**51,000**	**536,000**	133,333	114,286	31,500	279,119
Birgit Steinborn[2]	**220,000**	**200,000**	**57,000**	**477,000**	220,000	200,000	48,000	468,000
Werner Wenning	**220,000**	**140,000**	**43,500**	**403,500**	220,000	140,000	42,000	402,000
Dr. Werner Brandt[3]	**105,000**	**120,000**	**15,000**	**240,000**	–	–	–	–
Michael Diekmann	**140,000**	**60,000**	**16,500**	**216,500**	133,333	57,143	13,500	203,976
Dr. Andrea Fehrmann[2,3]	**105,000**	**–**	**7,500**	**112,500**	–	–	–	–
Reinhard Hahn[2]	**140,000**	**–**	**12,000**	**152,000**	140,000	–	10,500	150,500
Bettina Haller[2]	**140,000**	**80,000**	**24,000**	**244,000**	133,333	76,190	21,000	230,524
Robert Kensbock[2]	**140,000**	**180,000**	**31,500**	**351,500**	140,000	180,000	31,500	351,500
Harald Kern[2]	**140,000**	**80,000**	**24,000**	**244,000**	133,333	76,190	19,500	229,024
Jürgen Kerner[2]	**140,000**	**200,000**	**54,000**	**394,000**	140,000	200,000	40,500	380,500
Dr. Nicola Leibinger-Kammüller	**140,000**	**80,000**	**28,500**	**248,500**	133,333	76,190	33,000	242,524
Benoît Potier[3]	**105,000**	**–**	**7,500**	**112,500**	–	–	–	–
Dr. Norbert Reithofer	**134,167**	**38,333**	**16,500**	**189,000**	133,333	38,095	16,500	187,929
Dame Nemat Talaat Shafik[3]	**105,000**	**–**	**7,500**	**112,500**	–	–	–	–
Dr. Nathalie von Siemens	**140,000**	**30,000**	**15,000**	**185,000**	140,000	–	10,500	150,500
Michael Sigmund	**140,000**	**–**	**12,000**	**152,000**	140,000	–	10,500	150,500
Dorothea Simon[2,4]	**140,000**	**–**	**12,000**	**152,000**	–	–	–	–
Matthias Zachert[3]	**105,000**	**60,000**	**12,000**	**177,000**	–	–	–	–
Gunnar Zukunft[2,3]	**105,000**	**–**	**7,500**	**112,500**	–	–	–	–
Former members of the Supervisory Board[3]								
Dr. Gerhard Cromme	**93,333**	**93,333**	**22,500**	**209,167**	280,000	280,000	57,000	617,000
Olaf Bolduan[2]	**46,667**	**–**	**4,500**	**51,167**	140,000	–	10,500	150,500
Dr. Hans Michael Gaul	**46,667**	**53,333**	**13,500**	**113,500**	140,000	160,000	34,500	334,500
Gérard Mestrallet	**46,667**	**–**	**4,500**	**51,167**	140,000	–	10,500	150,500
Güler Sabancı	**46,667**	**–**	**4,500**	**51,167**	140,000	–	10,500	150,500
Sibylle Wankel[2]	**46,667**	**13,333**	**7,500**	**67,500**	140,000	40,000	16,500	196,500
Total[5]	**3,175,833**	**1,668,333**	**511,500**	**5,355,667**	2,920,000	1,638,095	468,000	5,026,095

1 Jim Hagemann Snabe was elected Chairman of the Supervisory Board, effective at the end of the Annual Shareholders' Meeting on January 31, 2018.

2 These employee representatives on the Supervisory Board and the representatives of the trade unions on the Supervisory Board have declared their willingness to transfer their compensation to the Hans Boeckler Foundation, in accordance with the guidelines of the Confederation of German Trade Unions (DGB).

3 Dr. Werner Brandt, Dr. Andrea Fehrmann, Benoît Potier, Dame Nemat Talaat Shafik, Matthias Zachert and Gunnar Zukunft were elected members of the Supervisory Board, effective at the end of the Annual Shareholders' Meeting on January 31, 2018. They succeeded Olaf Bolduan, Dr. Gerhard Cromme, Dr. Hans Michael Gaul, Gérard Mestrallet, Güler Sabancı and Sibylle Wankel, who left the Supervisory Board, effective at the end of the Annual Shareholders' Meeting on January 31, 2018.

4 Dorothea Simon has been a member of the Supervisory Board since October 1, 2017. She was initially appointed by court order for the period until the end of the Annual Shareholders' Meeting on January 31, 2018. Pursuant to the provisions of the German Codetermination Act, she was elected to the Supervisory Board, effective at the end of the Annual Shareholders' Meeting on January 31, 2018.

5 Compared to the amounts reported in the 2017 Compensation Report, this amount does not include compensation totaling €150,500 for former Supervisory Board member Hans-Jürgen Hartung.

A.10.3 Other

The Company provides a group insurance policy for Supervisory and Managing Board members and certain other employees of the Siemens Group. The policy is taken out for one year at a time or renewed annually. It covers the personal liability of the insured in cases of financial loss associated with their activities on behalf of the Company. The insurance policy for fiscal 2018 includes a deductible for the members of the Managing Board and the Supervisory Board that complies with the requirements of the German Stock Corporation Act and the Code.