

B.4 Compensation Report

The Compensation Report outlines the principles underlying the determination of the total compensation of the members of the Managing Board of Siemens AG, and sets out the structure and level of the remuneration of the Managing Board members. It also describes the policies governing, and levels of, the compensation paid to Supervisory Board members.

This section is based on the recommendations of the German Corporate Governance Code (GCGC) and includes disclosures in accordance with the requirements of the German Commercial Code (HGB), German Accounting Standards (DRS), and International Financial Reporting Standards (IFRS). The Compensation Report is an integral part of the Combined Management Report.

B.4.1 Remuneration of members of the Managing Board

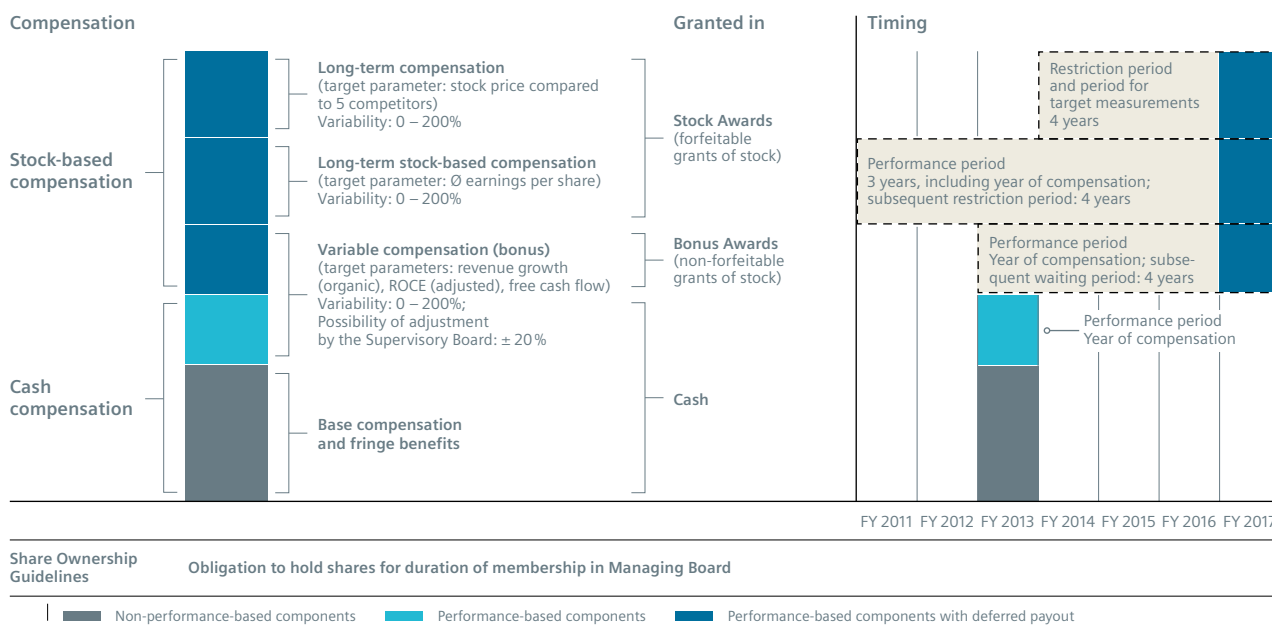
B.4.1.1 REMUNERATION SYSTEM

The remuneration system for the Managing Board at Siemens is intended to provide an incentive for successful corporate management with an emphasis on sustainability. Members of the Managing Board 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. In the interest of that aim, a substantial portion of their total remuneration is linked to the performance of Siemens stock. A further

aim is for their remuneration to be commensurate with the Company's size and economic position. Exceptional achievements are to be rewarded adequately, while falling short of goals is intended to result in an appreciable reduction in remuneration. The Managing Board's compensation is also structured so as to be attractive in comparison to that of competitors, with a view to attracting outstanding managers to our Company and keeping them with us for the long term.

The system and levels for the remuneration of the Managing Board are determined and reviewed regularly by the full Supervisory Board, based on proposals from the Chairman's Committee, or, beginning with July 2013 the Compensation Committee. The Supervisory Board reviews remuneration levels annually to ensure that they are appropriate. In that process, the Company's economic situation, performance and outlook, 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 the peer companies and with the compensation structure in place in other areas of the Company, taking 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. The remuneration system that has been used for the Managing Board members since fiscal 2011 was approved by a large majority at the Annual Shareholders' Meeting on January 25, 2011.

Remuneration system for Managing Board members



In fiscal 2013, the remuneration system for the Managing Board had the following components:

Non-performance-based components

Base compensation

Base compensation is paid as a monthly salary. It is reviewed annually, and revised if appropriate. The base compensation of the President and CEO Joe Kaeser has been €1,845,000 per year since his appointment on August 1, 2013. The base compensation of the CFO and those members of the Managing Board who have responsibilities for Sector portfolios has been €967,500 per year since October 1, 2012. The base compensation of the other members of the Managing Board has remained unchanged at €900,000 per year since October 1, 2010.

Fringe benefits

Fringe benefits include costs, or the cash equivalent, of non-monetary benefits and other perquisites, such as provision of a Company car, contributions toward the cost of insurance, reimbursement of fees for legal advice, tax advice and accommodation and moving expenses, including a gross-up for any taxes that have to be borne in this regard, as well as costs relating to preventive medical examinations.

Performance-based components

Variable compensation (bonus)

The variable compensation (bonus) is based on the Company's business performance in the past fiscal year. The targets for the variable compensation are derived from "One Siemens", our target system for sustainably enhancing corporate value. On the basis of this target system, the Supervisory Board at the beginning of each fiscal year defines specific targets. Corresponding target parameters – in addition to other factors – also apply to senior managers, with a view to establishing a consistent target system throughout the Company.

For a 100% target attainment (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, the variable compensation may not be paid at all.

The Supervisory Board is entitled to revise the amount resulting from attaining targets, by as much as 20% upward or downward, at its duty-bound discretion (pflichtgemäßes Ermessen); the adjusted amount of the bonus paid can be as much as 240% of the target amount. In choosing the factors to be considered in deciding on possible revisions of the bonus payouts (±20%), the Supervisory Board takes account of incentives for sustainable corporate management. The revision

option may also be exercised in recognition of Managing Board members' individual achievements.

The bonus is paid half in cash, and half in the form of non-forfeitable stock commitments (Bonus Awards). After a four-year waiting period, the beneficiary will receive one share of Siemens stock for each Bonus Award. Instead of the transfer of Siemens stock, an equivalent cash settlement may be effected.

Long-term stock-based compensation

Long-term stock-based compensation consists of a grant of forfeitable stock commitments (Stock Awards). The beneficiaries will receive one free share of Siemens stock for each Stock Award after a restriction period. Beginning with the award for fiscal 2011, the restriction period for Stock Awards ends at the close of the second day after publication of the preliminary operating results for the fourth calendar year after the date of the award.

In the event of extraordinary unforeseen developments that have an impact on the stock price, the Supervisory Board may decide to reduce the number of promised Stock Awards retroactively, or it may decide that in lieu of a transfer of Siemens stock only a cash settlement in a defined and limited amount will be paid, or it may decide to postpone transfers of Siemens stock for payable Stock Awards until the developments have ceased to have an impact on the stock price.

In the event of a 100% target attainment, the annual target amount for the monetary value of the Stock Awards commitment will be €1.9 million for the President and CEO (effective August 1, 2013), and €1 million for each of the other members of the Managing Board. Beginning with fiscal 2011, the Supervisory Board has the option of increasing, on an individual basis, the target amount for a member of the Managing Board who has been reappointed by as much as 75% above the amount of €1 million, for one fiscal year at a time. This option enables the Supervisory Board to take account of the Managing Board member's individual accomplishments and experience as well as the scope and demands of his or her function. This rule does not apply to the President and CEO.

The performance-based component of long-term stock-based compensation is likewise founded on the One Siemens target system. The allocation rules for long-term stock-based compensation take this focus into account as follows:

- > On the one hand, half of the annual target amount for the annual Stock Awards is linked to the average basic earnings per share for the last three completed fiscal years from continuing and discontinued operations (EPS). In principle, the target value is the average basic EPS from the past three

fiscal years completed prior to the year of compensation. At the end of each fiscal year, the Supervisory Board decides on a figure that represents that year's target attainment, which may lie between 0% and 200% (cap). This target attainment will then determine the actual monetary value of the award and the resulting number of Stock Awards.

- > On the other hand, the development of the performance of Siemens' stock relative to its competitors is to have a direct effect on compensation. For this purpose, with respect to the other half of the annual target amount for the Stock Awards, the Supervisory Board will first grant a number of Stock Awards equivalent to the monetary value of half the target amount on the date of the award. The Supervisory Board will also decide on a target system (target value for 100% and target curve) for the performance of Siemens stock relative to the stock of competitors (at present, ABB, General Electric, Philips, Rockwell and Schneider). The reference period for measuring the target will be the same as the four-year restriction period for the Stock Awards. After this restriction period expires, the Supervisory Board will determine how much better or worse Siemens stock has performed relative to the stock of its competitors. This determination will yield a target attainment of between 0% and 200% (cap). If target attainment is above 100%, an additional cash payment corresponding to the outperformance is effected. If target attainment is less than 100%, a number of Stock Awards equivalent to the shortfall from the target will expire without replacement.

With regard to the further terms of the Stock Awards, generally the same principles apply for the Managing Board and for senior managers; these principles are discussed in more detail in → NOTE 33 in → D.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS. That note also includes further information about the stock-based employee investment plans.

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 the members of the Managing Board – after a certain buildup phase – to hold Siemens stock worth a multiple of their base compensation (300% for the President and CEO, 200% for the other members of the Managing Board) during their term of office on the Managing Board. The determining figure in this context is the average base compensation that the relevant member of the Managing Board has drawn over the four years of the buildup phase. Accordingly, changes that have been made to the base compensation in the meantime are included. Non-forfeitable stock awards (Bonus Awards) are taken into account in determining compliance with the Share Ownership Guidelines.

Evidence that this obligation has been met must first be provided after the buildup phase, and updated annually thereafter. If the value of the accrued holdings declines below the minimum to be evidenced from time to time because the market price of Siemens stock has fluctuated, the member of the Managing Board must acquire additional shares.

Pension benefit commitments

The members of the Managing Board, like all Siemens AG employees, are included in the Siemens Defined Contribution Benefit Plan (BSAV). Under the BSAV, members of the Managing Board receive contributions that are credited to their personal pension account. The amount of the annual contributions is based on a predetermined percentage which refers to the base compensation and the target amount for the bonus. This percentage is decided upon annually by the Supervisory Board; most recently it was set at 28%. In making its decision, the Supervisory Board takes account of the intended level of provision for each individual, also considering the length of time for which the individual has been a Managing Board member, as well as the annual and long-term expense to the Company as a result of that provision. The non-forfeatability of pension benefit commitments is 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 of the Supervisory Board. In the case of new appointments of members of the Managing Board from outside the Company, these contributions may be defined as non-forfeitable from their inception. 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 went toward financing this prior commitment.

Members of the Managing Board are entitled to benefits under the BSAV on reaching age 60, at the earliest. As a rule, the accrued pension benefit balance is paid out to the Managing Board member in twelve annual installments. At the request of the Managing Board member or of his or her surviving dependents, the pension benefit balance may also 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. As a further alternative, the Managing Board member may choose a combination of payment in one to twelve installments and payment of a pension. If the pension option is chosen, a decision must be made as to whether it should include pensions for surviving dependents. If a member of the Managing Board dies while receiving a pension, benefits will be paid to the member's surviving dependents if the member has chosen such benefits. The Company will then provide a limited-term pension to surviving

children until they reach age 27, or age 25 in the case of commitments made on or after January 1, 2007.

Benefits from the retirement benefit system that was in place before the BSAV are normally granted as pension benefits with a surviving dependents' pension. In this case as well, a payout in installments or a lump sum may be chosen instead of pension payments.

Members of the Managing Board who were employed by the Company on or before September 30, 1983, are entitled to 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 termination of Managing Board membership

Managing Board contracts provide for a compensatory payment if membership on the Managing Board is terminated prematurely without serious cause. The amount of this payment must not exceed the value of two years' compensation and compensate no more than the remaining term of the contract (cap). The amount of the compensatory payment is calculated on the basis of the base compensation, the variable compensation (bonus), and the long-term stock-based compensation (Stock Awards) 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 exceptional contribution is made to the BSAV. The amount of this contribution is based on the BSAV contribution that the Board member received in the previous year, and on the remaining term of the appointment, but is limited to not more than two years' contributions (cap). The above 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 the position of the Managing Board member (e.g., due to a change in corporate strategy or a change in the Managing Board member's duties and responsibilities), the member of the Managing Board has the right to terminate his or her contract with the Company for good cause. A change of control exists if one or more shareholders acting jointly or 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 inter-company agreement within the meaning of Section 291 of the German Stock Corporation Act, 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 includes not only the base compensation and the target amount for the bonus, but also the target amount for the Stock Awards, in each case based on the most recent completed fiscal year prior to termination of the 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.

Additionally, compensatory or severance payments cover non-monetary benefits by including an amount of 5% of the total compensation or severance amount. Compensatory or severance payments will be reduced by 15% 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 account of the first six months of the remaining term of the Managing Board member's contract.

If a member leaves the Managing Board, the variable component (bonus) is determined pro rata temporis after the end of the fiscal year in which the appointment was terminated and is settled in cash at the usual payout or transfer date, as the case may be. If the employment contract is terminated in the course of an appointment period, the non-forfeitable stock awards (Bonus Awards) for which the waiting period is still in progress remain in effect without restriction. If the employment agreement is terminated because of retirement, disability or death, a Managing Board member's Bonus Awards will be settled in cash as of the date of departure from the Board.

Stock commitments that were made as long-term stock-based compensation (Stock Awards), and for which the restriction period is still in progress will normally forfeit without replacement if the employment agreement is terminated in the course of an appointment period. The same applies if the employment agreement is not extended after the end of an appointment period, either at the 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 do not forfeit if the employment agreement is terminated because of retirement, disability, or death, or in connection with a spinoff, the transfer of an operation, or a change of activity within the corporate group. In this case, the Stock Awards will remain in effect upon termination of the employment agreement and will be honored on expiration of the restriction period.

The remuneration system for the Managing Board members applicable as of fiscal 2014 will be submitted for approval to the Annual Shareholders' Meeting on January 28, 2014. For a description of the revisions compared to the remuneration system currently in place, see → B.4.1.4 REVISIONS OF THE REMUNERATION SYSTEM FOR THE MANAGING BOARD FOR FISCAL 2014.

B.4.1.2 REMUNERATION OF THE MEMBERS OF THE MANAGING BOARD FOR FISCAL 2013

On the basis of our One Siemens target system, at the beginning of the fiscal year the Supervisory Board set the targets and weighting for the unchanged parameters compared to the previous year: organic revenue growth, return on capital employed (ROCE) adjusted, and Free cash flow, in each case on the basis of continuing operations, together with EPS. The definition of these parameters and their weighting acknowledges a sustainable enhancement of corporate value. An internal review of the appropriateness of the Managing Board's compensation for fiscal 2013 has confirmed that the remuneration of the Managing Board resulting from the target attainment for fiscal 2013 is to be considered appropriate. Following the decision on determining the achievement of the targets set at the beginning of the fiscal year, the Supervisory Board decided at its meeting on November 6, 2013, to set the variable compensation component (bonus), the Stock Awards to be granted and the pension benefit contributions as follows:

Target parameter	Weight	100% of target	Actual 2013 figure	Target attainment
Revenue growth (organic) ¹	20%	(0.5)%	(1.1)%	87.80%
ROCE adjusted ¹	40%	15.1%	13.8%	67.75%
Free cash flow ¹	40%	€3,600 million	€5,257 million	155.24%
Target attainment (calculative)				106.76%

¹ Continuing operations.

The values measured for target attainment were not adjusted. In an overall assessment of all relevant aspects, the Supervisory Board decided, exercising its duty-bound discretion (pflichtgemäßes Ermessen), to adjust the bonus payout amounts resulting from target attainment downward for all Managing Board members resulting in target attainment of 95% for the determination of the payout amounts of the variable compensation (bonus). In its decision, the Supervisory Board, among other factors took into account that the Company did not meet its expectations compared to competitors, especially with regard to profitability.

In addition, the Supervisory Board reflected the performance of individual Managing Board members and decided upon further individual adjustments for certain Managing Board members.

Variable compensation (bonus)

In setting the targets for the variable compensation (bonus) at the beginning of fiscal 2013, the Supervisory Board took into account that the Company continues to focus on a sustainable appreciation of value. This focus is intended to enable the Company to maintain its financial flexibility and hold its own against competitors in periods of high market volatility:

- > The emphasis in terms of the sustainable enhancement of value is on capital efficiency and capital structure. This was taken into account in weighting the two target parameters of ROCE adjusted, and Free cash flow.
- > The target for organic revenue growth allowed for the great uncertainty of the competitive environment and the goal of capital-efficient growth.
- > The target for ROCE adjusted allowed for the first-time application of the revised IAS 19R reporting standard. The expectations for business in fiscal 2013 as well as the "Siemens 2014" program were also considered.
- > The target for Free cash flow was maintained at the prior year's level, which represented a noticeable increase at that time. The trend towards lower advance payments by customers was also taken into account.

As a consequence, the following targets were set and attained with respect to the variable compensation (bonus):

Long-term stock-based compensation

For half of the annual target amount for the Stock Awards, an average basic EPS of €5.46 was determined for fiscal years 2011 through 2013, yielding a target attainment of 118%.

For the other half of the annual target amount for the Stock Awards, the Supervisory Board approved a number of Stock Awards equivalent to the monetary value of half the target amount on the award date. The amount by which these stock commitments must be adjusted – or an additional cash payment must be made – after the end of the restriction period will depend on the performance of Siemens stock compared to the stock of five competitors (ABB, General Electric, Philips, Rockwell, Schneider) over the coming four years, and will therefore not be determined until after the end of fiscal 2017.

The number of stock commitments (Bonus Awards and Stock Awards) granted was based on the closing price of Siemens stock in Xetra trading on the date of award less the present value of dividends expected during the holding period, because beneficiaries are not entitled to receive dividends. This figure for determining the number of commitments amounted to €80.88 (2012: €64.93).

Benefits associated with termination of Managing Board membership

In connection with the mutually agreed premature termination of the Managing Board membership of former President and CEO Peter Löscher as of July 31, 2013, it was agreed that his contract with the Company would terminate as of September 30, 2013. His entitlements agreed under the contract remained in effect until that date. A compensatory payment in a gross amount of €14,803,005 was agreed upon with Mr. Löscher in connection with the mutually agreed premature termination of his activity as President and CEO, together with a one-time special contribution of €2,240,000 to the BSAV, to be credited in January 2014. It was also agreed with Mr. Löscher that his long-term stock-based compensation (Stock Awards) for fiscal 2013 will be calculated after the actual target attainment is available and awarded at the usual date. These 28,077 Stock Awards will be settled in cash according to the provisions of the contract as no employment relationship will be in place at the date of award. The Company has furthermore agreed with Mr. Löscher to reimburse out-of-pocket expenses up to a maximum of €100,000 plus value-added tax. For his part, Mr. Löscher has agreed not to work for any significant competitor of Siemens AG for a period of two years after the end of his employment contract, i.e., until September 30, 2015; Siemens will not provide additional compensation for this post-contractual non-compete commitment. However, the Stock Awards that were granted in the past for fiscal 2010, 2011 and 2012 and for which the restriction period is still in effect, will be absolutely maintained, see → B.4.1.3 ADDITIONAL INFORMATION ON STOCK-BASED COMPENSATION INSTRUMENTS IN FISCAL 2013.

In connection with the mutually agreed premature termination of the Managing Board membership of former Managing Board member Brigitte Ederer as of September 30, 2013, it was agreed upon that her contract with the Company would end at the same time. A compensatory payment in a gross amount of €5,600,019 was agreed upon with Ms. Ederer in connection with the mutually agreed premature termination of her activity as Managing Board member, together with a one-time special contribution of €882,000 to the BSAV, to be credited in January 2014. It was also agreed with Ms. Ederer that her long-term stock-based compensation (Stock Awards) for fiscal 2013 will be calculated after the actual target attainment is available and awarded at the usual date. These 13,477 Stock Awards will be settled in cash according to the provisions of the contract as no employment relationship will be in place at the date of award. The Company has furthermore

agreed with Ms. Ederer to reimburse out-of-pocket expenses up to a maximum of €30,000 plus value-added tax. The Stock Awards that were granted in the past for fiscal 2010, 2011 and 2012 and for which the restriction period is still in effect, will be absolutely maintained, see → B.4.1.3 ADDITIONAL INFORMATION ON STOCK-BASED COMPENSATION INSTRUMENTS IN FISCAL 2013.

In determining the amount of the compensatory payments for Mr. Löscher and Ms. Ederer, in accordance with the terms of their contracts with the Company, the base compensation for fiscal 2013 and the variable compensation and long-term stock-based compensation actually received for fiscal 2012 were applied and limited, as applicable, to either two annual payments in total or the compensation for the remaining terms of their appointments. The portion of compensatory payments that was calculated excluding the first six months of the remaining contract term was reduced by 15% as a lump-sum allowance for discounted values and for income earned elsewhere. In addition, non-monetary benefits were covered by a payment in the amount of 5% of the compensatory payment.

Total compensation

On the basis of the decisions by the Supervisory Board described above, Managing Board compensation for fiscal 2013 totaled €34.58 million, a decrease of 12.7% (2012: €39.61 million). Of this total amount, €16.98 million (2012: €17.45 million) was attributable to cash compensation and €17.60 million (2012: €22.16 million) to stock-based compensation. Thus, more than half of the compensation was paid in the form of stock-based instruments with waiting or restriction periods of four years, and therefore on a deferred basis.

The compensation for fiscal 2013 presented in the following table not only takes account of the applicable reporting standards, but also of the new recommendations of the GCGC with regard to the disclosure of remuneration of the Managing Board. Consequently, the information is set forth in a model table recommended by the Code and shows the value of benefits granted for the year under review. The figures presented also include the attainable minimums or maximums, as applicable. The fair values shown for granted stock-based compensation were calculated on the basis of the applicable reporting standards. The transfer of one share per award will not take place until the expiration of the four-year waiting or restriction period, i.e., not until November 2017. The number of Stock Awards linked to the performance of the price of Siemens stock will be adjusted after the end of the restriction period, on the basis of the actual target attainment. Accordingly, the value of the actual shares transferred may be higher or lower than shown here, also depending on the stock price in effect at the time of transfer.

The compensation presented on the following pages was granted to the members of the Managing Board for fiscal 2013 (individualized disclosure)

Managing Board members serving as of September 30, 2013

(amounts in €)		Joe Kaeser ⁸				Dr. Roland Busch				Brigitte Ederer ⁹				
		President and CEO since August 1, 2013				Member with responsibilities for Sector portfolio				Member of the Managing Board				
		FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)	FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)	FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)	
Non-performance-based components	Fixed compensation (base compensation)	900,000	1,113,750	1,113,750	1,113,750	900,000	967,500	967,500	967,500	900,000	900,000	900,000	900,000	
	Fringe benefits ¹	72,935	71,843	71,843	71,843	49,771	48,591	48,591	48,591	27,697	42,571	42,571	42,571	
	Total	972,935	1,185,593	1,185,593	1,185,593	949,771	1,016,091	1,016,091	1,016,091	927,697	942,571	942,571	942,571	
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (bonus) – Cash component (GCGC) ²	450,000	556,875	0	1,336,500	450,000	483,750	0	1,161,000	450,000	900,000	0	2,160,000
	with long-term incentive effect, stock-based	Multi-year variable compensation ^{3,4}	2,796,444	2,542,970	0	4,886,500	1,799,038	1,551,574	0	3,161,000	1,860,202	1,117,734	0	2,000,000
		Variable compensation (bonus) – Bonus Awards ^{2,5}	611,965	558,881	0	1,336,500	550,801	433,840	0	1,161,000	611,965	0	0	0
		Siemens Stock Awards (restriction period: 4 years)												
		Target attainment depending on EPS for past three fiscal years ⁵	1,347,557	1,047,315	0	3,550,000	770,005	590,020	0	2,000,000	770,005	590,020	0	2,000,000
		Target attainment depending on future stock performance ⁶	836,922	936,774			478,232	527,714			478,232	527,714		
		Total	4,219,379	4,285,438	1,185,593	7,408,593	3,198,809	3,051,415	1,016,091	5,338,091	3,237,899	2,960,305	942,571	5,102,571
	Service cost	530,970	504,323	504,323	504,323	547,713	520,736	520,736	520,736	552,904	525,886	525,886	525,886	
	Total (GCGC)⁷	4,750,349	4,789,761	1,689,916	7,912,916	3,746,522	3,572,151	1,536,827	5,858,827	3,790,803	3,486,191	1,468,457	5,628,457	

Total compensation of all Managing Board members for fiscal 2013, according to the applicable reporting standards, amounted to €34.58 million (2012: €39.61 million). The granted payout amount presented below is to be used instead of the target value according to the GCGC for the one-year variable compensation (bonus), and service costs for pension benefits are not included.

Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (bonus) – Cash component ²	611,955	558,849		550,760	433,819		611,955	855,148		
Total compensation			4,381,334	4,287,412		3,299,569	3,001,484		3,399,854	2,915,453		

Managing Board members serving as of September 30, 2013

(amounts in €)		Prof. Dr. Siegfried Russwurm ⁸				Peter Y. Solmssen ¹⁰				Dr. Michael Süß				
		Member with responsibilities for Sector portfolio				Member of the Managing Board				Member with responsibilities for Sector portfolio				
		FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)	FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)	FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)	
Non-performance-based components	Fixed compensation (base compensation)	900,000	967,500	967,500	967,500	900,000	900,000	900,000	900,000	900,000	967,500	967,500	967,500	
	Fringe benefits ¹	42,146	42,134	42,134	42,134	33,498	32,977	32,977	32,977	49,089	36,158	36,158	36,158	
	Total	942,146	1,009,634	1,009,634	1,009,634	933,498	932,977	932,977	932,977	949,089	1,003,658	1,003,658	1,003,658	
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (bonus) – Cash component (GCGC) ²	450,000	483,750	0	1,161,000	450,000	450,000	0	1,080,000	450,000	483,750	0	1,161,000
	with long-term incentive effect, stock-based	Multi-year variable compensation ^{3,4}	1,860,202	1,856,952	0	3,661,000	1,860,202	1,545,347	0	3,080,000	1,860,202	1,577,456	0	3,161,000
		Variable compensation (bonus) – Bonus Awards ^{2,5}	611,965	459,722	0	1,161,000	611,965	427,613	0	1,080,000	611,965	459,722	0	1,161,000
		Siemens Stock Awards (restriction period: 4 years)												
		Target attainment depending on EPS for past three fiscal years ⁵	770,005	737,545	0	2,500,000	770,005	590,020	0	2,000,000	770,005	590,020	0	2,000,000
		Target attainment depending on future stock performance ⁶	478,232	659,685			478,232	527,714			478,232	527,714		
		Total	3,252,348	3,350,336	1,009,634	5,831,634	3,243,700	2,928,324	932,977	5,092,977	3,259,291	3,064,864	1,003,658	5,325,658
	Service cost	546,850	519,915	519,915	519,915	553,236	526,160	526,160	526,160	558,008	530,392	530,392	530,392	
	Total (GCGC)⁷	3,799,198	3,870,251	1,529,549	6,351,549	3,796,936	3,454,484	1,459,137	5,619,137	3,817,299	3,595,256	1,534,050	5,856,050	

Total compensation of all Managing Board members for fiscal 2013, according to the applicable reporting standards, amounted to €34.58 million (2012: €39.61 million). The granted payout amount presented below is to be used instead of the target value according to the GCGC for the one-year variable compensation (bonus), and service costs for pension benefits are not included.

Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (bonus) – Cash component ²	611,955	459,642		611,955	427,574		611,955	459,642		
Total compensation			3,414,303	3,326,228		3,405,655	2,905,898		3,421,246	3,040,756		

1 Fringe benefits include costs, or the cash equivalent, of non-monetary benefits and other perquisites, such as provision of Company cars in the amount of €239,301 (2012: €257,855), contributions toward the cost of insurance in the amount of €88,827 (2012: €87,429), reimbursement of fees for legal advice, tax advice and accommodation and moving expenses, including any taxes that have been assumed in this regard as well as costs connected with preventive medical examinations, in the amount of €176,221 (2012: €135,625).

2 The Supervisory Board adjusted the bonus payout amounts resulting from target attainment for all Managing Board members downward by 11%.

In addition, the Supervisory Board made further adjustments on an individual basis as follows: Joe Kaeser upward by 5%; Dr. Roland Busch downward by 5% and Prof. Dr. Hermann Requardt upward by 15%.

3 The figures for individual maximums for multi-year variable compensation reflect the possible maximum as of the date of award; depending on stock price performance, this value may be higher at the disbursement date after the expiration of the four-year waiting or restriction period. Beginning in fiscal 2014, in keeping with the recommendations of the GCGC, maximum amount limits apply for multi-year variable compensation and for compensation overall; these are explained in Section

→ B.4.1.4. REVISIONS OF THE REMUNERATION SYSTEM FOR THE MANAGING BOARD FOR FISCAL 2014.

4 The expenses recognized for stock-based compensation (Bonus Awards and Stock Awards) and for the Share Matching Plan for members of the Managing Board in accordance with IFRS in fiscal 2013 and 2012 amounted to €23,160,536 and €15,995,543, respectively. The following amounts pertained to the members of the Managing Board in fiscal 2013: Joe Kaeser €2,099,925 (2012: €1,781,626), Dr. Roland Busch €1,091,572 (2012: €735,167), Brigitte Ederer €3,062,678 (2012: €950,250), Klaus Helmrich €1,058,299 (2012: €735,167), Barbara Kux €1,566,960 (2012:

€1,493,576), Prof. Dr. Hermann Requardt €1,686,929 (2012: €1,605,244), Prof. Dr. Siegfried Russwurm €1,653,844 (2012: €1,571,872), Peter Y. Solmssen €1,566,874 (2012: €1,566,372), Dr. Michael Süß €1,091,934 (2012: €735,167) and Dr. Ralf P. Thomas €19,572 (2012: €0). The corresponding expense recognized for former President and CEO Peter Löscher came to €8,261,949 (2012: €3,757,710).

5 For Stock Awards for which the target attainment depends on the EPS for the past three fiscal years, and for Bonus Awards, the fair value at the date of award is equivalent to the respective monetary value.

6 The monetary values referred to a 100% target attainment amounted to €6,197,430 (2012: €6,125,302). The following amounts pertained to the members of the Managing Board: Joe Kaeser €887,577 (2012: €875,062), Dr. Roland Busch

€500,000 (2012: €500,026), Brigitte Ederer €500,000 (2012: €500,026), Klaus Helmrich €500,000 (2012: €500,026), Barbara Kux €500,000 (2012: €500,026), Prof. Dr. Hermann Requardt €625,041 (2012: €500,026), Prof. Dr. Siegfried Russwurm €625,041 (2012: €500,026), Peter Y. Solmssen €500,000 (2012: €500,026), Dr. Michael Süß €500,000 (2012: €500,026) and Dr. Ralf P. Thomas €18,117 (2012: €0). The corresponding monetary value for former President and CEO Peter Löscher amounted to €1,041,654 (2012: €1,250,032).

7 The total compensation reflects the current fair value of stock-based compensation components. On the basis of the current monetary values of stock-based compensation components, total compensation amounted to €34,236,151 (2012: €39,874,058).

8 The Supervisory Board increased the annual target amount for the monetary value of the Stock Awards commitment for fiscal 2013 by 75% for Joe Kaeser, to €1,750,000, and by 25% each for Prof. Dr. Hermann Requardt and Prof. Dr. Siegfried Russwurm, to €1,250,000.

9 Brigitte Ederer resigned from the Managing Board effective at the end of the day on September 30, 2013. According to the provisions of the contract, the variable compensation (bonus) for fiscal 2013 will be granted fully in cash and the Siemens Stock Awards for fiscal 2013 will be settled in cash.

10 Peter Y. Solmssen will be reimbursed for relocation expenses incurred by him upon termination of his membership on the Managing Board.

Klaus Helmrich Member of the Managing Board				Barbara Kux Member of the Managing Board				Prof. Dr. Hermann Requardt ⁸ Member with responsibilities for Sector portfolio			
FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)	FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)	FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)
900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	967,500	967,500	967,500
76,961	68,329	68,329	68,329	33,960	68,048	68,048	68,048	64,132	65,544	65,544	65,544
976,961	968,329	968,329	968,329	933,960	968,048	968,048	968,048	964,132	1,033,044	1,033,044	1,033,044
450,000	450,000	0	1,080,000	450,000	450,000	0	1,080,000	450,000	483,750	0	1,161,000
1,860,202	1,545,347	0	3,080,000	1,860,202	1,545,347	0	3,080,000	1,921,431	1,934,354	0	3,661,000
611,965	427,613	0	1,080,000	611,965	427,613	0	1,080,000	673,194	537,124	0	1,161,000
770,005	590,020	0	2,000,000	770,005	590,020	0	2,000,000	770,005	737,545	0	2,500,000
478,232	527,714			478,232	527,714			478,232	659,685		
3,287,163	2,963,676	968,329	5,128,329	3,244,162	2,963,395	968,048	5,128,048	3,335,563	3,451,148	1,033,044	5,855,044
547,675	520,698	520,698	520,698	552,800	525,734	525,734	525,734	526,202	499,761	499,761	499,761
3,834,838	3,484,374	1,489,027	5,649,027	3,796,962	3,489,129	1,493,782	5,653,782	3,861,765	3,950,909	1,532,805	6,354,805

611,955	427,574			611,955	427,574			673,151	537,110		
3,449,118	2,941,250			3,406,117	2,940,969			3,558,714	3,504,508		

Dr. Ralf P. Thomas CFO since September 18, 2013			
FY 2012	FY 2013	FY 2013 (min)	FY 2013 (max)
–	34,938	34,938	34,938
–	2,465	2,465	2,465
–	37,403	37,403	37,403
–	17,469	0	41,926
–	57,134	0	114,148
–	16,661	0	41,926
–			
–	21,352	0	72,222
–	19,121		
–	112,006	37,403	193,477
–	208,034	208,034	208,034
–	320,040	245,437	401,511

Peter Löscher ¹¹ Member of the Managing Board and President and CEO until July 31, 2013	
FY 2012	FY 2013
2,000,000	1,666,667
30,720	25,689
2,030,720	1,692,356
1,000,000	1,666,667
4,480,553	2,328,604
1,359,959	0
1,925,045	1,229,214
1,195,549	1,099,390
7,511,273	5,687,627
1,235,653	1,171,716
8,746,926	6,859,343

–	16,598		
–	111,135		

1,359,900	1,583,607
7,871,173	5,604,567

¹¹ Peter Löscher resigned from the Managing Board effective July 31, 2013; his employment agreement ended effective September 30, 2013. In addition to Mr. Löscher's reported total compensation as a member of the Managing Board and as President and CEO, he also received the following compensation for the remaining term of his employment contract in the months of August and September 2013: Fixed compensation of €333,333, fringe benefits of €5,138, proportional variable compensation (bonus) of €316,721, and proportional Siemens Stock Awards of €465,690. According to the provisions of the contract, the variable compensation (bonus) for fiscal 2013 will be granted fully in cash and the Siemens Stock Awards for fiscal 2013 will be settled in cash.

Allocations

The following table shows allocations during or for fiscal 2013, as the case may be, for fixed compensation, fringe benefits, one-year variable compensation, and multi-year variable compensation, broken down by the relevant years for which they

were subscribed, as well as the expense of pension benefits. In deviation from the multi-year variable compensation granted for fiscal 2013 and shown above, this table includes the actual figure for multi-year variable compensation granted in previous years and allocated in fiscal 2013.

Managing Board members serving as of September 30, 2013

(amounts in €)		Joe Kaeser President and CEO since August 1, 2013		
		FY 2012	FY 2013	
Non-performance-based components	Fixed compensation (base compensation)	900,000	1,113,750	
	Fringe benefits ¹	72,935	71,843	
	Total	972,935	1,185,593	
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (bonus) – Cash component ²	611,955	558,849
	with long-term incentive effect, stock-based	Multi-year variable compensation	2,212,054	1,426,193
		Siemens Stock Awards (restriction period: 2009 – 2012)	0	1,299,629
		Siemens Stock Awards (restriction period: 2008 – 2011)	1,935,766	0
		Share Matching Plan (vesting period: 2010 – 2012)	0	126,564
		Share Matching Plan (vesting period: 2009 – 2011)	276,288	0
	Other	0	0	
	Total	3,796,944	3,170,635	
	Service cost	530,970	504,323	
	Total (GCGC)	4,327,914	3,674,958	

Managing Board members serving as of September 30, 2013

(amounts in €)		Prof. Dr. Siegfried Russwurm Member with responsibilities for Sector portfolio		
		FY 2012	FY 2013	
Non-performance-based components	Fixed compensation (base compensation)	900,000	967,500	
	Fringe benefits ¹	42,146	42,134	
	Total	942,146	1,009,634	
Performance-based components	without long-term incentive effect, non-stock-based	One-year variable compensation (bonus) – Cash component ²	611,955	459,642
	with long-term incentive effect, stock-based	Multi-year variable compensation	2,288,812	1,342,022
		Siemens Stock Awards (restriction period: 2009 – 2012)	0	1,299,629
		Siemens Stock Awards (restriction period: 2008 – 2011)	1,935,766	0
		Share Matching Plan (vesting period: 2010 – 2012)	0	42,393
		Share Matching Plan (vesting period: 2009 – 2011)	353,046	0
	Other	0	0	
	Total	3,842,913	2,811,298	
	Service cost	546,850	519,915	
	Total (GCGC)	4,389,763	3,331,213	

1 Fringe benefits include costs, or the cash equivalent, of non-monetary benefits and other perquisites, such as provision of Company cars in the amount of €239,301 (2012: €257,855), contributions toward the cost of insurance in the amount of €88,827 (2012: €87,429), reimbursement of fees for legal advice, tax advice and accommodation and moving expenses, including any taxes that have been assumed in this regard as well as

costs connected with preventive medical examinations, in the amount of €176,221 (2012: €135,625).

2 The Supervisory Board adjusted the bonus payout amounts resulting from target attainment for all Managing Board members downward by 11%. In addition, the Supervisory Board made further adjustments on an individual basis as follows: Joe Kaeser upward by 5%;

Dr. Roland Busch downward by 5% and Prof. Dr. Hermann Requardt upward by 15%. The one-year variable compensation (bonus) – cash component – presented above therefore includes the amount awarded for fiscal 2013, which will be paid out in January 2014.

3 Brigitte Ederer resigned from the Managing Board effective at the end of the day on September 30, 2013.

Dr. Roland Busch Member with responsibilities for Sector portfolio		Brigitte Ederer³ Member of the Managing Board		Klaus Helmrich Member of the Managing Board		Barbara Kux Member of the Managing Board		Prof. Dr. Hermann Requardt Member with responsibilities for Sector portfolio	
FY 2012	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013
900,000	967,500	900,000	900,000	900,000	900,000	900,000	900,000	900,000	967,500
49,771	48,591	27,697	42,571	76,961	68,329	33,960	68,048	64,132	65,544
949,771	1,016,091	927,697	942,571	976,961	968,329	933,960	968,048	964,132	1,033,044
550,760	433,819	611,955	855,148	611,955	427,574	611,955	427,574	673,151	537,110
273,058	183,382	304,566	227,441	391,094	292,379	0	1,192,671	2,167,117	1,381,376
0	178,145	0	227,441	0	292,379	0	1,137,126	0	1,299,629
215,579	0	304,566	0	310,250	0	0	0	1,935,766	0
0	5,237	0	0	0	0	0	55,545	0	81,747
57,479	0	0	0	80,844	0	0	0	231,351	0
0	0	0	0	0	0	0	0	0	0
1,773,589	1,633,292	1,844,218	2,025,160	1,980,010	1,688,282	1,545,915	2,588,293	3,804,400	2,951,530
547,713	520,736	552,904	525,886	547,675	520,698	552,800	525,734	526,202	499,761
2,321,302	2,154,028	2,397,122	2,551,046	2,527,685	2,208,980	2,098,715	3,114,027	4,330,602	3,451,291

Peter Y. Solmssen Member of the Managing Board		Dr. Michael Süß Member with responsibilities for Sector portfolio		Dr. Ralf P. Thomas CFO since September 18, 2013		Peter Löscher⁴ Member of the Managing Board and President and CEO until July 31, 2013	
FY 2012	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013
900,000	900,000	900,000	967,500	0	34,938	<i>2,000,000</i>	<i>1,666,667</i>
33,498	32,977	49,089	36,158	0	2,465	<i>30,720</i>	<i>25,689</i>
933,498	932,977	949,089	1,003,658	0	37,403	<i>2,030,720</i>	<i>1,692,356</i>
611,955	427,574	611,955	459,642	0	16,598	<i>1,359,900</i>	<i>1,583,607</i>
2,379,441	1,299,629	647,466	477,239	0	0	<i>4,839,378</i>	<i>3,248,954</i>
0	1,299,629	0	477,239	0	0	<i>0</i>	<i>3,248,954</i>
1,935,766	0	647,466	0	0	0	<i>4,839,378</i>	<i>0</i>
0	0	0	0	0	0	<i>0</i>	<i>0</i>
443,675	0	0	0	0	0	<i>0</i>	<i>0</i>
0	0	0	0	0	0	<i>0</i>	<i>0</i>
3,924,894	2,660,180	2,208,510	1,940,539	0	54,001	<i>8,229,998</i>	<i>6,524,917</i>
553,236	526,160	558,008	530,392	0	208,034	<i>1,235,653</i>	<i>1,171,716</i>
4,478,130	3,186,340	2,766,518	2,470,931	0	262,035	<i>9,465,651</i>	<i>7,696,633</i>

According to the provisions of the contract, the variable compensation (bonus) for fiscal 2013 will be granted fully in cash.

⁴ Peter Löscher resigned from the Managing Board effective July 31, 2013; his employment agreement ended effective September 30, 2013. According to the provisions of the contract, the variable compensation (bonus) for fiscal 2013 will be granted fully in cash. In addition to the compensation paid to him for fiscal 2013 as a member of the Managing Board and as President

and CEO, presented above, Peter Löscher received the following compensation for the remaining term of his employment agreement, for the months of August and September 2013: fixed compensation of €333,333, fringe benefits of €5,138, and a proportionate variable compensation (bonus) of €316,721.

Pension benefit commitments

For fiscal 2013, the members of the Managing Board were granted contributions under the BSAV totaling €6.4 million (2012: €5.7 million), based on a resolution of the Supervisory Board dated November 6, 2013. Of this amount, €6.3 million (2012: €5.6 million) related to contributions to their personal pension accounts and the remaining €0.1 million (2012: €0.1 million) to 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 close of the fiscal year, with value date on January 1. Until the beneficiary's time of retirement, the pension account is credited with an annual interest payment (guaranteed interest), currently 1.75%, on January 1 of each year.

The following table shows individualized details of the contributions (additions) under the BSAV for fiscal 2013 as well as the defined benefit obligations for the pension commitments.

(Amounts in €)	Total contributions ¹ for		Defined benefit obligation ² for all pension commitments excluding deferred compensation ³	
	FY 2013	FY 2012	FY 2013	FY 2012
Managing Board members serving as of September 30, 2013				
Joe Kaeser	1,033,200	504,000	5,580,345	4,388,859
Dr. Roland Busch	541,800	504,000	2,008,718	1,446,910
Brigitte Ederer ⁴	504,000	504,000	2,446,951 ²	1,102,958
Klaus Helmrich	504,000	504,000	2,248,901	1,723,759
Barbara Kux	504,000	504,000	2,740,479 ²	2,201,963 ²
Prof. Dr. Hermann Requardt	541,800	504,000	5,094,071	4,433,581
Prof. Dr. Siegfried Russwurm	541,800	504,000	3,490,629	2,893,761
Peter Y. Solmssen	504,000	504,000	15,750,883 ²	14,862,470 ²
Dr. Michael Süß	541,800	504,000	2,353,756	1,789,619
Dr. Ralf P. Thomas ⁵	19,565	–	1,970,651	–
Former members of the Managing Board				
Peter Löscher ⁶	1,120,000	1,120,000	18,307,554 ²	14,717,395 ²
Total	6,355,965	5,656,000	61,992,938	51,936,101

1 The expenses (service costs) recognized in accordance with IFRS in fiscal 2013 for Managing Board members' entitlements under the BSAV in fiscal 2013 amounted to €6,053,355 (2012: €6,152,011).

2 The defined benefit obligations reflect one-time special contributions to the BSAV of €22,480,000 (2012: €19,358,000) for new appointments from outside the Company, as well as special contributions in connection with departure from the Managing Board, in the amount of €10,740,000 (2012: €8,500,000) for Peter Löscher,

€882,000 (2012: €0) for Brigitte Ederer, €340,000 (2012: €340,000) for Barbara Kux and €10,518,000 (2012: €10,518,000) for Peter Y. Solmssen.

3 Deferred compensation totals €8,595,135 (2012: €7,543,061), including €2,914,462 for Joe Kaeser (2012: €2,755,189), €276,893 for Klaus Helmrich (2012: €269,147), €4,082,366 for Barbara Kux (2012: €3,280,486), €1,275,259 for Prof. Dr. Hermann Requardt (2012: €1,238,239) and €46,155 (2012: €0) for Dr. Ralf P. Thomas.

4 Brigitte Ederer resigned from the Managing Board effective at the end of the day on September 30, 2013.

5 Dr. Ralf P. Thomas was elected a full member of the Managing Board effective September 18, 2013.

6 Peter Löscher resigned from the Managing Board effective July 31, 2013; his employment agreement ended effective September 30, 2013.

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 HGB totaling €33.1 million (2012: €15.8 million) in fiscal 2013. This figure includes cash compensation for the stock commitments for former Managing Board member Wolfgang Dehen as a result of the spinoff of OSRAM from the corporate group. Furthermore it includes the compensatory payment connected with the mutually agreed premature termination of the Managing Board membership of former President and CEO Peter Löscher as of July 31, 2013, the

compensation for the remaining term of his employment contract, i.e. for the months of August and September 2013, as well as a one-time special contribution to the BSAV. Former President and CEO of the Managing Board Peter Löscher received 5,615 Stock Awards pro-rata for the months of August and September 2013, which will be settled in cash according to the provisions of the contract. Other than this, former Managing Board members and their surviving dependents received no Stock Awards (2012: no Stock Awards).

The defined benefit obligation (DBO) of all pension commitments to former members of the Managing Board and their surviving dependents as of September 30, 2013, amounted to €192.5 million (2012: €181.6 million). This figure is included in → NOTE 23 in → D.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

Other

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

B.4.1.3 ADDITIONAL INFORMATION ON STOCK-BASED COMPENSATION INSTRUMENTS IN FISCAL 2013

This section provides information concerning the stock commitments held by members of the Managing Board that were components of stock-based compensation in fiscal 2013 and prior years, and also concerning the Managing Board members' entitlements to matching shares under the Siemens Share Matching Plan.

Stock commitments

The following table shows the changes in the stock commitments (Bonus Awards and Stock Awards) held by Managing Board members in fiscal 2013:

	Balance at beginning of fiscal 2013		Granted during fiscal year ¹				Vested and transferred during fiscal year	Forfeited during fiscal year	Balance at end of fiscal 2013 ²	
	Non-forfeitable commitments of Bonus Awards	Forfeitable commitments of Stock Awards	Non-forfeitable commitments of Bonus Awards	Forfeitable commitments of Stock Awards (Target attainment depending on EPS for past three fiscal years)		Commitments of Bonus Awards and Stock Awards	Commitments of Stock Awards	Non-forfeitable commitments of Bonus Awards	Forfeitable commitments of Stock Awards ³	
(Amounts in number of units)										
Managing Board members serving as of September 30, 2012										
Joe Kaeser	15,394	49,657	9,425	20,754	13,477	16,451	–	24,819	67,437	
Dr. Roland Busch	7,697	16,490	8,483	11,859	7,701	2,255	–	16,180	33,795	
Brigitte Ederer ⁴	15,394	26,788	9,425	11,859	7,701	2,879	–	24,819	43,469	
Klaus Helmrich	7,697	19,836	9,425	11,859	7,701	3,701	–	17,122	35,695	
Barbara Kux	15,394	47,600	9,425	11,859	7,701	14,394	–	24,819	52,766	
Prof. Dr. Hermann Requardt	15,394	49,657	10,368	11,859	7,701	16,451	–	25,762	52,766	
Prof. Dr. Siegfried Russwurm	15,394	49,657	9,425	11,859	7,701	16,451	–	24,819	52,766	
Peter Y. Solmssen	15,394	49,657	9,425	11,859	7,701	16,451	–	24,819	52,766	
Dr. Michael Süß	7,697	24,913	9,425	11,859	7,701	6,041	–	17,122	38,432	
Dr. Ralf P. Thomas ⁵	–	18,899	–	5,218	3,388	5,264	–	–	22,241	
Former members of the Managing Board										
Peter Löscher ⁶	34,208	124,139	20,945	29,648	19,252	41,126	–	55,153	131,913	
Total	149,663	477,293	105,771	150,492	97,725	141,464	–	255,434	584,046	

1 The weighted average fair value as of the grant-date for fiscal 2013 was €64.16 per granted share.

2 Amounts do not include stock commitments (Bonus Awards and Stock Awards) awarded in November 2013 for fiscal 2013. For details, see below. However, these amounts may include Stock Awards received as compensation by the Managing Board member before joining the Managing Board.

3 The number of forfeitable commitments of Stock Awards shown here for Brigitte Ederer and Peter Löscher as of the end of fiscal 2013 remains in effect in full on the basis of the agreements in connection with their departure from the Managing Board; the number of Stock Awards linked to future stock performance will be revised as a result of actual target attainment after the end of the restriction period.

4 Brigitte Ederer resigned from the Managing Board effective at the end of the day on September 30, 2013.

5 Dr. Ralf P. Thomas was elected a full member of the Managing Board effective September 18, 2013.

6 Peter Löscher resigned from the Managing Board effective July 31, 2013; his employment agreement ended effective September 30, 2013.

The following table shows the stock (Bonus Awards and Stock Awards) awarded in November 2013 for fiscal 2013:

(Amounts in number of units)	Non-forfeitable commitments of Bonus Awards	Awarded for fiscal ¹	
		Forfeitable commitments of Stock Awards (Target attainment depending on EPS for past three fiscal years)	Forfeitable commitments of Stock Awards (Target attainment depending on future stock performance)
Managing Board members serving as of September 30, 2013			
Joe Kaeser	6,910	12,949	10,974
Dr. Roland Busch	5,364	7,295	6,182
Brigitte Ederer ²	0	7,295	6,182
Klaus Helmrich	5,287	7,295	6,182
Barbara Kux	5,287	7,295	6,182
Prof. Dr. Hermann Requardt	6,641	9,119	7,728
Prof. Dr. Siegfried Russwurm	5,684	9,119	7,728
Peter Y. Solmssen	5,287	7,295	6,182
Dr. Michael Süß	5,648	7,295	6,182
Dr. Ralf P. Thomas ³	206	264	224
Former members of the Managing Board			
Peter Löscher ⁴	0	15,198	12,879
Total	46,350	90,419	76,625

1 See the information on → PAGES 135-137 for the corresponding fair values.
 2 Brigitte Ederer resigned from the Managing Board effective at the end of the day on September 30, 2013. The Siemens Stock Awards for fiscal 2013 will be settled in cash. The cash settlement is calculated on the basis of the monetary value of the Stock Awards on the award date; this monetary value reflects target attainment of 100% for Stock Awards for which target attainment depends on future stock performance, see information on → PAGE 136.

3 Dr. Ralf P. Thomas was elected a full member of the Managing Board effective September 18, 2013.
 4 Peter Löscher resigned from the Managing Board effective July 31, 2013; his employment agreement ended effective September 30, 2013. The Siemens Stock Awards for fiscal 2013 will be settled in cash. The cash settlement is calculated on the basis of the monetary value of the Stock Awards on the award date; this monetary value reflects target attainment of 100% for Stock Awards for which target attainment depends on future stock performance,

see information on → PAGE 136. Regarding the Stock Awards awarded for his remaining contract term, for the months of August and September 2013, see information on → PAGE 140.

Shares from the Share Matching Plan

In fiscal 2011, the members of the Managing Board were entitled for the last time to participate in the Siemens Share Matching Plan, and under the plan were entitled to invest up to 50% of the annual gross amount of their variable cash compensation component (bonus) determined for fiscal 2010 in Siemens shares. After expiration of a vesting period of approximately three years, the plan participants will receive one free

matching share of Siemens stock for every three Siemens shares acquired and continuously held under the plan, provided the participants were employed without interruption at Siemens AG or a Siemens company until the end of the vesting period. The following table shows the development of the matching share entitlements of the individual members of the Managing Board in fiscal 2013.

(Amounts in number of units)	Balance at beginning of fiscal 2013 ¹ Entitlement to matching shares	Due during fiscal year Entitlement to matching shares	Forfeited during fiscal year Entitlement to matching shares	Balance at end of fiscal 2013 ^{1,2} Entitlement to matching shares
Managing Board members serving as of September 30, 2013				
Joe Kaeser	3,806	1,590	–	2,216
Dr. Roland Busch	66	66	–	–
Brigitte Ederer ³	–	–	–	–
Klaus Helmrich	3	–	–	3
Barbara Kux	698	698	–	–
Prof. Dr. Hermann Requardt	2,413	1,027	–	1,386
Prof. Dr. Siegfried Russwurm	533	533	–	–
Peter Y. Solmssen	–	–	–	–
Dr. Michael Süß	–	–	–	–
Dr. Ralf P. Thomas ⁴	2,969	123	–	2,846
Former members of the Managing Board				
Peter Löscher ⁵	–	–	–	–
Total	10,488	4,037	–	6,451

1 Amounts may include entitlements acquired before the member joined the Managing Board.

2 The entitlements of the Managing Board members serving as of September 30, 2013 had the following fair values: Joe Kaeser €146,901 (2012: €222,277), Dr. Roland Busch €0 (2012: €3,464), Brigitte Ederer €0 (2012: €0), Klaus Helmrich €527 (2012: €527), Barbara Kux €0 (2012: €33,282), Prof. Dr. Hermann Requardt €92,011 (2012: €140,823), Prof. Dr. Siegfried Russwurm €0 (2012: €25,487), Peter Y. Solmssen €0 (2012: €0), Dr. Michael Süß €0 (2012: €0) and Dr. Ralf P. Thomas

€152,696 (2012: €0). The entitlement of former Managing Board member Peter Löscher has the following fair value: €0 (2012: €0). The above fair values also take into account that the shares acquired under the Base Share Program as part of the Share Matching Plan were provided with a Company subsidy (for additional information on the Base Share Program see → NOTE 33 in → D.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS).

3 Brigitte Ederer resigned from the Managing Board effective at the end of the day on September 30, 2013.

4 Dr. Ralf P. Thomas was elected a full member of the Managing Board effective September 18, 2013. The stated balance at the end of fiscal 2013 also includes the granted entitlements of matching shares (780 shares) for fiscal 2013 prior to election as a full member of the Managing Board.

5 Peter Löscher resigned from the Managing Board effective July 31, 2013; his employment agreement ended effective September 30, 2013.

Share Ownership Guidelines

Different deadlines apply for the individual members of the Managing Board to provide their first-time proof of compliance with the Siemens Share Ownership Guidelines, depending on when the member was appointed to the Managing Board. The

following table shows the number of Siemens shares held by Managing Board members in office at September 30, 2013, as of the deadline in March 2013 for showing compliance with the Share Ownership Guidelines, and the number of Siemens shares to be held permanently with a view to future deadlines.

(Amounts in number of units or €)	Obligations under Share Ownership Guidelines		
	Required value ¹	Required number of shares ²	Proven number of shares ³
Managing Board members serving as of September 30, 2013, and required to show proof as of March 8, 2013			
Joe Kaeser	1,719,062	21,730	77,685
Barbara Kux	1,705,000	21,552	34,957
Prof. Dr. Hermann Requardt	1,719,062	21,730	67,789
Prof. Dr. Siegfried Russwurm	1,719,062	21,730	66,916
Peter Y. Solmssen	1,705,000	21,552	68,530
Total	8,567,186	108,294	315,877

1 The amount of the obligation is based on a member's average base compensation for the four years prior to each review of his or her achievement of the targets defined by the Share Ownership Guidelines.

2 Based on the average Xetra opening price of €79.11 for the fourth quarter of 2012 (October – December).

3 As per March 8, 2013 (date of proof), including 2011 and 2012 Bonus Awards.

The following table shows the proof-of-compliance obligations of the other Managing Board members in view of the Share Ownership Guidelines:

(Amounts in number of units or €)	Obligations under Share Ownership Guidelines		
	Required value ¹	Required number of shares ²	Due date for initial measurement of adherence
Managing Board members required to show proof in subsequent years			
Dr. Roland Busch	1,829,348	23,124	March 2016
Klaus Helmrich	1,800,000	22,753	March 2016
Dr. Michael Süß	1,829,348	23,124	March 2016
Dr. Ralf P. Thomas	1,935,000	24,460	March 2018
Total	7,393,696	93,461	

1 The amount of the obligation is based on a member's average base compensation for the four years prior to each review of his or her achievement of the targets defined by the Share Ownership Guidelines. The amount shown here is based on average base compensation since the member's initial appointment.

2 Based on the average Xetra opening price of €79.11 for the fourth quarter of 2012 (October – December).

3 As per March 8, 2013 (date of proof), including 2011 and 2012 Bonus Awards.

B.4.1.4 REVISIONS OF THE REMUNERATION SYSTEM FOR THE MANAGING BOARD FOR FISCAL 2014

At its meeting on November 6, 2013, the Supervisory Board decided to revise the remuneration system for the Managing Board as of October 1, 2013, so as to comply with the new recommendations of the German Corporate Governance Code in the version of May 13, 2013. The remuneration system remains focused on providing an incentive for successful corporate management with an emphasis on sustainability. At the same

time, it offers members of the Managing Board a chance to benefit from any sustained increase in the Company's value. For performance-based components, the target attainment range continues to remain between 0% and 200%, and the Supervisory Board, as was previously the case, may revise bonus payments ($\pm 20\%$). The new revisions define maximum amounts for stock-based components (Bonus Awards and Stock Awards), effective from fiscal 2014 onwards. Moreover the compensation overall is limited to a maximum amount of compensation.

Specifically, the following changes to the remuneration system for the Managing Board were adopted by the Supervisory Board as of fiscal 2014:

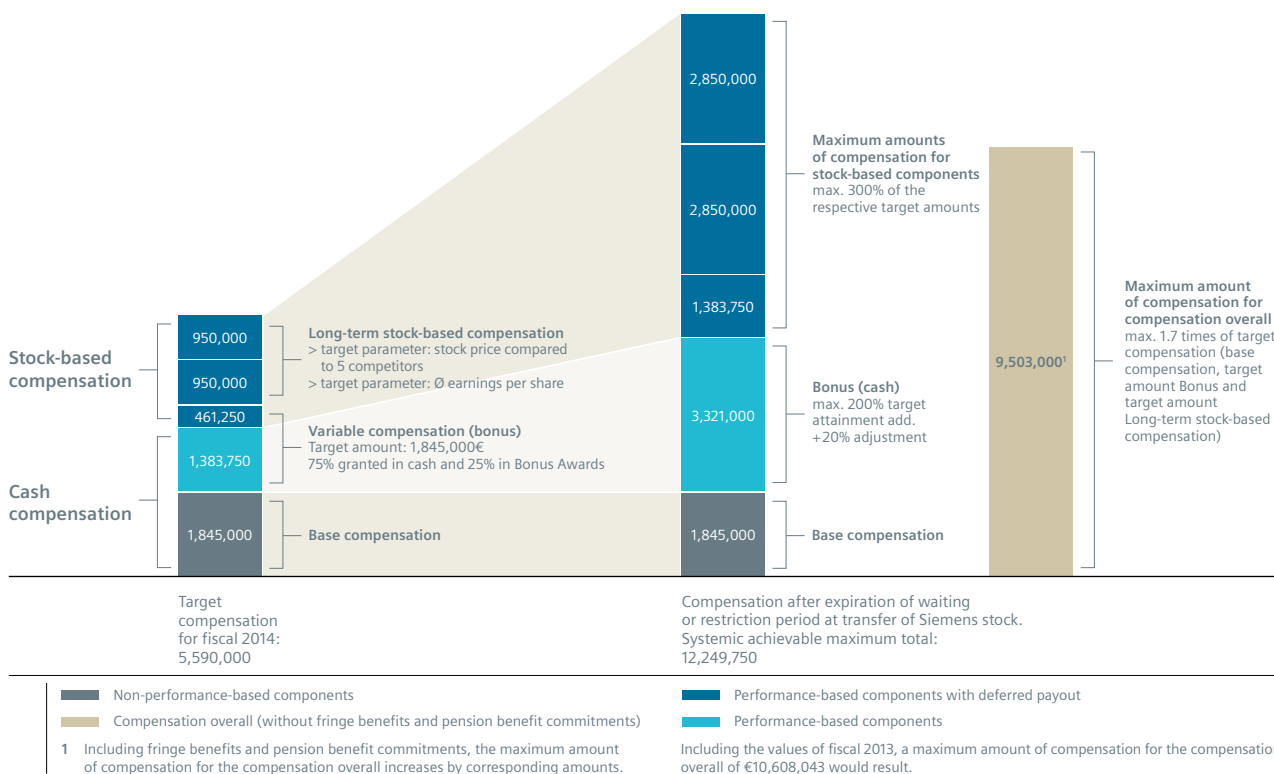
- > For stock commitments (Bonus Awards and Stock Awards), the maximum amount of compensation at the time of transfer of Siemens stock after the end of the waiting or restriction period is now limited to not more than 300% of the respective target amounts. If this maximum amount of compensation is exceeded, the entitlement to any number of shares associated with the excess will forfeit without replacement. For the variable compensation (bonus) paid in cash, the maximum amount of compensation remains unchanged at 200% of the respective target amounts plus the discretionary possibility of upward revision by 20% by the Supervisory Board.
- > In addition to the forfeiture rules to maintain the maximum amounts of compensation for variable compensation (bonus) and long-term stock-based compensation, a maximum amount for the compensation overall must also be observed.

Beginning with fiscal 2014, it cannot exceed 1.7 times the target compensation. The target compensation comprises base compensation, the target amount for the variable compensation (bonus), and the target amount for long-term stock-based compensation, excluding fringe benefits and pension benefit commitments. Including fringe benefits and pension benefit commitments of the respective fiscal year, the maximum amount of compensation for the compensation overall increases by corresponding amounts.

- > The bonus is paid 75% in cash and 25% in the form of Siemens stock commitments (Bonus Awards). The waiting period remains four years. Consistent with legal requirements and with common practice in the market, the payout of more than 60% of the performance-based components is extended over several years.

Furthermore, to take greater account of Managing Board members' individual performance, individual targets will be agreed for fiscal 2014 at target setting for the variable compensation (bonus).

Maximum amounts of compensation using the example of the President and CEO for fiscal 2014 (in €)



B.4.2 Remuneration of members of the Supervisory Board

(Amounts in €)	FY 2013			FY 2012		
	Base compensation	Additional compensation for committee work ¹	Total	Base compensation	Additional compensation for committee work ¹	Total
Supervisory Board members serving as of September 30, 2013						
Dr. Gerhard Cromme	280,000	280,000	560,000	280,000	280,000	560,000
Berthold Huber ²	211,852	77,037	288,889	220,000	80,000	300,000
Dr. Josef Ackermann	211,852	134,815	346,667	207,778	75,556	283,333
Lothar Adler ²	140,000	160,000	300,000	140,000	160,000	300,000
Gerd von Brandenstein	140,000	40,000	180,000	140,000	40,000	180,000
Michael Diekmann	140,000	–	140,000	140,000	–	140,000
Dr. Hans Michael Gaul	140,000	160,000	300,000	140,000	160,000	300,000
Prof. Dr. Peter Gruss	140,000	–	140,000	140,000	–	140,000
Bettina Haller ²	129,630	74,074	203,704	140,000	80,000	220,000
Hans-Jürgen Hartung ²	129,630	–	129,630	140,000	–	140,000
Robert Kensbock ^{2,3}	105,000	–	105,000	–	–	–
Harald Kern ²	140,000	30,000	170,000	140,000	–	140,000
Jürgen Kerner ²	140,000	120,000	260,000	105,000	90,000	195,000
Dr. Nicola Leibinger-Kammüller	134,815	–	134,815	132,222	–	132,222
Gérard Mestrallet ³	98,000	28,000	126,000	–	–	–
Güler Sabancı ³	98,000	–	98,000	–	–	–
Prof. Dr. Rainer Sieg	140,000	–	140,000	140,000	–	140,000
Birgit Steinborn ²	140,000	120,000	260,000	140,000	120,000	260,000
Sibylle Wankel ²	140,000	40,000	180,000	140,000	40,000	180,000
Werner Wenning ³	98,000	28,000	126,000	–	–	–
Former Supervisory Board members						
Jean-Louis Beffa ⁴	42,778	12,222	55,000	132,222	37,778	170,000
Werner Mönius ^{2,4}	46,667	13,333	60,000	140,000	40,000	180,000
Håkan Samuelsson ⁴	38,889	11,111	50,000	140,000	40,000	180,000
Dieter Scheitor ^{2,4}	–	–	–	46,667	40,000	86,667
Lord Iain Vallance of Tummel ⁴	42,778	24,444	67,222	140,000	80,000	220,000
Total	3,067,889	1,353,037	4,420,926⁵	3,083,889	1,363,333	4,447,222⁵

1 Dr. Gerhard Cromme as Chairman of the Supervisory Board and of the Chairman's Committee, the Compliance Committee, and the Finance and Investment Committee, as well as a member of the Audit Committee; Berthold Huber as Deputy Chairman of the Supervisory Board and member of the Chairman's Committee; Dr. Josef Ackermann as Deputy Chairman of the Supervisory Board and member of the Chairman's Committee, the Compliance Committee and the Audit Committee; Lothar Adler as member of the Chairman's Committee, the Compliance Committee and the Finance and Investment Committee; Jean-Louis Beffa as member of the Finance and Investment Committee; Gerd von Brandenstein as member of the Finance and Investment Committee; Dr. Hans Michael Gaul as Chairman of the Audit Committee and member of the Compliance Committee; Bettina Haller as member of the Audit Committee and the Compliance Committee; Harald Kern as member of the Finance and Investment Committee; Jürgen Kerner as member of the Audit Committee and the Finance and Investment Committee; Gérard Mestrallet as member of the Finance and Investment Committee; Werner Mönius as member of the Finance and Investment Committee; Håkan Samuelsson as member of the Finance and Investment Committee; Dieter Scheitor as member of the Audit Committee and the Finance and Investment Committee; Birgit Steinborn as member of the Audit Committee and the Finance and Investment Committee; Lord Iain Vallance of Tummel as member of the Compliance Committee and the Audit Committee; Sibylle Wankel

as member of the Compliance Committee; and Werner Wenning as member of the Finance and Investment Committee, each received an additional fixed compensation for their committee work.

- Both the employee representatives on the Supervisory Board who represent the employees pursuant to Section 3 para. 1 No. 1 of the German Codetermination Act (Mitbestimmungsgesetz) and the representatives of the trade unions on the Supervisory Board declared their readiness to transfer their compensation to the Hans Boeckler Foundation, in accordance with the guidelines of the Confederation of German Trade Unions (DGB).
- Robert Kensbock, Gérard Mestrallet, Güler Sabancı and Werner Wenning were newly elected as members of the Supervisory Board as of the end of the Annual Shareholders' Meeting on January 23, 2013.
- Jean-Louis Beffa, Werner Mönius, Håkan Samuelsson and Lord Iain Vallance of Tummel resigned from the Supervisory Board as of the end of the Annual Shareholders' Meeting on January 23, 2013. Dieter Scheitor resigned from the Supervisory Board as of the end of the Annual Shareholders' Meeting on January 24, 2012.
- In addition, the members of the Supervisory Board are entitled to receive a meeting attendance fee of €1,500 (2012: €1,500) for each meeting of the Supervisory Board and its committees that they attend. In fiscal 2013, Dr. Gerhard Cromme received meeting fees of €57,000 (2012: €48,000), Lothar Adler received meeting fees of €40,500 (2012: €30,000), Dr. Hans Michael Gaul

received meeting fees of €39,000 (2012: €34,500), Dr. Josef Ackermann received meeting fees of €34,500 (2012: €22,500), Birgit Steinborn received meeting fees of €28,500 (2012: €22,500), Berthold Huber received meeting fees of €27,000 (2012: €18,000), Jürgen Kerner received meeting fees of €27,000 (2012: €12,000), Bettina Haller received meeting fees of €25,500 (2012: €25,500), Sibylle Wankel received meeting fees of €22,500 (2012: €16,500), Gerd von Brandenstein received meeting fees of €18,000 (2012: €13,500), Harald Kern received meeting fees of €16,500 (2012: €9,000), Prof. Dr. Peter Gruss received meeting fees of €15,000 (2012: €9,000), Dr. Nicola Leibinger-Kammüller received meeting fees of €15,000 (2012: €7,500), Prof. Dr. Rainer Sieg received meeting fees of €15,000 (2012: €9,000), Lord Iain Vallance of Tummel received meeting fees of €15,000 (2012: €25,500), Michael Diekmann received meeting fees of €13,500 (2012: €9,000), Hans-Jürgen Hartung received meeting fees of €10,500 (2012: €9,000), Werner Mönius received meeting fees of €9,000 (2012: €13,500), Jean-Louis Beffa received meeting fees of €7,500 (2012: €9,000), Robert Kensbock received meeting fees of €7,500 (2012: €0), Gérard Mestrallet received meeting fees of €7,500 (2012: €0), Werner Wenning received meeting fees of €7,500 (2012: €0), Güler Sabancı received meeting fees of €6,000 (2012: €0) and Håkan Samuelsson received meeting fees of €6,000 (2012: €13,500).

The compensation shown on the previous page was determined for each of the members of the Supervisory Board for fiscal 2013 (individualized disclosure).

The current remuneration policies for the Supervisory Board were authorized at the Annual Shareholders' Meeting held on January 25, 2011. 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. The remuneration of the members of the Supervisory Board reflects the responsibilities and scope of 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 and the Chairman's Committee, and – to a lesser degree – the Compliance Committee and the Finance and Investment Committee, receive additional compensation.

According to current rules, 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 work on those committees: the Chairman of the Audit Committee receives €160,000, and each of the other members receives €80,000; the Chairman of the Chairman's Committee receives €120,000, and each of the other members receives €80,000; the Chairman of the Finance and Investment Committee receives €80,000, and each of the other members receives €40,000; the Chairman of the Compliance Committee receives €80,000, and each of the other members 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. Plans call for a proposal to be made at the Annual Shareholders' Meeting in January 2014 that as of October 1, 2013, the Chairman and members of the newly established Compensation Committee will also receive additional compensation. Based on this proposal, the Chairman of the Compensation Committee will receive €100,000, and each of the other mem-

bers of the Committee will receive €60,000. If applicable, compensation received for work on the Chairman's Committee will be taken into account in determining compensation for work on the Compensation 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 pro rata temporis, rounding up to the next full month.

In addition, the members of the Supervisory Board are entitled to receive a meeting attendance 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 furthermore entitled to an office with secretarial support and use of the Siemens carpool service.

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

B.4.3 Other

The Company provides a group insurance policy for board and committee members and certain employees of the Siemens organization that is taken out for one year and renewed annually. The insurance covers the personal liability of the insured in the case of a financial loss associated with employment functions. The insurance policy for fiscal 2013 includes a deductible for the members of the Managing Board and the Supervisory Board in compliance with the requirements of the German Stock Corporation Act and the German Corporate Governance Code.