

**OPENING SPEECH FOR THE 2021
ANNUAL SHAREHOLDERS' MEETING
OF SIEMENS ENERGY AG**

Joe Kaeser

Chairman of the Supervisory Board
of Siemens Energy AG

Munich, February 10, 2021

Abbreviated version.
Check against delivery.

Siemens Energy Annual Shareholders' Meeting 2021 Speech of the Chairman of the Supervisory Board

Esteemed Shareholders,
Ladies and Gentlemen,

As Chairman of the Supervisory Board, I hereby call the 2021 Annual Shareholders' Meeting of Siemens Energy AG to order and assume the chair of the meeting as provided in the Articles of Association.

On behalf of the Supervisory Board, the Executive Board and on my own behalf, I want to welcome all our shareholders and their representatives, the press corps who is tuning in and all the other guests who are attending our Shareholders' Meeting over the Internet.

Regrettably, because of the current pandemic, this year's Shareholders' Meeting cannot be held in person. We must hold it virtually. That means our shareholders and their proxies cannot be physically present. With the consent of the Supervisory Board, the Executive Board has decided to make use of this arrangement, which is offered by German law under what is known as the COVID-19 Act.

Attendance here on location at Werner-von-Siemens-Strasse 1 in Munich is limited to a minimum. I want to welcome

- as members of the Executive Board: CEO Dr. Christian Bruch and CFO Maria Ferraro.
- as members of the Supervisory Board: Deputy Chairmen Robert Kensbock and Dr. Hubert Lienhard. Dr. Lienhard will chair the meeting in my stead in the event that I am unable to do so.
- And I welcome the proxies appointed by the company, Raphaela da Costa von Gehlen and Dr. Moritz Maier.

The other members of the Supervisory Board and Executive Board are attending this meeting on the Internet. We are able to maintain telephone contact with them. Also in attendance is the notary, Jens Kirchner, who will be keeping the record of the meeting. I want to extend a warm welcome to you all.

Note: The section on technical formalities was removed for this abbreviated version.

I know that many shareholders and their representatives would have preferred an active dialogue.

We would have preferred that, too. I hope that in the coming year it will be possible to meet again in person. If not, we will have to find legally secure solutions for an interactive dialogue. Dialogue is a necessity – for both sides.

Point 1 on the agenda: Presentation of the accepted Annual Financial Statements and the approved Consolidated Financial Statements, along with the Combined Management Report, for Siemens Energy AG and the Group as of September 30, 2020, along with the report of the Supervisory Board for the 2019/2020 fiscal year. You can find the full report of the Supervisory Board on pages 166 to 172 of the Annual Report.

I would like to concentrate for now on the main points of this item and go into the work of the Supervisory Board during the current fiscal year so far, along with several other items on today's agenda.

The Annual Financial Statements and Consolidated Financial Statements, together with the combined Management Report of Siemens Energy AG and the Group for fiscal 2020, were audited by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, and each received an unqualified audit opinion.

The Executive Board and the independent auditor explained the documents for the Annual Financial Statements in detail to both the Audit Committee and the Supervisory Board. After its own review, the Supervisory Board approved those financial statements. The Annual Financial Statements of Siemens Energy AG are thereby accepted.

The Supervisory Board additionally gave detailed consideration to the report on relationships with affiliated companies of Siemens Energy AG as submitted by the Executive Board, together with the independent auditor's report on that document. The independent auditor audited the report on relationships with affiliated companies and granted it an unqualified audit opinion. After its own reviews of the report on relationships with affiliated companies and the independent auditor's report on that document, the Supervisory Board had no objections to the Executive Board's declarations at the end of the report on relationships with affiliated companies; it approved that report and affirmed the independent auditor's opinion.

Ladies and Gentlemen,

Siemens AG has redefined its aspirations and has established independent companies that will be able to play an active role in shaping the transformation of their respective businesses. In that work, these companies have the capabilities they need to be among the best in their industries.

The era of big conglomerates is a thing of the past. They have been superseded by focused, adaptable companies – including, since last September, Siemens Energy. The pandemic has subjected companies to another significant increase in the pace of change and the pressure to change. That especially applies to the energy sector. The transformation toward renewable sources of energy has accelerated even further. That is why it was especially important to adhere to our ambitious schedule for making the energy business independent, despite the COVID-19 pandemic.

Yet even as late as September 2020, Siemens Energy AG had no business operations of its own and was a wholly-owned subsidiary of Siemens Aktiengesellschaft. Ever since the spin-off took effect on September 25, 2020, Siemens Energy AG has been the ultimate parent company of the independent Siemens Energy Group. Independence became complete when the company went public on September 28, 2020.

Among the matters that the Supervisory Board and its committees focused on during the first months after the spin-off was the compensation system for management, including compensation for the members of the Executive Board.

The Supervisory Board also concerned itself with core questions of corporate governance. Among other measures, it adopted the diversity concept for the Executive Board and the targets for the composition of the Supervisory Board itself.

Another core matter was the Executive Board's strategy for our company. Siemens Energy is a leading technology corporation in power generation and transmission. It offers an impressive range of products and services. Electrification is a growth field with vast opportunities all over the world.

The great challenge is to meet the constantly rising demand for electricity while at the same time steadfastly confronting climate change in a way that takes due account of social responsibility and makes good economic sense.

We have a strong management team: Dr. Christian Bruch, Dr. Jochen Eickholt, Maria Ferraro and Tim Holt. They have all the qualifications for taking a prudent approach to this challenge.

The management team has adopted an ambitious strategic program. "Energy of Tomorrow" is the answer to the profound changes the energy business is now undergoing. The strategy aims to resolutely make use of the opportunities I have just described and to judiciously overcome the associated challenges. The entire Supervisory Board supports the Executive Board's strategy.

Siemens Energy is part of the solution for the worldwide energy transition – and also part of the energy debate. It is important and right for Siemens Energy to continue this debate on our responsibility to future generations. So we emphatically welcome it when the younger generation organizes and states its aspirations. The diagnosis is clear. But a cure can only come from an appropriate therapy. That therapy has side effects that must be taken into account. That is why we must find solutions that are both effective and integrative. Because we have no "Planet B."

Companies are part of society. We must integrate interests and act for the benefit of all stakeholders. That is why Siemens Energy has affirmed its commitment to its ESG principles – "Environmental, Social, Governance" – and is acting accordingly.

A special point to be emphasized in this connection is the Executive Board's decision that the company will no longer engage in new bidding for power plants fueled solely with coal. The company will meet the obligations it has already undertaken toward our customers and partners.

That decision is an expression of our consistent focus on guiding Siemens Energy step by step toward sustainability and climate neutrality. Against that background, the Supervisory Board also welcomes the company's activities in new lines of business and technologies of the future, including "Power-to-X" and "Green Hydrogen." Siemens Energy is thus investing in the development of a decarbonized economy and is helping to drive that transformation.

In addition to principles for sustainable corporate management, the Supervisory Board has also adopted the diversity concept for the Executive Board and the targets for the Supervisory Board's own composition.

Esteemed shareholders,

In addition to the usual formalities to be decided at an Annual Shareholders' Meeting, this meeting will also address significant questions that we have submitted for your decision. They include electing the independent auditor, electing the shareholders' representatives to sit on the Supervisory Board, and questions of remuneration.

Item 4 on our agenda concerns appointing the independent auditor for our annual financial statements and consolidated financial statements, as well as the auditor to review the semiannual financial report.

Based on the recommendation of the Audit Committee, we are nominating Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, of Stuttgart, as the independent auditor of the single-entity and consolidated financial statements for fiscal 2021 and as the auditor to review the abridged financial statements and the interim management report of the Group for the first half of fiscal 2021.

The Audit Committee and Supervisory Board have scrupulously and meticulously examined E&Y's role in connection with the developments in the Wirecard scandal. On the basis of the facts available to date, they have found no reasons that would oppose electing E&Y as the independent auditor for fiscal 2021.

Item 5 on our agenda is the elections for the Supervisory Board. The term of office of all Supervisory Board members representing the shareholders will end at the conclusion of today's Shareholders' Meeting. New elections are therefore necessary for these ten Supervisory Board members. All the current members of the Supervisory Board representing the shareholders are standing for reelection.

Based on the recommendations of the Nominating Committee, the Supervisory Board proposes the following individuals for election: Dr. Christine Bortenlänger, Mr. Sigmar Gabriel, Mr. Joe Kaeser, Dr. Hubert Lienhard, Ms. Hildegard Müller, Ms. Laurence Mulliez, Mr. Matthias Rebellius, Prof. Dr. Ralf Thomas, Ms. Geisha Jimenez Williams, and Mr. Randy Zwirn.

The following criteria in particular governed the choice of candidates:

- Experience in the energy sector or in finance; in other words, expert knowledge of the field;
- Internationality and diversity;
- Experience working with regulatory affairs and international relations, a helpful asset for such tasks as successfully carrying out the energy transition;
- And an appropriate involvement by the primary shareholder, Siemens AG, to assist with a stable transition of Siemens Energy into an independent entity.

- At the same time, ensuring the independence of Siemens Energy – in other words, the release of control by Siemens AG. Here in particular we have taken special precautions by planning to appoint a “special independent director.” This will ensure that the various bodies of the Supervisory Board will be able to reach majority decisions independently.

To enable you to form a better impression of the nominees, I would like to introduce each of them briefly, in alphabetical order:

Christine Bortenlänger is the Managing Director of the Deutsches Aktieninstitut e.V. She has extensive experience in managing and supervising both exchange-traded and unlisted companies. Her expertise with the financial markets and her knowledge of law and compliance are outstanding, as is her knowledge of organizational and cultural change.

Sigmar Gabriel is a former Vice-Chancellor, a retired minister of the federal government in a variety of capacities, and a retired state Prime Minister, as well as one of the most internationally eminent politicians in Germany. Mr. Gabriel contributes outstanding qualifications, especially with his international network and his experience with environmental issues.

Among his many positions, Hubert Lienhard is a member of the Supervisory Board of the energy utility EnBW. From 2008 to 2018, Mr. Lienhard chaired the group management at Voith GmbH & Co. KGaA. He has also long been active in major business associations; for instance, until 2019 he was Chairman of the Asia-Pacific Committee of German Business. He has outstanding expertise in Siemens Energy's lines of business and economic regions.

Hildegard Müller is President of the German Association of the Automotive Industry, the VDA; she is also a retired state minister and a former member of the Executive Board of Innogy. Her extensive experience, including as former Chair of the Management of the German Association of Energy and Water Industries, the BDEW, has enabled Ms. Müller to gather valuable industry knowledge and extensive experience with regulatory matters.

Laurence Mulliez is the Chairwoman of the Board of Directors of Voltalia SA and President of Globeleq Ltd. Ms. Mulliez has diverse expertise in financial and management matters in such fields as financial economics, energy and chemistry. She was also CEO of EOXIS, a company that generates electricity from wind and solar farms, and thus she contributes valuable experience for the energy transition.

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Matthias Rebellius is a member of the Managing Board of Siemens AG and CEO of Siemens Smart Infrastructure. He represents the interface in the value chain between Siemens Energy AG and Siemens AG – including with an eye to cooperative arrangements for the benefit of both companies in the world market.

Ralf Thomas is the CFO of Siemens AG and a member of that company's Managing Board. Mr. Thomas is not only known as an exceptionally outstanding and internationally respected financial expert but is also extremely well acquainted with the business lines of Siemens Energy AG. On the Managing Board of Siemens AG, he is also in charge of Siemens Financial Services, an important partner for Siemens Energy in the acquisition of projects in the conventional sphere, and in the operations of Siemens Gamesa.

Geisha Jimenez Williams is an independent corporate consultant and an expert on the energy business. She was the CEO of Pacific Gas and Electric (PG&E), and before that was a member of the management of Florida Light & Power, now NextEra, a pioneer in the energy transformation. This experience has given her excellent experience with the customer end and in managing complex transformations.

Randy Zwirn is a member of the Board of Directors of Babcock Power Inc. Until his departure in 2016, Mr. Zwirn was in charge for many years of the important service business of the Energy sector at Siemens. Mr. Zwirn is one of the best-connected personalities in the world's energy business. He is well acquainted with Siemens Energy, yet also has the constructive critical distance needed for activity on the Supervisory Board.

Esteemed shareholders,

We believe we have made a good selection of nominees. I therefore urge you to support them in the election.

Siemens' decision to spin off the Energy sector and found Siemens Energy has focused at all times bilaterally on the sustainable success of both Siemens AG and Siemens Energy AG. The Chairman of the Supervisory Board of Siemens AG, Mr. Jim Snabe, and I in my former capacity as President and CEO of that company, made important choices to set the course of that process. Those included making an early decision on a successor for the position of President and CEO of Siemens AG and on the focus of the Executive Board of Siemens Energy. I agreed to support the advancement of Siemens Energy as Chairman of its Supervisory Board.

As had long been planned, my term as a member of the Managing Board and as President and CEO of Siemens AG ended at the end of the Annual Shareholders' Meeting of Siemens AG on February 3, 2021. Day after tomorrow, on February 12, 2021, I will resign from my position on the Supervisory Board of Siemens Limited India. After that point I will no longer have any ties or obligations to Siemens AG.

Nevertheless, it is essential for us to address all reservations shareholders may potentially have, even if all criteria have been met formally. For that reason, in Mr. Lienhard the Supervisory Board has appointed a special member, with regard to Siemens AG, upon whose election Siemens will be voting only with a significantly reduced number of votes. That emphasizes Mr. Lienhard's special position, which is based on the role of a "lead independent director." It also complies with the terms of the release of control agreement with Siemens AG and Siemens Beteiligungen Inland GmbH.

One of the Supervisory Board's most important committees is the Audit Committee, which is to have a majority of independent members at the least. The Supervisory Board believes it wise for Prof. Thomas, with his extensive expertise and experience, to start out as chairman of this important committee. This is also a matter of great significance for a smooth transition that will ensure the continuing integrity of the internal controlling system and compliance at the new company. After this transitional period, plans call for the Audit Committee to be chaired by an entirely independent member of the Supervisory Board. Regarding that point, we have agreed that Mr. Thomas will resign as Chairman of the Audit Committee as of the end of the next Annual Shareholders' Meeting in February 2022.

A strong Supervisory Board must also include excellent representatives of the employees. Our constituting meeting with the employee representatives was held on December 4, 2020. The following members were appointed to represent the employees:

Mr. Günter Augustat, Mr. Manfred Bäreis, Dr. Andrea Fehrmann, Dr. Andreas Feldmüller, Ms. Nadine Florian, Mr. Rüdiger Gross, Mr. Horst Hakelberg, Mr. Robert Kensbock, Mr. Jürgen Kerner and Mr. Hagen Reimer.

I look forward to working with all the members of the Supervisory Board. The great opportunity offered by the principle of co-determination lies in a constructive coexistence of the shareholders' and employees' sides, for the benefit of the company. An up-to-date social partnership will also be an important factor in our joint efforts to carry out an energy transition that must integrate ecological, economic and social aspects alike.

The Supervisory Board also gave consideration to the compensation system for the Executive Board and the compensation of the Supervisory Board. These points are being submitted for your decision under Agenda Items 6 and 7. I will provide a separate overview of them for you before we turn to answering your questions.

Ladies and Gentlemen,

I want to thank the members of the Executive Board and the employees of Siemens Energy AG and all its Group companies for their outstanding commitment over the past fiscal year. The year's conditions reached historic levels of difficulty.

Yet at the same time it was also a very special year for Siemens Energy: the year when a new company was born. We now have the possibility of achieving something truly great together for all our stakeholders. The start may be difficult, but the opportunities for the long term are great. After all, we have no "Planet B."

Thank you very much.
